

# Terms of reference



## GENERAL INFORMATION

Title: Virtual sensitization workshop on creation and operation of ESCOs and Financing Energy Projects.

Type of Contract: Institutional Contract

Direct Supervisor: GEF5 Project Manager

Duty Station: Jamaica

Estimated Start Date: February 2021

Duration: 20 non-consecutive working days over a 1-month period

## I. BACKGROUND

The Deployment of Renewable Energy and Improvement of Energy Efficiency in the Public Sector project is being implemented from the 1st of September 2016 to the 26 March 2021. The project is funded by the Global Environment Facility (GEF) Trust Fund, United Nations Development Programme (UNDP) and the Government of Jamaica through the Ministry of Science, Energy and Technology, Development Bank of Jamaica (DBJ) and other partners. The project implementation is being executed by the United Nations Development Programme (UNDP) in Jamaica.

This project seeks to advance a low carbon development path and reduce Jamaica's public sector energy bill through the introduction of renewable energy (RE) and improvement in energy efficiency (EE) in the health sector. The project will build relevant capacity in the public sector by increasing the knowledge base of its operatives on matters pertinent to RE and EE as well as developing the appropriate technical skills necessary to support investments in the sector. It will strengthen the regulatory framework that governs the development and deployment of RE and EE technologies. The project will support and investigate a potential mechanism involving public-private partnerships (PPPs) that will engender a greater uptake of RE and EE. The hospital sector has a high-energy demand and high operational costs and would benefit significantly for RE and EE applications.

There are several barriers to creation and development of ESCO and execution of EPC. A qualitative market assessment was recently completed that analysed current conditions in Jamaica for ESCO performance, identified barriers and proposed recommendations on removing these barriers. These barriers include the legal and regulatory barriers, lack of information and experience on creation and organizational structure of ESCO, development of EPC, business plans, finance leverage for energy service activities and lack of access to affordable financing. With several financing opportunities in the renewable energy and energy efficiency sectors, there is still a gap with financial institutions in offering services and products to the public. One of the key mitigation actions under the GEF5 Project is the need to promote access to renewable energy and energy efficient technologies with attention to the private sector. However, because of the limited knowledge of the renewable energy technologies and risks associated

with them, the financing institutions are risk averse and are hesitant to provide financing to the private sector in the RE and EE space

To promote the development of ESCOs in Jamaica, the UNDP-GEF5 Project is seeking to engage a consultant firm/institution with relevant experience to conduct virtual training sessions for local financial institutions and potential ESCO companies.

## II. **OBJECTIVE**

1. Conduct virtual training for selected financial institutions in financial modelling, project assessment and evaluation for renewable energy and energy efficiency projects.
2. Build capacity of potential ESCO companies in theoretical knowledge and practical skills for creation and operation of an ESCO, Energy Performance Contracting, business-plans for financing as well as Measurement and Verification Protocols.

## III. **SCOPE OF WORK, ACTIVITIES, AND DELIVERABLES**

The institution or firm will be expected perform the following tasks:

1. Develop a training program (to be delivered over two (2) half days) including agenda and training modules on financial modelling, project assessment and evaluation for renewable energy and energy efficiency projects. The areas of the capacity building for commercial banks will include, inter alia: Overview of RE and EE Technologies, stages of Development of a project, risk assessment, financial viability and financial analysis, sources of finance, development of Business Plans and proposals to acquire funding, Lending models using the renewable energy equipment as security, model development showing savings in energy efficiency equipment used for payback. The areas of the capacity building for commercial banks will include, inter alia: Overview of RE and EE Technologies, Stages of Development of a project, Risk Assessment, Financial Viability and Financial Analysis, Sources of Finance, Development of Business Plans and proposals to acquire funding, Lending models using the renewable energy equipment as security, Model development showing savings in energy efficiency equipment used for payback.
2. Develop a training program (to be delivered over four (4) half days) including agenda and training modules on ESCO creation and functioning for ESCOs, including the following sections: organizational and administrative ESCO schemes, legal and regulatory framework for ESCO activities, types of energy service projects, Investment-Grade Energy Audit, Models and formats of Energy Performance Contract, Economic analysis and software for economical assessment of projects, risks estimation, development of business plans for financing. The areas of the capacity building in Energy Performance Contracting will include, inter alia: organizational and administrative ESCO schemes, legal and regulatory framework for ESCO activities, types of energy service projects, Investment-Grade Energy Audit, Models and formats of Energy Performance Contract, Economic analysis and software for economical assessment of projects, risks estimation, development of business plans for financing.
3. Develop a training program (to be delivered over four (4) half days) including agenda and training modules on ESCO creation and functioning for ESCOs, including the following sections: Reasons for M&V, Current M&V Projects, IPMVP, Developing an M&V Plan > Current Issues in M&V, M&V as a tool of energy management, Emission Trading, Baseline Adjustments, Key Elements of Success: Theory & Examples of IPMVP Options, Selecting Options: Which One Is Best Suited for my needs, Adherence with

IPMVP, Review of M&V plan components, Examples and case studies related to the production of a thorough M&V plan > Introduction to the M&V module of RETScreen Expert software.

4. Develop training toolkit for each training areas to be shared remotely among the participants prior to each session. containing the following elements: agenda, theoretical learning materials, multimedia presentations, practical exercises, information and graphics to be used during the training sessions developed. All materials should contain UNDP and donor logos.
5. Delivery of the following virtual workshops:
  - a. one-day workshop (to be delivered over 2 half days) workshop to at least 20 persons from financial institutions on financial modelling, project assessment and evaluation for renewable energy and energy efficiency projects.
  - b. Training on ESCO creation and functioning for ESCOs over 5 half days to at least 30 persons representing prospective ESCO Companies, government ministries, agencies and departments.
  - c. Training on advance measurement and verification over 5 half days to at least 30 persons representing prospective ESCO Companies, Government Ministries, Agencies and Departments.
6. A detailed training report to include:
  - a. Participant list outlining participant details related to gender, institution and title;
  - b. summary and analysis of pre-training and post-training evaluation addressing participants' initial knowledge and end-of-training satisfaction with the training content;
  - c. summary of participants' insights on the training
  - d. Certificates of Participation should also be prepared for each participant.

| IV. EXPECTED OUTPUTS / DELIVERABLES                                                                                                                                                                                                                           |     |                      |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----|----------------------|
| Inception Report to include: <ul style="list-style-type: none"> <li>- Methodology and detailed work-plan for delivery</li> <li>- Description of data collection methodologies</li> <li>- Assessment tools</li> <li>Risks &amp; Mitigating Measures</li> </ul> | 0%  | GEF5 Project Manager |
| - Submission of Training toolkit and other required materials.                                                                                                                                                                                                | 15% | GEF5 Project Manager |
| Delivery of Two (2) half-day training (with at least 20 participants) in ESCO Financing including pre and post online survey.                                                                                                                                 | 15% | GEF5 Project Manager |

|                                                                                                                                                      |     |                      |
|------------------------------------------------------------------------------------------------------------------------------------------------------|-----|----------------------|
| Delivery of four (4) half-day training (with at least 30 participants) in ESCO creation and operation including pre and post online survey.          | 25% | GEF5 Project Manager |
| Delivery of four (4) half-day training (with at least 30 participants) in advance measurement and verification including pre and post online survey. | 25% | GEF5 Project Manager |
| Submission of the Final report and supporting products/documents as required.                                                                        | 20% | GEF5 Project Manager |

#### **V. INSTITUTIONAL ARRANGEMENTS**

The selected institution will report to the UNDP-GEF5 Project Manager and there will be an initial briefing for the consultant.

The institution after the contract signing and prior to starting work, will be given access to relevant information necessary for execution of the tasks under this assignment by UNDP.

#### **VI. DURATION OF THE WORK**

The contract is expected to require a commitment of 20 non-consecutive working days over a 1-month period. The expected date of commencement is February 2021.

#### **VII. DUTY STATION**

The contractor will be based remotely.

#### **VIII. REQUIREMENTS FOR EXPERIENCE AND QUALIFICATIONS**

##### **Team Member 1: Team Lead – ESCO Technical Expert**

##### **Academic Qualifications/Required Skills and Experience:**

- Minimum bachelors, degree in Economics, Business, Engineering (Electrical/Mechanical), Renewable Energy Technology
- Minimum 7 years of experience in dealing with Energy Performance Contracting and ESCO operation.
- Experience in the design and/or delivery of at least three (3) capacity building initiatives for the benefit of ESCOs and government officials.
- Knowledge and/or experience of the energy sector in the Caribbean and Jamaica an asset
- Professional Engineering Certification is an asset.
- Excellent reporting skills (at least one (1) training report should be provided);
- Strong communication skills including presentation and report writing.

- Demonstrated knowledge and ability to use online learning platforms will be an asset.
- Experience working with UN Agencies, similar multilateral agencies, government entities, private sector and/or civil society organizations desirable

**Competencies and special skills requirement:**

- Demonstrates excellent communication skills in English – orally and in writing to communicate complex, technical information to both technical and general audiences.
- Demonstrates professional approach with strong work ethic
- Excellent time-management skills, ability to meet tight deadlines.
- Ability to produce clear and concise written reports.

**Team Member 2: Financial Expert**

**Academic Qualifications/Required Skills and Experience:**

- Minimum bachelors, degree in Economics, Business, Engineering (Electrical/Mechanical), Renewable Energy Technology
- Minimum 5 years of experience providing consultancy services related to energy sector and financial mechanisms for energy efficiency and/or renewable energy in buildings.
- Experience in the design and/or delivery of at least three (3) capacity building initiatives on ESCO financing.
- Knowledge and/or experience of the energy sector in the Caribbean and Jamaica will be an asset
- Strong communication skills including presentation and report writing.
- Demonstrated knowledge and ability to use online learning platforms will be an asset.
- Experience working with UN Agencies, similar multilateral agencies, government entities, private sector and/or civil society organizations desirable

**Competencies and special skills requirements:**

- Demonstrates excellent communication skills in English – orally and in writing to communicate complex, technical information to both technical and general audiences.
- Demonstrates professional approach with strong work ethic
- Ability to produce clear and concise written reports.

**VIII. SCOPE OF BID PRICE AND SCHEDULE OF PAYMENTS**

UNDP will pay the fees specified in the contract.

The Institution will receive payment of fees subject to approval of the deliverables agreed upon in the Terms of Reference and approval of the respective Certificate of Payment by UNDP

**K. EVALUATION CRITERIA**

Combined Scoring Method, using the 70%-30% distribution for technical and financial proposals, respectively, where the minimum passing score of technical proposal is 70%. See below evaluation matrix

| Summary of Technical Proposal Evaluation Forms |                                                        | Score Weight | Points Obtainable |
|------------------------------------------------|--------------------------------------------------------|--------------|-------------------|
| 1.                                             | Expertise of Firm / Organization submitting Proposal   | 30           | 210               |
| 2.                                             | Proposed Methodology, Approach and Implementation Plan | 30           | 210               |
| 3.                                             | Personnel                                              | 40           | 280               |
| <b>Total</b>                                   |                                                        |              | <b>700</b>        |

**Expertise of Firm/ Organization submitting Proposal**

| <b>Technical Proposal Evaluation Form 1</b> |                                                                                                                                                                                                                                                                                                                                                                                                                                                | <b>Points obtainable</b> |
|---------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------|
| 1.1                                         | Reputation of Organization and Staff / Credibility / Reliability / Industry Standing                                                                                                                                                                                                                                                                                                                                                           | 30                       |
| 1.2                                         | General Organizational Capability which is likely to affect implementation <ul style="list-style-type: none"> <li>- Officially registered legal entity – 25 pts.</li> <li>- Financial stability – 15 pts.</li> <li>- Age of the firm – 3 years: 15 pts. Each additional year is 5 point, up to maximum 30 pts.</li> </ul>                                                                                                                      | 70                       |
| 1.3                                         | Extent to which any work would be subcontracted (subcontracting carries additional risks which may affect project implementation, but properly done it offers a chance to access specialized skills.)                                                                                                                                                                                                                                          | 20                       |
| 1.4                                         | Quality assurance procedures                                                                                                                                                                                                                                                                                                                                                                                                                   | 10                       |
| 1.5                                         | Relevance: <ul style="list-style-type: none"> <li>- Minimum 3 years of experience in carrying out training sessions in sustainable energy field. 3 years: 20pts. Each additional year 5 pts up to max. 35 pts.;</li> <li>- Previous work for similar development projects/programs/studies of UNDP and/or other major international development actors – 10 pts. Each additional project/programme/study is 5 pts up to max.30 pts.</li> </ul> | 80                       |

|  |                                                                                            |     |
|--|--------------------------------------------------------------------------------------------|-----|
|  | - Sound understanding of the energy development and capacity situation in Jamaica – 15 pts |     |
|  |                                                                                            | 210 |

### Proposed Work Plan and Approach

| <b>Technical Proposal Evaluation<br/>Form 2</b> |                                                                                                                                                      | <b>Points<br/>Obtainable</b> |
|-------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------|
| 2.1                                             | To what degree does the Proposer understand the task?                                                                                                | 25                           |
| 2.2                                             | Have the objectives of the assignment explained in Section D of the TOR been addressed in sufficient detail?                                         | 15                           |
| 2.3                                             | Are the different components of the project adequately weighted relative to one another?                                                             | 10                           |
| 2.4                                             | Does the proposed methodology clearly explain how each deliverable will be delivered?                                                                | 15                           |
| 2.5                                             | Is the conceptual framework adopted appropriate for the task?                                                                                        | 35                           |
| 2.6                                             | Is the scope of task well defined and does it correspond to the TOR?                                                                                 | 70                           |
| 2.7                                             | Is the presentation clear and is the sequence of activities and the planning logical, realistic and promise efficient implementation to the project? | 40                           |
|                                                 |                                                                                                                                                      | 210                          |

### Management Structure and Key Personnel

| <b>Technical Proposal Evaluation<br/>Form 3</b> |                                                                                                                                                |    | <b>Points<br/>Obtainable<br/>280</b> |
|-------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------|----|--------------------------------------|
| 3.1                                             | <b>Team Leader – ESCO Technical Expert</b>                                                                                                     |    | 180                                  |
|                                                 | Minimum bachelors, degree in Economics, Business, Engineering (Electrical/Mechanical), Renewable Energy Technology<br>. BA-20pts; Higher-30pts | 30 |                                      |
|                                                 | Minimum five (5) years of professional experience in the field of Energy is required                                                           | 40 |                                      |

|              |                                                                                                                                                                                                                                                                                    |    |            |
|--------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----|------------|
|              | Proven experience in the design and delivery of at least three (3) similar training sessions. (50 Points awarded for the minimum 3 Trainings, 10 points for each additional training up to a maximum of 80pts)                                                                     | 80 |            |
|              | Excellent reporting and communication skills                                                                                                                                                                                                                                       | 30 |            |
| <b>3.2</b>   | <b>Financial Expert</b>                                                                                                                                                                                                                                                            |    | <b>100</b> |
|              | Minimum bachelors, degree in Economics, Business, Engineering (Electrical/Mechanical), Renewable Energy Technology Systems. Bachelors – 10pts; Higher-20pts                                                                                                                        | 20 |            |
|              | Minimum 5 years of experience providing consultancy services related to energy sector and financial mechanisms for energy efficiency and/or renewable energy in buildings.<br>; 20 Points awarded for the minimum 5 years, 2 points for each additional year to a maximum of 30pts | 30 |            |
|              | Experience in the design and/or delivery of at least three (3) capacity building initiatives on ESCO financing. 30 Points awarded for the minimum 3 Trainings, 2 points for each additional training up to a maximum of 40pts                                                      | 40 |            |
|              | Strong communication skills including presentation and report writing                                                                                                                                                                                                              | 10 |            |
| <b>Total</b> |                                                                                                                                                                                                                                                                                    |    | <b>700</b> |

UNDP is committed to achieving workforce diversity in terms of gender, nationality and culture. Individuals from minority groups, indigenous groups and persons with disabilities are equally encouraged to apply. All applications will be treated with the strictest confidence.

UNDP does not tolerate sexual exploitation and abuse, any kind of harassment, including sexual harassment, and discrimination. All selected candidates will, therefore, undergo rigorous reference and background checks.

Approval

Signature  
Name



Denise Antonio, Resident Representative

Date

28-Jan-2021