


|   |  |   |
|---|--|---|
| <b>REPORT TEMPLATE</b>                      |  | <br>Eswatini<br>Electricity<br>Company |
| <u>System:</u><br>Quality Management System | <u>Reference No, Revision No:</u><br>Q-CSv-MCc-PO-01-D-01, Rev 2 | <u>Originated by:</u><br>Marketing & Corporate Communications<br>Manager  |
| <u>Revision Date:</u><br>27.05.2022         | <u>Page No:</u><br>Page 1 of 13                                  | <u>Authorised by:</u><br>GM Customer Services   |

# ESWATINI ELECTRICITY COMPANY



## TERMS OF REFERENCE

**INDEPENDENT VERIFICATION AGENT (IVA) FOR THE  
VERIFICATION OF PERFORMANCE-BASED CONDITIONS FOR  
THE PROPOSED  
ACCELERATING SUSTAINABLE AND CLEAN ENERGY ACCESS  
TRANSFORMATION IN ESWATINI  
PROJECT ID NO: P508960**

April 2026

**REPORT TEMPLATE**



|   |  |  |
|---|--|--|
| <u>System:</u><br>Quality Management System | <u>Reference No, Revision No:</u><br>Q-CSv-MCc-PO-01-D-01, Rev 2 | <u>Originated by:</u><br>Marketing & Corporate Communications<br>Manager |
| <u>Revision Date:</u><br>27.05.2022         | <u>Page No:</u><br>Page 2 of 13                                  | <u>Authorised by:</u><br>GM Customer Services                            |

**Issuing Entity:** Eswatini Electricity Company (EEC) — Project Implementation Unit (PIU)

**Funding:** World Bank (IBRD Loan No. 9773-SZ / IDA Credit No. 7700-SZ / LPF Grant No. TF0C7150)

**Assignment Type:** Consulting Firm

**Location:** Kingdom of Eswatini

**Estimated Duration:** Up to June 30, 2030

## REPORT TEMPLATE



|   |  |  |
|---|--|--|
| <u>System:</u><br>Quality Management System | <u>Reference No, Revision No:</u><br>Q-CSv-MCc-PO-01-D-01, Rev 2 | <u>Originated by:</u><br>Marketing & Corporate Communications<br>Manager |
| <u>Revision Date:</u><br>27.05.2022         | <u>Page No:</u><br>Page 3 of 13                                  | <u>Authorised by:</u><br>GM Customer Services                            |

## Contents

|  |    |
|--|----|
| 1. Background and Project Overview.....                  | 4  |
| 2. Performance-Based Conditions (PBCs) .....             | 4  |
| 3. Objectives of the Assignment .....                    | 6  |
| 4. Scope of Work and Key Tasks .....                     | 6  |
| 4.1 Inception Phase .....                                | 6  |
| 4.2 Ongoing Monitoring and Data Collection Support ..... | 7  |
| 4.3 Verification of PBC Achievement .....                | 7  |
| 5. Verification Protocol .....                           | 8  |
| 6. Deliverables and Reporting .....                      | 8  |
| 7. Independence and Conflict of Interest .....           | 9  |
| 8. Qualifications and Experience.....                    | 10 |
| 8.1 Firm Qualifications .....                            | 10 |
| 8.2 Key Personnel .....                                  | 11 |
| 9. Duration and Timing .....                             | 12 |
| 10. Institutional Arrangements and Coordination.....     | 12 |
| 11. Procurement and Contract Modalities .....            | 13 |
| 12. Applicable Documents .....                           | 13 |

## REPORT TEMPLATE



|   |  |  |
|---|--|--|
| <u>System:</u><br>Quality Management System | <u>Reference No, Revision No:</u><br>Q-CSv-MCc-PO-01-D-01, Rev 2 | <u>Originated by:</u><br>Marketing & Corporate Communications<br>Manager |
| <u>Revision Date:</u><br>27.05.2022         | <u>Page No:</u><br>Page 4 of 13                                  | <u>Authorised by:</u><br>GM Customer Services                            |

### 1. Background and Project Overview

The Kingdom of Eswatini (GoKE), with support from the World Bank, is implementing the Accelerating Sustainable and Clean Energy Access Transformation in Eswatini Project (ASCENT-Eswatini, P508960), approved by the World Bank Board on February 5, 2025, and declared effective on November 28, 2025. The project is part of the ASCENT Multiphase Programmatic Approach (MPA, P180547), approved on November 28, 2023, which aims to increase access to sustainable and clean energy across Eastern and Southern Africa.

The Project Development Objective (PDO) of ASCENT-Eswatini is to increase access to sustainable and clean energy in Eswatini, with the aim of achieving universal electricity access by 2030. The project is structured around three components:

- Component 1 – Networks Reinforcement (USD 43 million): Construction and upgrade of substations, MV/LV distribution lines, auto-reclosers, transformers, fiber optical cables, and related infrastructure.
- Component 2 – Electricity Access Expansion (USD 56 million): On-grid last-mile connectivity for peri-urban and rural households and public facilities, and off-grid electrification through Performance-Based Grants and Catalytic Grants to solar service providers.
- Component 3 – Technical Assistance, Studies, Capacity Building and Implementation Support (USD 10 million): Analytical studies, institutional strengthening, and project management support.

The Eswatini Electricity Company (EEC) is the Project Implementing Entity and manages the project through its Project Implementation Unit (PIU). The Ministry of Finance (MOF) has entered into a Subsidiary Agreement with EEC for the transfer of project financing.

A key feature of the project design is the inclusion of Performance-Based Conditions (PBCs) under Subcomponent 2.1.2 (On-grid last mile connectivity with Performance Based Conditions). Disbursement of funds linked to PBCs is contingent on independent verification of their achievement by an Independent Verification Agent (IVA). The IVA is to be procured under Subcomponent 2.1.1, as specified in the Project Implementation Manual (PIM).

### 2. Performance-Based Conditions (PBCs)

The project includes three PBCs whose achievement must be independently verified before the corresponding disbursements can be made. These PBCs are described in Schedule 3 of the Legal Agreements, detailed in the Project Implementation Manual (PIM), and are summarized below:

**REPORT TEMPLATE**



|   |  |  |
|---|--|--|
| <u>System:</u><br>Quality Management System | <u>Reference No, Revision No:</u><br>Q-CSv-MCc-PO-01-D-01, Rev 2 | <u>Originated by:</u><br>Marketing & Corporate Communications<br>Manager |
| <u>Revision Date:</u><br>27.05.2022         | <u>Page No:</u><br>Page 5 of 13                                  | <u>Authorised by:</u><br>GM Customer Services                            |

| <b>PBC description</b>   | <b>Actions to be completed</b>  | <b>Target Achievement Date</b> | <b>Allocated Amount</b> |
|--|---|--------------------------------|-------------------------|
| PBC 1: Strengthening capacity of the electrical contractors selected by EEC to support implementation of last mile electrification | EEC has developed and adopted a capacity building program including OHS with an Implementation Plan for the selected electrical contractors and implemented the first training of the Plan.   | By June 2026                   | USD 3,000,000           |
| PBC 2: Improving operational efficiency and effectiveness of EEC   | EEC has: (a) completed an efficiency study; and (b) the study is approved by EEC Board and ESERA.   | By December 2027               | USD 3,000,000           |
| PBC 3: Ensuring financial viability of EEC   | EEC has: (a) completed and adopted a cost-of-service study in accordance with the methodology recommended by the ESERA; and (b) prepared and adopted a financial viability assessment model and operationalized the model by assigning the responsibility of running the model to a department. | By December 2029               | USD 4,000,000           |

## REPORT TEMPLATE



|   |  |  |
|---|--|--|
| <u>System:</u><br>Quality Management System | <u>Reference No, Revision No:</u><br>Q-CSv-MCc-PO-01-D-01, Rev 2 | <u>Originated by:</u><br>Marketing & Corporate Communications<br>Manager |
| <u>Revision Date:</u><br>27.05.2022         | <u>Page No:</u><br>Page 6 of 13                                  | <u>Authorised by:</u><br>GM Customer Services                            |

The specific evidence requirements, data sources, verification methodology, and disbursement thresholds for each PBC are detailed in the Verification Protocol, which is included in the PIM and forms an integral part of these Terms of Reference.

### 3. Objectives of the Assignment

The overall objective of this assignment is to provide independent, impartial, and technically credible verification of the achievement of the PBCs under the ASCENT-Eswatini project, as a prerequisite for the release of the corresponding disbursements from the World Bank.

Specifically, the IVA shall:

- Conduct systematic and rigorous verification of the evidence submitted by EEC in support of the achievement of each PBC, in accordance with the Verification Protocol;
- Provide independent, objective, and evidence-based assessments of PBC compliance to the World Bank and EEC;
- Conduct field spot checks, data audits, and desk reviews as appropriate to validate reported results;
- Identify and flag any data quality issues, inconsistencies, or gaps in the evidence base, and recommend corrective measures where relevant;
- Prepare and submit comprehensive Verification Reports that document verification findings, methodology applied, evidence reviewed, and conclusions on PBC achievement;
- Support the capacity of EEC's PIU to collect, manage, and report on PBC-related data and documentation throughout project implementation; and
- Contribute to the development and periodic updating of the Verification Protocol in coordination with EEC and the World Bank, as needed.

### 4. Scope of Work and Key Tasks

The IVA shall carry out the following tasks throughout the duration of the assignment:

#### 4.1 Inception Phase

Within sixty (60) days of contract signing, the IVA shall:

- Review all relevant project documents, including the Legal Agreements, PIM, Verification Protocol, Results Framework, and other relevant project documentation;
- Conduct a kick-off meeting with EEC's PIU and the World Bank Task Team to align on verification scope, methodology, and timelines;
- Assess data collection and reporting systems within EEC's PIU and EEC operational units responsible for PBC-related activities;

## REPORT TEMPLATE



|   |  |  |
|---|--|--|
| <u>System:</u><br>Quality Management System | <u>Reference No, Revision No:</u><br>Q-CSv-MCc-PO-01-D-01, Rev 2 | <u>Originated by:</u><br>Marketing & Corporate Communications<br>Manager |
| <u>Revision Date:</u><br>27.05.2022         | <u>Page No:</u><br>Page 7 of 13                                  | <u>Authorised by:</u><br>GM Customer Services                            |

- Identify any data gaps or weaknesses in the current evidence base that may affect verification;
- Finalize and agree on a detailed Verification Methodology for each PBC, consistent with the Verification Protocol, including the sampling approach, data sources, verification tools, and reporting templates; and
- Submit an Inception Report summarizing the above findings and the proposed work plan for the duration of the assignment, for approval by EEC and the World Bank.

### 4.2 Ongoing Monitoring and Data Collection Support

Throughout project implementation, the IVA shall:

- Maintain regular engagement with EEC's PIU to monitor progress toward PBC achievement and provide advisory support on data collection and evidence documentation;
- Conduct at least one annual field visit to verify field-level evidence and assess the quality of implementation activities linked to PBCs, including contractor capacity assessments and training records for PBC 1;
- Review interim reports, progress data, and evidence submitted by EEC on a periodic basis; and
- Alert EEC and the World Bank promptly if any issues are identified that may jeopardize timely PBC achievement.

### 4.3 Verification of PBC Achievement

When EEC submits evidence of PBC achievement, the IVA as guided by the verification protocol shall:

- Conduct a comprehensive desk review of all documentation submitted by EEC as evidence of PBC fulfilment, including official reports, approval letters, training records, contractor certifications, study documents, EXCO minutes, board resolutions, and regulatory approvals;
- Conduct field verification activities, including physical inspections, sample interviews with beneficiaries and contractors, and site visits, as stipulated in the agreed Verification Protocol;
- Assess the accuracy, completeness, and reliability of the reported data and the adequacy of the evidence against the PBC achievement criteria defined in the agreed Verification Protocol;
- Verify, for PBC 1, that EEC has implemented a structured capacity building program for electrical contractors, including training, certification or qualification assessments, and stakeholder engagement activities in project areas;

## REPORT TEMPLATE



System:  
Quality Management System

Reference No, Revision No:  
Q-CSv-MCc-PO-01-D-01, Rev 2

Originated by:  
Marketing & Corporate Communications  
Manager

Revision Date:  
27.05.2022

Page No:  
Page 8 of 13

Authorised by:  
GM Customer Services

- Verify, for PBC 2, that EEC has completed a cost-of-service study and financial viability assessment, and that these have been approved by the EEC Board and ESERA, with supporting documentation;
- Verify, for PBC 3, that EEC has completed an efficiency study aimed at improving operational efficiency and effectiveness, and that the study has been formally approved by EEC management; and
- Prepare and submit a PBC Verification Report (see Section 6) within sixty (60) days of receiving EEC's evidence submission, as required under the Legal Agreements.

### 5. Verification Protocol

The Verification Protocol, embedded in the PIM and agreed with the World Bank, defines the detailed verification methodology for each PBC. It includes, at a minimum:

- PBC-specific achievement criteria: Clear, measurable, and observable conditions that must be met for each PBC to be considered achieved;
- Data sources and evidence requirements: Types of documents, data, and supporting evidence that EEC must submit to demonstrate PBC achievement;
- Verification procedures: Methods to be used by the IVA to assess PBC achievement.
- Roles and responsibilities: responsibilities of the IVA in the verification process;

The IVA shall carry out all verification activities in accordance with the Verification Protocol. Any proposed amendments to the Verification Protocol will be agreed upon in writing with EEC and the World Bank prior to implementation.

### 6. Deliverables and Reporting

The IVA shall produce the following deliverables:

| Deliverable  | Timing                             |
|--|------------------------------------|
| Inception Report — including verification methodology, work plan, and assessment of PIU data systems | Within 60 days of contract signing |

## REPORT TEMPLATE



|   |  |  |
|---|--|--|
| <u>System:</u><br>Quality Management System | <u>Reference No, Revision No:</u><br>Q-CSv-MCc-PO-01-D-01, Rev 2 | <u>Originated by:</u><br>Marketing & Corporate Communications<br>Manager |
| <u>Revision Date:</u><br>27.05.2022         | <u>Page No:</u><br>Page 9 of 13                                  | <u>Authorised by:</u><br>GM Customer Services                            |

|  |  |
|--|--|
| Annual Field Visit Reports — summarizing field verification findings and data quality observations   | Annually, within 30 days of each field visit   |
| PBC Verification Reports — one per PBC verification exercise, certifying whether each PBC has been achieved, with supporting evidence        | Within 60 days of EEC's evidence submission; prior to disbursement application             |
| Quarterly Grant Scheme Verification Reports — assessing compliance and expenditures under the off-grid grant scheme                          | Quarterly – within 30 days after the end of each quarter throughout project implementation |
| Final Assignment Report — summarizing all verification activities, lessons learned, and overall PBC achievement across the project lifecycle | Within 60 days of project closing  |

All reports shall be submitted in English, in form and substance satisfactory to EEC and the World Bank and shall be shared simultaneously with EEC's PIU and the World Bank Task Team. The World Bank retains the right to make the final determination on whether a PBC has been achieved based on the IVA's verification report.

### 7. Independence and Conflict of Interest

The IVA must be technically and financially independent from EEC, the Government of Eswatini, and any other entities directly involved in implementing ASCENT-Eswatini project activities. Specifically:

- The IVA shall have no financial, commercial, or other interest in the project activities it is verifying;
- The IVA shall not have been involved in the design, preparation, or implementation of the activities subject to verification under this assignment;
- The IVA shall promptly disclose to EEC and the World Bank any actual or potential conflict of interest that may arise during the assignment; and
- The IVA shall maintain strict confidentiality of all project data and information obtained during the assignment.

## REPORT TEMPLATE



|   |  |  |
|---|--|--|
| <u>System:</u><br>Quality Management System | <u>Reference No, Revision No:</u><br>Q-CSv-MCc-PO-01-D-01, Rev 2 | <u>Originated by:</u><br>Marketing & Corporate Communications<br>Manager |
| <u>Revision Date:</u><br>27.05.2022         | <u>Page No:</u><br>Page 10 of 13                                 | <u>Authorised by:</u><br>GM Customer Services                            |

Any identified conflict of interest may result in the IVA being required to recuse itself from specific verification activities or, in serious cases, termination of the contract.

## 8. Qualifications and Experience

### 8.1 Firm Qualifications

The IVA shall be a reputable consulting firm, audit firm, academic institution, or international organization with demonstrated experience in:

- Independent verification, monitoring and evaluation, or audit assignments in the energy sector, ideally including electricity reform and access projects in Sub-Saharan Africa;
- Results-based financing, performance-based contracting, or similar disbursement-linked indicator verification assignments, preferably for World Bank or other multilateral development bank-financed projects;
- Conducting field verification and data quality assessments in developing country contexts; and
- Familiarity with World Bank procurement and consultant management guidelines.

As a minimum, the firm must have 5 years' experience in verification of project outputs, disbursement-linked indicators (DLIs), or PBCs, including development or application of verification protocols, field inspections, data validation, and reporting and have successfully completed similar assignments/contracts involving:

- At least two (2) assignments involving independent verification, validation, or technical auditing of operations/projects, preferably under results-based financing (RBF), Performance-Based Conditions (PBCs), or similar frameworks funded by multilateral development institutions ideally including electricity reform and access projects in Sub-Saharan Africa
- At least one (1) assignment of similar nature conducted in an African country, preferably in developing or comparable project environments.

Prior experience working on ASCENT MPA or similar energy access programs in Eastern and Southern Africa will be an advantage.

## REPORT TEMPLATE



|   |  |  |
|---|--|--|
| <u>System:</u><br>Quality Management System | <u>Reference No, Revision No:</u><br>Q-CSv-MCc-PO-01-D-01, Rev 2 | <u>Originated by:</u><br>Marketing & Corporate Communications<br>Manager |
| <u>Revision Date:</u><br>27.05.2022         | <u>Page No:</u><br>Page 11 of 13                                 | <u>Authorised by:</u><br>GM Customer Services                            |

### 8.2 Key Personnel

The IVA shall field a team that includes, at minimum, the following key experts who have been involved in at least one (1) similar assignment/project in the last 5 years (beyond 2021):

#### *Team Leader / Energy Sector Specialist*

- Advanced degree (Master's or higher) in energy engineering, electrical engineering, energy and sustainability or a related field;
- Minimum 10 years of professional experience in the energy sector, with at least 5 years in utility sector financial viability and electricity access in developing countries;
- Prior experience leading IVA, M&E, or audit assignments for multilateral development bank projects; and
- Strong knowledge of results-based financing mechanisms and PBC/DLI verification methodologies.

#### *Monitoring and Evaluation Specialist*

- Advanced degree in economics, statistics, development studies, or a related field;
- Minimum 7 years of experience in M&E, data quality assessment, or results verification; and
- Experience in designing and implementing verification protocols for performance-based programs.

#### *Financial/Fiduciary Specialist*

- Degree in finance, accounting, or a related field, with professional certification (e.g., CPA, ACCA) preferred;
- Minimum 7 years of experience in financial management, auditing, or fiduciary verification for development projects; and
- Experience reviewing eligible expenditure reports and financial statements linked to disbursement conditions.

#### *Local Expert / National Consultant*

- Degree in engineering, economics, or a related field;
- Minimum 5 years of professional experience in Eswatini or the Southern Africa region;
- Knowledge of the Eswatini energy sector institutional landscape, including EEC and ESERA; and
- Familiarity with applicable national regulations, policies, and energy access programs.

## REPORT TEMPLATE



|   |  |   |
|---|--|---|
| <u>System:</u><br>Quality Management System | <u>Reference No, Revision No:</u><br>Q-CSv-MCc-PO-01-D-01, Rev 2 | <u>Originated by:</u><br>Marketing & Corporate Communications Manager |
| <u>Revision Date:</u><br>27.05.2022         | <u>Page No:</u><br>Page 12 of 13                                 | <u>Authorised by:</u><br>GM Customer Services                         |

### 9. Duration and Timing

The assignment is expected to commence August 2026 and shall remain in place throughout project implementation until project closing on December 31, 2030 (or such extended date as may be agreed). The total estimated duration of the assignment is approximately four (4) years. The estimated expert months for each specialist:

| No: | Specialist                             | Expert-months/quarter | Total Expert-months |
|-----|--|-----------------------|---------------------|
| 1.  | Team Leader / Energy Sector Specialist | 1                     | 17                  |
| 2.  | Monitoring and Evaluation Specialist   | 1.2                   | 20.4                |
| 3.  | Financial/Fiduciary Specialist         | 0.8                   | 13.6                |
| 4.  | Local Expert / National Consultant     | 1                     | 17                  |
|     | <b>Total</b>                           | <b>4</b>              | <b>68</b>           |

The IVA shall submit a detailed work plan and staffing schedule as part of the Inception Report, indicating the expected number and timing of field visits, verification cycles, and reporting deadlines aligned with the PBC achievement milestones specified in the Verification Protocol.

### 10. Institutional Arrangements and Coordination

The IVA will work under the overall supervision of EEC's PIU Coordinator and in close coordination with the World Bank Task Team Leader. The day-to-day liaison with the IVA will be managed by the M&E Specialist within EEC's PIU.

The IVA shall:

- Participate in regular project coordination meetings at the request of EEC or the World Bank;
- Provide timely responses to requests for clarification or additional information from EEC and the World Bank;
- Coordinate with EEC's PIU to access relevant project data, site visits, and meetings with contractors, service providers, and other relevant stakeholders; and
- Coordinate, as needed, with the support consultant hired under Component 2.2 for the off-grid electrification activities, particularly for verification of the grant scheme.

The World Bank Task Team will conduct periodic quality assurance reviews of the IVA's verification reports. The World Bank retains the right to request additional information,

## REPORT TEMPLATE



|   |  |  |
|---|--|--|
| <u>System:</u><br>Quality Management System | <u>Reference No, Revision No:</u><br>Q-CSv-MCc-PO-01-D-01, Rev 2 | <u>Originated by:</u><br>Marketing & Corporate Communications<br>Manager |
| <u>Revision Date:</u><br>27.05.2022         | <u>Page No:</u><br>Page 13 of 13                                 | <u>Authorised by:</u><br>GM Customer Services                            |

clarifications, or supplementary verification activities if it determines that the evidence or methodology is insufficient to support a disbursement decision.

### 11. Procurement and Contract Modalities

The IVA shall be selected through a competitive selection process in accordance with the World Bank Procurement Regulations for IPF Borrowers (September 2023), using the Quality and Cost-Based Selection (QCBS) method. The contract and terms of reference shall be acceptable to the World Bank, and the contract award is subject to World Bank prior review and no-objection.

The IVA contract shall be a time-based contract. Remuneration will be based on agreed inputs (time of key experts and support staff) as set out in the contract, plus reimbursable expenses for field missions, travel, and logistics in accordance with the agreed budget.

### 12. Applicable Documents

The IVA shall be fully familiar with, and shall conduct all activities in accordance with, the following documents:

- Project Appraisal document
- Loan Agreement for Loan No. 9773-SZ (IBRD);
- Financing Agreement for Credit No. 7700-SZ (IDA);
- Grant Agreement for LPF Grant No. TF0C7150;
- Project Agreement among IBRD, IDA, and Eswatini Electricity Company;
- Project Implementation Manual (PIM), including the Verification Protocol;
- Operating Guidelines for the off-grid grant scheme (Subcomponent 2.2);
- World Bank Environmental and Social Commitment Plan (ESCP);
- ASCENT Eswatini Environment & Social and OHS management safeguards and
- World Bank Procurement Regulations for IPF Borrowers (September 2023).