



CGM POWER GROUP LIMITED

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REQUEST FOR PROPOSAL (RFP) & REQUEST FOR QUOTATION (RFQ)

INSURANCE AND RISK TRANSFER SERVICES

PROJECT: UTILITY-SCALE SOLAR PV WITH BESS POWER

LOCATION: ZAMBIA

EXECUTIVE SUMMARY

CGM Power Group Limited ("CGM") is an indigenous, Zambia-based Independent Power Producer (IPP) developing a portfolio of **utility-scale, grid-connected renewable energy projects** aligned with national energy security objectives, regional power market integration, and international Environmental, Social and Governance (ESG) standards.

This Request for Proposals (RFP) and Request for Quotation (RFQ) relates to the procurement of insurance and risk transfer services for two flagship solar photovoltaic (PV) projects with integrated Battery Energy Storage Systems (BESS), being developed through CGM's Special Purpose Vehicles (SPVs):

- Chipili Power Corporation Limited (CPCL)
- Mansa Power Development Limited (MPDL)

Each project comprises 50MWac (Phase 1) of solar PV generation with 12.5 MWh BESS, located in Luapula Province, Zambia, and forms part of a scalable development programme with future expansion potential.

The projects are structured as long-term, project-financed IPPs, underpinned by Power Purchase Agreements (PPAs), transmission and grid interconnection arrangements, and a capital structure involving institutional investors, pension funds, insurance balance sheets, and Development Finance Institutions (DFIs).

Accordingly, CGM seeks insurance solutions that are:

- Bankable and lender-acceptable
- Consistent with international project finance standards
- Capable of addressing construction, operational, revenue, political, and non-commercial risks
- Suitable for long-tenor infrastructure investments in emerging markets

This RFP & RFQ invites qualified insurers and brokers with demonstrated experience in renewable energy, infrastructure, and sovereign-linked risk environments to submit competitive proposals.

1. INTRODUCTION AND INVITATION

CGM Power Group Limited (“CGM” or the “Sponsor”) invites proposals from insurance companies, reinsurers, export credit insurers, political risk insurers, and licensed insurance brokers to provide comprehensive, project-finance-grade insurance and risk transfer solutions for two utility-scale solar photovoltaic (PV) and Battery Energy Storage System (BESS) power projects in the Republic of Zambia.

The insurance programme sought under this RFP & RFQ is intended to support the **bankability, financial close, construction, and long-term operation** of the Projects and to meet the risk management requirements of:

- Long-term, project-financed Independent Power Producer (IPP) investments;
- Institutional investors, pension funds, and insurance balance sheets;
- Development Finance Institutions (DFIs) and international commercial lenders; and
- International best practice for emerging-market infrastructure and renewable energy projects.

Respondents are expected to demonstrate not only technical insurance capability, but also a clear understanding of the interaction between insurance, Power Purchase Agreements (PPAs), transmission infrastructure, political risk, and lender requirements in a project-finance context.

In this RFP & RFQ, the definition of Insurance and Risk Transfer Services means or will refer to the structured use of insurance, guarantees, and related financial instruments to transfer construction, operational, payment, political, and sovereign risks from the project to third-party risk carriers in order to support bankability and long-term financing.

2. PROJECT OVERVIEW

CGM is developing two utility-scale, grid-connected solar PV power projects with integrated BESS in the Northern Circuit Region of the Republic of Zambia, through the following Special Purpose Vehicles (SPVs):

- Chipili Power Corporation Limited (CPCL)
- Mansa Power Development Limited (MPDL)

Each SPV is developing a phased solar PV project of 50MWac (Phase 1), incorporating 12.5 MWh of BESS, with provisions for future expansion under a scalable development programme.

The Projects are structured as IPP investments and are intended to achieve financial close, construction, and commercial operation under a long-term project-finance framework.

2.1 Project Configuration and Technical Scope

The key technical and structural features of the Projects include:

- Grid-connected, utility-scale solar PV generation facilities;
- Integrated BESS to enhance dispatchability and grid stability;
- Interconnection to the national transmission network through existing and/or upgraded substations and associated transmission infrastructure;
- Long-term PPAs with a state-owned offtaker; and
- Dedicated operations and maintenance arrangements post-commissioning.

Each Project has been designed in accordance with international engineering standards and lender requirements, suitable for institutional capital participation.

2.2 Development Status and Shovel-Ready Positioning

Both CPCL and MPDL have progressed through the advanced stages of the development lifecycle and are considered shovel-ready, subject to financial close and final insurance placement.

Key development milestones achieved or substantially progressed include:

- Incorporation of SPVs and establishment of governance and management structures;
- Securing of project sites and land access arrangements;
- Completion of core technical studies, including site assessments and grid integration considerations;
- Advanced engagement with regulatory authorities and relevant government agencies;
- Negotiation and progression of key project agreements, including PPAs, grid connection arrangements, and Engineering, Procurement and Construction (EPC) contracting frameworks;
- Completion and/or near-completion of environmental and social permitting processes in line with national regulations; and
- Development of detailed project schedules aligned to construction readiness.

These milestones materially reduce development risk and support insurance underwriting, lender due diligence, and construction mobilisation.

2.3 Project Finance and Commercial Structure

The Projects are being developed under a project-financed commercial structure, with capital requirements expected to be met through a combination of:

- Equity contributions from the Sponsor and strategic partners;
- Long-term debt financing from institutional lenders and DFIs; and
- Risk mitigation instruments, including insurance, guarantees, and political risk cover.

The insurance and risk transfer programme procured under this RFP & RFQ is a critical component of the financing package, supporting bankability, credit enhancement, and compliance with lender conditions precedent.

2.4 Construction and Implementation Timeline

Construction of Phase 1 for both Projects is targeted to commence in Q2 2026, following satisfaction of financial close conditions.

Indicative implementation phases include:

- Finalisation of financing and insurance arrangements;
- EPC mobilisation and site preparation;
- Construction, installation, and testing of PV and BESS systems;
- Grid interconnection and commissioning; and
- Commercial Operation Date (COD) declaration.

The Projects' phased development approach allows for controlled risk allocation, efficient capital deployment, and scalability, while maintaining alignment with national grid planning and energy demand growth.

2.5 Relevance to Insurance and Risk Transfer Requirements

The advanced development status and shovel-ready nature of the Projects require insurance solutions that are immediately deployable, capable of:

- Supporting financial close;
- Covering construction, commissioning, and operational phases without gaps;
- Addressing PPA, transmission, and non-commercial risks; and
- Meeting the requirements of lenders, investors, and DFIs.

Respondents are therefore expected to propose insurance and risk transfer solutions that reflect the Projects' readiness, scale, and long-term operational profile.

2.6 ESG, ENVIRONMENTAL AND SOCIAL RISK CONSIDERATIONS

The Projects are being developed in accordance with applicable Environmental, Social, and Governance (ESG) standards, including national regulatory requirements and international best practices for renewable energy infrastructure.

Respondents are requested to demonstrate how proposed insurance solutions address or support:

- Environmental liability and pollution risk;
- Climate-related and natural catastrophe risk;
- Community, third-party, and occupational health and safety exposures; and
- ESG-related disclosure, reporting, or risk-management requirements relevant to institutional investors and DFIs.

3. CONSIDERATIONS AND SUBMISSION

3.1 RISK ENVIRONMENT AND INVESTMENT CONTEXT

Respondents are expected to demonstrate a clear understanding of the Zambian power sector and IPP risk profile, including but not limited to:

- Single-buyer market structure;
- Grid availability, dispatch, and curtailment considerations;
- Offtaker credit and payment performance risk;
- Foreign exchange convertibility and transfer constraints;
- Sovereign, political, and regulatory risk exposure; and
- Long-tenor PPA and transmission interface risks.

Proposals must clearly articulate how the proposed insurance, reinsurance, and guarantee structures allocate, mitigate, and transfer these risks in a manner acceptable to international lenders, institutional investors, and DFIs.

3.2 REQUIRED INSURANCE AND RISK TRANSFER COVERAGE

Respondents shall propose a comprehensive, layered insurance programme covering the full project lifecycle, including construction, commissioning, and operations.

3.2.1 Construction & Development Phase

Coverage must include, at a minimum:

- Construction / Erection All Risks (CAR/EAR);
- Third-party liability;
- Professional indemnity (design, engineering, and advisory risks);
- Delay in Start-Up (DSU) / Advance Loss of Profits (ALOP);
- Transit insurance (marine, inland, and storage);
- Political violence and force majeure during construction; and
- Environmental liability during construction.

3.2.2 Operational Phase

Coverage must include, at a minimum:

- Property damage (all risks);
- Machinery breakdown (including transformers, inverters, and BESS);
- Business interruption and loss of revenue;
- Grid-related outage and curtailment impacts (to the extent insurable);
- Cyber risk (SCADA, monitoring, and control systems);
- Environmental impairment and pollution liability;
- Solar module and equipment performance warranty support; and
- Motor and operational liability for project vehicles.

3.3 PPA PAYMENT, CREDIT AND REVENUE RISK

Given the project-finance nature of the investments, proposals must explicitly address PPA-related risks, including:

- Offtaker payment default or delayed payment;
- Liquidity shortfalls affecting monthly revenue;
- Deemed energy and availability payment exposure; and
- Termination payment risk under the PPA.

Respondents should demonstrate capability to:

- Support or integrate payment security mechanisms, guarantees, or liquidity support structures;
- Align insurance products with lender step-in rights, assignment provisions, and direct agreements; and
- Offer coverage tenors consistent with long-term PPAs.

3.4 TRANSMISSION AND GRID INTERFACE RISK

Where project-specific or shared transmission infrastructure is involved, proposals must address:

- Construction and operational risks for transmission lines and substations;
- Grid interconnection delays and dependency risks;
- Damage to evacuation infrastructure;
- Revenue loss resulting from grid unavailability not attributable to the Project Company; and
- Wayleave, access, and third-party interference risks.

Respondents should clearly specify **coverage boundaries between generation assets and grid assets**.

3.5 POLITICAL, SOVEREIGN AND REGULATORY RISK

Proposals must include or demonstrate access to **non-commercial risk insurance** addressing:

- Expropriation, nationalisation, or compulsory acquisition;
- Breach of contract by public or state-linked entities;
- Political violence, civil disturbance, war, and terrorism;
- Change in law or regulation affecting tariffs, dispatch, or convertibility; and
- Currency inconvertibility and transfer restrictions.

Coverage should be bankable, assignable to lenders, and structured to support cross-border debt service and dividend repatriation.

3.6 CLAIMS MANAGEMENT AND DISPUTE RESOLUTION

Respondents shall outline their proposed claims management framework, including:

- Claims notification procedures;
- Typical claims assessment and settlement timelines;
- Experience handling claims in emerging markets and infrastructure projects;
- Local versus international claims handling arrangements; and
- Dispute resolution mechanisms applicable to insurance contracts.

Preference will be given to proposals demonstrating transparent, timely, and lender-acceptable claims settlement practices.

3.7 CONFIDENTIALITY AND DATA PROTECTION

All information provided by CGM in connection with this RFP & RFQ shall be treated as confidential and used solely for the purpose of preparing a response.

Respondents shall not disclose any such information to third parties without prior written consent from CGM, except as required by law or regulatory obligation.

3.8 GOVERNING LAW AND INTERPRETATION

This RFP & RFQ and any subsequent insurance placement arising from it shall be governed by and interpreted in accordance with the applicable laws of the Republic of Zambia, unless otherwise agreed in writing.

3.9 LENDER AND INVESTOR REQUIREMENTS

Respondents must demonstrate that proposed policies:

- Are consistent with international project finance standards;
- Include lender loss-payee clauses;
- Permit assignment to lenders and security agents;
- Are non-cancellable (except for non-payment of premium); and
- Provide clear and enforceable claims payment mechanisms.

3.10 PROPOSAL SUBMISSION REQUIREMENTS

Each proposal shall include:

- Cover letter and executive summary;
- Corporate profile and licensing credentials;
- Demonstrated experience in utility-scale renewable energy and IPP projects;
- Detailed risk assessment and proposed insurance structure;
- Coverage limits, sub-limits, deductibles, exclusions, and tenors;
- Draft policy wordings and endorsements;
- Claims handling and risk management approach;
- Financial proposal with itemised premiums (USD);
- Confirmation of lender and investor compatibility; and
- References for comparable projects.

Technical and financial proposals **must be submitted as separate documents**.

4. EVALUATION CRITERIA

Proposals will be evaluated based on:

- Technical robustness and completeness of coverage;
- Understanding of IPP, PPA, and sovereign risk;
- Compatibility with DFI and institutional lender requirements;
- Claims track record and financial strength; and
- Cost competitiveness and value for money.

CGM reserves the right to seek clarifications and negotiate terms.

5. RFP AND RFQ TIMELINE

- **Issue Date:** 22nd December 2025
- **Deadline for Questions:** 31st January 2026 (17:00 CAT)
- **Proposal Submission Deadline:** 15th February 2026 (17:00 CAT)
- **Proposal Validity:** 120 days

6. SUBMISSION METHOD

Proposals may be submitted either in hard copy or electronically. Hard-copy submissions should be delivered to:

Physical Address:

CGM Power Group Limited
6731 Chiwalamabwe Road, Olympia Park,
Lusaka, Zambia

Electronic submissions should be sent to:

Emails: info@cgmpowergroup.com ; mpdl@cgmpowergroup.com

All enquiries must be submitted in writing by the stated deadline.

7. RESERVATION OF RIGHTS

CGM reserves the right to:

- Accept or reject any proposal;
- Amend or cancel this RFP & RFQ process;
- Engage in parallel discussions with respondents;
- Award insurance mandates in whole or in part; and
- No submission fee applies. CGM reserves the right to recover reasonable external advisory or due diligence costs from the successful bidder through commercial close arrangements, where applicable.

Issued by: Procurement Department, CGM Power Group Limited

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