



## **Request for Proposals**

### **Feasibility Study for Electric Mobility Manufacturing Scale-Up in Kenya**

*Version as of September 1, 2025*

This document serves to provide an overview of the underlying project relevant to the Subnational Climate Fund (SCF), context on data availability and goals of the mandate, as well as an estimated scope of work requested from the consultant. Final details of the mandate should be covered by the subsequent proposal submitted by the consultant.

#### **The Subnational Climate Fund**

The SCF is a blended finance impact fund formed to pursue attractive risk-adjusted returns for private investors while generating measurable and certified environmental and social impacts. The Fund is focused exclusively on pursuing investments in mid-size climate infrastructure with nature-based solutions in various developing countries across Latin America and the Caribbean, Africa, the Mediterranean, and Asia. The Fund is managed by Pegasus Capital Advisors, a commercial Private Equity impact fund manager and further benefits from a separate, grant-funded Technical Assistance facility managed by The International Union for the Conservation of Nature (IUCN) and implemented by Catalytic, IUCN, and Gold Standard.

#### **Context of the Potential Study Agreement**

The SCF is considering a potential investment opportunity relating to an electric mobility company based in Kenya that manufactures electric motorcycles and buses designed specifically for African market conditions. The company operates East Africa's largest electric vehicle manufacturing facility and has demonstrated significant local content integration, earning manufacturing licenses and establishing commercial partnerships with major mobility platforms.

#### **Project Background**

The company addresses critical challenges in Kenya's transport sector, where motorcycles (primarily used for *boda boda* services) represent a major source of greenhouse gas emissions and urban air pollution. With Kenya producing roughly 90% of its electrical supply from renewables, electric mobility presents a unique opportunity for clean, homegrown transport solutions.

#### **Objectives**

The feasibility study aims to support the company's preparation for full-scale localized manufacturing and Industry 4.0 adaptation, while improving investment-readiness, supply chain resilience, ESG compliance, and workforce development. These components address operational and strategic bottlenecks critical for long-term viability and impact, particularly in enabling platform synergies within Kenya's broader e-mobility ecosystem.

## Scope of Work for Feasibility Study

The consultant's work is expected to address six critical feasibility areas designed to unlock the company's manufacturing scale-up and de-risk specific upstream barriers typically underfunded by private capital:

The feasibility study may be undertaken by:

- A single consultant or firm with the full set of skills to cover both frame manufacturing and motor/battery assembly; or
- A consortium or partnership of consultants combining complementary expertise across these areas.

Applicants are encouraged to propose the team structure they consider most effective. All phases of work (Phase 1–3) must be addressed comprehensively, regardless of whether delivered by one or multiple consultants.

## PHASE 1: PART- AND PRODUCTION DESIGN & AUTOMATION ASSESSMENT

### 1.1 Design for X

- **Part Specifications:** Detailed design optimization of component across; user, cost, sustainability and manufacturing

### 1.2 Automation Solutions Assessment

- **Equipment Specifications:** Detailed engineering design of region-adapted robotic systems for local production
- **Industry 4.0 Integration:** Assessment of automated quality control and production monitoring systems suitable for Kenyan manufacturing conditions
- **Facility Integration Planning:** Evaluation of existing facility capacity and infrastructure requirements for robotic cell implementation
- **Technology Transfer Requirements:** Assessment of knowledge transfer needs from international technology partners

### 1.3 Production Optimization Analysis

- **Scalability Assessment:** Analysis of production capacity expansion potential from current single-line operations
- **Efficiency Improvements:** Quantification of expected productivity gains (efficiency of capital, production time, lead time) and quality improvements
- **Cost-Benefit Analysis:** Financial modelling of automation investment versus manual production alternatives

## PHASE 2: LOCAL SUPPLY CHAIN QUALIFICATION, IP ANALYSIS & STANDARDS ASSESSMENT

## 2.1 Supplier Audit and Qualification

- **Suppliers Evaluation:** Comprehensive audit of 3 or more local suppliers against ISO-aligned standards (preferably Nairobi or Mombasa based)
- **Quality Assurance Protocols:** Development of QA/QC frameworks ensuring consistency and supplier readiness for industrial-scale EV production
- **Capacity Assessment:** Evaluation of local supplier capacity to meet projected demand volumes
- **Supply Chain Resilience:** Risk assessment and mitigation strategies for local supply chain dependencies

## 2.2 Localization Strategy Validation

- **Local Content Optimization:** Assessment of opportunities for increased local component integration beyond current levels. How do these steps support the aim of 70% of local content by 2030?
- **Import Substitution Analysis:** Identification of additional components suitable for local production
- **Economic Impact Modelling:** Quantification of foreign exchange savings and local economic multiplier effects

## 2.3 IP analysis

- **IP analysis:** Assessment of opportunities for protection of intellectual property

## PHASE 3: FINANCIAL MODEL VALIDATION & INVESTMENT ANALYSIS

### 3.1 Capital Expenditure Validation

- **CAPEX Stress Testing:** Independent validation and stress testing of automation and localization investment assumptions against international ROI benchmarks.
- **Financial Projection Analysis:** Review of projected returns, cost savings, and break-even across different scenarios.
- **Working Capital Optimization:** Assessment of cash conversion cycle improvements through localized production

### 3.2 Investment Structure Assessment

- **Risk-Return Profile:** Analysis of investment risks and mitigation strategies
- **Financing Strategy:** Evaluation of optimal funding mix for scale-up operations
- **Economic Impact Quantification:** Validation of job creation, emissions reduction, and economic development projections

## Deliverables

Feasibility Study Report (max. 60–70 pages) structured with clear chapters:

- Executive Summary & Investment Readiness (8–10 pages)
- Technical Assessment (20–25 pages)
- Supply Chain & Localization (10–15 pages)
- Financial Validation & Investment Structure (10–15 pages)
- Implementation Roadmap & Risk Assessment (10–15 pages)

## Requirements

In their proposal, applicants should demonstrate that the team meets the following requirements and expertise. **Applicants may submit proposals as individual experts, teams, or consortia combining complementary expertise.**

### Key Requirements

- Demonstrated experience in electric vehicle or automotive manufacturing feasibility assessments
- Proven expertise in industrial automation and robotic manufacturing systems
- Experience with supply chain development and supplier qualification in developing markets
- Demonstrated financial modelling and investment analysis capabilities for manufacturing projects

### Preferred Qualifications

- Advanced degree in mechanical engineering, industrial engineering, or related technical field
- Previous work experience in East Africa or similar emerging market contexts
- Experience with battery electric vehicle technologies and manufacturing processes
- Knowledge of Kenyan regulatory environment and manufacturing standards
- Experience with digital manufacturing systems and Industry 4.0 implementations
- Previous work with development finance institutions or impact investment projects
- Understanding of gender equity integration in manufacturing environments

## Indicative Timeline

Work is expected to commence immediately after the consultant is appointed. The work is expected to be completed within 9 months after signing the service contract. The delivery of services and reporting timeframes are anticipated to be as follows:

Activity / Deliverable	Indicative Timeline
Kick-off meeting and stakeholder engagement	Month 1
Site assessment and initial data collection	Month 1-2
Phase 1-2: Technical assessments (Robotic systems & Supply chain)	Month 3-6
Phase 3: Financial validation	Month 3-9
Draft report preparation and stakeholder review	Month 8-9
Final report delivery and presentation	Month 9

*Note: Phases may run in parallel where appropriate, with regular progress reviews and stakeholder consultations throughout the engagement period.*

### Form of Proposal & Requirements

Please prepare a brief proposal for the performance of this work, including the scope of work, project team and qualifications, and estimated costs.

1. **Scope of Work:** The scope of work should include a description of the specific activities that will be performed to accomplish the required tasks identified in the six phases above. This should include any proposed site visits, stakeholder interviews, technical assessments, and documentation reviews. If the Consultant feels that additional tasks or components are suggested or warranted, these should be stated and delineated as "Optional Tasks".
2. **Project Team and Qualifications:** This should include the name of the principal staff members and any sub-contractors, and a brief description of their role within the project team. Qualifications of staff should include relevant technical capabilities, full CVs, specific previous experience with similar assignments, specific experience in Kenya or East Africa, and knowledge of electric mobility or manufacturing sectors.
3. **Estimated Costs:** A total time and expenses cost estimate (not to be exceeded), in US Dollars, must be provided for the required scope of work. A breakdown of the estimated costs by phase must also be presented in tabular format and should include Direct Labour Costs (number of hours or days per staff and their associated unit costs). Travel costs will be covered by the SCF separately from the consultancy fee under "Indirect Labour Costs". Please note that "Per Diems" are not an eligible expense under our travel expense policy. Please also note that Catalytic is exempt from VAT. Your financial proposal should therefore not include VAT.
4. **Contract & Payment:** Contract will be on a lump-sum / fixed-price basis and in US Dollars. Catalytic will pay the consultant in multiple payment tranches tied to deliverable milestones. The contract will be based on Catalytic's standard terms of engagement.
5. **Conflict of Interest, KYC:** As part of the proposal, the Consultant will need to confirm that they do not have a conflict of interest and that they are able to provide an adequate, accurate and



objective review. We will also ask the consultant to provide a passport copy for a KYC check before formal engagement.

6. **Q&A Session:** Interested bidders will have the opportunity to ask questions in relation to this RFP during a 30-minute Q&A session to refine their proposals. The session will take place on 5 September, at 11 am EAT. Questions should be sent 2 hours in advance to [project@catalyticfinance.org](mailto:project@catalyticfinance.org).

### **Submission**

Please submit your proposal to [project@catalyticfinance.org](mailto:project@catalyticfinance.org) by **September 14, 2025**.

*Please include "Kenya Electric Mobility Feasibility Study" in the subject line of your submission.*