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# INDIVIDUAL CONSULTANT PROCUREMENT NOTICE

Date: 1<sup>st</sup> of October 2019

Country: Republic of Moldova

**Description of the assignment:** National consultant in Energy Efficiency and Renewable Energy Sources

**Project name:** "Transfer of Czech experience in the development and implementation of the Sustainable Urban Mobility Plan of the Chisinau Municipality"

**UNDP/GEF Project:** Moldova Sustainable Green Cities – Catalysing investment in sustainable green cities in the Republic of Moldova using a holistic integrated urban planning approach

# Period of assignment/services: 90 working days from November 2019 to July 2020

Contract type: Individual Contract

Proposals should be submitted online by pressing the "Apply Online" button, no later than <u>11<sup>th</sup> of</u> <u>October 2019</u>.

Requests for **clarification only** must be sent by standard electronic communication to the following e-mail: simion.berzoi@undp.org. UNDP will respond by standard electronic mail and will send written copies of the response, including an explanation of the query without identifying the source of inquiry, to all applicants.

# 1. BACKGROUND

The Czech-UNDP Partnership for SDGs (hereafter CUP) project "Transfer of Czech experience in the development and implementation of Energy Efficiency and Renewable Energy Sources in multi-storey building" is linked with the UNDP/GEF project "Moldova Sustainable Green Cities – Catalyzing investment in sustainable green cities in the Republic of Moldova using a holistic integrated urban planning approach", to be implemented during 2018–2022 years.

The **objective** is to contribute to the Green Cities project development objective and intended  $CO_2$  reduction (200 ktons of  $CO_2$ eq. from direct GHG emission reductions). The residential building energy efficiency and renewable energy use demo project aims to demonstrate the cost benefits of the energy efficiency refurbishment of a multi-storey residential building, by involving the Home Owners Associations to invest in low carbon infrastructure. The residential building will be selected

based on a comprehensive legal and institutional assessment in the energy and building sectors.

Urban residential housing stock currently accounts for about 40% of the total residential floor area. Its energy consumption and climate-related impact is exacerbated due to considerable heat and electricity losses from the distribution grids and the buildings. As of 2013, close to 80% of all residential buildings in urban areas were connected to district heating (DH) with heat losses already in distribution estimated at 22% of the total heat supplied, which is well below the 5-10% losses registered in case of modern, well maintained, DH networks. There are around 6,900 multi-storey (multi-apartment) residential buildings in Moldova, out of which 70% are managed by the local government, 7-8% by condominium associations and 17-19% by cooperatives and homeowners' associations (HOA). Some 50-66% of the common properties of private housing stock has remained under the ownership of local authorities.

Nearly 50% of the multi-family multi-storey housing stock has been operated for more than forty (40) years without rehabilitation, hence the level of infrastructure degradation has reached the safety threshold. Moreover, above 70% of multi-family apartment buildings have very low energy performance (especially buildings built during 1950 -1980s): energy loss account for up to 50% of heat consumption. At the moment, the residential sector of Moldova is the largest energy user with 40% share of the national energy consumption and around 70% of energy consumption related to heating. While the average Moldovan household spends 30-50% of its total budget on heating and the country use of energy per unit of GDP is seven times higher than the EU27, the residential building sector has over 60% of energy saving potential that could be explored through good governance at national and local level. Clearly, without a good governance that promotes viable and functional condominium home-owners associations, energy efficiency measures in residential sector are difficult to be implemented.

Most energy savings are obtained when the solutions are applied to the entire building based on a common decision of apartment owners. For larger size projects lending facilities must be available in order to enable implementation of building level solutions. But here there are several barriers that knock-out this type of projects:

- Home owners' associations lack acceptable guarantees to commercial financial institutions.
- Commercial offer of financing capital is very high 18-24% in national currency and 7-14% in EUR or USD. Effective rates are even higher due to various commissioning. Foreign currency lending is associated with the risk of high currency volatility that in some conditions may increase the costs of financial resources even higher than MDL lending.
- Lack of support options for owners that do not have any capacity to invest in EE retrofits.
- Commercial Banks do not recognize HOAs as creditworthy clients, as they do not possess assets that will be accepted by them as adequate collateral for extending loans. Mortgage is neither workable nor acceptable option for condominiums in the new EU member states and the same could be expected for Moldova as well;

The ongoing World Bank District Heating Efficiency Improvement Project is supporting the Government of Moldova on the district heating debt restructuring, while also providing technical assistance for corporate restructuring process of the newly integrated utility, Termoelectrica. In order to improve the operational efficiency and financial viability of the DH company and to improve the quality and reliability of heating services delivered to the population of Chisinau, the project has also invested in various supply side energy efficiency and retrofit measures such as (a) modernization of selected pumping stations to reduce electricity consumption and facilitate more efficient variable flow operation mode of the DH system; (b) rehabilitate selected segments of the distribution network; (c) replace old and inefficient central heat substations (CHS) with modern fully

automated individual building level heat substations (IHS); and (d) reconnect about 40 disconnected public buildings to improve the usage of the DH system. Much of the technical assistance activities of the World Bank's and other donors' energy related activities have also been supported by the Swedish Government.

# 2. SCOPE OF WORK, RESPONSIBILITIES AND DESCRIPTION OF THE PROPOSED ANALYTICAL WORK

The National consultant shall support CUP financed International consultant in Energy Efficiency and Renewable Energy Sources to transfer the knowledge, skills and good practices in the domain to Moldova. The Consultant will work in close collaboration with the international consultant, and Energy Efficiency Agency (EEA) and under direct supervision of the Green Cities Project Manager and UNDP Country Office in Moldova. Under this activity national consultant is requested to provide full support to the international consultant (working as a team) necessary to test the market for finding/analysing and implementing financial mechanisms for residential sector investment in Energy Efficiency related to loans repayment instruments (Energy Performance Contracting; on-bill Repayment, Leasing, Public Super ESCO), as well as, to assess realistically the potential for each financial mechanism, determine barriers and drivers related to Energy Efficiency and Renewable Energy Sources promotion in residential sector. The national consultant shall collaborate with EEA in order to synchronize the joint efforts related to Efficiency related loans repayment instruments.

The consultant will have the following responsibilities:

- Assist international consultant during his missions in Chisinau for scoping, data collection, analysis of existing EPC/ESCO legal and institutional provisions, development procedures and document templates (aligned with the legislation in place);
- Provide inputs to international consultant for analysing and implementing financial mechanisms in residential sector investments for Energy Efficiency measures related to loans repayment instruments (Energy Performance Contracting; on-bill Repayment, Leasing, Public Super ESCO);
- Provide support in strengthening the role of the Home Owner Associations (HOAs) to manage their buildings and common property and to contribute to the development of their surroundings, while also supporting them to get their legal status as credit-worthy legal entities with the option to access affordable financing for the required (EE) investments;
- Provide all the required support for determining the most feasible approach to the energy efficient refurbishment of a demo-building in private or residential sector, through EPC/ESCO modality or another EPC type of agreement;
- Support in organization of round table meetings with Chisinau Municipality, Termoelectrica, Gas Natural Fenosa, HOAs, and other related stakeholders;
- Provide support in strengthening the role of the Energy Service Companies (ESCOs) through a more detailed technical assistance in developing new lending mechanisms and engaging in project assessment.

# *For detailed information, please refer to Annex 1 – Terms of Reference.*

# 3. REQUIREMENTS FOR EXPERIENCE AND QUALIFICATIONS

I. <u>Academic Qualifications:</u>

- Master's degree in Energy, Environment, Law, Business Administration, Economics, Engineering, or other closely related field. PhD is an asset.
- II. Experience:
  - At least 4 years of professional experience in providing advice to energy-efficiency and RES projects;
  - Experience in working with international technical assistance projects or international organizations will be an asset;
  - Experience in work with performance-based energy efficiency projects;
  - Good knowledge of the international state-of-the-art approaches and best practices in Energy Efficiency and Renewable Energy Sources promotion in residential sector.
- III. <u>Competencies:</u>
  - Good analytical and problem-solving skills and the related ability for adaptive management with prompt action on the conclusion and recommendations coming out from the assignment;
  - Demonstrated understanding of issues related to gender; experience in gender sensitive evaluation and analysis;
  - Proven experience in preparation of written reports in an accurate and concise manner in English;
  - Excellent computer literacy (Word, Excel, Internet, Power Point).
  - Proficiency (verbal and written) in Romanian and English; working level of Russian will be an asset.

Proven commitment to the core values of the United Nations, in particular, respecting differences of culture, gender, religion, ethnicity, nationality, language, age, HIV status, disability, and sexual orientation, or other status.

UNDP Moldova is committed to workforce diversity. Women, persons with disabilities, Roma and other ethnic or religious minorities, persons living with HIV, as well as refugees and other noncitizens legally entitled to work in the Republic of Moldova, are particularly encouraged to apply.

# 4. DOCUMENTS TO BE INCLUDED WHEN SUBMITTING THE PROPOSALS

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

- 1. Proposal:
  - (i) Explaining why they are the most suitable for the work;
  - (ii) Provide a brief methodology on how they will approach and conduct the work (if applicable);
- 2. Financial proposal;
- 3. CV including past experience in similar projects and at least 3 references;
- 4. Offeror's Letter confirming Interest and Availability.

#### 5. FINANCIAL PROPOSAL

#### Lump sum contracts

The financial proposal shall specify a total lump sum amount, and payment terms around specific and measurable (qualitative and quantitative) deliverables (i.e. whether payments fall in installments or upon completion of the entire contract). Payments are based upon output, i.e. upon delivery of the services specified in the TOR. In order to assist the requesting unit in the comparison of financial proposals, the financial proposal will include a breakdown of this lump sum amount (including fees, taxes, travel costs, accommodation costs, communication, and number of anticipated working days).

# <u>Travel</u>

<u>All envisaged travel costs must be included in the financial proposal</u>. This includes all travel to join duty station/repatriation travel. In general, UNDP should not accept travel costs exceeding those of an economy class ticket. Should the IC wish to travel on a higher class he/she should do so using their own resources.

In the case of unforeseeable travel, payment of travel costs including tickets, lodging and terminal expenses should be agreed upon, between the respective business unit and Individual Consultant, prior to travel and will be reimbursed.

# 6. EVALUATION

Initially, individual consultants will be short-listed based on the following minimum qualification criteria:

- Master's degree in Energy, Environment, Law, Business Administration, Economics, Engineering, or other closely related field.
- At least 4 years of professional experience in providing advice to energy-efficiency and RES projects.

The short-listed individual consultants will be further evaluated based on the following methodology:

# **Cumulative analysis**

The award of the contract shall be made to the individual consultant whose offer has been evaluated and determined as:

a) responsive/compliant/acceptable, and

b) having received the highest score out of a pre-determined set of weighted technical and financial criteria specific to the solicitation.

\* Technical Criteria weight – 60% (300 pts);

\* Financial Criteria weight – 40% (200 pts).

Only candidates obtaining a minimum of 210 points would be considered for the Financial Evaluation.

Criteria	Scoring	Maximum Points Obtainable
<u>Technical</u>		
Master's degree in Energy, Environment, Law, Business Administration, Economics,	Master's – 40 pts, PhD – 50 pts	50

Engineering, or other closely related field.		
PhD is an asset		
• At least 4 years of professional experience	4 years – 40 pts, >4 years – 50 pts	50
in providing advice to energy-efficiency		
and RES projects		
Experience in working with international	each year of such work – 5 pts	20
technical assistance projects or		
international organizations will be an asset		
Experience in work with performance-	< 3 assignments – 10 pts; >3	20
based energy efficiency projects	assignments – 20 pts	
Interview (demonstrated technical knowledge a	and experience; communication/ interperso	onal skills; initiative;
creativity/ resourcefulness).		
Good knowledge of the international state-	limited -<15 pts, satisfactory - <25 pts,	35
of-the-art approaches and best practices in	extensive – <35 pts	
Energy Efficiency and Renewable Energy	'	
Sources promotion in residential sector		
Good analytical and problem-solving skills	limited -<15 pts, satisfactory - <25 pts,	35
and the related ability for adaptive	extensive – <35 pts	
management with prompt action on the		
conclusion and recommendations coming		
out from the assignment		
Demonstrated understanding of issues	limited –<10 pts, satisfactory – <15 pts,	25
related to gender; experience in gender	extensive $- <25$ pts	25
sensitive evaluation and analysis		
<ul> <li>Proven experience in preparation of written</li> </ul>	limited –<10 pts, satisfactory – <15 pts,	25
reports in an accurate and concise manner	extensive $- <25$ pts	25
in English		
<ul> <li>Proficiency (verbal and written) in</li> </ul>	Romanian and English – 5 pts each;	20
Romanian and English; working level of	Russian – 10 pts	20
Russian will be an asset		
Excellent computer literacy (Word, Excel,	limited –<10 pts, satisfactory – <15 pts,	20
		20
Internet, Power Point)	extensive – <20 pts	
Maximum Total Technical Scoring		300
<u>Financial</u>		
Evaluation of submitted financial offers will be d	one based on the following formula:	
<u>S = Fmin / F * 200</u>		
S – score received on financial evaluation;	200	
Fmin – the lowest financial offer out of all the submitted offer		
F – financial offer under consideration.		

# Winning candidate

The winning candidate will be the candidate, who has accumulated the highest aggregated score (technical scoring + financial scoring).

# <u>ANNEXES:</u> ANNEX 1 – TERMS OF REFERENCES (TOR) ANNEX 2 – INDIVIDUAL CONSULTANT GENERAL TERMS AND CONDITIONS