



INDIVIDUAL CONSULTANT PROCUREMENT NOTICE

Date: **2nd of October 2019**

Country: Republic of Moldova

Description of the assignment: International 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: 85 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 **16th of October 2019**.

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 CO₂ reduction (200 ktons of CO₂eq. 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 International consultant in Energy Efficiency and Renewable Energy Sources under this activity, is requested to support the UNDP CO to test the market for finding/analyzing 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. International consultant shall collaborate with Energy Efficiency Agency in order to synchronize the joint efforts related to Efficiency related loans repayment instruments.

The consultant will be supported in his work by the Green Cities Project Business Officer, National consultant in EE RES. and will report to the UNDP CO and Project manager.

Under present assessment, Consultant will have the following responsibilities:

- Analyzing 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);
- 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;
- Providing 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;
- 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.
- Increasing ESCO capacities through demo project so they can showcase their expertise and gain practical experience

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

3. REQUIREMENTS FOR EXPERIENCE AND QUALIFICATIONS

I. Academic Qualifications:

- Master's degree in Energy, Environment, Law, Business Administration, Economics, Engineering, or other closely related field. PhD is an asset.

II. Experience:

- At least 5 (five) years' work experience in providing advice to energy-efficiency and RES projects in the Europe and CIS region;
- Experience in work with performance-based energy efficiency projects. Proven knowledge of energy performance contracting, ESCO mechanisms;

- Experience in working with international technical assistance projects in Czech Republic would be an asset;
- 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. Competencies:

- 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);
- Writing and verbal skills in English; knowledge of Romanian or Russian would 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 non-citizens 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).

Travel

All envisaged travel costs must be included in the financial proposal. 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 5 (five) years' work experience in providing advice to energy-efficiency and RES projects in the Europe and CIS region with international organizations.

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, Engineering, or other closely related field. PhD is an asset	Master's – 40 pts, PhD – 50 pts	50
• At least 5 (five) years' work experience in providing advice to energy-efficiency and RES projects in the Europe and CIS region	5 years – 40 pts, >5 years – 50 pts	50
• Experience in working with international technical assistance projects in Czech Republic would be an asset	no – 0, yes – 30 pts	30

Interview (demonstrated technical knowledge and experience; communication/ interpersonal skills; initiative; creativity/ resourcefulness)		
• Experience in work with performance-based energy efficiency projects. Proven knowledge of energy performance contracting, ESCO mechanisms	limited –<15 pts, satisfactory – <25 pts, extensive – <35 pts	35
• Good knowledge of the international state-of-the-art approaches and best practices in Energy Efficiency and Renewable Energy Sources promotion in residential sector	limited –<15 pts, satisfactory – <25 pts, extensive – <35 pts	35
• 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	limited –<10 pts, satisfactory – <15 pts, extensive – <20 pts	20
• Demonstrated understanding of issues related to gender; experience in gender sensitive evaluation and analysis	limited –<10 pts, satisfactory – <15 pts, extensive – <20 pts	20
• Proven experience in preparation of written reports in an accurate and concise manner in English	limited –<10 pts, satisfactory – <15 pts, extensive – <20 pts	20
• Writing and verbal skills in English; knowledge of Romanian or Russian would be an asset	English – 10 pts each; Russian and Romanian – 5 pts each	20
• Excellent computer literacy (Word, Excel, Internet, Power Point)	limited –<10 pts, satisfactory – <15 pts, extensive – <20 pts	20
Maximum Total Technical Scoring		300
Financial		
Evaluation of submitted financial offers will be done based on the following formula: $S = F_{min} / F * 200$ S – score received on financial evaluation; Fmin – the lowest financial offer out of all the submitted offers qualified over the technical evaluation round; F – financial offer under consideration.		200

Winning candidate

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

ANNEXES:

ANNEX 1 – TERMS OF REFERENCES (TOR)

ANNEX 2 – INDIVIDUAL CONSULTANT GENERAL TERMS AND CONDITIONS