







## Pre-proposal conference

Provision of feasibility study on establishing a Public-Private Partnership for pelletizing biomass RFP13/00672

26 June 2013, 11:00

UNDP Conference Room, Le Roi International Business Center, 3<sup>rd</sup> floor

Participants	
3 representatives of 2 companies attended the meeting	
UNDP Moldova	
1. Nicolae Zaharia	MEBP Business Development Officer
2. Mihai Maciuca	MEBP Procurement and Contract Management Officer

## Background:

On 20 June 2013 UNDP Moldova issued a Request for Proposal for the Provision of feasibility study on establishing a Public-Private Partnership for pelletizing biomass. The deadline for submission of the proposals is 15 July 2013, 16:30 local time. The purpose of the Pre-bidding Conference is to inform interested companies on the procurement procedures and to respond to the questions of the participants.

According to the Request for Proposal the interested companies/NGOs shall provide their offers for conducting a feasibility study on establishing a Public-Private Partnership (PPP) for pelletizing biomass and to elaborate the tender documentation for the selection of the private agent.

The participants that attended the meeting were warned that the proposals should be presented in 2 separate envelopes; first should include operational and technical documentation, and Proposal form; the second should include the price schedule/financial proposal.

One of the scopes of the MEBP is establishing a PPP for the production of biomass pellets. In accordance with the local legislation, a feasibility study is required in order to establish whether the partnership is viable. At the same time the study will answer to a series of questions concerning the economical, technical, financial feasibility of the partnership. The Local Public Administration (LPA) that will enter into this PPP has already been selected following a series of analyses conducted in collaboration with the Project's stakeholders. This is the District Council of Leova. On 20 June 2013 was organized an extraordinary session of the Leova District Council at which was formally approved the decision to enter into the PPP. Thus all premises for the creation of the PPP are met and next steps are to conduct the feasibility study and the tender for the selection of the private agent.

The local legislation outlines very clearly all the components a feasibility study should contain, moreover, it is expressly specified that the study shall be approved by the Public

Property Agency (PPA). Therefore, the selected contractor will need to elaborate the feasibility study, coordinate it with all involved stakeholders including PPA, incorporate into the study all objections received from the stakeholders, and as a second part of the assignment the contractor will elaborate all the tender documentation for the selection of the private agent including its profile, basic operating parameters, and implementation parameters. All documents elaborated within the assignment shall respond to all the requirements of the local legislation applicable on PPP.

A working group that will coordinate the implementation of this activity shall be created and it will include the LPA, PPA, Energy Efficiency Agency (EEA), MEBP and other members upon invitation.

## Questions and answers:

Q: At what degree is it possible to extend the timelines specified in the Terms of Reference?
A: All stakeholders involved in the process are interested to finalize the process before the deadline. A working group to conduct this activity has been established, and the selected contractor will be invited to all the meetings of the working group.

Q: What should include the draft of the feasibility study?

A: The draft represents a complete feasibility study conducted in accordance with the plan agreed upon the start of the contract. The draft will be presented to the PPA for endorsement. When all the comments/objections are incorporated into the feasibility study, it shall be considered as final product.

Q: Shall the selected contractor be involved in the tendering process for the selection of the private agent?

A: The contractor will not participate in the process of private partner selection procedure, however, it may be requested to provide clarifications concerning specific questions during the tender.

Q: What is the expected duration of the partnership agreement?

A: The PPPs are generally concluded for a period of up to 49 years. The selected contractor will have to propose the duration for which the agreement should be concluded. It should be considered that upon the termination of the partnership agreement, all the equipment allocated within the PPP, shall be transferred to the LPA.

Q: What funds are allocated by MEBP for piloting this activity?

A: The feasibility study should estimate what is the necessary funding for this partnership to become efficient and should not consider the availability of PEBM/UNDP funds as a precondition for demonstrating its feasibility.

Q: Should the feasibility study be aligned with the anti-monopolistic legislation?

A: It is not the scope of this activity to create a pellet producing company to monopolize the biomass fuel production market. The selected contractor will have to suggest the size of the business that will be created based on open market principles.

Q: Should the proposals include a concept of the feasibility study?

A: In accordance with the RFP provisions, proposers a required to submit a Concept of the study as part of their Technical Proposal, which should comprise a draft outline of the study, proposed timeline of activities, key elements of research to be conducted, major questions to be clarified and main directions of analysis, as well as other pertinent information. Proposers need to submit as well the list and the CVs of the proposed team that will perform the work.