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REQUEST FOR PROPOSAL RFP 056/18

NAME & ADDRESS OF FIRM	DATE: August 8, 2018
	REFERENCE: Support to introduction of high energy efficiency appliances and systems through ESCOs in public and municipal sectors of Armenia and Kyrgyzstan.

Dear Sir / Madam:

We kindly request you to submit your Proposal for **Support to introduction of high energy efficiency appliances and systems through ESCOs in public and municipal sectors of Armenia and Kyrgyzstan. (the detailed TOR is attached separately as Annex 1a).**

Please be guided by the form attached hereto as Annex 2, in preparing your Proposal.

Proposals need to be submitted on or before **Wednesday, 29 August 2018, 4:00 pm** local Yerevan time (GMT +4) via email, courier mail to the address below:

United Nations Development Programme / UNDP
14 Petros Adamyan St., Yerevan 0010, Republic of Armenia

Or submit via e-mail to the following e-mail address: tenders.armenia@undp.org

Proposals submitted by email must be limited to a maximum of 5MB, virus-free and no more than 3 transmissions. They must be free from any form of virus or corrupted contents, or the quotations shall be rejected.

Please note that proposals received through any other e-mail address will not be considered.

Your Proposal must be expressed in the English, and valid for a minimum period of 60 calendar days.

In the course of preparing your Proposal, it shall remain your responsibility to ensure that it reaches the address above on or before the deadline. Proposals that are received by UNDP after the deadline indicated above, for whatever reason, shall not be considered for evaluation. If you are submitting your Proposal by email, kindly ensure that they are signed and in the .pdf format, and free from any virus or corrupted files.

Services proposed shall be reviewed and evaluated based on completeness and compliance of the Proposal and responsiveness with the requirements of the RFP and all other annexes providing details of UNDP requirements.

The Proposal that complies with all of the requirements, meets all the evaluation criteria and offers the best value for money shall be selected and awarded the contract. Any offer that does not meet the requirements shall be rejected.

Any discrepancy between the unit price and the total price shall be re-computed by UNDP, and the unit price shall prevail and the total price shall be corrected. If the Service Provider does not accept the final price based on UNDP's re-computation and correction of errors, its Proposal will be rejected.

No price variation due to escalation, inflation, fluctuation in exchange rates, or any other market factors shall be accepted by UNDP after it has received the Proposal. At the time of Award of Contract or Purchase Order, UNDP reserves the right to vary (increase or decrease) the quantity of services and/or goods, by up to a maximum twenty five per cent (25%) of the total offer, without any change in the unit price or other terms and conditions.

Any Contract or Purchase Order that will be issued as a result of this RFP shall be subject to the General Terms and Conditions attached hereto. The mere act of submission of a Proposal implies that the Service Provider accepts without question the General Terms and Conditions of UNDP, herein attached as Annex 3.

Please be advised that UNDP is not bound to accept any Proposal, nor award a contract or Purchase Order, nor be responsible for any costs associated with a Service Providers preparation and submission of a Proposal, regardless of the outcome or the manner of conducting the selection process.

UNDP's vendor protest procedure is intended to afford an opportunity to appeal for persons or firms not awarded a Purchase Order or Contract in a competitive procurement process. In the event that you believe you have not been fairly treated, you can find detailed information about vendor protest procedures in the following link:

<http://www.undp.org/content/undp/en/home/operations/procurement/protestandsanctions/>

UNDP encourages every prospective Service Provider to prevent and avoid conflicts of interest, by disclosing to UNDP if you, or any of your affiliates or personnel, were involved in the preparation of the requirements, design, cost estimates, and other information used in this RFP.

UNDP implements a zero tolerance on fraud and other proscribed practices, and is committed to preventing, identifying and addressing all such acts and practices against UNDP, as well as third parties involved in UNDP activities. UNDP expects its Service Providers to adhere to the UN Supplier Code of Conduct found in this link : http://www.un.org/depts/ptd/pdf/conduct_english.pdf

Thank you and we look forward to receiving your Proposal.

Sincerely yours,

Procurement Unit / UNDP Armenia

Description of Requirements

Context of the Requirement	Support to introduction of high energy efficiency appliances and systems through ESCOs in public and municipal sectors of Armenia and Kyrgyzstan
Implementing Partner of UNDP	N/A
Brief Description of the Required Services ¹	Please see attached Terms of Reference (TOR), Annex 1a
List and Description of Expected Outputs to be Delivered	Please see attached Terms of Reference (TOR), Annex 1a
Person to Supervise the Work/Performance of the Service Provider	“Regulatory framework to promote Energy Efficiency in countries of the Eurasian Economic Union” Project Manager
Frequency of Reporting	<i>weekly</i>
Progress Reporting Requirements	On regular basis
Location of work	<input type="checkbox"/> Exact Address/es <i>[pls. specify]</i> <input checked="" type="checkbox"/> At Contractor’s Location
Expected duration of work	120 days
Target start date	September, 2018
Latest completion date	February, 2018
Travels Expected	Service provider has to travel to one of Project partner countries to present the outcomes of the task
Special Security Requirements	<input type="checkbox"/> Security Clearance from UN prior to travelling <input type="checkbox"/> Completion of UN’s Basic and Advanced Security Training <input type="checkbox"/> Comprehensive Travel Insurance <input checked="" type="checkbox"/> Not Required
Facilities to be Provided by UNDP (i.e., must be excluded from Price Proposal)	<input type="checkbox"/> Office space and facilities <input type="checkbox"/> Land Transportation <input checked="" type="checkbox"/> Not Required
Implementation Schedule indicating breakdown and timing of activities/sub-activities	<input checked="" type="checkbox"/> Required <input type="checkbox"/> Not Required
Names and curriculum vitae of individuals who will be involved in completing the services	<input checked="" type="checkbox"/> Required <input type="checkbox"/> Not Required
	<input checked="" type="checkbox"/> United States Dollars

¹ A detailed TOR may be attached if the information listed in this Annex is not sufficient to fully describe the nature of the work and other details of the requirements.

Currency of Proposal	<input type="checkbox"/> Euro <input checked="" type="checkbox"/> Local Currency																	
Value Added Tax on Price Proposal ²	<input type="checkbox"/> must be inclusive of VAT and other applicable indirect taxes <input checked="" type="checkbox"/> must be exclusive of VAT and other applicable indirect taxes																	
Validity Period of Proposals (<i>Counting for the last day of submission of quotes</i>)	<input checked="" type="checkbox"/> 60 days <input type="checkbox"/> 90 days <input type="checkbox"/> 120 days In exceptional circumstances, UNDP may request the Proposer to extend the validity of the Proposal beyond what has been initially indicated in this RFP. The Proposal shall then confirm the extension in writing, without any modification whatsoever on the Proposal.																	
Partial Quotes	<input checked="" type="checkbox"/> Not permitted <input type="checkbox"/> Permitted																	
Payment Terms ³	<table border="1"> <thead> <tr> <th>Outputs</th> <th>Percentage</th> <th>Timing</th> <th>Condition for Payment Release</th> </tr> </thead> <tbody> <tr> <td>Report on study of best international practices and measures/recommendations to promote energy efficient projects through ESCOs is drafted</td> <td>25</td> <td>2 months</td> <td rowspan="3">Upon acceptance of services/deliverables by the manager of the "Regulatory framework to promote Energy Efficiency in countries of the Eurasian Economic Union" Project</td> </tr> <tr> <td>Fact-finding missions and consultations with the project stakeholders in Armenia and Kyrgyzstan are conducted, workshops in Armenia and Kyrgyzstan to address the elaborated measures/recommendations are held</td> <td>25</td> <td>1.5 months</td> </tr> <tr> <td>Reports on removal of barriers for ESCO development in Armenia and Kyrgyzstan are drafted; ESCO support mechanisms on the example of selected projects in Armenia and Kyrgyzstan are developed.</td> <td>50</td> <td>2.5 months</td> </tr> </tbody> </table>				Outputs	Percentage	Timing	Condition for Payment Release	Report on study of best international practices and measures/recommendations to promote energy efficient projects through ESCOs is drafted	25	2 months	Upon acceptance of services/deliverables by the manager of the "Regulatory framework to promote Energy Efficiency in countries of the Eurasian Economic Union" Project	Fact-finding missions and consultations with the project stakeholders in Armenia and Kyrgyzstan are conducted, workshops in Armenia and Kyrgyzstan to address the elaborated measures/recommendations are held	25	1.5 months	Reports on removal of barriers for ESCO development in Armenia and Kyrgyzstan are drafted; ESCO support mechanisms on the example of selected projects in Armenia and Kyrgyzstan are developed.	50	2.5 months
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Person(s) to review/inspect/ approve outputs/completed services and authorize the disbursement of payment	Climate Change Program Coordinator of UNDP Country Office in Armenia																	

² VAT exemption status varies from one country to another. Pls. check whatever is applicable to the UNDP CO/BU requiring the service.

³ UNDP preference is not to pay any amount in advance upon signing of contract. If the Service Provider strictly requires payment in advance, it will be limited only up to 20% of the total price quoted. For any higher percentage, or any amount advanced exceeding \$30,000, UNDP shall require the Service Provider to submit a bank guarantee or bank cheque payable to UNDP, in the same amount as the payment advanced by UNDP to the Service Provider.

Type of Contract to be Signed	<input type="checkbox"/> Purchase Order <input type="checkbox"/> Institutional Contract <input checked="" type="checkbox"/> Contract for Services <input type="checkbox"/> Long-Term Agreement ⁴ <input type="checkbox"/> Other Type of Contract
Criteria for Contract Award	<input type="checkbox"/> Lowest Price Quote among technically responsive offers <input checked="" type="checkbox"/> Highest Combined Score (based on the 70% technical offer and 30% price weight distribution), where the minimum passing score of technical proposal is 70%. <input type="checkbox"/> Full acceptance of the UNDP Contract General Terms and Conditions (GTC). This is a mandatory criteria and cannot be deleted regardless of the nature of services required. Non acceptance of the GTC may be grounds for the rejection of the Proposal.
Criteria for the Assessment of Proposal	<p><u>Technical Proposal (70%)</u></p> <p><input checked="" type="checkbox"/> <u>Expertise of the Firm - Maximum obtainable points: – 30</u></p> <ul style="list-style-type: none"> • Experience in providing consultancy services in application of ESCO mechanisms for projects in public and municipal sector, particularly in EAEU countries, including legal, institutional framework and financial mechanisms, max-20; • Experience in application energy saving impact assessment methodologies of energy efficiency projects in lighting and HVAC sectors, max-10; <p><input checked="" type="checkbox"/> <u>Methodology, Its Appropriateness to the Condition and Timeliness of the Implementation Plan, technical capacity - Maximum obtainable points: 30</u></p> <ul style="list-style-type: none"> - Description of the task implementation methodology and workplan, max-30; - <p><input checked="" type="checkbox"/> <u>Management Structure and Qualification of Key Personnel - Maximum obtainable points: 40</u></p> <ul style="list-style-type: none"> • Task Leader/ ESCO legal, regulatory and institutional framework expert with at least 10 years of general professional experience, including 5 years of specific experience in development of ESCO mechanisms in public and/or municipal sectors, max-15; • ESCO financing expert with at least 5 years of professional experience in economics and finance, including 3 years in ESCO financing mechanisms in the EAEU countries, max-5; • Lighting systems expert with at least 10 years of professional experience, including 3 years of specific experience in energy saving measuring and calculation methodologies for high energy efficiency projects in lighting sector, max-5; • HVAC expert with at least 10 years of professional experience, including 3 years of specific experience of energy saving measuring and calculation methodologies for energy efficiency projects in HVAC sector, max-5; • National stakeholder identification and engagement expert for Armenia with proven experience of cooperation with Armenian public authorities/municipalities within of energy efficiency/energy saving projects, max-5;

⁴ Minimum of one (1) year period and may be extended up to a maximum of three (3) years subject to satisfactory performance evaluation. This RFP may be used for LTAs if the annual purchases will not exceed \$100,000.00.

	<ul style="list-style-type: none"> National stakeholder identification and engagement expert for Kyrgyzstan with proven experience of cooperation with Kyrgyz public authorities/municipalities within energy efficiency/energy saving projects, max-5. <p>Financial Proposal (30%) To be computed as a ratio of the Proposal's offer to the lowest price among the proposals received by UNDP.</p>
UNDP will award the contract to:	<input checked="" type="checkbox"/> One and only one Service Provider <input type="checkbox"/> One or more Service Providers, depending on the following factors: N/A
Annexes to this RFP ⁵	<input checked="" type="checkbox"/> Form for Submission of Proposal (Annex 2) <input checked="" type="checkbox"/> General Terms and Conditions / Special Conditions (Annex 3) ⁶ <input checked="" type="checkbox"/> Detailed TOR <input type="checkbox"/> Others ⁷ [pls. specify]
Contact Person for Inquiries (Written inquiries only) ⁸	<p>Procurement Unit, UNDP Armenia procurement.armenia@undp.org</p> <p>Any delay in UNDP's response shall be not used as a reason for extending the deadline for submission, unless UNDP determines that such an extension is necessary and communicates a new deadline to the Proposers.</p>
Other Information [pls. specify]	

⁵ Where the information is available in the web, a URL for the information may simply be provided.

⁶ Service Providers are alerted that non-acceptance of the terms of the General Terms and Conditions (GTC) may be grounds for disqualification from this procurement process.

⁷ A more detailed Terms of Reference in addition to the contents of this RFP may be attached hereto.

⁸ This contact person and address is officially designated by UNDP. If inquiries are sent to other person/s or address/es, even if they are UNDP staff, UNDP shall have no obligation to respond nor can UNDP confirm that the query was received.

TERMS OF REFERENCE FOR PROVIDING PROFESSIONAL SERVICES

I. General Information

Service Title: Support to introduction of high energy efficiency appliances and systems through ESCOs in public and municipal sectors of Armenia and Kyrgyzstan.

Customer: UNDP in the framework of “Regulatory Framework to Promote Energy Efficiency in Countries of the Eurasian Economic Union” regional project

Duration: 6 months

Location: home office with missions to Armenia and Kyrgyzstan

II. Background

The overarching goal of the Russian Federation-UNDP Trust Fund for Development (UNDP-RTF) Regional Project is to reduce emissions of greenhouse gases (GHG) by promoting energy efficiency (EE) in the countries of the Eurasian Economic Union (EAEU), namely Armenia, Kyrgyzstan, Kazakhstan and Belarus, through realization of energy saving potential in lighting, household appliances and engineering equipment of buildings. To achieve the said goal, the following complex measures are implemented:

- development and introduction of modern energy efficiency standards for lighting, household appliances and engineering equipment of buildings,
- establishment of testing laboratories’ system and implementation of measures to protect the market against low efficiency equipment,
- consumers awareness raising on options and benefits of energy efficient technologies, estimation of reduction of GHG emissions.

The project will focus largely on capacity development and assisting governments, standardization institutions, manufacturing, distributing, retail, consumer and environmental stakeholders in the EEU region to implement the most cost-effective energy efficiency measures available. The project covers country components for Armenia and Kyrgyzstan, as well as the regional component for all four participating countries. The project will be implemented by UNDP through DIM modality. The UNDP CO in Armenia as Lead Country is in charge of overall project implementation, whereas the UNDP CO in Kyrgyzstan is in charge of the national component implementation.

The project interventions are inter alia focused to support for establishment of demand stimulation mechanisms for introduction/promoting of high-energy efficiency equipment and engineering systems. The ESCO mechanism is known as effective tool to promote energy efficiency technologies and solutions especially in public and municipal sectors. Some of the Eurasian Economic Union (EAEU) countries have successfully implemented various ESCO mechanisms, which are still not enough developed in the Project partner countries namely Armenia and Kyrgyzstan. Thus, the advanced experience in establishment and development of the effective ESCO mechanism tailored to the specific circumstances in Armenia and Kyrgyzstan is required.

III. Scope of professional services

Objective of the Task

The objective of the assignment is to analyze the best international and EAEU countries experience in application of ESCO mechanism and provide recommendations and assistance in introduction of ESCO mechanisms in public and municipal sectors of Armenia and Kyrgyzstan.

Activities to Perform

Activities within the task are grouped into the following consecutive stages:

Stage 1. Review of the best international and EAEU countries practice for promoting of energy efficient appliances and engineering systems through ESCO mechanisms, considering its applicability in EAEU countries, namely Armenia and Kyrgyzstan.

- Review of the existing legal and regulatory framework, mechanisms and best practices for introduction of energy services, as well as experience for implementation of energy service contracts.
- Analysis of the best international experience of application of energy saving assessment and measuring methods while implementation of ESCO projects with the special focus on interior and street lighting as well as HVAC systems.

Stage 2. Propose measures to promote energy efficient appliances and engineering systems through the ESCO mechanisms for interior and street lighting, and HVAC modernization projects and consult it with stakeholders in Armenia and Kyrgyzstan

- Develop recommendations for measuring and calculation of savings for implementation of projects in public and municipal sectors.
- Develop exemplary Terms of References for ESCO contracts.
- Fact finding missions and discussion with stakeholders in Armenia and Kyrgyzstan to gather data on the existing situation, legal/regulatory, institutional barriers as well as business environment for development of ESCO system in Armenia and Kyrgyzstan.
- Holding workshops in Armenia and Kyrgyzstan.

Stage 3: Recommendations to introduce/develop ESCO mechanisms in public and municipal sectors of Armenia and Kyrgyzstan

- Draft recommendations to remove the identified barriers for ESCOs development in beneficiary countries.
- Develop ESCO stimulation and/or support mechanisms in public and municipal sectors (public/municipal subsidies, guarantees, “soft” loans etc.) on the example of selected projects in Armenia and Kyrgyzstan.

Duration of Professional Services

Estimated duration of activities to be performed in the frames of the task is 6 months.

IV. Expected deliverables

#	Deliverable	Time-frame
1	Report on study of best international practices and measures/recommendations to promote energy efficient projects through ESCOs is drafted	2 months
2	Fact-finding missions and consultations with the project stakeholders in Armenia and Kyrgyzstan are conducted, workshops in Armenia and Kyrgyzstan to address the elaborated measures/recommendations are held	1.5 months
3	Reports on removal of barriers for ESCO development in Armenia and Kyrgyzstan are drafted; ESCO support mechanisms on the example of selected projects in Armenia and Kyrgyzstan are developed.	2.5 months

The Contractor should submit the reports in Russian and English. The reports should be provided in hard copy and/or electronic version and/or by e-mail.

In the course of work contractor is obliged to provide regular consultations on essential matters of performance of work by phone and/or e-mail.

V. Professional Requirements

Applicant organization/company must possess:

- Experience in providing consultancy services in application of ESCO mechanisms for projects in public and municipal sector, particularly in EAEU countries, including legal, institutional framework and financial mechanisms,
- Experience in application energy saving impact assessment methodologies of energy efficiency projects in lighting and HVAC sectors,
- Methodology and work plan proposed by the company for the task implementation
- Experienced professional staff, including:
 - Task Leader/ ESCO legal, regulatory and institutional framework expert with at least 10 years of general professional experience, including 5 years of specific experience in development of ESCO mechanisms in public and/or municipal sectors,
 - ESCO financing expert with at least 5 years of professional experience in economics and finance, including 3 years in ESCO financing mechanisms in the EAEU countries,
 - Lighting systems expert with at least 10 years of professional experience, including 3 years of specific experience in energy saving measuring and calculation methodologies for high energy efficiency projects in lighting sector,
 - HVAC expert with at least 10 years of professional experience, including 3 years of specific experience of energy saving measuring and calculation methodologies for energy efficiency projects in HVAC sector,

- National stakeholder identification and engagement expert for Armenia with proven experience of cooperation with Armenian public authorities/municipalities within of energy efficiency/energy saving projects,
 - National stakeholder identification and engagement expert for Kyrgyzstan with proven experience of cooperation with Kyrgyz public authorities/municipalities within energy efficiency/energy saving projects.
- Working experience with UNDP is an asset.

FORM FOR SUBMITTING SERVICE PROVIDER'S PROPOSAL⁹

(This Form must be submitted only using the Service Provider's Official Letterhead/Stationery¹⁰)

[insert: Location].

[insert: Date]

To: [insert: Name and Address of UNDP focal point]

Dear Sir/Madam:

We, the undersigned, hereby offer to render the following services to UNDP in conformity with the requirements defined in the RFP dated [specify date], and all of its attachments, as well as the provisions of the UNDP General Contract Terms and Conditions:

A. Qualifications of the Service Provider

The Service Provider must describe and explain how and why they are the best entity that can deliver the requirements of UNDP by indicating the following :

- a) *Profile – describing the nature of business, field of expertise, licenses, certifications, accreditations;*
- b) *Business Licenses – Registration Papers, Tax Payment Certification, etc.*
- c) *Latest Audited Financial Statement – income statement and balance sheet to indicate its financial stability, liquidity, credit standing, and market reputation, etc.;*
- d) *Track Record – list of clients for similar services as those required by UNDP, indicating description of contract scope, contract duration, contract value, contract references;*
- e) *Certificates and Accreditation – including Quality Certificates, Patent Registrations, Environmental Sustainability Certificates, licenses, etc.*
- f) *Written Self-Declaration that the company is not in the UN Security Council 1267/1989 List, UN Procurement Division List or Other UN Ineligibility List.*

B. Proposed Methodology for the Completion of Services

The Service Provider must describe how it will address/deliver the demands of the RFP; providing a detailed description of the essential performance characteristics, reporting conditions and quality assurance mechanisms that will be put in place, while demonstrating that the proposed methodology will be appropriate to the local conditions and context of the work.

⁹ This serves as a guide to the Service Provider in preparing the Proposal.

¹⁰ Official Letterhead/Stationery must indicate contact details – addresses, email, phone and fax numbers – for verification purposes

C. **Qualifications of Key Personnel**

If required by the RFP, the Service Provider must provide :

- a) Names and qualifications of the key personnel that will perform the services indicating who is Team Leader, who are supporting, etc.;
- b) CVs demonstrating qualifications must be submitted if required by the RFP; and
- c) Written confirmation from each personnel that they are available for the entire duration of the contract.

D. **Cost Breakdown per Deliverable***

	Deliverables <i>[list them as referred to in the RFP]</i>	Percentage of Total Price (Weight for payment)	Price (Lump Sum, All Inclusive), currency
1	Report on study of best international practices and measures/recommendations to promote energy efficient projects through ESCOs is drafted		
2	Fact-finding missions and consultations with the project stakeholders in Armenia and Kyrgyzstan are conducted, workshops in Armenia and Kyrgyzstan to address the elaborated measures/recommendations are held		
3	Reports on removal of barriers for ESCO development in Armenia and Kyrgyzstan are drafted; ESCO support mechanisms on the example of selected projects in Armenia and Kyrgyzstan are developed.		
	Total	100%	

**This shall be the basis of the payment tranches*

E. **Cost Breakdown by Cost Component [This is only an Example]:**

Description of Activity	Remuneration per Unit of Time	Total Period of Engagement	No. of Personnel	Total Rate
I. Personnel Services				
1. Services from Home Office				
a. Expertise 1				
b. Expertise 2				
2. Services from Field Offices				
a. Expertise 1				
b. Expertise 2				
3. Services from Overseas				
a. Expertise 1				
b. Expertise 2				
II. Out of Pocket Expenses				
1. Travel Costs				
2. Daily Allowance				
3. Communications				
4. Reproduction				
5. Equipment Lease				
6. Others				
III. Other Related Costs				

*[Name and Signature of the Service Provider's
Authorized Person]*

[Designation]

[Date]

Annex 3

(Attached separately)

General Terms and Conditions