

BOSNIA AND HERZEGOVINA
FEDERATION OF BOSNIA AND HERZEGOVINA
ADDITIONAL FINANCING FOR ENERGY EFFICIENCY PROJECT–ID P165405

TERMS OF REFERENCES

for the Consultant

**for provision of services related to the development of the Second Operational Plan for
improving energy efficiency in FBiH institutions**

Ref. No. BEEPAF-P165405-CQ-42-CS-23-FBIH

1. Background

The Government of Bosnia and Herzegovina (BH) has recognized the importance of energy efficiency (EE) to support sustainable economic growth and move towards EU accession and has received financing for the Additional Financing for the Bosnia and Herzegovina Energy Efficiency Project (BEEP) from the International Bank for Reconstruction and Development (IBRD) credit funds. The project development objective is to demonstrate the benefits of energy efficiency improvements in public sector buildings and support the development of scalable energy efficiency financing models. The AF BEEP became effective March 2020.

The project is supported by a US\$32 million IBRD credit for BH, which is made available to the two entities, with US\$ 19.23 million allocated to the Federation of Bosnia and Herzegovina (FBH). The project consists of three components implemented separately in each entity:

Component 1: Energy efficiency investments in public facilities

Component 2: Support for the development of scalable financing mechanisms and capacity building

Component 3: Project Management

The project implementation unit (PIU) established within the Federal Ministry of Physical Planning (FMPP) is responsible for the preparation, coordination, management and

implementation of the project in the Federation of Bosnia and Herzegovina, including procurement, contracting, and payments of all goods, works and services related to the project.

In April, 2021 the FBH Government has adopted the First Operational Plan for improving energy efficiency in FBiH institutions covering 36 public buildings under their jurisdiction. The Government of FBiH tasked the bearers of the activities, the Federal Ministry of Energy, Mining and Industry and the Federal Ministry of Spatial Planning, to undertake activities on the preparation and implementation of the activities from the Operational Plan. At the session held on September 22, 2022, the FBiH Government has adopted the Information on activities conducted by FMPP on the implementation of the First Operational Plan for improving EE in FBiH public institutions in the period June 2021 - August 2022 and tasked with continuing with activities on the implementation of this plan.

This Terms of Reference (ToR) defines the nature and detailed scope of an assignment for development of the Second Operational Plan for improving energy efficiency in FBiH institutions (EE Operational Plan). This plan should include all remaining up to 350 public buildings under jurisdiction of the Government FBH with the implementation period of four (4) years. The FMPP will propose this Plan to the Government FBH for adoption and implementation.

The main objective of the EE Operational Plan are financial and non-financial benefits of energy conservation in public buildings such as:

- (i) reduced energy consumption for heating while achieving the comfort required by the standards (temperature and air humidity at the working space, etc.),
- (ii) saving in budgets, reducing the use of fossil fuels, preserving natural resources, fixed asset value growth with service life extension
- (iii) reduction of global warming through reduced emission of CO₂ and other harmful gases into the atmosphere
- (iv) contribution to the development and self-sustainability of the Revolving Fund for Energy Efficiency of the Federation of BiH

The EE Operational Plan has to be prepared in accordance with the Law on Energy Efficiency in the Federation of Bosnia and Herzegovina (hereinafter: Energy Efficiency Law, Official Gazette of the Federation of Bosnia and Herzegovina, number: 22/17 of 24 March 2017), the obligations of Bosnia and Herzegovina from the Agreement on the establishment of the Energy Community ("Official Gazette of Bosnia and Herzegovina" number 9/06, part International Agreements) and decisions of the EC Ministerial Council on the transposition of Directive 2010/31/EU (EPBD) and Directive 2012/27/EU (EED). Furthermore, the following documents should be taken into account: Framework for the realization of sustainable development goals in BiH (2020); Green Agenda for the Western Balkans 2030 (2022); Strategy for adaptation to climate change and low-emission development of BiH 2020–2030. (2021); Nationally

Determined Contribution of BiH 2020-2030; Road map with action plan for the period 2020 – 2030 (draft).

The operational plan should also be vertically harmonized with the Development Strategy of the Federation of Bosnia and Herzegovina 2021-2027¹, as well as with the Strategy for renovation of buildings in FBiH for the period up to 2050 (draft) and FBiH energy efficiency action plan 2019 – 2021.

Horizontal alignment should be achieved in relation to the Energy Strategy Framework of Bosnia and Herzegovina until 2035 (2018) and the National Energy Efficiency Action Plan 2019-2021 (draft).

The Consultant will coordinate activities with, report to and work under the direction of the PIU Project Manager/Coordinator and PIU Technical Experts.

Scope of Work for the Consultant

The main purpose of the assignment is to identify for each public building the required activities for implementing the energy efficiency measures, the dynamics of their implementation as the as the funds needed. The EE renovation of buildings will include a systemic/holistic approach that includes an EE Assessment of required consulting services, construction works and goods such as the development of a Detailed Energy Audit and a Project Design for EE energy renovation, the revision of Project Design, the implementation of Construction Works on energy renovation, the Supervision of Construction Works, the issuance of an Energy Certificate, the provision of Training on Energy Efficiency and the establishment of Integrated System for Monitoring & Verification² of the implemented EE measures in public buildings in the Federation of Bosnia and Herzegovina. Based on the EE Assessment findings on required activities and necessary financial resources for all included public buildings, the Consultant will develop and propose to the PIU/FMPP for approval a detailed Dynamic Plan for the period of four (4) years. Upon approval Dynamic Plan by PIU/FMPP, the consultant will elaborate in detail the Financial Plan that should include the analysis of the available source of financing.

Once the PIU approve the EE Operational Plan, the Consultant will assist PIU to prepare all materials required for the FMPP to submit this plan to the FBH Government for adoption.

¹ The strategic goal "Sustainable environmental development" and priority number 3.3. "Increase energy efficiency in FBiH"

² Procurement and installation of a system for measuring heat consumption, temperature and air humidity and automatic data reading and transmission.

The scope of the services of the Consultant will include but not be limited to the following

- a) Under this assignment the Consultant has the responsibility to design the Work Plan and submit it to the PIU Program Manager / Coordinator for approval.
- b) Review and verify externally for each public building the proposed energy efficiency improvements as the analysis of energy consumption status of those public buildings³. The proposed energy efficiency improvements (the Construction Works) will be provided by PIU/Ministry. Confirm the eligibility of the buildings to participate in the program (according to defined criteria); Develop a ranked pipeline of buildings for retrofit (with annual programs according to capacities, or prioritization of building types or regions); Develop recommendations for bundling of building retrofits (type or regional), to enable efficient procurement of services (lots), or combination of services (DEA, DED, works); Develop standardized EE retrofit packages for similar type of buildings (by level of EE intervention, standardized solutions for HVAC, solar, PV, etc.), to ease the DEA and DED services
- c) Identify the required consulting services as goods for each object individually (DEA, Design, Design Revision, Supervision of Construction Works, Energy Certificate, Training on Energy Efficiency, Integrated System for Monitoring & Verification⁴)⁵; Analysis of required capacities to manage a retrofit program of 350 public buildings, at PIU, energy auditors, design companies, suppliers, contractors, monitoring & verification consultants, etc., and recommend capacity building measures (staff, tools, trainings, etc.); Recommendations for the establishment of Integrated System for Monitoring & Verification.
- d) Assess the financial value/investment required for identified consulting services/goods
- e) Calculate the expected CO2 emission reduction after implementation of the proposed EE measures
- f) Develop draft criteria⁶ for preparing the dynamics of implementation and submit it to PIU/FMPP for approval
- g) Based on approved criteria, propose the dynamics of implementation for all objects, covering the four (4) year period
- h) Conduct an analysis of the available source of financing the energy efficiency renovation in Federation BiH; the development or extension of scalable energy efficiency financing

³ E.g. Whether they pay bills per consumption or m²? Whether the bills are paid by them or by the Service for Joint Affairs of Bodies and Bodies of the Federation of Bosnia and Herzegovina? Whether they are on-budget or off-budget users?

⁴ Procurement and installation of a system for measuring heat consumption, temperature and air humidity and automatic data reading and transmission.

⁵ Objects under protection, as well as objects of cultural and historical significance and architectural heritage requires additional attention

⁶ Taking into account facts as; previously adopted goals and the dynamics of their realization in different action plans, documents, international agreements; geographical location; number of employees and users; etc.

mechanism (such as EE Fund).

- i) Based on the analysis, propose the adequate financing sources in the period of four (4) years
- j) Prepare and submit first draft of EE Operation Plan to PIU/FMPP for approval
- k) Update and submit the final version of EE Operational Plan to PIU/FMPP in two languages (local and English)
- l) Upon approval of the final EE Operational Plan, the Consultant will assist PIU/FMPP to prepare all materials required for the FMPP to submit this plan to the FBH Government for adoption.
- m) Development of a monitoring procedures of (a) the progress of program implementation, and (b) monitoring

Deliverables

- a) The Work Plan that will contain the methodology to develop the EE Operational Plan. The Work Plan that will describe in details approach and methods for data collection, data collection instruments, method/s of data analysis and expected results, and detailed time schedule for implementation. The Work Plan will be submitted to PIU for review and approval;
- b) The review of EE assessment of previously proposed EE measures and recommendations, as the analysis of the consumption status for each public building according the requirements of the TOR, analysis of required capacities and recommendations for the establishment of Integrated System for Monitoring & Verification
- c) The analysis of the determined necessary services/goods per facility including the budgeting of the necessary financial resources for their implementation.
- d) The agreed set of criteria and the detailed Dynamic Plan for the period of four (4) years.
- e) The Financial Plan for the agreed implementation dynamics and proposal of the available source of financing.
- f) The EE Operational Plan with the accompanying documents for its adoption by the FBH Government,
- g) Monitoring procedures of (a) the progress of program implementation, and (b) monitoring

Duration of Contract

Expected duration of the contract is 7 months during the period from June 2023 to January 2024.

Schedule of Payments

The assignment will be compensated on the basis of the Lump-Sum contract provisions.

The schedule of payments will be as follow:

- 20% of the contract value will be paid upon submission of the Work plan with methodology (as described in Terms of References), acceptable to the Client
- 50% of the contract value will be paid upon submission of the final version of Dynamic and Financial Plan (as described in the Terms of References), acceptable to the Client
- h) 30% of the contract value will be paid upon submission of the final version of EE Operational Plan with the accompanying documents for its adoption by the FBH Government and Monitoring procedures of (a) the progress of program implementation, and (b) monitoring (as described in Terms of References), acceptable to the Client

Selected Consultant for the assignment performance at the proposal stage will propose timeline for each of the above stated three phases within the methodology of the technical proposal.

Qualification requirements and basis for evaluation

The Consultant should be a qualified firm or joint venture of firms (up to 3 companies for a joint venture) that have demonstrated experience in providing services in area of energy efficiency and economy. The consultants should to have proven experience in EE assessment, analysis and preparation of operational documents and activities. The firm must propose a team capable of successfully carrying out all aspects of the ToR with in-depth experience in the related fields. The Consultant shall demonstrate their capability to mobilize enough skilled staff for carrying out the project activities within the allocated timeframe as part of the proposal by including in the technical proposal, the Curriculum Vitae of the proposed key staff, including educational background, relevant working experience in similar projects, and by confirming their availability during the period of the contract.

Interested consultants must provide information indicating that they are qualified to perform the services by fulfilling following requirements:

- Company information: name, registration, address, telephone number, year of establishment, contact person for the project, fields of expertise;
- Minimum of 10 years of successful provision of services in area of energy efficiency and economy

- Confirmation on no obligations relating to the payment of direct and indirect taxes in accordance with the relevant laws of Bosnia and Herzegovina (may not be older than three (3) months) or with the relevant law of the country from the EOI submitter;
- Hold a license from Ministry of Spatial Planning of the Federation of BiH for performing energy audit and certification of buildings for complex building systems in FBH or if not available will be obtained within 30 days as condition to sign the contract. The Consultant shall provide a confirmation along with the EOI that he will secure the license in case he is selected to submit technical/financial proposals.
- Details of experience in minimum two (2) similar assignments undertaken in last five (5) years, including value of consulting services, location, name of the Client, type of service provided, contract period of execution
- Curricula Vitae (short version, specifying experience in similar assignments, five (5) CVs of key personnel who will be working on the assignment(s) with minimum:
 - Team Leader, responsible for managing/overseeing the entire consultancy contract implementation; University degree (Master's equivalent) in economy, financial management or business administration; a minimum of ten (10) years of experience in relevant field
 - At least two (2) graduate architect and/or civil engineers with the competence exam passed and at least five (5) years of work experience in relevant field;
 - At least one (1) mechanical engineer with the competence exam passed and at least five (5) years of work experience in relevant field;
 - One (1) administrative assistant with experience in relevant field