

## **TERMS OF REFERENCE**

### **Individual Contractor**

#### **1. Assignment Information**

<b>Assignment Title:</b>	Expert on Energy Service Companies (ESCOs) Market Development Roadmap (Open for both National and International Consultant)
<b>Cluster/Project:</b>	Policy & Innovations/PIH
<b>Post Level:</b>	Senior Specialist
<b>Contract Type:</b>	Individual Contractor (IC)
<b>Duty Station:</b>	Phnom Penh, Cambodia
<b>Expected Place of Travel:</b>	N/A
<b>Contract Duration:</b>	50 person days, from 20 April 2022 to 31 September 2022

#### **2. Project Description**

The United Nations Development Programme (UNDP) is the UN's global development network, an organization advocating for change and connecting countries to knowledge, experience and resources to help people build a better life. UNDP Cambodia Country Office works in partnership with the Royal Government of Cambodia (RGC), non-government organizations, civil society organizations, community-based organizations, multilateral aid agencies, bilateral donors and private sector to support the progress towards the Sustainable Development Goals (SDGs).

The Climate Promise is UNDP's response to the climate challenge. Tackling the climate crisis requires all countries to make bold pledges under the Paris Agreement, or NDCs, to reduce emissions of the greenhouse gases that cause global warming and strengthen adaptation to its impacts. The Climate Promise is UNDP's commitment to ensure that any country wishing to increase the ambition of their national climate pledge is able to do so.

Leveraging the NDCs as an umbrella, UNDP is bringing together its extensive infrastructure, networks and breadth of substantive offers to provide comprehensive support on NDC implementation. This effort is underpinned by strong support to green COVID-19 recovery measures, as well as leveraging UNDP's strength through measures that align UNDP's broader portfolio with the Paris Agreement and NDCs.

Therefore, the proposed activities under this TOR will support MME to accelerate the implementation of National Energy Efficiency Policy (NEEP) and catalyze long-term investment towards energy efficiency market transformation in Cambodia to manage, overcome, and build a resilient pathway forward from the challenges presented by COVID-19 and beyond.

The main objective of this consultancy is to develop a whitepaper on Energy Service Company (ESCO) market roadmap.

#### **3. Scope of Work**

The Individual Consultant will undertake the following tasks. All deliverables under each task should be submitted in the form of a report, PowerPoint presentation, and include hands-on training wherever applicable.

The scope of work as detailed below will be subject to adjustments, first during the inception workshop/phase, and second throughout the assignment as mutually agreed upon by UNDP, Stakeholders and the Consultant. Following are the key activities.

**Activity 1. Global Experience:** The consultant will conduct in-depth research on global lessons learnt for ESCO sector development in at least 3 peer economies, e.g. Thailand, Tunisia, Bulgaria, India, Vietnam, Philippines. This should cover overall emerging global market ESCO landscape including but not limited to policy and regulatory framework, institutional arrangement, technology standard, certification, business models, financing schemes, fund flows, capacity, and awareness development. Most importantly, the study should capture real factors behind any success and failure of ESCO approach in those peer countries.

**Activity 2. Enabling Environment:** Firstly, the consultant will analyse and review the NEEP (in the approval process currently) in detail. Then, based on the global experience under activity 1 and in line with the NEEP, this activity aims to identify and propose an enabling environment for ESCO development including public private partnerships in Cambodia.

**Activity 3. Gender and ESCO:** Again, based on the global lessons learned under activity 1 and consultant's own experience this activity considers drawing any lessons around inclusive and gender transformative ESCO development models. The main aim is to ensure development of a gender sensitive ESCO market.

**Activity 4. Institutional Mechanism:** Under this activity the consultant will focus on the institutional mechanism part of the Enabling Environment under activity 2. In line with the NEEP, this activity aims to illustrate detailed roles and responsibilities of specific public and private stakeholders. This analysis will be designed specifically for different ESCO schemes help enabling market development i.e., Super ESCOs, EE Funds, Utility DSM programs, etc.

**Activity 5. Model Contract templates:** This activity is to design and draft energy performance contract templates for innovative sustainable energy business model archetypes suitable for Cambodian Energy efficiency market:

- a. Shared Savings;
- b. Guaranteed Savings;
- c. Energy as a service;
- d. Potential of (flexible) PPAs.

The consultant is expected to source model contracts for all of the above that are available in public domain. The consultant will provide the model contract templates tailored to the context of Cambodia with a one to two page report on the contract key elements summarizing the model, key content, roles and responsibilities, measurement and verification approach etc. To the extent possible, the two-page summary report should also briefly highlight obvious key legal and regulatory barriers or barriers associated with complimentary tools for implementation, such as measurement and verification framework, etc.

**Activity 6. Whitepaper on ESCO Roadmap:** This activity is to simply summarise all the activities above and then prepare a whitepaper on Roadmap for ESCO market development in Cambodia. This paper will elaborate opportunities and barriers in Cambodia to implementing the ESCO business models highlighted in Activity 5. The whitepaper will detail what type of supporting legal, regulatory and institutional arrangements, and transaction structuring instruments (finance infrastructure/products, M&V protocol, industry training, MEPS, standard contracts, etc.) should be in

place to support an ESCO market in Cambodia. The consultant is expected to analyse the ESCO models and elaborate what models are best suited for initial implementation in Cambodia informed by international lessons learned based on the realities of local context. Further assess, current legal and regulatory environment, in country capacity in terms of existing energy service providers, and institutional arrangements that are in place or could feasibly be put in place in the near future.

**Activity 7. Presentation:** The consultant will attend and present the activity outcomes in three stakeholder validation workshops.

#### **4. Expected Outputs and Deliverables**

As a final product of the assignment, the Individual Contractor will deliver reports including findings and recommendations of the assigned activities. All these deliverables will be drafted in close coordination and partnership with the stakeholders; and based on the review comments by UNDP. Once agreed with and accepted by UNDP, a final version will be prepared and submitted to UNDP.

<b>No</b>	<b>Deliverables/Outputs</b>	<b>Estimated Duration to Complete (person working days)</b>	<b>Target Due Dates</b>	<b>Review and Approvals Required</b>
1	Inception report: Detailed workplan/methodology	2 days	26 April 2022	Technical Advisor on Energy
2	Draft report that includes output of activities 1-5. Reports/analysis/reviews under each activity can be presented as a chapter of the Report.	25 days	31 July 2022	
3	Final Report including Activity 6 i.e., whitepaper on ESCO roadmap Report (summarizing key results and lessons learnt)	23 Days	15 September 2022	
<b>Total # of days</b>		50 days		

#### **5. Institutional Arrangement**

The Individual Contractor is directly under the supervision of Technical Advisor on Energy; and he/she is expected to work closely with UNDP Energy Team, Private Sector, and other stakeholders including Ministry of Mines and Energy in seeking inputs as required for successful completion of the work.

#### **6. Duration of the Work**

The consultant is expected to complete the assignment in a total of 50 days. Start date of the contract will be upon signing of the contract by Individual Contractor, expected to be from 20 April 2022, and to be completed by 31 September 2022.

#### **7. Duty Station**

The duty station for this assignment is Phnom Penh.

Selected individual contractor is expected to undertake the assignment, being based in the country (Cambodia). It is advised to undertake (BSAFE) training. The course accessible is here:

<https://training.dss.un.org/course/category/6>.

## 8. Minimum Qualifications of the Individual Contractor

The prospective Individual Contractor should have a thorough understanding of energy sector in Cambodia. The following qualification requirement apply:

<b>Education:</b>	At least postgraduate degree in Energy Technology or Energy Economics or a related discipline or a combination of appropriate Bachelor and Postgraduate degrees.
<b>Experience:</b>	At least 7 years of work experience in fields of energy efficiency, energy audits, ESCO business and regulatory policies, economic analysis and/or financing of sustainable energy systems, energy management and process engineering sector particularly in the field of implementation of high-impact, cost-effective energy management and process engineering solutions.
<b>Competencies:</b>	<ul style="list-style-type: none"> <li>▪ Good understanding of energy market in Cambodia. Prior working experience in Cambodia and ministries would be an asset</li> <li>▪ The area of specialization, field of expertise, and other qualities of the ideal individual to perform the services/work satisfactorily; and</li> <li>▪ List of those skills, knowledge, and behaviors that are required for the performing the job.</li> </ul>
<b>Language Requirement:</b>	Excellent writing, editing and oral communication skills in English is required
<b>Other Requirements (desirable):</b>	<ul style="list-style-type: none"> <li>• Demonstrated experience working with governments and international organizations in a developing country context, where such experience in south-east Asia is an added advantage;</li> <li>• Strong knowledge of global and local power/energy sector landscape including government policies and strategies related to the RE and EE measures, technology, global standards, financing schemes, institutional framework, business models and capacity building activities;</li> <li>• Past practices in conducting market analysis, barrier analysis in energy planning, upscaling of energy conversion technologies, and demand side management is an added advantage;</li> <li>• Experience in liaising and working with stakeholders, in particular public and private sector parties;</li> <li>• Excellent organizational skills, especially for facilitating meetings and writing reports; and</li> <li>• Good interpersonal/communication skills.</li> </ul>

## 9. Criteria for Evaluation of Level of Technical Compliance of Individual Contractor

Technical Evaluation Criteria	Obtainable Score
At least postgraduate degree in Energy Technology or Energy Economics or a related discipline or a combination of appropriate Bachelor and Postgraduate degrees.	15
At least 7 years of work experience in fields of energy efficiency, energy audits, ESCO business and regulatory policies, economic analysis and/or financing of sustainable energy systems, energy management and process engineering sector particularly in the	25

field of implementation of high-impact, cost-effective energy management and process engineering solutions.	
Strong knowledge of government policies in power/energy sector, energy audits, ESCO business and regulatory policies, economic analysis and/or financing of sustainable energy systems, and strategies related distribution and retail segments of power markets in south-east Asia.	25
Methodology on how the work will be conducted and/or approached.	25
Good understanding of developing countries context, particularly Cambodia including prior working experience.	10
<b>Total Obtainable Score:</b>	<b>100</b>

## **10. Payment Milestones**

This is a fixed out-put based contract. Regardless of extension of the herein specific duration, the consultant will be paid on a lump sum basis as per the following instalments to the total amount calculated based on their daily rate.

Upon certification by the Technical Advisor on Energy that assignment related tasks have been completed by the individual contractor, UNDP Cambodia will pay directly to their account. Payment amount is paid within 30 days after satisfactorily completion of work and receiving of certification of payment.

Total number of days must be 50 working days from 20 April 2022, until 31 September 2022.

<b>No</b>	<b>Outputs/Deliveries</b>	<b>Payment Schedule</b>	<b>Payment Amount %</b>
1	Inception report: Detailed workplan/methodology	26 April 2022	20%
2	Draft report that includes output of activities 1-5. Reports/analysis/reviews under each activity can be presented as a chapter of the Report.	31 July 2022	50%
3	Final Report including Activity 6 i.e., whitepaper on ESCO roadmap Report (summarizing key results and lessons learnt)	15 September 2022	30%

## **11. Annexes**

N/A