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REQUEST FOR PROPOSAL (RFP 120/18 ext)

NAME & ADDRESS OF FIRM	DATE: November 27, 2018
	REFERENCE: Financial and Legal Advisory Services for pilot Energy Efficiency Retrofit projects in Multi-Apartment Buildings in Armenia

Dear Sir / Madam:

We kindly request you to submit your Proposal for the Financial and Legal Advisory Services for pilot Energy Efficiency Retrofit projects in Multi-Apartment Buildings in Armenia (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 may be submitted on or before, **7 January 2019**, 4:00 pm local Yerevan time (GMT +4) via email, courier mail below (sealed in envelope):

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**

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 days 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
11/27/2018*

Description of Requirements

Context of the Requirement	Financial and Legal Advisory Services for pilot Energy Efficiency Retrofit projects in Multi-Apartment Buildings in Armenia
Implementing Partner of UNDP	Municipality of Yerevan
Brief Description of the Required Services ¹	The selected Consulting Company will support implementation of the Project's Component 4. The objective of this assignment is to provide financial and legal advisory services to enable the design and implementation of the GCF-funded Financial Incentive Program for EE retrofits in multi-apartment buildings (MABs).
List and Description of Expected Outputs to be Delivered	– As per Annex 1a – Terms of Reference (TOR)
Person to Supervise the Work/Performance of the Service Provider	<i>Project Manager, De-Risking and Scaling-up Investment in Energy Efficient Building Retrofits UNDP-GCF</i>
Frequency of Reporting	<i>As per TOR (Annex 1a) implementation schedule</i>
Progress Reporting Requirements	NA
Location of work	<input type="checkbox"/> Exact Address as provided below <input checked="" type="checkbox"/> At Contractor's Location
Expected duration of work	8 months after contract signing by both parties.
Target start date	25 January 2019
Latest completion date	25 September 2019
Travels Expected	NA
Special Security Requirements	<input checked="" type="checkbox"/> Others 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 type="checkbox"/> Others
Implementation Schedule indicating breakdown and timing of activities/sub-activities	<input checked="" type="checkbox"/> 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
Currency of Proposal	<input checked="" type="checkbox"/> United States Dollars (USD) <input checked="" type="checkbox"/> Euro

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.

	<input checked="" type="checkbox"/> Local Currency (AMD) (will be converted by the Armenian central bank submission day, www.cba.am)			
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 (Counting for the last day of submission of quotes)	<input type="checkbox"/> 60 days <input checked="" 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 Proposals can be submitted per each LOT. <i>In case the bidder is interested in more than one LOT, the number of Key experts should be doubled.</i>			
Payment Terms ³	Outputs	Percentage	Timing	Condition for Payment Release
	Deliverable 1: Work-plan for the assignment and detailed work-plan for Task 1	10%	1 week after contract signed	Within thirty (30) days from the date of meeting the following conditions: a) UNDP's written acceptance (i.e., not mere receipt) of the quality of the outputs; and b) Receipt of invoice from the Service Provider.
	Deliverable 2: Financial tool to conduct financial and economic analysis of investment in EE building retrofits	20%	Within 1 month after contract signed	
	Deliverables 3: Financial and economic analysis of investment in EE retrofits for 3 pilot buildings		Within 3 months after contract signed	
	Deliverable 4: Recommendation on the structure of delivery mechanism and business model for investment in EE retrofit in 3 pilot MABs, including draft legal agreements for its implementation	40%	Within 4 months after contract signed	

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.

	Deliverable 5: Recommendations for the design of new/modification of existing financial products to finance EE retrofits and roadmap for their implementation by partner banks		Within 6 months after contract signed	
	Deliverable 6: Financing plan for three pilot MAB buildings developed and agreed upon with all financing partners	30%	Within 8 months after contract signed	
Person(s) to review/inspect/ approve outputs/completed services and authorize the disbursement of payment	UNDP-GCF Project Manager, UNDP Climate Change Programme Coordinator			
Type of Contract to be Signed	<input checked="" type="checkbox"/> Contract for Services			
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) <input checked="" 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	Technical Proposal (70%) <input checked="" type="checkbox"/> Expertise of the Firm (max score: 300), including: <ol style="list-style-type: none"> a. Proven minimum 5 years of experience in the field of assignment. Applied knowledge and experience with structuring financing for EE retrofit programs for residential buildings (max score: 100) b. Minimum of three similar complexity projects for development agencies and/or IFIs (max score: 100). c. Experience with financial sector (including in Armenia): design, promotion of new financial products and mechanisms (max score: 50). d. Documented experience in structuring financing for investment minimum value of 5mln USD (max score: 50). <input checked="" type="checkbox"/> Methodology, its Appropriateness to the Conditions and Implementation Plan (max score: 300), including: <ol style="list-style-type: none"> e. <u>Understanding</u> of barriers to energy efficiency financing in residential building sector in Armenia (max score: 100) f. <u>Approach</u>: Reasonableness of methodologies to develop financial and legal solution to enable investment in residential buildings retrofit. Comprehensiveness and clarity of the technical approach to this project (max score: 100) 			

	<p>g. <u>Timetable</u>: appropriateness of workplan, justification of planning, capacity to tackle parallel tasks (max score: 100)</p> <p><input checked="" type="checkbox"/> Qualification of Key Personnel (max score: 400), including:</p> <p>h. Key Expert 1 - Team Leader (as per TOR, Annex 1a) (max score: 100);</p> <p>i. Key Expert 2 - Financial Expert (as per TOR, Annex 1a), (max score: 80);</p> <p>j. Key Expert 3 - Financial Modeler (as per TOR, Annex 1a), (max score: 70);</p> <p>k. <u>Key Expert 4: Legal expert</u> (as per TOR, Annex 1a), (max score: 80);</p> <p>l. <u>Key expert 5: Energy efficiency finance expert</u> (as per TOR, Annex 1a), (max score: 70);</p> <p><u>Financial Proposal (30%)</u> 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 or more Service Providers, depending on the following factors: as per maximum number of lots.
Annexes to this RFP ⁴	<input checked="" type="checkbox"/> Detailed TOR (Annex 1) <input checked="" type="checkbox"/> Form for Submission of Proposal (Annex 2) <input checked="" type="checkbox"/> General Terms and Conditions / Special Conditions (Annex 3) ⁵ <input type="checkbox"/> Others ⁶
Contact Person for Inquiries (Written inquiries only) ⁷	<i>Procurement Unit, UNDP Armenia procurement.armenia@undp.org</i> 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.
Other Information [pls. specify]	

⁴ Where the information is available in the web, a URL for the information may simply be provided.

⁵ 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.

⁶ A more detailed Terms of Reference in addition to the contents of this RFP may be attached hereto.

⁷ 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.

**“De-risking and Scaling-up Investment in Energy Efficient Building Retrofits”
UNDP-GCF project**

TERMS OF REFERENCE

**Financial and Legal Advisory Services for pilot Energy Efficiency Retrofit projects in Multi-
Apartment Buildings in Armenia**

1. Background

The buildings sector is one of major energy consumers in Armenia. According to the 2010 GHG inventory, almost 28% of primary energy resources are consumed in buildings, mostly in the residential sector. Globally, GHG emissions from the building sector have more than doubled since 1970 and now represent 19% of all global GHG emissions. Middle-income countries in Eastern Europe & Central Asia (EECA), such as Armenia, account for almost 40% of all non-OECD GHG emissions in the buildings sector.

Improving energy efficiency (EE) in the building sector has been assigned a high priority in Armenia’s climate, energy and housing strategies. One sub-set of buildings with significant energy-saving potential in Armenia are multi-apartment buildings (MABs), of which there are approximately 12,100. In such buildings, the energy-saving potential of thermal modernization is over 1.250 TWh/year, with a GHG reduction potential of 250 ktCO₂eq/year, and annual savings of about US\$ 63 m.

Due to the presence of policy, financial, market and technical / capacity barriers, the overall investment risk profile of EE building retrofits however is prohibitive in Armenia, deterring private and public investment despite the vast potential for highly cost-effective energy-saving and GHG emission reduction opportunities.

In particular, privatization of multi-apartment housing stock of the Republic of Armenia led to a new institutional environment in the housing sector, with prevalence of private property (99% of the MABs are located in private ownership). MAB management bodies (mostly condominiums) first emerged in 1995. As of 01.01.2017, out of 12,106 multi-apartment buildings in 48 cities of the Republic of Armenia:

- homeowner-established management bodies, mainly condominiums, manage 8,026 buildings (or 66.3%), and in Yerevan those manage 4,750 buildings of the existing 4,824 buildings (or 98.5%);
- no established homeowner-established management bodies exist in 4,080 buildings (or 33.7%) located in 34 cities (out of 48 cities), and corresponding management powers are of the community heads, as set forth by law.

2. GCF/UNDP Project objective

Objective of the GCF/UNDP project “De-Risking and Scaling-up Investment in Energy Efficient Building Retrofits in Armenia” (Project) is to support the creation of a favorable market environment and a scalable business model for investment in EE buildings retrofits, leading to sizeable energy savings and accompanying GHG emission reductions. The project has four components indicated below:

- **Component 1:** Establishment of Building Sector MRV: Provision of technical assistance to establish and implement energy measurement, reporting and verification (MRV) systems for the building sector for various categories of buildings.
- **Component 2:** Policy de-risking: Provision of technical assistance to (i) national, sub-national and local authorities to adopt and implement an enabling policy framework for EE retrofits using UNDP’s framework to support policy-makers in selecting public instruments to promote renewable energy investment; (ii) support on-going legislative reform; and (iii) building owners, associations and energy service companies on legal matters related to energy efficiency.
- **Component 3:** Financial de-risking: Provision of technical assistance to banks, financial institutions and local banks in developing and implementing financial instruments to finance EE retrofits in private and public owned buildings.
- **Component 4:** Financial Incentives: Project will design and implement the **Financial Incentive (FI) Program for Multi-Apartment Buildings (MABs)**. GCF funds will be used to provide targeted financial incentives in order to ensure that the most vulnerable households can afford the costs of building-level EE retrofits.

Further information about the project can be obtained at [\[link\]](#). In addition, methodology for conducting households’ vulnerability assessment has been elaborated, as well as recommendations on and results of its practical application presented in the report “Social Vulnerability Assessment of Population: Main Approaches, Criteria and System of Indicators” available at [\[link\]](#).

3. Objective of the assignment

The selected Consulting Company will support implementation of the Project’s Component 4. The objective of this assignment is to provide financial and legal advisory services to enable the design and implementation of the GCF-funded Financial Incentive Program for EE retrofits in multi-apartment buildings (MABs).

4. Scope of work

Task 1: Financial tool to conduct financial and economic analysis of investment in EE building retrofits

Develop an Excel-based financial tool to assist the Project to conduct in a standardized and automated way the economic and financial analysis of EE retrofit measures in buildings, including IRR, NPV, pay-back and other appropriate financial indicators to assess project’s financial feasibility. This tool will be used for the financial analysis and design of UNDP projects in energy efficient buildings. The financial tool will have the following overall characteristics:

- Be able to be applied to 2 categories of buildings, which could also imply 2 separate versions of a basic tool (public and multi-apartment residential buildings);
- Be able to receive input data from detailed energy efficiency audits (e.g., data on a range of energy efficiency measures; the cost of these energy efficiency measures; the performance improvement for each measure against both theoretical/normative baseline and real baseline energy use) and then use this data for financial and economic analyses;

- Use credible and well-documented assumptions as regards applied discount rate, cost of capital, affordability thresholds, etc;
- Have a similar user-friendly functionality, as well as formatting, as UNDP's Excel-based LCOE financial tool for renewable energy under DREI (available at www.undp.org/DREI).

The specific functions and outputs of the financial tool will include the following:

- Identification of energy efficient building measures and cost-optimal package of measures. Using the data from the energy audit, this will allow the user to manually optimize the cost-effectiveness of a set of different energy efficiency measures;
- Financial analysis. This will take a private sector perspective, using a private cost of capital analyzing the financial viability through indicators such as payback period, IRR and NPV, etc;
- Economic analysis. This will take a public sector perspective, using a public cost of capital and economic values of additional benefits such as GHG emission reduction, determining the present value of future cash flows nationally;
- Financial structuring. This will allow the modelling of different debt, equity and grant components, including debt schedules, for the energy efficiency measures. In particular, the model should have the ability to analyze the impact of public grants or public (concessional) loans on improving financial viability of the investment;
- Bottom-up algorithm to determine the per-household subsidy, i.e. the minimum amount of subsidy/grant needed to make the total investment viable from household and financier perspective;
- Sensitivities. This will perform sensitivity analyses on key assumptions and inputs, including investment cost and energy savings performance.

Deliverable: Financial tool with detailed instruction manual to conduct financial and economic analysis of investment in EE building retrofits

Task 2: Financial and economic analysis of investment in EE retrofits for 3 pilot Multi Apartment Buildings (MAB)

For a pilot/testing phase of the Financial Incentive Program, UNDP will preselect with assistance of another sub-contractor three pilot MABs. Based on data from energy audits and results of socio-economic vulnerability assessment in these MABs and using the model designed under task 1 of the assignment, the Consultant will conduct financial and economic analysis of the investment in EE retrofits for the three pilot buildings, including:

- Conduct financial and economic analysis for 3 packages of EE retrofit measures (to be identified jointly with UNDP-GCF project team and its EE experts): Package 1 Achievement of class "C" building based on current classification in construction norms RACN 24-01-2016 "Thermal protection of buildings"; Package 2: class "A" and Package 3: class "B" for each selected buildings (the exact scope of targeted energy saving for each package will be determined and agreed upon in the inception phase of the assignment);
- Recommend optimal financing structure for each package and building, i.e. combination of different debt, equity and grant components, including debt schedules and conditions;
- Determine the optimal level of per-household subsidy for vulnerable/poor households (to be identified via socio-economic vulnerability analysis to be conducted by a separate Consultant 1 -see Figure 1), i.e. the minimum amount of subsidy/grant needed to make the total investment viable and meeting the financiers' condition;
- Develop an option paper for each building (3 option papers) with a concise presentation of the findings of each Package and scenario and implications for households: annual/monthly energy bill payments before and after EE retrofits, initial investment, level of grant/subsidies,

etc. This information will be used in discussion with tenants and key stakeholders and identification of the most plausible Package of measures and financial incentives.

Deliverable: Report on financial and economic analysis of EE retrofits and 3 option papers for pilot buildings

Task 3: Design of delivery mechanism and business/legal model for investment in EE retrofit in pilot MABs

Based on conducted financial and economic analysis and results of stakeholder consultation (to be facilitated by the project), the Consult will propose the delivery mechanism for implementation of EE retrofit projects in pilot buildings, including:

- Appropriate allocations of roles and relationships between apartment owners, building management bodies, financiers (banks), sub-contractors, municipalities, and other identified/potential partners in EE retrofit project, as well as their responsibilities for specific tasks (such as securing financing, arrangements for collection of loan repayment, implementation of EE works, supervision, etc)
- With regard to loan financing (and in conjunction with Task 4), for each pilot building analyze different options regarding identity of potential borrower(s) (individual apartment owners/tenants, associations/condominiums, municipality, private ESCO, etc), conduct SWOT analysis and provide recommendation on the most feasible solutions (for each pilot building)
- Develop legal arrangements, propose most optimal allocation of risks between all parties involved and provide template of the respective legal agreements/contracts/statement of intent which would govern their relationship

Deliverable: Recommendation on the structure of delivery mechanism and business model for investment in EE retrofit in 3 pilot MABs, including draft legal agreements for its implementation

Task 4: Development of financial products and structuring financing for implementation of EE retrofit projects in MABs

Based on the undertaken financial analysis of EE investment and identified structure of the delivery mechanism, support project's financial partners [local and international financial institutions] in developing new and/or modifying existing financial products to match the specific characteristics of EE retrofit projects and their business models, including:

- Propose and develop mechanisms that recognize and define the cost-reduction cash flow benefits of EE retrofit projects and use this flow of funds as a source of loan repayment and security;
- Help partner banks better understand the characteristics of the cash stream generated by the projects and to structure loans and repayment assurances to best take advantage of that;
- Identify and propose specific mechanisms to partially mitigate repayment risks from borrowers, using in some way the generated project cash flows, e.g. matching loan repayment schedules to project cash flow, use of escrow accounts, etc;
- Assess capacity of partner banks to implement new/modified product for EE retrofits, prepare capacity building plan to address identified gaps, such as provision of specialized training, technical and advisory services, tools, communication and marketing support, etc;
- Prepare recommendations and roadmap for introduction of new financial products and/or modification to existing ones by project partner banks.

Deliverable: Recommendations for the design of new and/or modification of existing financial products to finance EE retrofits and roadmap for their implementation by partner banks

Task 5: Structuring financing for pilot EE retrofits projects

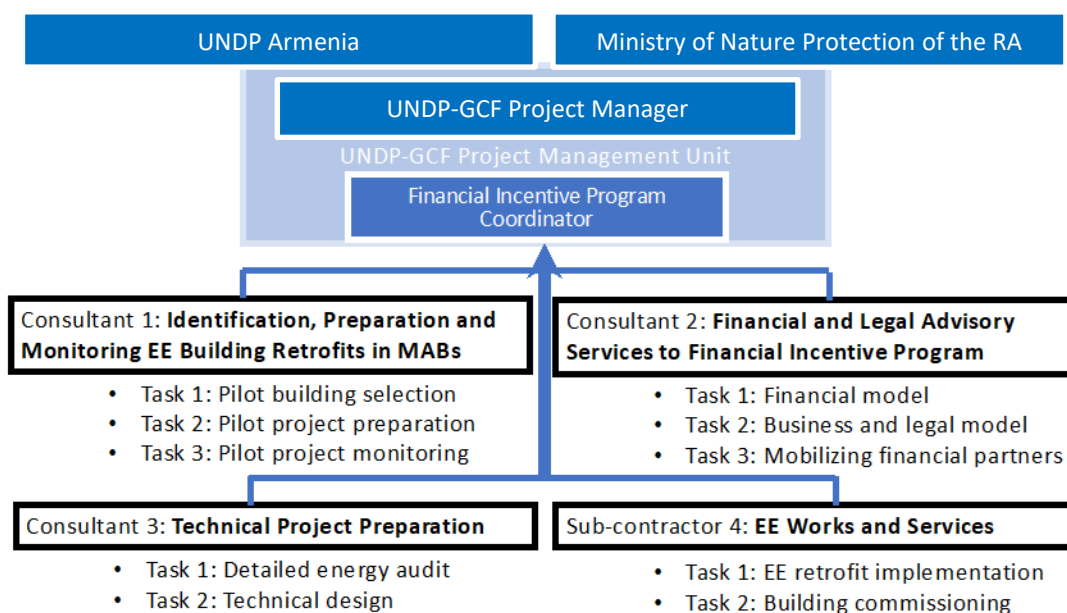
Based on results and deliverables under Tasks 1-4, prepare for each pilot MAB project financing plan and structure and facilitate signature of financing agreement, including:

- Prepare, present and discuss with relevant project partners and stakeholders, including local banks and IFIs, project financing plan for each identified pilot MAB
- Facilitate and support assessment of loan application for pilot EE retrofits by partner banks and the signature of loan agreement
- Facilitate discussion with municipalities and other potential public and private sector partners their contribution, including supporting identification of private sector partners, ESCOs
- Propose optimal form and modalities of provision of the GCF-funded Financial Incentive for EE retrofit in public MABs

Deliverable: Financing plans for three pilot MAB buildings developed and agreed upon with all financing partners.

5. Modalities of work

Four independent consultants/sub-contractors will be engaged by UNDP to support the design and implementation of the Financial Incentive Program under the Project's Component 4, as illustrated in the Figure 1 "Implementation structure for Component 4". Selected Consultant will work along with these service and work providers and will report directly to FI Program Coordinator, who will provide guidance and supervision of the work and services under this assignment on behalf of UNDP-GCF Project Management Unit. In the course of assignment, Consultant will also have to work and coordinate closely with other project partners, such as partner financial institutions, municipalities, and other stakeholders.



6. Draft Timeframe of the Services

The start date for the Consultancy Services will be upon signing of the contract between the Contractor and UNDP Armenia. The Services are expected to be completed within 9 months after contract signature according to the following tentative time schedule. In the beginning of the assignment and after completion of each Task time schedule will be revised and adjusted taking into account progress in FI Program design, status of deliverables by other consultants and sub-contractors under Component 4, as well as general partners' readiness and commitment, etc. Accordingly, a request for no-cost extension of the contract can be made by a Consultant at this point based on appropriate justification.

Deliverables	Due Date
Deliverable 1: Work-plan for the assignment and detailed work-plan for Task 1	1 week after contract signed
Deliverable 2: Financial tool to conduct financial and economic analysis of investment in EE building retrofits	Within 1 month after contract signed
Deliverables 3: Financial and economic analysis of investment in EE retrofits for 3 pilot buildings	Within 3 months after contract signed
Deliverable 4: Recommendation on the structure of delivery mechanism and business model for investment in EE retrofit in 3 pilot MABs, including draft legal agreements for its implementation	Within 4 months after contract signed
Deliverable 5: Recommendations for the design of new and/or modification of existing financial products to finance EE retrofits and roadmap for their implementation by partner banks	Within 6 months after contract signed
Deliverable 6: Financing plan for three pilot MAB buildings developed and agreed upon with all financing partners	Within 8 months after contract signed

The deliverables must be submitted both in Armenian and English.

7. Qualifications of the company

- Contractor is a legally registered entity, or consortium of legal entities.
- Minimum 5 years of experience in the field of assignment;
- Minimum 3 contracts of similar value, nature and complexity implemented over the last 5 years (for JV/Consortium/Association, all Parties cumulatively should meet requirement).
- Specialized knowledge and experience on similar engagements (Company /Organization or its full-time expert-employees):
 - ✓ Applied knowledge and experience with structuring financing for EE retrofit programs for residential buildings,
 - ✓ Minimum of three similar complexity projects for development agencies and/or IFIs;
 - ✓ Experience with financial sector (including in Armenia): design, promotion of new financial products and mechanisms;
 - ✓ Documented experience in structuring financing for investment minimum value of 5mln USD.
- Reference list of the most recently implemented relevant projects needs to be submitted alongside the offer, including the contact details and statement/confirmation of organizations/clients on the success of similar complexity projects: no less than 3 references in the past 5 years, where at least one dealing with financial mechanisms for EE retrofits.

8. Qualifications of key personnel

All experts who have a crucial role in implementing the contract are referred to as key experts. The tenderers shall submit CV's and statements of exclusivity and availability for the key experts listed below. Other experts profiles (Non-Key) deemed relevant for the successful implementation of the project should be described and will be assessed in relation to the methodology and technical approach.

The tenderers are required to prepare a human resources deployment schedule illustrating the input, responsibilities and timing of all suggested experts.

The profiles of the key experts for this contract are as follows:

Key Expert 1: Team Leader (min 90 days)

Qualifications and Skills

- Higher university degree in finance, economics or related discipline.
- Fluency in Armenian and English is required.
- Strong knowledge and familiarity with Armenian financial sector: financial markets, policies and regulations, banking sector.
- Excellent drafting, communications, and team work skills.

Professional experience

- At least 10 years of professional experience in the financial sector, including at least 5 years in Armenia.
- At least 5 years' experience with structuring financing for projects dealing with public infrastructure, experience with EE projects would be an advantage.
- At least 3 projects/assignments involving collaboration and support services to financial sector (e.g. development of new financial products).
- Experience with innovative financial instruments and products.

Key Expert 2 - Financial Expert (min 40 days)

Qualifications and Skills

- Higher university degree in finance, economics or related discipline.
- Fluency in Armenian; knowledge of English is an advantage.
- Strong knowledge and familiarity with Armenian financial sector: financial markets, policies and regulations, banking sector.
- Knowledge of financial and economic analysis.

Professional experience

- 10 years' professional experience as corporate finance expert, bank loan officer or economist with specialization in financial analysis (including capital investment appraisal).
- Expertise in financial structuring of cash flow-based lending projects.
- Experience with energy efficiency project is an advantage.

Key Expert 3 - Financial Modeler (min 30 days)

Qualifications and Skills

- Higher university degree in finance, economics or related discipline.
- Fluency in Armenia or Russian or English
- Excellent Excel modelling skills (at least one example of excel-based financial modelling tool should be submitted along with CV to demonstrate required competency)

Professional experience

- At least 5 years or more professional experience in the area of finance (e.g., banking, asset management).
- Experience with financial modelling and financial and economic analysis, in particular for energy efficiency projects.
- Research experience in relevant data driven studies and reports, including in academia.
- Experience in public promotion of energy efficiency in building sector will be at an advantage.

Key Expert 4: Legal expert (minimum 20 days)

Qualifications and Skills

- Master's degree in law or equivalent. A higher university degree in a relevant discipline will be an advantage.
- Fluency in Armenian is required and working knowledge of English will be an advantage.
- Knowledge of Armenian policy and regulatory context in particular in the areas of housing sector and financial markets and regulations.

Professional experience

- At least 7 years of professional experience in the area of legal and institutional framework, preferably in the financial sector.
- Experience with at least 3 similar projects involving legal advice to structuring complex public-partnership projects.

Key expert 5: Energy efficiency finance expert (minimum 40 days)

Qualifications and Skills

- Higher university degree in engineering, economics or related discipline.
- Fluency in Armenian is required and working knowledge of English will be an advantage.
- Knowledge of Armenian policy and regulatory context in the area of energy efficiency and familiarity with EE financing framework (local banks, IFIs)

Professional experience

- At least 7 years of professional experience in the area of energy efficiency, preferably with private-sector led business model (e.g. ESCOs)
- Experience with at least 3 similar projects involving implementation and financing EE projects in building sector

Key Expert 6: International technical advisor on EE retrofit project design (min 40 days)

Qualifications and Skills

- Higher University Degree in Engineering, Economics or similar relevant discipline.
- Fluency in English is required; working knowledge of Armenian or Russian will be an advantage.
- Practical knowledge of financing mechanisms for investment of EE building retrofits in housing sector

Professional experience

- At least 15 years of professional experience on energy efficiency financing;
- Experience in at least 3 countries with similar socio-economic and financial sector context; experience in former USSR countries would be an advantage;
- Practical experience with structuring financing (loans, private sector and grants) for thermal modernization project for MABs: minimum one project

Short-term non-key experts

The Consultant can provide other short-term experts as required according to the profiles identified in the Methodology. The pool of other experts should include a good mix experiences and know-how to complement the key experts in delivering on the tasks. These profiles must indicate whether they are to be regarded as senior/junior so that it is clear which fee rate in the budget breakdown will apply to each profile. All experts must be independent and free from conflicts of interest in the responsibilities accorded to them. They should have relevant experience in (this list is not limitative):

- Financial and economic analysis;
- Banking sector and financial product design;
- Structuring financing for EE building retrofit projects

The following maximum number of working days for non-key experts can be included in the proposal:

- Up to 20 working days for additional international experts;
- Up to 40 working days of Armenia-based experts.

It is expected that the Consultant will involve local experts with proven experience in similar assignments in Armenia and with hands-on knowledge of current regulations, standards and practices. All experts are required to have a good working command of the required MS Office applications and relevant specialized software operation in relation to the tasks to be performed. All experts must be independent and free from conflicts of interest in the responsibilities accorded to them. Note that civil servants and other staff of the public administration cannot be recruited as experts.

Within their offers, Proposers are required to suggest experts (alongside with their CVs, highlighting relevant experience, against the general requirements for expertise). In addition, Proposers are expected to suggest the allocation of level of effort for each expert, based on the table below:

Overview of key experts and level of effort									
Task/Deliverables	Resources (expert days)								Overview / Totals
	Key experts (KE)						Non key experts Non-KE		
	KE 1	KE 2	KE 3	KE 4	KE 5	KE 6	International	National	
Deliverable 1									
Deliverable 2									
Deliverable 3									
Deliverable 4									
Deliverable 5									
Deliverable 6									
Total number of expert days:									

9. Facilities to be provided by the Consultant

The Consultant must ensure that experts are adequately supported and equipped. In particular it must ensure that there is sufficient administrative, secretarial and interpreting provision to enable experts to concentrate on their primary responsibilities. The Consultant should provide their own office equipment, including in particular IT equipment and any other equipment needed to perform the activities of the contract. The Consultant shall ensure translation of all necessary documents/reports and any interpretation required.

The Consultant is required to:

- Arrange and finance travel costs and subsistence allowances for missions by Consultant's international experts to Yerevan to be undertaken as part of this contract;
- Arrange and finance by own means all other services, documentation, logistical support, etc. which is deemed necessary for the successful implementation of the contract;
- Undertake the necessary security measure for the experts' safety.

10. Schedule of payment

Deliverables	Payment
Deliverable 1: Work-plan for the assignment and detailed work-plan for Task 1	10%
Deliverable 2: Financial tool to conduct financial and economic analysis of investment in EE building retrofits	20%
Deliverables 3: Financial and economic analysis of investment in EE retrofits for 3 pilot buildings	
Deliverable 4: Recommendation on the structure of delivery mechanism and business model for investment in EE retrofit in 3 pilot MABs, including draft legal agreements for its implementation	40%
Deliverable 5: Recommendations for the design of new/modification of existing financial products to finance EE retrofits and roadmap for their implementation by partner banks	
Deliverable 6: Financing plan for three pilot MAB buildings developed and agreed upon with all financing partners	30%

Annex 2 - FORM FOR SUBMITTING SERVICE PROVIDER'S PROPOSAL⁸

(This Form must be submitted only using the Service Provider's Official Letterhead/Stationery⁹)

[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 or 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, 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.

⁸ This serves as a guide to the Service Provider in preparing the Proposal.

⁹ Official Letterhead/Stationery must indicate contact details – addresses, email, phone and fax numbers – for verification purposes

C. Qualifications of Key Personnel

<p><i>If required by the RFP, the Service Provider must provide:</i></p> <p>a) <i>Names and qualifications of the key personnel that will perform the services indicating who is Team Leader, who are experts, etc.;</i></p> <p>b) <i>CVs demonstrating qualifications must be submitted; and</i></p> <p>c) <i>Written confirmation from each personnel that they are available for the entire duration of the contract.</i></p>
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D. Cost Breakdown per Deliverable*

	Deliverables [list them as referred to in the RFP]	Percentage of Total Price (Weight for payment)	Price (Lump Sum, All Inclusive)
1	Deliverable 1: Work-plan for the assignment and detailed work-plan for Task 1	10%	
2	Deliverable 2: Financial tool to conduct financial and economic analysis of investment in EE building retrofits	20%	
	Deliverables 3: Financial and economic analysis of investment in EE retrofits for 3 pilot buildings		
	Deliverable 4: Recommendation on the structure of delivery mechanism and business model for investment in EE retrofit in 3 pilot MABs, including draft legal agreements for its implementation	40%	
	Deliverable 5: Recommendations for the design of new/modification of existing financial products to finance EE retrofits and roadmap for their implementation by partner banks		
	Deliverable 6: Financing plan for three pilot MAB buildings developed and agreed upon with all financing partners	30%	
	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. Key Expert 1				
b. Key Expert 2				
c. Expert 3				
d. Expert 4				
2. Services from Field Offices				
a. Key Expert 1				
b. Key Expert 2				
c. Expert 3				
d. Expert 4				
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				

F. **Cost breakdown by kindergartens/LOTs**

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

[Designation]

[Date]



*Empowered lives.
Resilient nations.*

Annex 3- UNDP GENERAL CONDITIONS OF CONTRACT FOR SERVICES

(attached separately)