



Terms of references

Job Title:	International Advisor on establishing a functional Loan Guarantee Fund in Moldova
Project Reference:	ESCO Moldova - Transforming the market for Urban Energy Efficiency in Moldova by introducing Energy Service Companies
Duration of Employment:	January 2015 – December 2015 (with a total of 20 working days)
Contract type:	Individual Contract
Duty Station:	Chisinau, Moldova and Home Office

I. Background

The ESCO Moldova project, funded by the Global Environment Facility (GEF), has an implementation timeframe of 4 years with a budget of 1.3 million US\$ allocated by the GEF and 7.615 million US\$ allocated as co-financing by project partners.

The project objective is to create a functioning, sustainable and effective market of Energy Service Companies (ESCOs) in Moldova by converting existing energy service provider companies into ESCOs, as the basis for scaling up energy efficiency improvements and ultimately climate change mitigation efforts.

The main barriers that the project is trying to address are related to energy efficiency project financing; the eagerness of existing Energy Service Providers to embark on the ESCO business model; institutional barriers at the local level; and EE awareness in the municipal sector.

The ESCO Moldova Project intends to eliminate/address these impediments through the following project components:

1. Green Urban Development Plan is adopted and emission reduction projects are financed and implemented in Chisinau
2. ESCOs are successfully investing in energy projects in the building sector using Energy Performance Contracting modality
3. A Financial Mechanism in form of a Loan Guarantee Fund, is set up and functional, providing financing to ESCOs
4. ESCO(s) are designing, financing and successfully implementing energy efficiency projects using EPC modality in at least one other city in Moldova outside of Chisinau

The main targets to be achieved by the end of the project are: a functional ESCO market with a functional Loan Guarantee Fund (LGF) in place; ESCO companies created and consolidated; creation of new investments in EE measures that will lead to long term energy consumption savings and 20 EE projects implemented; better conditions in public and residential buildings and overall Chisinau will advance in its sustainable green development.

The Project will contract an International Consultant (IC) who will be involved during the first year of project implementation in setting up a functional LGF, envisaged under the Component 3.

II. Scope of work and responsibilities

The objective of this assignment is to provide assistance to the Project Management Unit in establishing a functional Loan Guarantee Fund, set up to provide financing to ESCOs. These will allow implementing EE projects in selected buildings in the municipal sector, both residential multi-store and public buildings.

Tasks and Responsibilities

The project **Component 3** is achieved through a series of activities that will be mainly carried out by the PMU with the aim of developing the financial mechanism (Loan Guarantee Fund) and making available EE projects financing (grant) through the Energy Efficiency Fund (EEF) and the selected financial institution (bank). To this end, the IC will be required to deal with supporting the PMU and main stakeholders in setting up a functional Loan Guarantee mechanism, having the following tasks:

1. Set up the Loan Guarantee Fund:
 - a. *Draft the LGF Regulation and Operational Guidelines, and upon consultations and endorsement by relevant stakeholders (UNDP CO, the City of Chisinau, the selected Bank and other relevant players)*
 - b. *Provide guidance and inputs to the Loan Guarantee Fund Information Booklet to be further presented in a workshop to announce the establishment of the Loan Guarantee Fund, explain procedures and conditions*
 - c. *Provide methodological support and guidance in setting up the LGF Management and Accountability Arrangements. Set up of the LGF Management Committee (LGFMC) with the aim of recommending to Financial Institutions Energy Efficiency projects that are subject to securing (i) a financing guarantee, (ii) an Energy Efficiency Loan and Energy Efficiency Fund grant. For each ESCO's project, the recommendation will be based on the technical quality of the Energy Efficiency project and its compliance to the EPC modality and conditions.*
 - d. *Provide guidance and templates to the financial institution and the PMU in regard to the LGF Operation Monitoring and Reporting.*
2. *Financial partnerships and working agreements with institutions:*
 - a. *Provide guidance and templates to the PMU for drafting and formalizing the Financial Partnership and Working Agreement with the Energy Efficiency Fund, City of Chisinau and UNDP.*
3. *Training package and delivery:*
 - a. *Significantly contribute to designing the training package and in collaboration with International Technical Advisor deliver the training programs to target groups (specifically the consultant will elaborate the training module on Financial Analysis and EPC modality, ESCO Project Financial Analysis and Project Financing, EPC modality, etc.)*
 - b. *In close collaboration with the International Technical Advisor contribute to drafting 2 models of Energy Performance Contracts (for institutional/public buildings and for the residential sector) and provide inputs to presentations at workshops related to EPC.*

Additionally, during the assignment period the IC will continuously support the International Technical Advisor in *Providing intensive technical assistance to the PMU and ESCOs from the stage of project financing up to EPC signature*: Financial Arrangement Related to Loan Guarantees, Grants and Project Financing: EPCs Ready for Implementation, EE Projects Implementation-Commissioning and Completion, Monitoring and Verification reports and EPC Billing to Chisinau.

Expected Deliverables: LGF Regulation and Operational Guidelines, inputs to Loan Guarantee Fund Information Booklet, inputs and templates for the Financial Partnership and Working Agreement with the Energy Efficiency Fund, City of Chisinau and UNDP; inputs to Energy Performance Contracts for public and residential buildings; LGF Management and Accountability Arrangements; LGF Operation Monitoring and

Reporting mechanism; training module on Financial Analysis and EPC modality, ESCO Project Financial Analysis and Project Financing, EPC modality, etc.

Effort estimate Component 3: 20 working days, including 2 trips (10 working days) to Moldova. The IC must also take advantage of trips and site presences included under Outcomes 3.

III. Deliverables

The key products to be delivered are as follows:

1. Draft and Final LGF regulation.
2. In collaboration with International Technical Advisor, contribute to drafting Final Energy Performance Contract templates.
3. LGF monitoring report templates.
4. Training sessions and training workshops delivery.
5. Quarterly Progress reports (2 reports over 1 year) related to activities of Component 3.
6. TA, guidelines and guidance in regard to all activities encompassed under the project Component 3 over the first year of implementation.

The timeframe and duration of activities are estimated to 20 consultancy days. The time frame for specific activities will be determined, discussed and coordinated with the Project Manager and UNDP Portfolio Manager, upon contracting.

IV. Duration and management arrangements

The International ESCO/Financial Consultant will be appointed in accordance with the provision of the UNDP Individual contract modality. The effort estimate is 20 working days during the first year of project implementation, including about 10 working days in Moldova.

The International ESCO Consultant shall report directly to the Project Manager in regard to activities and tasks to be carried out and to UNDP MD Portfolio Manager for the contract management and payment. The Consultant will work in close cooperation with experts from specialized EU-funded projects. The payment for services provided by the Expert will be made according to deliverables completed, and approved by the UNDP Portfolio Manager.

V. Requirements for experience and qualification

- Masters' Degree in Economics, Finances, Banking and/or Engineering;
- At least 7 years of relevant working experience in the field of energy efficiency, ESCO development, EPC modality and EE project financing;
- Professional experience in Eastern Europe is an asset;
- Excellent proven analytical skills in analysis, leadership and overall diplomatic skills;
- Proven experience on preparation of written reports in an accurate and concise manner, and public presentation skills;
- Good organizational, time management and facilitation skills;
- Have a good command of English;
- Knowledge of Romanian or Russian languages would constitute an advantage.

VI. Documents to be included when submitting the proposals:

Interested individual consultants must submit the following documents/information to demonstrate their qualifications:

1. Cover letter with the short description of proposed approach/methodology;
2. Personal CV including past experience in similar projects.

3. Financial proposal;

VII. References

1. Brief description of ESCO Moldova project components and activities Annex 1
2. Energy Efficiency Projects development and implementation – step-by-step Annex 2