

Terms of Reference

Title:	Technical Expert on Renewable Energy
Assignment:	Analysis of RES auctions for 2018-2020, including the calculation of tariff indexation for RES projects and the mechanism of the land registration scheme.
Place of work:	Home-based
Period:	4 months after signing the contract (October 2021 - January 2022, 60 working days)
Contract type:	Individual contract of the UNDP format (competition at the local and international level)
Project title:	00101058 UNDP/GEF Project "Derisking Renewable Energy Investment in Kazakhstan"

Description of the project

The objective of the project is to promote private sector investment in renewable energy sources in Kazakhstan to achieve the country's 2030 and 2050 renewable energy targets. The project targets both large-scale and small-scale renewable energy sources.

The goal of this project is to achieve transformation of the energy market in Kazakhstan by significantly increasing the scale of the use of renewable energy sources in electricity production, thereby increasing the share of renewable energy in the country's power generation mix from 1.1% in 2017 to 10% by 2030.

To achieve its objective, the project includes activities to support renewable energy projects that are expected to bring about a collective GHG emission reduction of at least 460,000 tonnes of CO₂. In addition, by the end of the project, the project would have supported the commissioning of 9.5 MW of direct, small-scale renewable energy system (RES) that will produce about 500 GWh of electrical energy.

The project is comprised of three components:

- Component 1 – Large-Scale Renewable Energy: Policy and Financial Derisking Measures
- Component 2 – Renewable Energy for Life: Policy Derisking
- Component 3 – Renewable Energy for Life: Financial Derisking and Incentives

This consultancy assignment is part of Activity 1.1.1. under Component 1/Output 1.1. of the DREI Project.

Purpose:

Analyze the past RES auctions for 2018-2020 and suggest mechanisms to improve the future auctions including issues on:

- 1) Protecting the interests of investors for the period of construction of renewable energy facilities;
- 2) Setting the maximum auction price for subsequent rounds of auction trading;
- 3) Organizational and legal aspects, including possible collusion of auction participants; and
- 4) Making sure that only serious investors with access to capital participate in the auctions.

Scope of work:

1. Conduct an analysis of the preparation and conduct of RES auctions. The analysis should be carried out to cover the following:
 - Legal aspects;
 - Financial aspects;
 - Technical aspects;
 - Administrative aspects.
2. Prepare information and analytical report based on the results of the analysis, with conclusions and recommendations to strengthen future auctions.
3. Analyze the past RES auctions for the period 2018-2020 considering the following criteria:
 - Simplicity and information content of the registration procedure for participants on the trading platform, as well as the trading procedure itself;
 - Information content of the developed methodological support for holding auctions;
 - Reliability of the trading system;
4. Prepare information and analytical report based on the results of the analysis of past auctions, with conclusions and recommendations based on lessons learned and points to consider and take into account for future auctions.
5. Propose a mechanism for calculating tariff indexation for renewable energy projects for the period of construction of facilities (from the moment of the conclusion of the PPA and until the moment the facility is put into operation).
6. Propose several approaches (at least two) to calculate the IRR (internal rate of return) for various renewable energy technologies based on various estimates for the marginal auction price for subsequent rounds of auction tenders for various types of renewable energy sources (based on the results of RE resource assessments in various regions of the country).
7. Develop and propose alternative schemes for registration and transfer of the land plot/plots to the auction winner according to a simplified procedure as part of the preparation of the so-called. RES projects with documentation taking into account land legislation, for example, registration of plots for a special company SPV.
8. The results of the work done should be presented and submitted for joint discussion at the Ministry of Energy of the Republic of Kazakhstan with the participation of interested parties, including the operator of the electricity and capacity market “KOREM” JSC, “FSC for RES support” LLP, associations. Conduct 2-3 rounds of joint discussions, incl. discussions of preliminary reports, before the final delivery of the work.

The Contractor must use the previously completed work within the framework of the UNDP / GEF Project "Derisking Renewable Energy Investment in Kazakhstan": "Recommendations on the methodology of RES auctions in Kazakhstan", "Research on the risks of investing in renewable energy in Kazakhstan".

Expected results:

The deadlines for completing tasks and payment will be carried out according to the following table:

No.	Results	Time frame	Checked and approved
1.	Works performed in Tasks 1 & 2, in the column "Scope of work" of terms of reference	8 weeks from the date of commencement of an assignment	ICTA and Project Manager
2.	Works performed in Tasks 3 & 4, in the column "Scope of work" of the terms of reference	12 weeks from the date of commencement of an assignment	ICTA and Project Manager
3.	Works performed in Tasks 5 & 6, in the column "Scope of work" of the terms of reference	14 weeks from the date of commencement of an assignment	ICTA and Project Manager
4.	Works performed in Tasks 7 & 8, in the column "Scope of work" of this terms of reference	16 weeks from the date of commencement of an assignment	ICTA and Project Manager

Indispensable conditions:

When carrying out all types of work that may have to be done in the performance of this consultancy assignment, the contractor must ensure the safe and legal production of the required deliverables (e.g., reports and finished products, excluding the creation of counterfeit products).

It is necessary to ensure compliance with the copyright (and related rights) laws and regulations of the Republic of Kazakhstan.

All rights to products produced, including originals of documents and their copies, can be transferred to any third person by the decision of the client (DREI Project), and such transfer can be carried out directly to the third person and immediately upon completion and acceptance of all work, in accordance with this Terms of Reference.

The UNDP project reserves the right to amend the Terms of Reference (up to a maximum of 20% of the content) but ensuring no change in the general essence of the consultancy assignment and the cost of services under the Agreement.

Responsibility and accountability:

The contractor bears full responsibility for the accuracy and legality of the information provided and for the timely provision of reports.

- Coordinates actions to be carried out with the DREI Project Manager and the international CTA (ICTA).
- Collaborates with the expert team of the DREI Project.
- Ensures unconditional fulfillment of the requirements specified in the contract and terms of reference.

Reports and materials: must be written in Russian language, in electronic format using MS WORD (2003 and above) in the UNDP format; Font: Times New Roman, 12

Duration of work: 4 months (60 working days, Oct 2021 - Jan 2022)

Place of work: Home-based, travel is not planned.

Required skills and work experience:

Qualifications:

- Master's degree in economics/management;
- At least 7 years of experience in the development of social and economic development plans;
- At least 5 years of experience in the development of feasibility studies, business plans for projects in the field of renewable energy.
- At least 5 years of experience as a consultant for the implementation of infrastructure (energy) projects, including renewable energy projects;
- Excellent knowledge of legislative and other regulatory documents in the field of electricity, including renewable energy;
- Excellent presentation and reporting skills;
- Availability of a certificate of professional attestation, if applicable;
- Experience in the preparation of analytical studies and methodological developments in the field of RES and the development of standards, methods, regulatory and technical documents in the field of RES.
- A list of similar services performed with the indication of the Customer, the name of the services/works, the year of the provision of services and the cost (if possible),
- Excellent Knowledge of Russian

Quotation volume and payment schedule:

%	Stage of work
20	Result 1
30	Result 2
30	Result 3
20	Result 4

Recommendations for submitting a proposal:

The following documents only in PDF should be attached to the application (proposal) and sent by e-mail to the following address (maximum size 20Mb): procurement.kz@undp.org no later than **13.00 (Nur-Sultan time zone) 27 September, 2021** with mandatory indication of the Reference **Ref.094** in the subject of your letter:

- a) A duly completed and signed letter of intent from the applicant to UNDP confirming Duly accomplished Letter of Confirmation of Interest and Availability using the template provided by UNDP;
- b) Personal CV, indicating all past experience from similar projects, as well as the contact details (email and telephone number) of the Candidate and at least three (3) professional references; Methodology for performing work;
- c) Other documents certifying experience, knowledge, and skills (certificates of continuing education/diplomas, awards, etc.).
- d) A brief description of why the applicant considers himself/herself the most suitable for the job (1000 characters maximum).

Criteria for selecting the best offer.

The qualification and methodology assessment will be a maximum of 70%, the maximum estimate of the quotation is 30%.

Terms of reference approved:

Syrym Nurgaliyev
Syrym Nurgaliyev
Project Manager
Date: 08-Sep-2021

Assel Nurbekova
Assel Nurbekova
a.i. GEF Portfolio Manager
Date: 08-Sep-2021