

## Energy Market Mechanism Accelerator - EMMA Regional



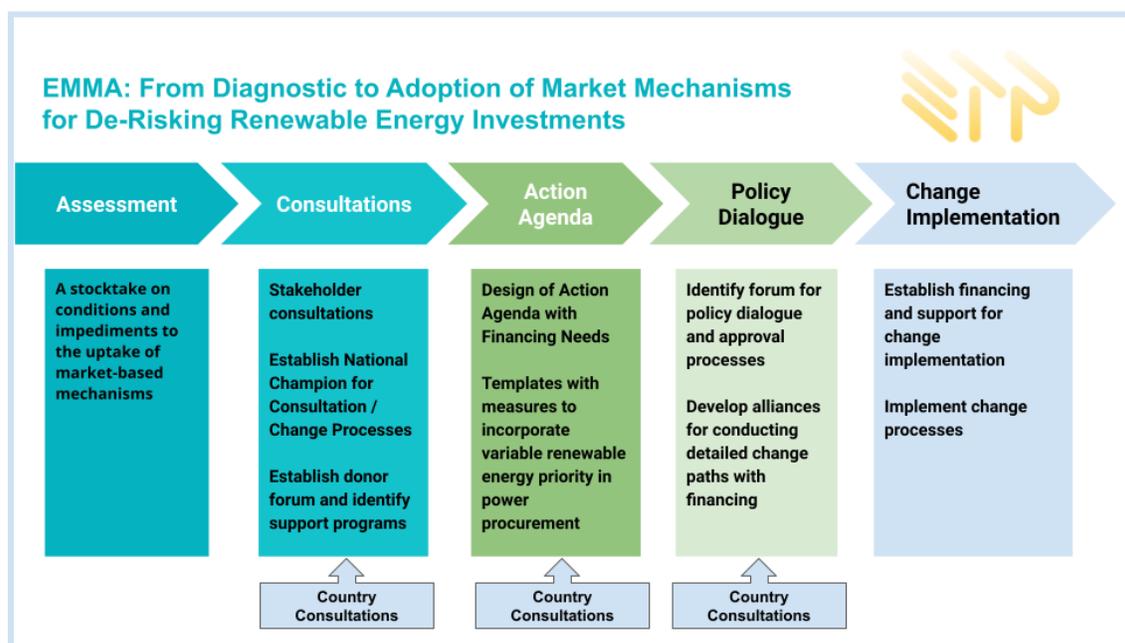
The project aims to de-risk renewable energy by developing an action agenda and templates for optimising market mechanisms to facilitate competitive renewable energy into the energy supply. EMMA will diagnose the current power purchasing systems in Indonesia, the Philippines and Vietnam, develop an understanding of the barriers, and through consultations draft an action agenda for adopting market mechanisms for the authorities to implement.

## Table of Contents

<b>I. Introduction</b>	<b>3</b>
<b>II. Project Details</b>	<b>3</b>
A. Rationale and Impact	3
B. Project Objectives	4
C. Scope Of Work	5
D. Outputs and Specific Activities	8
E. Reporting Timeline	9
F. Implementation Arrangements	11
<b>III. Stakeholders and Donor Activities</b>	<b>12</b>
<b>IV. Background to Market Mechanism in Southeast Asia</b>	<b>13</b>
A. Results Based Monitoring Framework	13
B. Risks and Mitigation Measures	14
<b>V. Qualification of the Service Provider</b>	<b>15</b>
A. General requirements	15
B. Requirements for the Project Lead	15
C. Requirements for the Project Team	16
<b>VII. EVALUATION CRITERIA</b>	<b>17</b>
A. Eligibility and Formal Criteria	17
B. Qualification Criteria	17
C. Technical Criteria	18
D. Financial Criteria (20 maximum points)	22

[Annex 1: Background to Market Mechanisms in Southeast Asia](#)

[Annex 2: Partnership with GREENMAP](#)



## I. Introduction

1. The Southeast Asia Energy Transition Partnership (ETP) brings together governments and philanthropies to work with partner countries in the region to accelerate energy transition. ETP supports a transition towards modern energy systems that can simultaneously ensure economic growth, energy security, and environmental sustainability. To contribute to the achievement of the UN's Sustainable Development Goals and the Paris Climate Agreement goals, ETP works in Southeast Asia, with a focus on three priority countries, namely Indonesia, the Philippines, and Vietnam. ETP's strategy is built around four inter-related pillars of strategic engagement that are squarely aligned to address the barriers to energy transition. These are (i) policy alignment with climate commitments, (ii) de-risking energy efficiency and renewable energy investments, (iii) extending smart grids, and (iv) expanding knowledge and awareness building.

## II. Project Details

### A. Rationale and Impact

2. Energy transition calls for significant investment in renewable energy (RE). These investments, in turn, require policy adjustments in the national frameworks to ensure a level playing field exists for the region to take advantage of the global trends in enhanced competitiveness of RE technologies, reflected in the reduced cost of RE supply. However, the Region has not yet fully capitalized on the globally-tested market-based concepts to rapidly facilitate RE deployment and integration of RE. The experience in South America, particularly in Argentina, shows that market auction mechanisms can generate far greater interest among the private sector in channeling significant resources to RE implementation.
3. The priority countries (Table 1) are contemplating use of market mechanisms to enable greater flexibility to address the static nature of the conditions created by the long term power purchase agreements and the consequent lack of flexibility and suboptimal exposure of the consumers to price developments through current lack of competition. Additional background information is in [Annex 1](#).

**Table 1. Current Use of Competitive Market Mechanisms**

Vietnam	Indonesia	The Philippines
In the process of transitioning from a vertically integrated monopoly structure to a market mechanism, step by step forming the electricity market according to a competitive power generation, wholesale, and retail market.	PLN is the single buyer of electricity produced by independent power producers (IPPs). The utility company acts as buyer's monopoly, controls the market with an ability to drive wholesale prices. The electricity market model has substantial implications for transactions between the IPPs and PLN as the only buyer in the electricity market.	The Philippine Government has created the Green Energy Auction Program (GEAP). Through the Department of Energy Circular No. DC2020-07-0017, the DOE adopted the GEA Policy, which shall govern the conduct of Green Energy Auctions in the Philippines.
Plans for implementation of MOIT 8266/QD-BCT 10 Aug 2015 decision to establish a competitive wholesale market mechanism	Plans to expand the current auctions by increased auctions vs. direct supply by PLN.	In addition to the 2 GEAP actions conducted to date, the Government plans to increase auctions and establish competitive mechanism for battery energy services with enhanced credibility through diversification of the awardees.

4. The EMMA aims to empower the priority countries of Indonesia, the Philippines and Vietnam to transition to an energy procurement systems that enable de-risking RE and increase RE in the primary energy supply, as defined under ETP's outcome area 2. To achieve this goal, competitive market mechanisms are required to enable these energy systems to foster rapid integration of renewable energy (RE) into the energy mix and integrate the energy systems with the innovation in the global and regional energy markets.

## B. Project Objectives

5. The Energy Market Mechanism Acceleration (EMMA) program will:
  - a. **diagnose the legal, economic, financial and political economic conditions** that relate to exploring a greater use of competitive and transparent market mechanisms in place of the conventional and more stagnant power purchasing systems; and
  - b. **conduct consultations, policy dialogue to develop action agendas** for facilitating exposure, interest, and adoption of market mechanisms to integrate RE into the energy mix in the region.
  - c. **develop country-specific pathways, capacity building measures and templates** for approval and implementation of optimal market-based competitive arrangements, improving flexibility in power procurement mechanisms for enabling smooth and expeditious access to variable renewable energy sources

## C. Scope Of Work

6. Ensuring economies of scale in undertaking the diagnostic and, concurrently, deep specificity in the analysis of the respective country conditions in Indonesia, the Philippines, and Vietnam, these services include the following assignments and deliverables:
  - a. **Identify and deepen data, baseline and targets, current operations, challenges, needs and opportunities** as well as plans for maximizing the benefits of energy market mechanisms. This assignment will require
    - i. obtaining baseline data to ensure holistic and comprehensive as well as accurate assessment of the current conditions prevailing in the energy market,
    - ii. assessment of the readiness for integration of market-based mechanisms, and
    - iii. readiness of expansion of project finance instruments and other market mechanisms for market-based procurement systems. This will include a review of existing assessments and analysis and diagnostic of the impediments conducted by other funders on the current and opportunities for power purchase agreements conditions. The assessment will facilitate an engagement with the suppliers and the developers with the objective of bringing in greater RE into the energy mix and enable dynamic prices to reduce the cost of energy for the consumers. These data and diagnostic analysis include the following:
  - b. **Legal and regulatory** assessment of the current conditions, analysis of any existing policies, impediments and opportunities to maximizing benefits of market mechanisms; and formulation of step-wise pathways to execution of market mechanisms to enable rapid expansion of RE in the energy mix.
  - c. **Financial and fiscal** identification of available financing, assessment of the impediments and opportunities, including costs and revenues from expanding use of market mechanisms to enable rapid expansion of RE in the energy mix.
  - d. **Political economy** assessment that identifies key stakeholders, estimates the size of participants, develops an understanding of stakeholder concerns and efforts as well as impediments and opportunities, and charting pathways, including outlining the formal process for approving and implementing optimal use of market mechanisms to enable rapid expansion of RE in the energy mix.
  - e. **Preparation of clear and concise, but comprehensive and detailed consultation materials**, covering impediments and opportunities, conduct of consultation processes as agreed with the ETP Secretariat and Greenmap, to aim at sustainable advancement in the use of market mechanisms. This requires arranging a series of in-country, physical (to the extent possible) consultation and capacity development.

- f. **Reports and documentation on the above topics**, including project plan in the context of the inception report, progress reports on the consultations, and draft and final reports. All reports are submitted in publishable English and with catchy powerpoint presentations, translated to local language (Vietnamese and Bahasa) for learning and dialogue purposes. The reports will include separate chapters for each country (Philippines, Vietnam, Indonesia). The consultant will prepare reports on the seminars in a fashion that provides an easy access record of the proceedings, Questions and Answers, and the agreed follow-on actions.
- g. **Develop a roadmap for progressive dialogue** with the relevant personnel for policy dialogue and identify forums and arrangements for progressive dialogues in the three countries to reach phased and progressive decisions to attain greater use of market mechanisms and arrange for a series of consultations and policy dialogue with the relevant policymakers, their staffs, including at the highest-level decision-makers.
- h. **Development of PPA templates for application and expediting power procurement processes**, commencing with Indonesia, that include measures to increase variable renewable energy (VREs), such as wind and solar, to contribute to Indonesia's VRE deployment goals and accelerate the decarbonisation of the power sector and to enable smooth and timely negotiation between the independent power producers (IPPs) and the utility, commencing with PLN, including develop a standard set of applicable terms and conditions adjusted for VRE power generation, as part of a clear and transparent project development and procurement process that is understood and trusted by all parties.
- i. **Consultations with stakeholders and donors** through a conduct of in-country seminars and consultations. It will establish a stakeholder forum involving the country stakeholders in a constructive discussion on the current state of market mechanisms and opportunities for optimization. It will also establish a donors roundtable for exchanging of information and provision of guidance and exposure to learning from external experience. The specific activities encompass workshops and dialogue with the relevant stakeholder agencies at various levels, including the decision-making levels, private sector stakeholders, and civil society with the aim to integrate market mechanisms in the regular operations in the energy sector operations, including the offtakers in each country. Resources for this component are funded collaboratively between ETP, GREENMAP, CASE, and SEACEF, as agreed.
- j. **Develop a Monitoring and Evaluation framework for the initiative and report** results under the program in alignment with and reporting to the ETP's Results-based Monitoring Framework.

## D. Outputs and Specific Activities

7. The outputs and specific activities include:

- a. **Conduct a stocktake on the prevailing conditions and impediments to the uptake of market-based mechanisms** to rapidly increase renewable power purchase in the priority countries, Indonesia, the Philippines and Vietnam. This component, supported by ETP, includes the following specific activities:
  - i. An in-depth assessment of the use of market mechanisms in RE integration covering the current procurement and market-based systems, options and possibilities. The analysis will focus on the barriers, legal, financial and political-economy considerations in adopting greater use of market mechanisms. This study will develop a clear, publicly available, assessment of the extent, to which finance is available for RE investors in the Region;
  - ii. An assessment of the status of market conditions and the capacity of the stakeholders on options and pathways for rapidly integrating market mechanisms to accelerate RE integration into their energy mix; and
  - iii. Identification of a prudent agenda of actions and support required to ensure systematic, feasible, realistic and secure implementation of forward-moving road maps with checklists for pathways to integrate market mechanisms to support acceleration of energy transition in Southeast Asia. Identify current and potential donors to support optimization of market mechanisms and develop a coordination plan to engage donors to communicate and promote the agenda.
  - iv. Development of efficient monitoring and evaluation tools will also be developed to measure progress under the program in alignment with, and feeding into, ETP's results-based management framework (RBMF) for a periodical monitoring and reporting on results EMMA, combining collaborative performance under the program.
- b. **Conduct in-country consultations and establish a donor forum:** In collaboration with CASE, SEACEF, and GREENMAP, the Project will conduct in-country seminars and consultations. It will establish a stakeholder forum involving the country stakeholders in a constructive discussion on the current state of market mechanisms and opportunities for optimization. It will also establish a donors roundtable for exchanging of information and provision of guidance and exposure to learning from external experience. Resources for this component are funded collaboratively between ETP, GREENMAP, CASE, and SEACEF, as agreed.

- c. **Identify a policy dialogue agenda.** A policy-dialogue agenda that will be driven by collaborative efforts between ETP, CASE, SEACEF, and GREENMAP. The specific activities will develop a broader donor alliance to support donor coordination and shared goals for expanding advocacy for utilization of market mechanisms. This component will be collaboratively resourced between the four participating programs, accounting also for other development partners and stakeholders’ inputs.
- d. **Development and consultations on the country-specific PPA templates for application to expedite renewable energy procurement processes,** commencing with Indonesia, with measures to enhance VREs, such as wind and solar, to contribute to the Indonesia’s VRE deployment goals and accelerate the decarbonisation of the power sector and enable smooth and timely negotiation between IPPs and PLN, including develop a standard set of applicable terms and conditions adjusted for VRE power generation, as part of a clear and transparent project development and procurement process that is understood and trusted by all parties.

## E. Reporting Timeline

- 8. The program will require 15 months, consisting of an inception stage, data collection and baseline report preparation stage, consultation and dialogue stage, and final reporting stage. These steps are detailed in the terms of reference. The dates in this table 1 are tentative and subject to discussion at the Kick Off Meeting to account for the inception report and realities on the ground. The initial consultation and capacity assessment workshops will be conducted in the three countries by the end of the first quarter 2023 aligning and collaborating with the resources of the partnership (ETP, CASE, SEACEF, GREENMAP). Work in Indonesia, under the terms of reference, will be conducted first among the three priority countries.

**Table 1. Tentative timeline for the Project**

Task/Deliverables	Distribution	Delivery Dates
Deliverable 1: <b>Inception Report</b> , a work plan, containing how the work and activities are organized and staged, ensuring that work in Indonesia is staged first; providing specifies timelines for the delivery of the terms of reference, including all of their components; detailing data collection methodology; outlining timelines for the consultations, including the kick off consultations, analysis, and progressive consultation and a plant ro country-level dialogues; a monitoring and evaluation framework with target	20 % from the Lump sum component of the Contract Amount	14 days after mobilization

<p>indicators and baseline data for monitoring progress in alignment with ETP Results-based Monitoring Framework (RBMF).</p>		
<p>Deliverable 2: <b>An Interim Report</b> includes data collected, a status analysis and preliminary directions for the recommendations under each of the areas of the project and diagnostics; a draft forward consultation process plan and policy dialogue agenda with suggestions on implementation of the consultations and policy dialogue process including outlines of the proposed action agendas and templates under discussion; progress and meeting summaries for consultations under the project, and outline of views and contributions of the partner entities; and an updated works plan; and updated monitoring and evaluation frameworks aligned with the ETPR RBMF.</p>	<p>30% from the Lump sum component of the Contract Amount</p>	<p>Within 4 months from the mobilization</p>
<p>Deliverable 3: <b>The draft final report</b> provides a full report on the data and status of current conditions, directions and details for the recommendations under each area of the diagnostic including drafted materials such as proposed action agenda and templates; consultation processes, policy dialogue agenda with implementation suggestions; the proposed timelines and events for the consultations going forward, policy dialogue processes to build support for decision-making for adoption of enhanced market mechanisms for the energy sector operations, progress and meeting summaries for consultations under the project, summary of views and contributions of the partner entities; and an updated work plan and monitoring and evaluation framework in alignment with ETP's RBMF.</p>	<p>30% from the Lump sum component of the Contract Amount</p>	<p>provided within 8 months from mobilization</p>

<p>Deliverable 4: <b>The Final Report</b> incorporates comments received from the partnership on the Draft Final Report and provides a publishable report. The Report will include an updated and finalized RBMF, including a catchy powerpoint presentation on the recommendations and results.</p>	<p>20% from the Lump sum component of the Contract Amount</p>	<p>12 months from the mobilization</p>
<p>Deliverable 5: <b>The consultations and capacity assessment workshops</b> will be conducted during the projects at least on three occasions in the three countries by the end of the first quarter 2023 with the resources of the partnership (ETP, CASE, SEACEF, GREENMAP).</p>	<p>Reimbursable.</p>	<p>1st set of consultations by the end of the first quarter 2023 2nd set to conduct dialogue on the interim report 3rd set to conduct dialogue on the draft final report.</p>

9. All of the project deliverables will be submitted in English, (in addition reporting on Vietnam will be translated to Vietnamese), presented with catchy powerpoint presentations (translated to Vietnamese for Vietnam). All deliverables will receive comments from stakeholders and ETP and will be revised accordingly to reflect the comments and suggestions.

## F. Implementation Arrangements

10. The project activities will be delivered by one implementing entity (the Consultant) with profound international knowledge and expertise in the energy sector market operations and power procurement operations as well as thorough understanding and experience in the priority countries of Indonesia, the Philippines and Vietnam.
11. Under the initiative, ETP will collaborate with its Aligned Programs<sup>1</sup> of the Clean, Affordable and Secure Energy Project (CASE) and the Southeast Asia Clean Energy Facility (SEACEF). ETP also engages with GREENMAP. Further details on the partnership with GREENMAP are in [Annex 2](#).
12. The Consultant will carry out the terms of reference (Annex 3) under the supervision of the ETP Secretariat, in collaboration and alignment with CASE, SEACEF and GREENMAP, and in collaboration with the relevant stakeholders and the development partner community.

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<sup>1</sup> ETP Aligned Programmes are defined as technical assistance and capital assistance projects Donors finance and manage through their own mechanisms to mobilise investments in low carbon infrastructure, independent of the ETP Fund.

### III. Stakeholders and Donor Activities

13. The stakeholders in the Energy Market Mechanism Accelerator include:

- a. Government agencies engaged in the power sector, ministries and regulators,
- b. Market management corporations and
- c. Market players, including the investors and developers.

14. The development partners with activities related to market mechanisms and increase RE in the total energy supply. However, specific support to improving RE purchasing systems is limited and currently lacks coordination, shared goals and action plans. In summary, current related assistance includes:

a. **Vietnam,**

- i. reviewing financing possibilities and formulation of the yet-to-be-approved Direct Power Purchase Agreement by GIZ and USAID, respectively; and
- ii. increasing financing for RE through green credit lines to the Vietnam Electricity Company (EVN) and development of hydro power, solar and wind power capacity, and the reinforcement of the electricity grid by GIZ, AFD and the Asian Development Bank.

b. **Indonesia,**

- i. The UK Mentari program and the United Nations Development Program through the Global Environmental Fund support market transformation for RE and energy efficiency, including regulations and de-risking tools.
- ii. OECD builds capacity for investment mobilization and blended finance.
- iii. The Clean, Affordable, and Sustainable Energy Project (CASE) aims to identify the gaps and proposed solutions for de-risking RE projects.
- iv. [The UK Rapid Response Facility request](#) on development of power purchase agreement templates to expedite renewable energy procurement (under discussion regarding source of funding, for which the present project has been proposed as a funding and implementation mechanism).

c. **the Philippines;**

- i. a review of the Green Auction Energy Program by the USAID, and
- ii. an analysis of technologies and volumes for the next auction rounds by CASE.

15. ETP collaborates and coordinates with these agencies in the following ways:

- a. **National Stakeholders:** All stakeholders will be included in the data gathering and dialogue events and processes. The roles of these agencies will be identified in the project documentation, capitalized and to the extent possible the recommendations will be normalized into their operations for streamlining and regularizing of their adoption.

- b. **Development Community:** EMMA will establish a technical working group to engage with all development partners to exchange information and identify pathways to reinforce the donor community's common goals of greater adoption of market mechanisms.

## IV. Background to Market Mechanism in Southeast Asia

### A. Results Based Monitoring Framework

16. The Results of the Project are monitored through the following Framework in Table 5. The Implementing Partner will provide input indicators to meet the output expectations of the Project and update the Morning Framework through each report.

**Table 5. Monitoring and Evaluation Framework**

<b>Impact Level:</b> Reduced GHG emissions in alignment with Paris Climate Agreement SDG indicator 7: Clean Energy				
<b>Long-Term Outcome:</b> Increased RE deployment to reach the regional target of 25% of RE in the total primary energy supply by 2030 with the adoption of dynamic efficient market mechanisms.				
ETP Outcome	Project Outputs	Indicator	Target	Data Source and Means of Verification
Strategic Outcome 1. Strengthened Enabling Policy Environment				
Adoption of an agenda for optimizing market mechanisms by each priority country	<b>Output 1:</b> Stakeholder and donor groups established; data collection methodology established	<b>Indicator 1:</b> # of stakeholder and donor groups	<b>Indicator 1:</b> 3 stakeholder groups  3 data collection methodologies	Inception report to be delivered as part of this project
	<b>Output 2:</b> Action agenda for optimizing market-mechanisms socialized among stakeholders and donors Templates as specifically appropriate to country case	<b>Indicator 2:</b> # of action agendas  # templates	<b>Indicator 2:</b> 3 action agendas  1 set of templates (minimum)	Interim report developed as part of this project
	<b>Output 3:</b> Transparent assessment of opportunities and challenges	<b>Indicator 3:</b> # of assessments  # of action agendas	<b>Indicator 3:</b> 3 assessments  3 action agendas	Draft Final report developed as part of this project

	for each country Action Agendas			
Strategic Outcome 4. Knowledge and Awareness Building				
<b>Number of trainings, knowledge sharing events, and/or awareness workshops organized at national and regional levels building institutional capacity and knowledge networks</b>	<b>Output 4:</b> Consultation workshops on the assessments and dialogue on the action agendas	<b>Indicator 4:</b> # of workshops (number of participants, gender disaggregated participation)	<b>Indicator 4:</b> 9 (3 per country) (50 participants each; 30% women)	Training and workshop Reports  Project reports
<b>Project Inputs</b>				
	<ol style="list-style-type: none"> <li><b>Baseline report:</b> Diagnostic assessment to capture legal, economic, financial and political economic considerations related to the use of competitive, transparent market mechanisms in place of more conventional purchasing systems.</li> <li><b>Consultations and Dialogue:</b> Consultations and workshops organized with stakeholders and donors to provide exposure to global experience and tested change processes in energy sector management, lessons from integrating market mechanisms to enable dynamic price developments filter into the energy supply in the region as a driver of RE integration.</li> <li><b>Establishment of a technical working group among stakeholders</b></li> <li><b>Establishment of a donor working group</b> to engage, harmonize, coordinate and pursue results for optimizing the adoption of market mechanisms.</li> <li><b>Policy Dialogue Agenda:</b> Design of a progressive pathway to an adoption of market mechanisms with clear steps to approval of adjustment.</li> <li><b>Draft Templates with Measures</b> to improve flexibility, speed and renewable energy acquisition into consumption through competitive market mechanisms.</li> </ol>			

## B. Risks and Mitigation Measures

17. Significant risks for the project to generate the intended results include a possible dis-interest by the stakeholders and inertia among government agencies to consider and adapt the intended change. These risks also make the effort bold and pioneering.

18. The initiative also includes an effort to build an alliance among the stakeholders and donors, and create a stronger coherency in policy advocacy and adoption. While each government is considering the use of market mechanisms for energy purchases, these are far from being optimized and from generating their potential in terms of unlocking RE energy. Without market mechanisms, the public sector is reliant on outdated modality of PPAs, which all three governments recognize as generating painful macroeconomic implications through their lock-in effect to outdated pricing considerations. Through the adoption of market mechanisms this risk, currently carried by the public sector and ultimately the consumers, is becoming an unbearable burden on the economy and a critical barrier to energy transition. In this light, the Project is the first step to build a structured and coherent policy agenda in favor of gradual transition to market-based energy purchasing to enable adoption of the latest RE technologies in power supply.

## V. Qualification of the Service Provider

### A. General requirements

19. The company should have a minimum of 2 years of continuous experience in delivering similar projects in the past with a track-record of success. What is considered as relevant experience are the following:
  - a. Renewable Energy / Energy Sector /market-based instruments/relevant similar fields
20. The consultant's project team should demonstrate the capacity to execute the works and should include all essential roles filled with personnel with relevant experience. CVs of the personnel proposed should be used to verify this information.
21. Offeror must provide a minimum of two (2) customer references from which similar services have been successfully provided, within any of the last 2 years

### B. Requirements for the Project Lead

22. The lead individual should have the following qualification:

**Education:** Minimum advanced university degree (master's or equivalent) in Energy Economics, Business Administration, Engineering, International Economics and/or Relations, Public Relations, Public Policy, International Development, or related field.

#### **Work Experience**

- a. Minimum 10 years of relevant work experience, with at least 5 years of experience in carrying out political economy, legal, financial, power procurement, power pricing, and fiscal analysis in the energy sectors internationally, in more than 3 countries.
- b. Deep understanding on policies, procurement mechanisms and support schemes for the renewable energy (RE) sector conducted by national governments around the globe and in the SEA region.
- c. Deep understanding of how the above mentioned policy elements interact with the macroeconomy and impact on the fiscal budget.

- d. Deep understanding of the dynamics between energy imports, final tariffs, subsidies and fiscal balance.
- e. Knowledge of and experience with a range of research approaches that support and/or complement political economy analysis, including qualitative and quantitative research, assessing the economic and financial impacts of regulations and/or inclusive growth diagnostics;
- f. Experience in data gathering and statistical analysis related to macroeconomic and sectoral trends;
- g. Knowledge of non-recourse finance tools and financial institutions promoting energy or infrastructure related projects would be an important plus;
- h. Experience in consultancy and/or government advisory, as well as public policy design and implementation, mainly linked to the power sector, would be an important plus;
- i. Capacity to engage with different types of stakeholders such as public officials, NGOs, private corporations, etc;
- j. Well-developed capacity to conduct workshop design, interview planning, field work data collection, consultations to confirm findings, and finalization of reports with actionable recommendations.
- k. Excellent interpersonal skills to work in an interdisciplinary and multicultural team of professionals.
- l. Well-developed verbal and report writing skills in English, strategic planning, and the ability to convey organized and synthetic communication;
- m. Demonstrated willingness to be accountable and to receive and give performance related feedback.

### C. Requirements for the Project Team

23. The service provider must identify (a) at least 3 designated subject expert(s), knowledgeable of the country conditions in Indonesia, the Philippines, and Vietnam, to produce the above outputs. These individual(s) should have the following qualifications (CV should be attached to the application) :

**Education:** Minimum advanced university degree (master's or equivalent) in Energy Economics, Business Administration, Engineering, International Economics and/or Relations, Public Relations, Public Policy, International Development, or related field.

**Work Experience:**

- Minimum five (5) years of relevant work experience in the energy sector required, preferably in energy transition, energy efficiency, energy and energy investment policies and regulations, power procurement and legislation, power pricing economics or related academic fields.
- Experience in renewable energy, energy efficiency, energy policy and sector assessments, business development, project or program management development required
- Ability to engage with other UN agencies, donors, and development stakeholders.
- Experience with coordinating work between different sectors and stakeholders, including governments, international financial institutions, UN and other development partners required

- Ability to establish strong working relations with senior officials in line ministries desirable.

**Language:** Fluency in oral and written English required. Local language proficiency in Tagalog, Vietnamese and or/Bahasa Indonesia, as per the operational country, is required.

## VII. EVALUATION CRITERIA

### A. Eligibility and Formal Criteria

The criteria contained in the table below will be evaluated on **Pass/Fail** basis and checked during Preliminary Examination of the proposals.

Criteria	Documents to establish compliance with the criteria
1. Offeror is eligible as defined in Instructions to Offerors, Article 4.  In case of JV, all JV members should fulfill this requirement	Form A: Joint Venture Partner Information Form, all documents as required in the Form, in the event that the Proposal is submitted by a Joint Venture. Form B: Proposal Submission Form
2. Completeness of the Proposal. All documents and technical documentation requested in Instructions to Offerors Article 10 have been provided and are complete	All documentation as requested under Instructions to Offerors Article 10, Documents Comprising the Proposals
3. Offeror accepts UNOPS General Conditions of Contract as specified in Section IV	Form B: Proposal Submission Form

### B. Qualification Criteria

The criteria contained in table below will be evaluated on **Pass/Fail** basis and checked during Qualification Evaluation of the proposals.

Criteria	Documents to establish compliance with the criteria
1. The company should have a minimum of 2 years of continuous experience in delivering similar	Certification of incorporation of the Offeror

<p>projects in the past with a track-record of success.</p> <p>What is considered as relevant experience are the following:</p> <ul style="list-style-type: none"> <li>• Renewable Energy / Energy Sector / market - based instruments / relevant similar fields</li> </ul> <p>In case of JV, the experience will be calculated as an accumulation of the experience of all of the JV members.</p>	<p>Form F: Performance Statement Form</p>
<p>2. Offeror must provide a minimum of two (2) customer references from which similar services have been successfully provided, within any of the last 2 years.</p> <p>In case of JV, the experience will be calculated as an accumulation of the experience of all of the JV members.</p>	<p>Form F: Performance Statement Form</p>

### C. Technical Criteria

Technical evaluation will be carried out to bids that pass the eligibility, formal and the qualification criteria, with requirements as follows:

- The maximum number of points that a bidder may obtain for the Technical proposal is 80. To be technically compliant, Bidders must obtain a minimum of 56 points
- Minimum pass score: 70% of maximum 80 points = 56 points

#### Overall Technical proposal points allocation

Section number/description		Points Obtainable
1	Offeror's qualification, capacity and expertise	25
2	Proposed Methodology, Approach and Implementation Plan	30
3	Key Personnel proposed and Sustainability Criteria	25
<b>Total Technical Proposal Points</b>		<b>80</b>

## Section 1

Section 1: Offeror's qualification, capacity and expertise		Points	Sub-points
1.1	Brief description of the organization, including the year and country of incorporation, and types of activities undertaken, including relevance of specialized knowledge and experience on similar engagements done in the past. Bidders partnering up with a Vietnamese entity to provide for the strategic consultation, translations; as well as the communications expertise is considered a valuable asset. (Max 4 pages written text plus 1 Matrix )	20	
	Experience in projects of comparable size, type, complexity and technical specialty		10
	Experience in providing similar services in the region, especially in Indonesia, the Philippines, and Vietnam		5
	Understanding of local context, and partnering up with an Indonesia, The Philippines and Vietnam entity to provide for the strategic consultation, translations; as well as the communications expertise		5
1.2	General organizational capability which is likely to affect implementation: management structure, and project management controls. (Max 4 pages written text)	5	
	1. Management structure, management controls, and extent to which any part would be subcontracted		3
	2. Financial Capacity/financial stability: Bidder should have minimum annual turnover of 150,000 USD in any of the past 2 years Liquidity / quick ratio should be minimum 1, in any of the past 2 years .  In case of a joint venture, annual turnover is calculated based on the total annual turnover of the JV members. In case of a joint-venture, at least one of the JV members should have 1 liquidity/quick ratio in any of the past 2 years.		2
Total points for section		25	

## Section 2

Section 2: Proposed Methodology, Approach and Implementation Plan		Points	Sub-points
2.1	Description of the Offeror's approach and methodology for meeting or exceeding the requirements of the Terms of Reference	20	
	1. Description of the offeror's approach to assess and quantify the status, political economy and legal perspectives for optimizing market mechanisms in the energy sector and procurement in Indonesia, the Philippines and Vietnam.		10
	2. Description of the offeror's approach to analyzing the current and future legal and political economy considerations and the opportunities for and pathways to increased use of market mechanisms in the energy sector to secure greater renewable energy in the energy mix in Indonesia, the Philippines and Vietnam.		10
2.2	Quality Assurance	5	
	A plan outlining how the bidder intends to ensure oversight and quality assurance throughout the assignment. Quality Assurance plan should include discussion on risk-assessment and its mitigation plan		5
2.3	Implementation Timeline	5	
	Bidder submits a detailed implementation timeline which includes detailed activities to be undertaken during this assignment, and is completed with gantt chart		5
Total points of the section		30	

## Section 3

### The team proposed should meet the following requirements:

The service provider must have the **Team Leader** with the following qualifications and identify **at least 3 designated subject experts**, knowledgeable of the country conditions in Indonesia, the Philippines, and Vietnam, to produce the above outputs. These individual(s) should have the following qualifications (CV should be attached to the application):

Section 3: Key personnel proposed and Sustainability Criteria		Points	Sub-points
3.1	Qualifications of key personnel proposed	20	
	1. Team Leader		6.5
	2. Subject Matter Expert (Indonesia)		4.5
	3. Subject Matter Expert (Philippines)		4.5
	4. Subject Matter Expert (Vietnam)		4.5
3.2	The bidder shall provide a response that demonstrates its commitment to support gender equality through its operations	5	
Total points of the section		25	

### The Scoring Matrix for Key Personnel

Title	Minimum Qualification	Preferred experience	Marking	Max Points
Team Lead	Master's Degree or equivalent in Energy Economics, Business Administration, Engineering, International Economics and/or Relations, Public Relations, Public Policy, International Development, or related field	<p>Minimum 10 years of relevant work experience, with at least 5 years of experience in carrying out political economy, legal, financial, and fiscal analysis in the energy sectors internationally, in more than 3 countries</p> <p>Deep understanding on policies, procurement mechanisms and support schemes for the renewable energy (RE), energy imports, final</p>	<p>Related Experience</p> <ul style="list-style-type: none"> <li>• More than 10 years : 6.5 points</li> <li>• 8-10 years : 5-6 points</li> <li>• 4-7 years : 3-4 points</li> </ul>	6.5

		tariffs, subsidies and fiscal balance		
Subject Matter Expert for : <ul style="list-style-type: none"> <li>Indonesia</li> <li>Philippines</li> <li>Vietnam</li> </ul>	Master’s Degree or equivalent) in Energy Economics, Business Administration, Engineering, International Economics and/or Relations, Public Relations, Public Policy, International Development, or related field.  <u>Language:</u> Fluency in oral and written English required. Local language proficiency in Tagalog, Vietnamese and or/Bahasa, as per the operational country, is required.	Minimum five (5) years of relevant work experience in the energy sector required, preferably in energy transition, energy efficiency, energy and energy investment policies and regulations, economics or related academic fields.  Experience in renewable energy, energy efficiency, energy policy and sector assessments, business development, project or program management development required  Experience with coordinating work between different sectors and stakeholders, including governments, international financial institutions, UN and other development partners required	Related Experience <ul style="list-style-type: none"> <li>More than 5 years : 4.5 points</li> <li>4-5 years : 4-3 points</li> <li>2.5-3.5 years : 2-2.5 points</li> </ul>	<ul style="list-style-type: none"> <li>4.5</li> </ul>

#### D. Financial Criteria (20 maximum points)

The financial part of those proposals that are found to be technically compliant will be evaluated as follows.

The maximum number of points that a bidder may obtain for the Financial Proposal is 20. The maximum number of points will be allocated to the lowest evaluated price bid. All other prices will receive points in reverse proportion according to the following formula:

Points for the Financial Proposal of a bid being evaluated =

$$\frac{[\text{Maximum number of points for the Financial Proposal}] \times \{\text{Lowest price}\}}{\text{Bid Price}}$$

### [Price of proposal being evaluated]

Financial proposals will be evaluated following completion of the technical evaluation. The bidder with the lowest evaluated cost will be awarded (20) points. Financial proposals from other bidders will receive prorated points based on the relationship of the bidder's prices to that of the lowest evaluated cost.

#### **Formula for computing points: Example**

Points = (A/B) Financial Points
Bidder A's price is the lowest at \$20.00. Bidder A receives 20 points
Bidder B's price is \$40.00. Bidder B receives $(\$20.00/\$40.00) \times 20$ points = 10 points

The total score obtained in both Technical and Financial proposals will be the final score for the proposal, with 80% allocated to the Technical proposal and 20% to the Financial proposal. The proposal obtaining the overall highest score will be considered as the winning proposal. This proposal will be considered to be the most responsive to the needs of UNOPS in terms of value for money.

The selection of the preferred bidder will be based on a cumulative analysis, analyzing all relevant costs, risks and benefits of each proposal throughout the whole life cycle of the services and in the context of the project as a whole. The lowest priced proposal will not necessarily be accepted.

## Background to Energy Market Mechanisms in Southeast Asia

### A. Energy Market Mechanisms In Southeast Asia

1. With Southeast Asian growing populations, rising incomes, and rapid urbanization, it has come to depend on fossil fuels to sustain economic growth. Carbon-based energy supply is estimated at 77% share of the region's overall energy generation mix. These countries have plans to furthermore expand coal-fired generation with some 20GW of new generating capacity in the pipeline. In the case of the Philippines, the Department of Energy announced in October 2020 a moratorium on the construction of new coal-fired power plants. Indonesia dovetailed this announcement in May 2021, while the existing programs still indicate plans for new coal power production capacity.
2. Southeast Asia has a significant opportunity to meet the rapidly growing energy demand, while reducing the GHG emissions by directly moving to renewable energy. Most of the Southeast Asian economies and energy systems are heavily reliant on coal-fired power production. In pursuit of low carbon futures, the economies in the region have published their climate goals in the context of the United Nations Framework Convention for Climate Change (UNFCCC) and energy goals in the national energy policies.
3. In the ASEAN Plan of Action for Energy Cooperation (APAEC) 2021-2025, the member countries agreed to a **target of 25% share of renewable energy** in their total primary energy supply (TPES) and 35% renewable energy in the region's installed power capacity by 2025. This entails 35 GW to 40 GW of renewable energy capacity (McLaren, 2021). However, as of 2017, the renewable energy share remained at only 13.7%. In Table 1, we see the renewable energy capacity per country in 2019.

**Table 1. SEA Total Renewable Energy Capacity, 2019**  
(Adapted from IEA)

Country	MW	%
Viet Nam	24,519	37.0%
Thailand	11,860	17.9%
Indonesia	9,861	14.9%
Malaysia	8,046	12.1%
Philippines	6,695	10.1%
Myanmar	3,397	5.1%
Cambodia	1,479	2.2%
Singapore	467	0.7%
	66,324	100%

4. Energy transition calls for significant investment in renewable energy, if renewable energy is to meet the growing energy demand. These investments, in turn, require policy adjustments in the national frameworks related to and supporting the current energy generation, including to ensure a level playing field for the Region's countries to take advantage of the global trends in advancement and enhanced competitiveness of renewable energy technologies. Such a level playing field would foster the related benefits for the consumers in terms of reduction in the cost of energy and improvement in environmental externalities associated with low carbon energy generation.

**RESOURCES FOR ENERGY TRANSITION IN SOUTHEAST ASIA** 

	Goal	NDC Conditional GHG Goal by 2030	Estimated Cost of Reaching Conditional GHG Target
   	Indonesia GHG emission reduction 26% and 29% in 2020 and 2030 respectively compared with BAU level and <b>41% by 2030 with international support.</b>	29%	<b>USDS 247.2 billion</b> Of which 96% energy and transport sectors
	Philippines NDC sets out a target of 2.71% reduction of GHG emissions as unconditional and <b>72.29% as conditional target</b> , representing cumulative economy-wide emissions reduction of 3,340.3 MtCO <sub>2e</sub> by 2030.	72.29%	<b>USDS 12-30 billion</b> from 2000-2030 (No data, est)
	Viet Nam GHG reduction of 9% unconditionally and <b>27% through international support</b> - or 250.8 million tons of GgCO <sub>2e</sub> with international support	27%	<b>USDS 21.1 billion</b> (Add USDS 17.9 billion for reaching the unconditional target)

Source: UNFCCC and UNDP

5. **Vietnam:**

- a. The Government is the largest investor in the electricity market. By the end of 2020, out of the 109 generators, the 3 main state-owned energy enterprises (SOEs) of Vietnam Electricity (EVN), PetroVietNam, and Vinacomin held nearly 89% of the installed source capacity. EVN, accounting for 67% of the generation, is the main actor with 3 wholly owned subsidiary power generation corporations (GENCOs). Under EVN, the National Power Transmission Corporation (NPT) is responsible for transmission, with 5 power corporations, the National Load Dispatch Center, which serves as the system and market operator (SMO), strategic power plants, and the Electric Power Trading Company (EPTC). Moreover, the Government is a major shareholder of partially privatized power plants in the Vietnam Competitive Generation Market (VCGM). The Committee for Management of State Capital at Enterprises (CMSC) oversees the finance of EVN, while EVN reports on its operations to MOIT.
- b. Electricity consumption has grown by an aggressive 10% annually and the system has been under pressure to keep pace with the economy's rising growth potential. Between 2015 and year-end 2019 alone, the installed power capacity grew by 42.3% to 54.9 GW, while GDP grew 30%. This pressure for rapid capacity build-up has triggered significant changes in the market structure. The Draft Master Plan VIII (Draft PDP8) considers the development of the power market as one of the key priorities. Along with the piloting of the direct power purchase agreement (DPPA) mechanism in the upcoming years, a competitive power market is slated to be operational soon. Currently, the Vietnamese electricity industry is in the process of transitioning from a vertically integrated monopoly structure to a market mechanism, step by step forming the electricity market according to a competitive power generation market, wholesale market, and competitive retail market. The transition from monopoly to market mechanism would create new opportunities for customers as well as investors, but also poses extremely difficult challenges in management and ensuring security and reliable operation of the power system. The plan to continue to develop renewable energy sources in the coming years in

## Annex 1

Vietnam will face new challenges in ensuring system reliability and balancing the power supply and demand.

- c. While the Government is contemplating a RE auction mechanism, the new energy market is at an early stage, so competition and efficiency are not high: strengthened efforts to market energy based on market-based pricing measures are needed to activate market mechanisms in the sector. MOIT Decision No. 8266/QD-BCT of 10 Aug 2015 detailed the design of a competitive wholesale electricity market. However, the National Energy Development Strategy to 2030 and outlook to 2045 denote that a competitive energy market has not yet been well-established, and the current market mechanism does not complement the existing policies to promote competition. Creating enabling conditions, enhancing and implementing policies and legal framework to build a competitive and transparent power market that will facilitate energy transition is at the heart of targeting a low carbon energy sector and economy as well as essential to support Viet Nam in implementing the NDC emission targets by 2030. Grid modernization and ancillary service in the power market and power system operation and smart grid technology are keys to the success of increase in variable RE for Viet Nam, when the proportion of RE penetration into the power system is increasing. Regulations on power support and ancillary services are dated and should be revised to reflect the current status and development of support/ancillary services, including a design of the price structures and other supporting schemes to encourage enterprises to invest in support and ancillary services.
6. **Indonesia:**
- a. PLN holds an essential role in delivering the energy transition in Indonesia. The electricity sector, however, is governed by several institutions. The Ministry of Energy and Mineral Resources (MEMR) manages energy policy and planning, tariffs, service quality, and regulates PLN and verifies and approves PLN's plans and the performance of electricity services. The Ministry of State-Owned Enterprises (MSOE) is the sole shareholder of PLN, and responsible for setting out and regulating PLN's performance in managing their company for delivering electricity services. Bappenas (Indonesian National Planning Agency) is responsible for formulating the long-term (RPJPN) and medium-term (RPJMN) national development plans. Lastly, the Ministry of Finance (MOF) is responsible for administering the public service obligation for electricity service in providing electricity subsidy and compensation to PLN in the event the government holds tariffs below the cost of supply and administering the implication of the domestic market obligation for coal for supporting low-cost electricity services. These multiple 'principals' of PLN provide possible conflicted agendas to PLN in managing the electricity services, which affects the condition of the electricity market in Indonesia, affecting the pace of energy transition in this country.
  - b. The electricity sector is governed by Energy and Electricity Laws. Under this landscape, the electricity market in Indonesia has been deregulated to allow private participation, but does not provide for wholesale or retail competition. According to the Law, the electricity supply business comprises generation, transmission,

## Annex 1

distribution, and retail. Perusahaan Listrik Negara (PLN/the state utility company) as the state electricity company, is obliged to provide integrated electricity services from generation, transmission, distribution, and retail. PLN generates 43,187MW in total. PLN purchases from independent power producers (IPPs) an additional 20,463 MW, Private Power Utilities, private sector under licences, and others a total of 9,102 MW. PLN plays a substantial role in implementing market conditions and energy transition processes as the sole buyer for the independent power producers. However, the uptake of renewable energy has stood still at around 12% for a decade of the energy mix. Several factors affect the transition progress, including (i) cost savings for adopting new technologies; (ii) competitive conditions and technical characteristics that affect profitability; (iii) characteristics that influence the expected profitability of the innovation or firms. In the absence of the support from a wide range of related ministries, the energy transition appears to be stalled at a slow pace.

- c. On the generation side, the government started opening opportunities for the engagement of the private sector by providing opportunities as independent power producers (IPPs). PLN also invests and operates its portfolios of power generation facilities. Hence PLN becomes the single buyer of electricity produced by independent power producers besides operating and developing its generation facilities. The utility company acts as buyer's monopoly, controls the market and holds the ability to drive wholesale prices of electricity down. From the energy economy's perspective, this electricity market model has substantial implications for any transaction between the independent power producers (IPPs) or developers with PLN as the only buyer in the electricity market.
- d. According to the National Energy Plan (RUEN) 2017 document, Indonesia has an estimated 532 GW and 113 GW potential for solar and wind energy respectively. PLN can cut its investment in coal-fired power plants and increase the uptake of low-cost VRE from wind and solar photovoltaics. Advanced technology development in the industry, particularly in turbine capacity efficiencies and offshore wind, have made wind power feasible and attractive, with increased capacity possible in regions with low wind speeds or high offshore wind speeds.

### 7. The Philippines:

- a. The Philippine power sector has undergone a significant privatization. Following the passage of Republic Act 9136, also known as the Electric Power Industry Reform Act of 2001 (EPIRA) now provides the principal regulatory framework for the Philippine electricity industry. EPIRA was enacted to liberalize the energy industry and privatize the assets of the National Power Corporation (NAPOCOR). Section 30 of the EPIRA mandated the DOE to establish the Wholesale Electricity Spot Market (WESM) and the Philippine Electricity Market Corporation (PEMC) was established in 2003 to be the Autonomous Group Market Operator (AGMO) and at the same time will be the governing body for the WESM through the Philippine Electricity Market Board (PEM Board) which has equitable representation from electric power industry participants. Since the transition to the Independent Market Operator pursuant to EPIRA in September 2018, PEMC revitalized its governance function focusing on (1) Market

## Annex 1

Assessment and Monitoring; (2) Enforcement and Compliance; and (3) Market Development and Enhancements. PEMC's role is to remain steadfast and proactive in its mission to ensure that there is power, efficiency, market, and competition in the energy industry through the effective and efficient governance of the WESM.

- b. However, RE provides some 34% (2020) of the total primary energy supply (TPES) mix, down from exceeding half of the TPES 30 years ago, giving way to a dramatic increase of coal and gas. The RE Act of 2008 and its National Renewable Energy Program 2020 - 2040 aim to increase the share of RE in the electricity generation mix from 21% in 2020 to 35% by 2030 and by >50% by 2040. In 2010, the energy sector contributed 53 million tons CO<sub>2e</sub> and expected to increase to 339 million tons CO<sub>2e</sub> in 2040 at business as usual scenario, where 76% is from electricity generation<sup>1</sup>. The Clean Energy Scenario targets to reduce GHG emission by 27% to 247 million tons CO<sub>2e</sub> in 2040<sup>2</sup>. The RE capacity figures are still expected to increase, noting the upcoming 40 committed RE projects (as of Dec 2020) under the RE Act of 2008, with a total potential capacity of 844.07 MW<sup>3</sup>.
- c. There is a need to look at the divergence in policies on energy and the Philippine Energy Plan. The latter which has a framework for ensuring optimal energy mix by 2030 in recognition of the country's quest to attain a middle-income status under AMBISYON 2040 roadmap (The Government's long-term vision packaged under the AmBisyon Natin 2040). Moreover, EPIRA of 2001, the overarching regulatory framework for the supply-side of energy generation, transmission, distribution, and retailing, has been criticized for allowing power generators and distributors to pass-through costs to their consumers. Currently, the country has the second highest electricity tariff in the region at around P10/kWh (\$0.20/kWh).
- d. With the recent uptick in RE capacities caused by the introduction of market-making mechanisms for RE such as the Feed-in-tariff Program and the Renewable Portfolio Standards, considerable level of battery energy storage (EES) capacities were also pipelined by major players of the power sector to complement the RE capacities in light of their variability. With the increasing penetration of variable RE (VRE), ESS is recognized as one of the technologies to manage the intermittency of the VRE-generating plants' output by ensuring system stability as well as ESS as one of the key elements in the Philippine Smart Grid Roadmap promulgated by DOE to guide the Electric Power Industry in the implementation of initiatives to modernize the power system.
- e. The PPAs signed by the Philippine government in the past had assured energy generators and suppliers of guaranteed payouts and thus, resulted in inefficient pricing and market distortion. Policies can mobilize the commercialization of RE technologies, use incentives and financing schemes to promote private RE investments, and establish technical and regulatory standards to protect the environment. However, one of the 'market failures' in the adaptation of policies is information asymmetry. Investors and end-users are not well-informed on the

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<sup>1</sup> Does not include transport

<sup>2</sup> DOE. Feb 2021. Energy Sector NDC. Presentation by Undersecretary Fuentebella

<sup>3</sup> Philippine Energy Plan 2020-2040

## Annex 1

benefits and risks of RE technologies. A case in point is the low awareness of the Energy Virtual One-Stop Shop (eVOSS) law or Republic Act 11234, which aimed to streamline and fast-track the processing of licenses and permits for energy projects. Recognizing the critical role of energy to the socio-economic development of the country, Republic Act 11234 covers all government agencies, including local government units, to set up a centralized online system in the processing of all applications and permits in power generation, transmission, or distribution projects. However, information has been slow to reach energy stakeholders and constituents. Policies can mobilize the commercialization of RE technologies, use incentives and financing schemes to promote private RE investments, and establish technical and regulatory standards to protect the environment. The country is experiencing power shortages and/or blackouts due to the dwindling reserves to the grid. There are policy and competitive barriers that hinder the availability of reserves. Further, the entry of distributed RE requires additional capacity and assets from the System Operator to ensure steady and quality energy supply.

## Annex 2

### Partnerships with GREENMAP

1. Connections with other ETP's programs and the EMMA are foreseen in the context of its support in Vietnam, where ETP has been invited to contribute to implementation of market mechanisms; in Indonesia, where ETP will convene relevant Government parties and donor community to discuss expansion of wind and solar energy potential, with a particular focus on expansion of market mechanisms beyond the traditional power purchase agreement model; and in the Philippines, where ETP is already engaged in supporting the Government with greater adoption of market mechanisms.<sup>1</sup>
2. GREENMAP will run assessments, provide international expertise and exposure to the South American experience on energy sector market mechanisms, including design and implementation of renewable energy auctions and de-risking tools.

#### A. GREENMAP

3. GREENMAP is an impact-driven non-profit organization based in Brussels, Belgium, specialized at scaling up cheaper and faster renewable energy deployment at large scale by helping governments customize solutions and implement de-risking, credit-enhancement tools to attract investment, foster competition, and lower costs of RE generation.
4. GREENMAP's approach is inspired by the RenovAr Program of Argentina, which was designed and implemented by the same team of professionals. RenovAr proved effective in the complex Argentinian market where it mobilized more than US\$7 billion in investments across 154 clean power generation projects of new-build capacity, creating more than 11,000 jobs in 30 months.
5. GREENMAP is not a think tank. It focuses on the design and implementation of policies and de-risking financial tools to strengthen national RE procurement programs in the Global South, to unlock these markets and enable private RE investments to flow in at scale. For doing so GREENMAP is developing and leveraging:
  - a. A digital platform, to support governments streamline the whole RE procurement program, from initial modeling of best RE auctions' design schemes to the generation/improvement of the key contracts such as Requests for Proposals (RfPs), Power Purchase Agreements (PPAs), eventual guarantees, etc, and the execution and monitoring of the different rounds of auction).
  - b. The International Guarantee Trust for RE (Figure 1) , an innovative program-based scheme for customizable guarantees to address and mitigate key energy sector's specific as well as country related risks. It is a 2.0 version of the guarantee scheme that worked successfully in a complex environment such as Argentina, designed specifically to help governments in the Global South to de-risk and scale their RE procurement programs.

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<sup>1</sup> Design and Implementation of Battery Energy Storage Market Mechanism in the Philippines ( See [Concept Note](#)); Support Implementation of Renewable Energy Market Mechanism in Vietnam (See [draft master plan](#)); and support investment conditions for expanding wind and solar potential in Indonesia (See [Note to File \(Wind\)](#) and [Concept Note](#) (Solar)).

**Figure 1. International Guarantee Trust for RE**

**Setting up the International Guarantee Trust for Renewable Energy (iTrust)**  
to offer a guarantee package to cover offtaker liquidity risk and certain country-level risks affecting project bankability and market attractiveness. Guarantees shall be automatically granted to all projects awarded through eligible competitive auctions in developing countries.

- 1 Organized under foreign private law, independent from local political decisions
- 2 Managed by a world-class trustee and audited by a tier-one audit firm
- 3 Governed by an independent, qualified and representative Board of Trustees
- 4 Ruled by simple and stable procedures
- 5 Flexible and adaptable, providing scale and speed of implementation

Source: GREENMAP

6. GREENMAP's objective is to mobilize investments to install at least 110 GW of new renewable capacity by implementing its platform in 25+ developing countries within 10 years, directly and indirectly avoiding more than 293 million tons of CO2 emissions annually. Within the next 18 months, GREENMAP will target two to four countries for implementation; 10 countries will be targeted within five years. South East Asia is one of the key targets within GREENMAP's global strategy.
7. GREENMAP, together with ETP (and others), is a partner of the COP26 Energy Transition Council. ETP's program will benefit from an alliance with GREENMAP and its experience and access to South American knowledge and practitioners. This alliance is proposed to be captured in a non-legally binding Partnership Agreement (Appendix A to Annex 2) that facilitates collaboration and alignment between ETP and GREENMAP.

**Innovative GREENMAP Platform  
Support to Governments to Streamline RE Procurement Programs**



Source: GREENMAP

## Appendix A to Annex 2:

# GREENMAP and the Southeast Asia Energy Transition Partnership Agreement

## PARTNERSHIP AGREEMENT

### BETWEEN

THE UNITED NATIONS OFFICE FOR PROJECT SERVICES

### AND

GREENMAP

This Partnership Agreement ("Agreement") is entered into between the United Nations Office for Project Services (hereinafter referred to as "UNOPS"), and Global Renewable Mass Adoption Program ASBL, "GREENMAP". UNOPS and the GREENMAP are hereinafter each referred to as a "Party" and collectively referred to as the "Parties".

**WHEREAS**, UNOPS is a subsidiary organ established by UN General Assembly decision 48/501 of 19 September 1994 as a central resource for the UN system in procurement, contracts management and other capacity development activities, as well as its value in providing efficient, cost-effective services to partners in its specialized areas;

**WHEREAS**, the UNOPS Strategic Plan, 2022-2025, reinforces its commitment to contribute expertise to expand implementation capacity to support countries in developing their capacity and resource base for the Sustainable Development Goals, help people in need through effective expertise, and enable partners through efficient project services;

**WHEREAS**, the GREENMAP recognizes that UNOPS, in these mandated areas, possesses comparative advantage and expertise;

**WHEREAS**, the GREENMAP, a non-profit association registered before the Clerk of the City of Brussels, Belgium

**WHEREAS**, the GREENMAP Strategic Plan for 2020-2030 highlights GREENMAP's commitment to design and implement strong policy frameworks, customized solutions and credit-enhancement tools to attract investments, foster competition and lower the costs of renewable energy generation

## Annex 2

**WHEREAS**, UNOPS recognizes that the GREENMAP in these areas, possesses comparative advantage and expertise;

**WHEREAS** the Parties acknowledge that their respective activities include areas of common interest where closer collaboration in the form of a partnership between the two organizations would be of mutual benefit and increase thereby the effectiveness of each Party in fulfilling its mandate, role and function; and

**WHEREAS**, that UNOPS is the fund manager of the Southeast Asia Energy Transition Partnership (“ETP”) as a multi-stakeholder platform that aims to accelerate energy transition and deliver the Paris Agreement targets on climate change by engaging governmental partners and philanthropic donors to support the energy transition in the Southeast Asia (“SEA”) region through blended-finance with capacity building and technical assistance support;

**NOW, THEREFORE**, the Parties agree as follows:

### Article I

#### **Purpose**

1.1 The purpose of this Agreement is to provide a framework of cooperation and facilitate collaboration between the Parties, on a non-exclusive basis, in areas of common interest.

### Article II

#### Purpose of the Partnership

2.1 Areas of cooperation will include (but are not limited to) the below:

- make use of the Parties’ respective resources to target governments in Southeast Asia, within ETP’s and GREENMAP’s geographical focus (the “Governments” or the “Countries”) and work together to help them design and implement strong policy frameworks, customized solutions and credit-enhancement tools to attract investments, foster competition and lower the costs of renewable energy generation;
- Co-author research studies, webinars and/ producing other material and/or report directly to the Governments;
- Parties may assess possibilities for leveraging upon and engaging with each other's existing networks of funders and philanthropies.

ETP’s main roles:

- facilitate introductions to relevant local and international stakeholders, Governments’ officials and partners, leveraging ETP’s network in the SEA region;
- facilitate access to markets’ research and insights, feasibility and technical studies and all other relevant documentation on the renewable energy sector and electrical grid development, project financing, bankability, PPA contracts, perceived risks, etc;
- cooperate in conducting new research studies, public papers, webinars and/or technical assistance activities with target countries, as agreed by Parties;
- take forward collaboration to further develop good relationships with governments and

## Annex 2

other key public stakeholders to help them improve effectiveness and make best use of all available information in the renewable energy;

- coordinate activities with Clime Capital and SEACEF for joint efforts.

GREENMAP's main roles:

- cooperate in conducting new research studies, public papers, webinars and/or technical assistance activities with target countries, as agreed by Parties;
- assist the Governments in reviewing, designing, strengthening and implementing effective programs for the procurement of electricity generation from renewable energy sources.
- support target Countries in the implementation of the national renewable energy program by being able to take advantage of the digital resources and tools that GREENMAP is developing.
- coordinate activities with Clime Capital and SEACEF for joint efforts.

2.2 With mutual consent between the Parties, other activities can be undertaken which will fulfill the collaborative intention of the above objectives.

### Article III

#### Consultation and Exchange of Information

- 3.1 The Parties shall, on a regular basis, keep each other informed of and consult on matters of common interest, which in their opinion are likely to lead to mutual collaboration.
- 3.2 Consultation and exchange of information and documents under this Agreement shall be without prejudice to arrangements, which may be required to safeguard the confidential and restricted character of certain information and documents. Such arrangements will survive the termination of this Agreement and of any agreements signed by the Parties within the scope of this collaboration.
- 3.3 The Parties shall, at such intervals as deemed appropriate, convene meetings to review the progress of activities being carried out under the present Agreement and to plan future activities.
- 3.4 The Parties may invite each other to send observers to meetings or conferences convened by them or under their auspices in which, in the opinion of either Party, the other may have an interest. Invitations shall be subject to the procedures applicable to such meetings or conferences.
- 3.5 The Parties will develop and review a work plan annually to provide for the collaboration areas. For the work plan in 2022, Annex 1 details the collaboration between the parties. These activities, generally, will include, but not be limited to coauthoring diagnostic studies, webinars and seminars and producing policy dialogue material and reports on issues pertaining to accelerating energy transition. The attached scope of collaboration in Annex 1 may be extended upon consultation and reviewed based agreement between the Parties.

## **Annex 2**

### **Article IV**

#### **Implementation of the Agreement**

- 4.1 In order to implement the specific activities envisioned hereunder, the Parties shall conclude specific written agreements in accordance with the applicable UNOPS regulations, rules and procedures, which shall specify the costs or expenses relating to the activity and how they are to be borne by the Parties. The specific agreements shall also include a provision incorporating by reference this Agreement, which is applicable to the specific agreements and the projects financed therefrom.
- 4.2 It is understood that all activities envisioned by this Agreement will be carried out on the basis of specific and separate agreements agreed between UNOPS and GREENMAP and shall be entered into in accordance with the applicable UNOPS regulations, rules and procedures.
- 4.3 Each of the Parties shall bear its own costs in connection with this Agreement and any transactions contemplated hereby, including the costs of public relations activities relating to their collaboration, unless otherwise agreed to in a specific agreement concluded hereunder.
- 4.4 Neither Party shall be an agent, representative or joint partner of the other Party. Neither Party shall have any express or implied right or authority to assume or create obligations on behalf of or in the name of the other Party or to bind or enter into any contract, agreement, undertaking or commitment on behalf of the other Party and shall be solely responsible for making all payments to and on behalf of its own account, as provided under this Agreement and under cost-sharing agreements concluded hereunder.
- 4.5 Each Party shall be responsible for its acts and omissions in connection with this Agreement and its implementation.
- 4.6 This Agreement is not the exclusive means for UNOPS and GREENMAP to enter into activities, projects and other arrangements with one another. Separately executed agreements that do not specifically reference this Agreement will be governed solely by the terms and conditions set forth therein.

### **Article V**

#### **Information Disclosure between the Parties**

- 5.1 Each Party may disclose to the other certain proprietary and confidential information. This information shall not include any third party proprietary or confidential information.
- 5.2 Each Party agrees to maintain the information of the other Party in confidence, using at least the same degree of care as it uses in maintaining as secret its own trade secret, confidential and proprietary information, but always at least a reasonable degree of care.
- 5.3 Each Party agrees that the other Party shall have no obligation under the provisions of this Article 5 with respect to any information which:
  - 5.3.1. Is now or hereafter becomes publicly known other than through a breach hereof;

## **Annex 2**

- 5.3.2. Is disclosed to the recipient Party by a third party that the recipient Party reasonably believes is legally entitled to disclose such information;
  - 5.3.3. Is known by the recipient Party prior to its receipt of the information without any obligation of confidentiality with respect thereto;
  - 5.3.4. Is disclosed with the Party's written consent; or
  - 5.3.5. Is disclosed by the disclosing Party to a third party without the same or similar restrictions as set forth herein.
- 5.4 The recipient Party shall limit access to any information received from the disclosing Party to only those personnel of the recipient Party who have need of such access for the implementation of this Agreement.
- 5.5 The disclosing Party shall retain title to all forms of the information, such as written documentation, delivered pursuant to this Agreement, and all copies thereof. Except as may be required for the implementation of this Agreement, the recipient Party shall not copy or reproduce, in whole or in part, any information or summarize or make extracts of information without the written authorization of the disclosing Party.
- 5.6 Information shall be used by the recipient Party only for the purposes of fulfilling its obligations under this Agreement and any subsequent specific agreement. Without limiting the immediately preceding sentence, any information that is disclosed pursuant to this Agreement shall not be used by the recipient Party to invent, create, modify, adapt or manufacture any hardware or software or other products or services which would or could compete with or be used in lieu of the disclosing Party's hardware or software or other products or services.
- 5.7 Except as expressly provided in this Agreement or in any subsequent written agreement, the disclosing Party grants no license, right or interest to the recipient Party under any copyrights, patents, trademarks, trade secrets or other property rights of the disclosing Party by reason of the disclosure of the information.
- 5.8 Upon termination of this Agreement or on the written request of the disclosing Party, the recipient Party shall promptly return or destroy all tangible information and copies thereof, except that the recipient Party may retain one copy of such information as part of its work papers in accordance with applicable professional standards.

## **Article VI**

### **Intellectual Property**

- 6.1 The Parties acknowledge and agree that any intellectual property they bring to this collaboration shall remain proprietary and their sole property. Further, the Parties agree that a nonexclusive license is hereby granted to the other Party to utilize such intellectual property exclusively to reach the goals described herein and with the Governments and Countries where the Parties act together. Any new intellectual property that is jointly developed by the Parties during their collaboration under this Agreement shall be owned by the Parties separately to the extent that

## **Annex 2**

each developed the intellectual property and each Party shall have the right to use it separately from the other Party for non-commercial purposes, with credit to the co-owner.

### **Article VII**

#### **Liabilities**

- 7.1 In no event shall either Party, its affiliates, agents or subcontractors, or any of their partners, principals or other personnel be liable for consequential, special, indirect, incidental, punitive or exemplary damages, costs, expenses or losses (including, without limitation, lost profits and opportunity costs), nor shall they be liable for any claim or demand against the other by any third party. The provisions of this Article shall apply regardless of the form of action, damage, claim, liability, cost, expense, or loss, whether in contract, statute, tort (including, without limitation, negligence) or otherwise.
- 7.2 This Article shall not be prejudiced by, and shall survive the termination of this Agreement.

### **Article VIII**

#### **Term, Termination, Amendment**

- 8.1 The proposed cooperation under this Agreement is non-exclusive and shall have an initial term of two years commencing on the date of last signature on this agreement and ending on 30 APRIL 2024, unless terminated earlier by either Party upon two months' notice in writing to the other Party. The Parties may agree to extend this Agreement in writing for subsequent periods of 2 years, provided, however, that:
- 8.1.1 termination shall not discharge any obligations of any party under Articles 5-11 of this Agreement;
  - 8.1.2 any party may terminate this Agreement if another party fails to perform its obligations hereunder and such failure to perform is not cured within twenty (20) days following written notice from the complaining party; and
  - 8.1.3 either party may terminate this Agreement upon not less than thirty (30) calendar days prior written notice to the other should it discontinue its work related to this Agreement or make other significant programming or business model changes requiring the termination of this Agreement or the actual costs of any party are likely to exceed its budget for this Agreement. Termination under this Article 8.1.3 shall give no right to the other party to any compensation or indemnification whatsoever, notwithstanding the provisions of Article 10.1.
- 8.2 In the event of termination or expiry of this Agreement, any specific agreements concluded pursuant to this Agreement may also be terminated in accordance with the termination

## **Annex 2**

provisions contained in such specific agreements. In such a case, the Parties shall take the necessary steps to ensure that the activities carried out under this Agreement and the specific agreements are brought to a prompt and orderly conclusion.

8.3 This Agreement may be amended only by written agreement of the Parties.

## **Article IX**

### **Notices and Addresses**

9.1 Any notice or request required or permitted to be given or made under this Agreement shall be in writing. Such notice or request shall be deemed to have been duly given or made when it shall have been delivered by hand, certified mail, overnight courier, telex, or cable to the party to which it is required to be given or made at the address specified below or such other address as shall be hereafter notified.

For UNOPS:

Sirpa Jarvenpaa  
ETP Director  
208 Wireless Road Building, Lumpini  
Pathumwan, Bangkok, 10330  
sirpaj@unops.org

For GREENMAP:

Andrea Bertello  
Avenue Louise 240, Boite 14, 1050  
Brussels, Belgium  
andrea.bertello@energygreenmap.org

## **Article X**

### **Dispute Settlement**

10.1 Any controversy or claim arising out of, or in accordance with, this Agreement or any breach thereof shall, unless it is settled by direct negotiation between the Parties, be settled in accordance with the UNCITRAL Arbitration Rules as at present in force. Where, in the course of such direct negotiation referred to above, the Parties wish to seek an amicable settlement of such dispute, controversy or claim by conciliation, the conciliation shall take place in accordance with the UNCITRAL Conciliation Rules as at present in force. The Parties shall be bound by any arbitration award rendered as a result of such arbitration as the final adjudication of any such

**Annex 2**

controversy or claim. This Agreement and any dispute arising herefrom shall be exclusively governed by general principles of law, to the exclusion of any single national system of law.

**Article XI**

**Miscellaneous**

- 11.1 The GREENMAP shall not advertise or otherwise make public the fact that it is performing, or has performed services with UNOPS or use the name, emblem or official seal of UNOPS or the United Nations or any abbreviation of the name of UNOPS or the United Nations for advertising purposes or any other purposes.
- 11.2 In consultation with each other, the Parties may conduct joint communications and visibility efforts on social media platforms or on other media for non-commercial purposes to promote their joint work, engage with a broader network, and generate interest and visibility. Joint communication and visibility efforts may use the ETP name and emblem.
- 11.3 This Agreement or any right, obligation or interest hereunder shall not be assignable, transferable or otherwise alienable by either Party except with the prior written consent of the other Party.
- 11.4 Nothing in or relating to this agreement shall be deemed as a waiver, express or implied, of any of the privileges and immunities of the United Nations and UNOPS.
- 11.5 This Agreement and any related specific written agreements comprise the complete understanding of the Parties in respect of the subject matter in this Agreement and supersede all prior agreements relating to the same subject matter. Failure by either Party to enforce a provision of this Agreement shall not constitute a waiver of that or any other provision of this Agreement. The invalidity or unenforceability of any provision of this Agreement shall not affect the validity or enforceability of any other provision of this Agreement.

**Article XII**

**Entry into Force**

- 12.1 This Agreement may be signed in counterparts, each of which shall be deemed an original and both of which duly executed shall constitute one entire document, and shall enter into force and effect on the date on which it is duly signed by both Parties.

**IN WITNESS WHEREOF**, the duly authorized representatives of the Parties have executed this Agreement on the date below written.

**FOR UNOPS:**

**GREENMAP**

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Signature

**Annex 2**

Name

\_\_\_\_\_

Title

\_\_\_\_\_

Date

Name

\_\_\_\_\_

Title

\_\_\_\_\_

Date