

PVMTI Approved Service Agent Guidelines (Kenya)

1. Introduction

The purpose of these guidelines is to set down the criteria for assessing the eligibility of a PV company (the “Company”) to act as an Approved Service Agent under PVMTI funded projects. This decision will be based on an assessment of the Company’s commercial and technical qualifications and financial circumstances. The guidelines aim to clearly communicate the information required from the Company to enable the PVMTI borrower or Financial Institution (“FI”) and the International Finance Corporation (“IFC”) to make this decision in an objective fashion.

2. Application and Qualification Process

Step 1 Submission of initial application to the FI with a copy to PVMTI Country Manager, comprising a Request for Approval (see pro- forma attached at Appendix I), a Business Plan and Supporting Documents (see below).

Step 2 Discussions between the Company and the FI, recommendation by the FI to IFC, IFC review and finally formal approval or rejection (with reasons) by IFC.

Step 3 Memorandum of understanding between the Company and the FI (if successful).

3. Business Plan Components

- 3.1. History - a brief summary on the background of the Company.
- 3.2. Shareholders – summary details of the Company’s shareholders.
- 3.3. Management - summary details, including management structure, CVs of key personnel and nomination of a project manager.
- 3.4. Track Record – historical statistics on installations and client references
- 3.5. Marketing - summary of marketing strategy.
- 3.6. Technical – details on products / systems offered, equipment procurement and supply, testing and storage arrangements and customer warranties provided.
- 3.7. Installation & service – summary details of strategy and infrastructure, including details on training of technicians.
- 3.8. Internal controls - summary of existing management systems, including technical quality control, IT resources, record keeping and accounting systems.
- 3.9. Financing – details of existing and proposed bank facilities (including details on specific terms and conditions) and, if applicable, statement on availability of additional equity. Details on ability to honor installation guarantees.
- 3.10. Other – Any other information the Company believes is relevant to the application.

4. Supporting documents

- 4.1. Audited annual accounts - for the last 3 years, or since foundation if less than 3 years ago. Accounts to include profit and loss, balance sheet, cash-flow statements and notes to the accounts.
- 4.2. Management accounts - for the current financial period to date.
- 4.3. Technical brief - to detail conformity with the PVMTI Technical Guidelines (attached at Appendix II).
- 4.4. Statement of undertaking by the prospective Approved Service Agent to adhere to the PVMTI Technical Guidelines and to the PVMTI External Management Team right of entry and review of its undertakings in relation to the project's technical due diligence, including presence of a PVMTI monitoring person or team during installations.

Pro-forma Application for Approval as a Service Provider for a PVMTI Project

Application to (Name & Address of FI)	Application Date		
	Date Received		
	Received by		
	Application Ref. No.		
Full Address of Applicant (Box, telephone, fax, email, physical location)			
Supply Details (summary of equipment source, system sizes & prices)			
Statement of financial capacity	Details	Number	Value
	<i>Installations done to date</i>		
	<i>Current capacity of installations p.a.</i>		
	<i>Current capacity for any single contract</i>		
	<i>Share Capital</i>		
	<i>Reserves</i>		
	<i>Existing loans & overdrafts</i>		
	<i>Total Assets</i>		
<i>Net Working Capital</i>			
Outreach	<i>Branches / Owned outlets (No.)</i>		<i>Distributors (No.)</i>
	<i>Location/s</i>		
Attachments	Audited Accounts Management Accounts Technical Brief Statement of Undertaking		

PVMTI Technical Guidelines Highlights for Approved Service Agents

1 General Conformity

- 1.1 The Approved Service Agent shall use best efforts to source photovoltaic modules, batteries and other balance of system equipment from organisations possessing a valid certificate of registration for ISO-9000 or ISO-14000 or organisations which, having completed pre-certification requirements, have submitted an application for ISO Registration.
- 1.2 The Approved Service Agent shall adhere to a Quality Process Manual, and should ensure that (1) the Quality Process Manual is approved through ISO Certification or (2) the Quality Process Manual reflects the relevant sections of the PV-GAP1 manufacturing Quality Process Manual (Version 1.3 March 1999 or later editions).
- 1.3 The Approved Service agent should work towards sourcing, manufacturing or supplying components and systems that gain approval under the PV-GAP as outlined in Reference Manual PV-GAP 01, March 1998 and December 1998 or subsequently issued amendment.
- 1.4 The Approved Service Agent shall use best efforts to source or manufacture SHS in compliance with the compulsory requirements for photovoltaic components laid out in “Universal Technical Standards for Solar Home Systems (Thermie B:Sup-995-96, 1998)” hereafter referred to as “Thermie UTS).

2 Specific Conformity of Equipment

The Approved Service Agent shall source or manufacture photovoltaic system components which meet the following normative references:

2.1 Photovoltaic modules:

- i. Crystalline silicon terrestrial photovoltaic modules with Type Approval Certification in compliance with IEC 1215 Ed 1.0
- ii. Thin film terrestrial photovoltaic modules with Type Approval Certification in compliance with IEC 1646 Ed 1.0.

2.2 Secondary cells and batteries for photovoltaic energy systems:

- i. Type Approval Certification in compliance with IEC Standard Reference IEC 61427-1.

2.3 Charge regulators:

¹ “Global Approval Program for Photovoltaics”.

- i. Type Approval Certification in compliance with the compulsory requirements for photovoltaic components laid out in Thermie UTS

2.4 Inverters:

- i. Type Approval Certification in compliance with IEC Standard Reference IEC 146 or Draft Working Document of Project 11848 (Inverters: Grid and Stand Alone).

2.5 Other Components:

- i. To meet applicable standards. A list of applicable standards is available from the IFC or its designated External Management Team.

3 Equipment Testing

3.1 The Approved Service Agent shall arrange for qualification testing of non-qualified components or systems at (1) a certified IEC testing laboratory or (2) a laboratory acceptable to IFC or its designated agent. The protocol for testing shall be defined by the testing facility in association with IFC or its designated agent with close collaboration of the Equipment Supplier and product.

3.2 Where components or systems are not but have been working satisfactorily in the field for a minimum of 12 months, and detailed field performance records are acceptable to IFC or its designated agent, such components can be installed without waiting for the results of the qualification tests.

4 Operational Performance

4.1 The Approved Service Agent shall use its best efforts to follow a program of evaluation and improvement of quality of products placed in the market. This program shall be defined in the Quality Process Manual. The program should comprise:

- i. Evaluation according to Failure Mode Effect Analysis (FMEA) to identify frequently occurring defects of installed photovoltaic systems
- ii. Application of Robust Design Protocol for quality and cost improvement.

4.2 The Approved Service Agent provide preventive maintenance and prompt replacement of failed components and systems installed.

4.3 The Approved Service Agent shall use best efforts to undertake a:

- i. Quality Planning and Analysis Exercise: undertakes the exercise of quality function deployment which provides a means of translating customer requirements into technical requirement for each stage of product development and production, particularly in respect of batteries, charge regulators, inverters and appliances
- ii. Quality Improvement Exercise: undertakes reliability programme appropriately designed on the basis of failure modes, effects and criticality analysis (FMECA)

- iii. Quality Training and Implementation (Robust Design) Program: Approved Service Agent to be familiar with or undertake training programs for effective application for training in robust design.

5 Battery Recycling

- 5.1 The Approved Service Agent will use its best efforts to ensure that a system is in place for used battery collection and delivery to a battery recycling plant acceptable to IFC.

6 Staff & Training

- 6.1 The Approved Service Agent shall ensure that staff are trained in accordance with the requirements of the IFC or its designated agent with respect to technical and managerial training.
- 6.2 Training course contents, trainers and training institutions utilised by the Approved Service Agent are to be approved in advance by IFC or its agent where the training is part of an agreed grant component of the PVMTI investment.