NEFCO

The Nordic Green Bank

REQUEST FOR PROPOSALS

Energy Efficiency Refurbishment of Educational Institutions in Local Communities

Country: Moldova

Selection of Consultant for: Project Preparation and Implementation Support

Client: NEFCO

September 2024

Section 1 – Letter of Invitation

Helsinki, 9 September 2024

Dear Sir/Madam,

Funds of up to EUR 550,000 will be allocated from the Sida-NEFCO Consultant Cooperation Fund for Eastern Partenrship for consulting services to perform Project Preparation and Implementation Support (the Assignment) to the Programme **"Energy Efficiency Refurbishment of educational institutions in local communities of the Republic of Moldova"**. This amount includes EUR 50,000 provision for contingencies.

The Assignment is aimed to support local communities in Moldova in the preparation and implementation of municipal energy efficiency projects seeking the financing from NEFCO's Energy Saving Credits (ESC) Facility and Eastern Europe Energy Efficiency and Environment Partnership (E5P).

The objectives of the assignment are to provide the following main services:

- Prepare the identified projects to be funded under ESC and E5P for approval by financiers;
- Provide necessary support to Borrowers/ Grant Beneficiaries with passing local procedures;
- Provide necessary support to NEFCO and Borrowers/ Grant Beneficiaries with signing of loan and grant agreements between NEFCO and the Communities;
- Provide necessary support to Borrowers/ Grant Beneficiaries in promoting the gender sensitivity and balance when establishing the Project Implementation Units (PIUs);
- Provide necessary support with project procurement and implementation;
- Carry out project implementation monitoring and reporting to NEFCO and Borrowers/ Grant Beneficiaries;
- Monitor a proper closure of projects once completed;
- Serve as the point of contact between NEFCO and the Communities throughout the whole period of programme preparation and implementation.

NEFCO now invites proposals to provide the following consulting services: "**Energy Efficiency Refurbishment of educational institutions in local communities of the Republic of Moldova. Project Preparation and Implementation Support**". The details of the required services are provided in the attached Terms of Reference.

This Request for Proposals ("RfP") has been published on NEFCO's webpage.

Indication of Interest

Please inform NEFCO by e-mail: procurement@nefco.int with copy to Vitaly.Artyushchenko@nefco.int, not later than **20 September 2024** whether you intend to submit a proposal.

Any questions on the Terms of Reference or the other documentation in the RfP shall be provided in writing to NEFCO by e-mail: procurement@nefco.int with copy to Vitaly.Artyushchenko@nefco.int no later than **27 September 2024** after which all questions will be compiled by NEFCO without any editing in the form they are sent to NEFCO. Answers to the questions are submitted by e-mail to all Consultants that have confirmed their intent to prepare a proposal.

Submission of Proposals

Proposals must be submitted to NEFCO no later than **12:00 hrs local time in Helsinki on 18 October 2024** (submission date). NEFCO may at its discretion extend the deadline for submission of proposals. Belated proposals will be rejected.

The proposal shall be divided into two parts: a technical proposal and a financial proposal. The requirements for the proposals are described in detail in Section 2 – Instructions to Consultants. The attached standard forms are to be used for the purpose.

Proposals shall be submitted in English and must remain valid for 90 days. Consultants willing to prepare and submit a proposal are responsible for all associated costs.

The proposal shall be submitted to NEFCO using secure encrypted e-mails, in two separate emails:

Email A: Technical Proposal

The Technical Proposal shall be sent to NEFCO to email address procurement@nefco.int by using this link https://www.securedmail.eu/message/procurement@nefco.int. Please indicate as title in the subject field: "**Energy Efficiency Refurbishment of educational institutions in local communities of the Republic of Moldova. Project Preparation and Implementation Support. Technical Proposal**". In the message field please indicate at least the sender's name and company.

For further information, please see the enclosed document in Annex 3.

Email B: Financial Proposal

The Financial Proposal shall be sent to NEFCO to email address nelly.eriksson@nefco.int by using this link https://www.securedmail.eu/message/nelly.eriksson@nefco.int. Please indicate as title in the subject field: "**Energy Efficiency Refurbishment of educational institutions in local communities of the Republic of Moldova. Project Preparation and Implementation Support. Financial Proposal**". In the message field please indicate at least the sender's name and company.

For further information, please see the enclosed document in Annex 3.

In case there are problems with the securedmail system, please contact Vitaly.Artyushchenko @nefco.int for further assistance.

A consultant will be selected under **quality and cost-based selection method** and procedures described in this RfP, in accordance with NEFCO's Procurement Policy and Procedures available at www.nefco.int under "Procurement".

This RfP includes the following documents:

Section 1 - Letter of Invitation
Section 2 - Instructions to Consultants
Section 3 - Technical Proposal - Standard Forms
Section 4 - Financial Proposal - Standard Forms

Annex 1: General Conditions of Contract for Consultant's Services
Annex 2: Terms of Reference
Annex 3: Secured mail manuals

Yours sincerely,

Vitaly Artyushchenko

Nordic Environment Finance Corporation

Section 2 – Instructions to Consultants

1. Rules concerning nationality of consultants

The funds used for this consultancy assignment are expected to be made available from the Sida-NEFCO Consultant Cooperation Fund for Eastern Partenrship. According to the terms and conditions on the operation of the Trust Fund, there are no limitations on the nationality of the firm/individual or the subconsultants.

2. Preparation and Submission of Proposals

2.1. Consultants submitting proposals are expected to examine carefully and respect all instructions, forms, General Terms and Conditions, Terms of Reference and specifications contained in this Request for Proposals. Failure to submit a proposal containing all the required information and documentation within the deadline specified in the Letter of Invitation may result in rejection of the proposal. The standard forms in Sections 3 and 4 of this Request for Proposals shall be used as applicable.

2.2. Consultants shall submit technical and financial proposals in separate emails marked **"Technical Proposal"** and **"Financial Proposal"**, as appropriate. No financial data of any sort shall be included in the technical proposal. Only emails containing technical proposals shall be opened at the time of submission of proposals. The financial proposals will be kept unopened until the technical evaluation is completed**.**

2.3. **Technical Proposal** (not exceeding 16 pages, excluding CVs. Font size minimum 11 for both Technical Proposal and CVs).

Consultant's technical proposal shall demonstrate the firm's knowledge of the requirements of the assignment and its understanding of the requisite tasks set forth in the scope of work of the Terms of Reference. Information must be provided on the firm and any subconsulting firm/individuals associated with for the purpose of the assignment. Provision of the requested information, in full, must be presented as follows:

(a) A brief description of the firm, an outline of the firm's experience of assignments of a similar nature and specifically the firm's previous work, especially in the project country region. Information on the current workload of the firm in the relevant areas of this assignment shall also be presented.

(b) Comments or suggestions, if any, on the Terms of Reference designed to improve performance in carrying out the assignment.

(c) Comments and elaborations on the general approach and methodology.

(d) Composition of the team which the firm proposes to provide in the field and in the home office, together with a curriculum vitae of each individual team member and the specific task(s) to which each team member would be assigned. The team leader and the key experts listed in the evaluation criteria table (section 3.6 of the Instructions to Consultants) shall be specifically identified. Members of the team

shall have requisite experience outside their own country, preferably under conditions similar to those prevailing in the project country. A good working knowledge of English is essential for the staff. Proficiency in Romanian/Russian is an additional merit. The language conditions for the assignment are stated in the Terms of Reference. If the firm proposes to have a member of the consultant's home office responsible for the supervision of the team in the field, similar details shall be given with the curriculum vitae of that member.

(e) Work programme including a bar chart and a staffing schedule. The bar chart shall indicate estimates of the duration and total staff days that would be provided for each task. The staffing schedule shall indicate clearly the estimated duration (in both the home office and in the field) and the probable timing of the assignment of each professional (both foreign and local).

(f) Description of office space, vehicles, equipment, local counterpart support etc. required in the field for carrying out the proposed services.

2.4. **Financial Proposal**

(a) The firm's financial proposal shall be denominated in EUR. The costs shown shall include a detailed breakdown of *(i) remuneration* for the number of days of each team member to be assigned and the related unit rates, *(ii) direct expenses* in respect of subsistence costs and *(iii) all reimbursable expenses*.

(b) Financial proposals as submitted by the firm will be considered in the evaluation and selection of the consultant. However, each element of the financial proposal of the selected firm will be reviewed during contract negotiations for determining the final contract price.

(c) **Audit.** NEFCO retains the right to audit, both during and after the assignment, the selected firm's accounts and time and cost records relevant to the services provided, including such accounts and records as will enable verification of the costs related to the assignment.

(d) **Funds.** The amount of funds allocated for this assignment is stated in the Letter of Invitation, exclusive of VAT. The financial proposal shall cover all foreign and local costs of services for this assignment including costs of staff in the field and in the home office. The financial proposal shall be based on a minimum of home office contribution during the assignment. It shall also cover international travel (economy class or equivalent), preparation of reports, equipment, insurance, office supplies, subsistence, local transport, facilities, equipment, and all related expenses. The consultant shall be responsible for all direct and indirect tax liabilities (if any) arising out of or connected to the performance of the services wherever they arise.

The rates and prices shall be fixed for the duration of the assignment and no currency fluctuation or other adjustments will be made.

(e) **Contract.** A time-based contract will be concluded for the assignment.

3. Evaluation of Proposals

3.1. Evaluation of the proposals will be carried out by an evaluation committee appointed by NEFCO.

3.2. A two-stage procedure is adopted for evaluating the proposals. The technical proposals will be evaluated first, merit points awarded and the proposals ranked in order of their respective merit points, prior to the opening and evaluation of financial proposals. Quality of the technical proposal, particularly that of the staff proposed, shall be the principal criterion for evaluation of proposals and selection of consultants.

3.3. ***Technical proposals*** shall be evaluated and merit points awarded based on the following factors:

(a) The firm's general experience in the disciplines forming part of the total assignment, with specific reference to experience in the region of the assignment;

(b) The approach to the assignment, the suggested work programme and organisation and composition of the proposed team of experts, plus comments, if any, on methodology in response to the Terms of Reference; and

(c) The qualifications, experience and competence of the experts proposed for the assignment as well as the workload of the experts in other ongoing assignments and their availability to undertake the assignment in case of an award.

See further the scoring table below. All evaluations will be made relating to the Required Qualifications in the Terms of Reference.

3.4. A technical proposal may be treated as non-responsive if information with respect to any of the factors (a), (b) or (c) as requested above in section 3.3 is omitted. Only firms (i) awarded a minimum of 70 technical proposal merit points and (ii) having technical merit points within 15 points of the highest technical score will be considered for the second stage (financial evaluation). If no firm scores the required minimum of technical points, NEFCO reserves the right to negotiate with the firm scoring the highest technical points, or to reject all proposals.

3.5. A firm will be excluded from the evaluation if, at the discretion of NEFCO, the firm has been, or might be placed, in a conflict of interest position in the procurement process or the performance of the contract. Firms or individuals, which believe such a situation may exist, shall seek guidance from NEFCO prior to preparing the their proposal.

3.6. The specific evaluation criteria are listed below:

	PRINCIPAL FACTORS IN EVALUATION	**Maximum points**
1.	**Experience of Consulting firm**	
	a) Experience in similar projects focusing on preparation and implementation support covering the entire project cycle (preparations, management, design, procurement, and supervision) of municipal projects funded by international financing institutions (IFIs)	10

	b) Experience in project preparation and implementation in the Former Soviet Union (FSU) countries since 2010	10
	Subtotal 1	**20**
2.	**Approach and methodology**	
	a) Relevance to the Terms of Reference	10
	b) Suggested work programmes	5
	c) Staffing plans	5
	Subtotal 2	**20**
3.	**Qualifications and competence of key experts**	
	a) Team Leader/Energy Efficiency Expert	20
	b) Senior Procurement Expert	15
	c) Local Coordinator	15
	d) Other experts (non-key)	10
	Subtotal 3	**60**
	TOTAL	**100**

3.7. ***The financial proposals*** will be opened and evaluated only after the technical evaluation has been completed and merit points awarded to each proposal. Only financial proposals of firms that have qualified for the financial evaluation in accordance with section 3.4 above will be opened. Unopened proposals will be returned, after NEFCO has awarded a contract to the selected firm/individual.

3.8. **Correction of Errors**. Activities and items described in the technical proposal but not priced in the financial proposal shall be assumed to be included in the prices of other activities or items, and no corrections are made to the financial proposal.

Time-based contract. The evaluation committee will (a) correct any computational or arithmetical errors, and (b) adjust the prices if they fail to reflect all inputs included for the respective activities or items in the technical proposal. In case of discrepancy (i) between a partial amount (sub-total) and the total amount, or (ii) between the amount derived by multiplication of unit price with quantity and the total price, or (iii) between words and figures, the former will prevail. In case of discrepancy between the technical and financial proposals in indicating quantities of input, the technical proposal prevails and the evaluation committee will correct the quantification indicated in the financial proposal so as to make it consistent with that indicated in the technical proposal, apply the relevant unit price included in the financial proposal to the corrected quantity, and correct the total proposal cost.

3.9. The financial proposal representing the lowest evaluated price will be given the score 100; others are rated as follows:

Financial score of firm A = lowest evaluated price / price of firm A x 100;

If the financial proposal exceeds the indicated available funds it may be rejected at the discretion of NEFCO. Financial proposals including cost components in other currencies than EUR shall be converted to EUR according to the exchange rates published by the European Central Bank on the submission date of the proposal.

3.10. In the final evaluation combining the technical and financial scores, the technical merit score will be given a weight of 80 percent and the financial score will be given a weight of 20

percent. The firm with the highest evaluated weighted score will be invited to contract negotiations.

4. Contract Negotiations and Award

4.1. NEFCO reserves the right to reject all proposals.

4.2. The consultancy services are expected to commence no later than within 14 days after the conclusion of the consultancy agreement. Contract negotiations will be carried out by representatives of NEFCO.

4.3. The costs of preparing a proposal and of negotiating and concluding a contract including the costs of travel to participate in possible pre-bid meeting are not reimbursable as costs of the assignment.

4.4. NEFCO expects to conclude a contract on the basis of the experts named in the proposal and will require, in the contract negotiations, assurances that these experts can, in fact, be made available. NEFCO will, at its sole discretion, consider substitutions only in case the commencement of the assignment would otherwise be delayed, for reasons unrelated to selected consultant, or, exceptionally, because of incapacity of an expert for reasons of health. The desire of a firm to use an expert on another project will not be accepted as a reason for substitution of staff and may result in the rejection of the firm in question.

4.5. The firm (or the leading consultant, if there are several partners) that submitted the first-ranked proposal will be invited to discuss technical and financial details of the proposal and the terms of the contract without delay. Discussions will commence with a review of the technical proposal, the proposed approach and work plan, staffing and any suggestions the consultant may have made to improve the Terms of Reference. Agreements will be reached, first, on the final Terms of Reference, work plan, time schedule, the staff to be employed, their periods of work in the field and in the home office, frequency and timing of home travel, housing costs, budget to be allocated for the provision of office equipment, and next, on the facilities and services to be provided by local counterparts. Thereafter, financial negotiations will begin with discussions of the proposed fee rates for each team member, and of other costs as indicated by the consultants. In subsequent negotiations, the reasonableness of each item included in the Financial Proposal of the selected firm will be assessed. Consultants shall be prepared to disclose during negotiation data backing up the consultant fees and other costs and be aware and accept that the proposed rates and other costs will be subject to scrutiny and possible negotiation.

4.6. The representatives of the consulting firm invited for contract negotiations must be authorised (on behalf of all bidding partners) to discuss and agree on the technical and financial aspects of the proposal as well as the terms and conditions of contract and to conclude a binding agreement. Should the discussions with the first invited firm prove unproductive and/or unsatisfactory, the firm submitting the next-ranked proposal will be invited instead (and so on, if necessary, until an agreement is concluded). As soon as the contract is signed with the finally selected consulting firm (the “Consultant”), other short-listed firms will be informed accordingly.

4.7. Payments will be made to the Consultant from the Sida-NEFCO Consultant Cooperation Fund for Eastern Partenrship. The Consultant will be paid only for work performed based on

the payment schedule finalised at the contract negotiations. Payments will be made in 30 days after receiving the Consultant's invoice.

Section 3 – Technical Proposal – Standard Forms

FORM TECH-1
TECHNICAL PROPOSAL SUBMISSION FORM

[*Location, Date*]

To: NEFCO

Dear Madame/Sir,

We, the undersigned, offer to provide the consulting services for ““**Energy Efficiency Refurbishment of Educational Institutions in Local Communities of the Republic of Moldova. Project Preparation and Implementation Support”** in accordance with your Request for Proposals dated [*insert date*] and our Proposal. We are hereby submitting our Proposal, which includes this Technical Proposal, and a Financial Proposal in a separate secured mail.

[We are submitting our Proposal in association with: [*insert a list with full name and address of each associated Consultant/member of Consortium*].]

We hereby declare that all the information and statements made in this Proposal are true and accept that any misinterpretation or misrepresentation contained in it may lead to our disqualification.

If negotiations are held during the period of validity of the Proposal as defined in the Letter of Invitation, we undertake to negotiate on the basis of the proposed staff. Our Proposal is binding upon us during this period, and subject to the modifications resulting from Contract negotiations.

We undertake, if our Proposal is accepted, to initiate the consulting services related to the assignment not later than the date indicated in Clause 4.2 of the Instructions to Consultants.

We understand that you are not bound to accept any proposal you receive.

We hereby accept the General Conditions of Contract for Consultant’s Services attached as Annex 1 to your RfP.

Yours sincerely,

Authorized Signature [*In full and the original copy initialized*]:
Name and Title of Signatory:
Name of Firm:
Address:

FORM TECH-2
CONSULTANT'S ORGANISATION AND EXPERIENCE

A - Consultant's Organisation

Provide here a brief (max 2 pages) description of the background and organisation of your firm/entity [as well as of each subconsultant] for this assignment.

B - Consultant's Experience

Please provide information on each assignment, relevant for this assignment, for which your firm [and each joint venture/consortium partner and subconsultant] was legally contracted either individually as a corporate entity or as one of the major companies within a consortium, for carrying out consulting services similar to the ones requested under this assignment (max 1 page per project and 5 pages in total) including information on contract value, contracting entity/client, financier, project location/country, duration (months and years), expert months provided (if different from duration), main activities and objectives.

FORM TECH-3
COMMENTS AND SUGGESTIONS ON THE TERMS OF REFERENCE

A – Comments and Suggestions on the Terms of Reference

Present and justify here any modifications or improvement to the Terms of Reference (max 1 page) you are proposing to improve performance in carrying out the assignment (such as deleting some activity you consider unnecessary, or adding another, or proposing a different phasing of the activities). Such suggestions shall be concise and to the point, and incorporated in your Proposal.

FORM TECH-4
DESCRIPTION OF APPROACH, METHODOLOGY AND WORK PLAN FOR PERFORMING THE ASSIGNMENT

Technical approach, methodology and work plan are key components of the Technical Proposal. You are suggested to present your Technical Proposal (max 8 pages, inclusive of charts and diagrams) divided into the following three chapters:

a) Technical Approach and Methodology,
b) Work Plan, and
c) Organisation and Staffing.

a) Technical Approach and Methodology. In this chapter you shall explain your understanding of the objectives of the assignment, approach to the services, methodology for carrying out the activities and obtaining the expected output, and the degree of detail of such output. You shall highlight the problems being addressed and their importance, and explain the technical approach you would adopt to address them. You shall also explain the methodologies you propose to adopt and highlight the compatibility of those methodologies with the proposed approach.

b) Work Plan. In this chapter you shall propose the main activities of the assignment, their content and duration, phasing and interrelations, milestones, and delivery dates of the reports. The proposed work plan shall be consistent with the technical approach and methodology, showing understanding of the Terms of Reference and ability to translate them into a feasible work plan. A list of the final documents, including reports, drawings, and tables to be delivered as final output, shall be included here. The work plan shall be consistent with the Work Schedule of Form TECH-8.

c) Organisation and Staffing. In this chapter you shall propose the structure and composition of your team. You shall list the main disciplines of the assignment, the key expert responsible, and proposed technical and support staff.

FORM TECH-5
TEAM COMPOSITION AND TASK ASSIGNMENTS

Professional staff				
Name of staff	**Firm**	**Area of Expertise**	**Position Assigned**	**Tasks Assigned**

FORM TECH-6
CURRICULUM VITAE (CV) FOR PROPOSED PROFESSIONAL STAFF

CVs may be provided in any format you prefer, but shall as a minimum clarify the following issues for every member of the proposed professional staff:

1. Proposed Position [o*nly one candidate shall be nominated for each position*]:

2. Name of Firm/Individual [*insert name of firm/individual proposing the staff*]:

3. Name of Staff:

4. Date of Birth:

5. Nationality:

6. Education:

7. Membership of Professional Associations:

8. Other Training:

9. Countries of Work Experience:

10. Languages [*for each language indicate proficiency: good, fair, or poor in speaking, reading, and writing*]:

11. Employment Record/Project Experience Relevant to the Assignment:

12. Adequacy for the Assignment: Detailed Tasks Assigned [*list all tasks to be performed under this assignment*] and Reference to Prior Work/Assignments that Best Illustrates Capability to Handle the Assigned Tasks:

Expert's contact information: (e-mail ……., phone……)

Certification:
I, the undersigned, certify that to the best of my knowledge and belief, this CV correctly describes myself, my qualifications, and my experience, and I am available to undertake the assignment in case of an award. I understand that any misstatement or misrepresentation described herein may lead to my disqualification or dismissal by NEFCO, and/or sanctions by NEFCO.

{day/month/year}

Name of Expert	Signature	Date
		{day/month/year}

Name of authorized Representative of the Consultant (the same who signs the Proposal)	Signature	Date

FORM TECH-7
STAFFING SCHEDULE

For professional staff the input shall be indicated individually; for support staff it shall be indicated by category. Weeks are counted from the start of the assignment. Indicate home and field work separately - field work means work carried out at a place other than in the home office.

No	Position		Name of Staff	Home/ Field	Staff input (in the form of a bar chart in months)													Total staff-day input		
	Key/ Non-key	Assigned position			1	2	3	4	5	6	7	8	9	10	11	12	n	Home	Field	Total
I. Foreign experts																				
1				[*Home*]																
				[*Field*]																
2				[*Home*]																
				[*Field*]																
n				[*Home*]																
				[*Field*]																
Subtotal for Foreign experts																				
II. Local experts																				
1				[*Home*]																
				[*Field*]																
2				[*Home*]																
				[*Field*]																
n				[*Home*]																
				[*Field*]																
Subtotal for Local experts																				
Total Foreign and Local experts																				

FORM TECH-8
WORK SCHEDULE

No.	Activity	In months												
		1	2	3	4	5	6	7	8	9	10	11	12	n
1														
2														
3														
4														
5														
n														

Indicate all main activities of the assignment, including delivery of report (e.g inception, interim, and final reports) and other relevant benchmarks. Duration of activities shall be indicated in the form of a bar chart.

FORM TECH-9
COVENANT OF INTEGRITY

to the Purchaser/Client/Employer/NEFCO
from a Tenderer/Contractor/Supplier/Service Provider/Consultant
to be attached to its tender
(or to the contract in the case of a negotiated procedure)

"We declare and covenant that neither we nor anyone, including any of our directors, employees, agents, joint venture partners or sub-contractors ("the **Parties**"), where these exist, acting on our behalf with due authority or with our knowledge or consent, or facilitated by us, has engaged, or will engage, in any Prohibited Practices (as defined below) in connection with the tendering process or in the execution or supply of any works, goods or services for [*specify the contract or tender invitation*] (the "**Contract**") and covenant to so inform you if any instance of any such Prohibited Practices shall come to the attention of any person in our organisation having responsibility for ensuring compliance with this Covenant.

We shall, for the duration of the tender process and, if we are successful in our tender, for the duration of the Contract, appoint and maintain in office an officer, to whom you shall have full and immediate access, having the duty, and the necessary powers, to ensure compliance with this Covenant.

If any of the Parties, where these exist and as applicable, (i) have been convicted in any court of any offence involving Prohibited Practices in connection with any tendering process or provision of works, goods or services during the five (5) years immediately preceding the date of this Covenant, or (ii) have been dismissed or resigned from any employment on the grounds of being implicated in any Prohibited Practices, or (iii) have been excluded from participation in a tendering procedure by Nordic Environment Finance Corporation (NEFCO) or by any national or EU Institutions or any international financial institution or other sanctions authority, which NEFCO deems relevant, or (iv) is under any investigation in relation to Prohibited Practice, we shall give details of any event in (i)-(iv) above together with details of the measures that we have taken, or shall take, to ensure that no Party will commit any Prohibited Practices in connection with the Contract [*give details if necessary*].

In the event that we are awarded the Contract, we grant the Purchaser/Client/Employer/NEFCO and auditors appointed by either of them, as well as any authority or body having competence under relevant legislation, the right of inspection of our records and those of all our sub-contractors under the Contract. We accept to preserve these records generally in accordance with applicable law but in any case for at least six (6) years from the date of performance of the Contract."

For the purpose of this Covenant, "Prohibited Practices" includes:

- **Abuse** meaning theft, misappropriation, waste or improper use of property or assets related to the Contract, either committed intentionally or through reckless disregard.
- **Coercion** meaning impairing or harming, or threatening to impair or harm, directly or indirectly, any party or the property of the party for the purpose of improperly influencing the actions of a party.
- **Collusion** meaning an arrangement between two or more parties designed to achieve an improper purpose, including for the purpose of improperly influencing the actions of another party.

- **Corruption** meaning the promise, offering, giving, receiving, or soliciting, directly or indirectly, anything of value or any undue advantage, or any act or omission that involves the abuse of authority or functions, for the purpose of influencing or causing to influence improperly the actions of another party, or for the purpose of obtaining an undue advantage for oneself or for another party.
- **Fraud** meaning any act or omission, including misrepresentation or concealing a material fact, that knowingly or recklessly misleads, or attempts to mislead, a party for the purpose of obtaining a financial or other benefit or undue advantage for oneself or for a third party, or to avoid an obligation.
- **Obstruction** meaning

    (i) deliberately destroying, falsifying, altering or concealing evidence material to an investigation;

    (ii) making false statements to investigators in order to materially impede an investigation;

    (iii) failing to comply with requests to provide information, documents or records in connection with an investigation;

    (iv) threatening, harassing, or intimidating any party to prevent it from disclosing its knowledge of matters relevant to a NEFCO investigation or from pursuing an investigation; or

    (v) materially impeding NEFCO's contractual rights of audit or access to information; and

- **Money laundering** meaning

    (i) the conversion or transfer of property, knowing that such property is derived from criminal activity, to conceal and disguise the illicit origin of the property, or assisting any person who is involved in the commission of such activity to evade the legal consequences of this action;

    (ii) the concealment or disguise of the true nature, source, location, disposition, movement, rights with respect to, or ownership of property, knowing such property is derived from criminal activity;

    (iii) the acquisition, possession or use of property knowing, at the time of receipt, that such property was derived from criminal activity; or

    (iv) participation or assistance in any of the activities above; and

- **Financing of terrorism** meaning the provision or collection of funds, by any means, directly or indirectly, with the intention that they should be used or in the knowledge that they are to be used, in full or in part, in order to carry out terrorist activities (the "terrorist activities" shall have the same meaning as set out in Article 2 of the International Convention for the Suppression of the Financing of Terrorism).

Date:

Signature:

[Name and position]

for and on behalf of

[Name of the firm/individual or joint venture]

Note: When so required by NEFCO this Covenant must be sent to NEFCO together with a copy of the contract documents. In other cases, it must be kept by the Beneficiary and available upon request from NEFCO.

Section 4 – Financial Proposal – Standard Form

FORM FIN-1
FINANCIAL PROPOSAL SUBMISSION FORM

[*Location, Date*]

To: NEFCO

Dear Madame/Sir:

We, the undersigned, offer to provide the consulting services for "**Energy Efficiency Refurbishment of educational institutions in local communities of the Republic of Moldova. Project Preparation and Implementation Support**" in accordance with your Request for Proposals dated [*insert date*] and our Technical Proposal. Our attached Financial Proposal is for the **Total Cost of [*insert currency and amount(s) in words and figure*]**. This amount is exclusive of the applicable VAT].

Our Financial Proposal shall be binding upon us subject to the modifications resulting from the contract negotiations, up to expiration of the validity period of the Proposal as defined in the Letter of Invitation . We understand that any final rates and prices resulting from the contract negotiations will remain fixed until the end of the assignment.

Commissions and gratuities paid or to be paid by us to agents relating to this Proposal and execution of contract, if we are awarded the contract, are listed below:

Name and Address, Amount and Purpose of Commission of Agents, Currency or Gratuity

[*If no payments are made or promised, add the following statement: "No commissions or gratuities have been or are to be paid by us to agents or any third party relating to this Proposal and Contract execution."*]

We understand you are not bound to accept any Proposal you receive.

We remain,

Yours sincerely,

Authorized Signature [*in full and the original copy initialized*]:
Name and Title of Signatory:
Name of Firm/Individual:
Address:

FORM FIN-2
SUMMARY OF COSTS

Type of cost	Costs, EUR
Phase I	
Remuneration	
Reimbursable Expenses	
Phase II	
Remuneration	
Reimbursable Expenses	
Contingency	
Grand total in EUR	

The relevant grand total must coincide with the Total Costs of the Financial Proposal given in Form FIN-1. For each currency, Remuneration and Reimbursable Expenses must respectively coincide with the relevant Total Costs indicated in Forms FIN-3, and FIN-4.

FORM FIN-3
BREAKDOWN OF REMUNERATION

When used for lump-sum contract assignment, information to be provided in this form shall only be used to demonstrate the basis for the calculation of the contract's ceiling amount and, if needed, to establish payments to the Consultant for possible additional services requested by NEFCO. This form shall not be used as a basis for payments under lump-sum contracts.

A. Remuneration						
No.	**Position (as in TECH-7)**	**Name**	**Home / Field**	**Person-day Remuneration Rate, EUR/day**	**Time Input in Person/Day (from TECH-7)**	**Total, EUR**
I. Key Experts						
K-1			[*Home*]			
			[*Field*]			
n			[*Home*]			
			[*Field*]			
					Subtotal for Key Experts	
II. Non-Key Experts						
N-1			[*Home*]			
			[*Field*]			
n			[*Home*]			
			[*Field*]			
					Subtotal for Non-Key Experts	
					Total for Key and Non-Key Experts	

FORM FIN-4
BREAKDOWN OF REIMBURSABLE EXPENSES

When used for lump-sum contract assignment, information to be provided in this form shall only be used to demonstrate the basis for calculation of the contract ceiling amount and, if needed, to establish payments to the Consultant for possible additional services requested by NEFCO. This form shall not be used as a basis for payments under lump-sum contracts.

B. [*Reimbursable]*				
N°	**Type of [*Reimbursable Expenses]***	**Unit**	**Unit Cost**	**Quantity**
	*{e.g., subsistence costs}**	{Day}		
	{e.g., International flights}	{Ticket}		
	{e.g., In/out airport transportation}	{Trip}		
	{e.g., Communication costs between Insert place and Insert place}			
	{ e.g., Reproduction of reports}			
	{e.g., Office rent}			
	.....			
	{Training of the project owner's personnel – if required in TOR}			
Total Costs, EUR				

**Business trip costs not listed separately in this form, such as accommodation, meals and local transportation.

NEFCO

NEFCO'S GENERAL TERMS AND CONDITIONS FOR CONSULTANCY SERVICES

1 RESPONSIBILITY, PROFESSIONAL PRACTICE, INTEGRITY, IMPARTIALITY AND INDEPENDENCE

1.1 The Consultant shall be fully responsible for the Services and perform them in an objective and professional manner in compliance with best industry practice for similar services.

1.2 While providing the Services, the Consultant shall protect NEFCO's interests and act dutifully and transparently towards NEFCO.

1.3 The Consultant shall not receive or request instructions for the performance of the Services from any other party than NEFCO (unless otherwise explicitly instructed by NEFCO).

1.4 The Consultant shall during the Assignment remain financially and otherwise independent of other consultants, manufacturers, suppliers, contractors and other actors and/or factors that may prejudice the Consultant's objectivity. In particular the Consultant shall not accept any referral fee or other compensation from other consultants, manufacturers, suppliers, or contractors recommended by the Consultant.

1.5 The Consultant shall promptly inform NEFCO of any assignment or relation with a third party which might affect or be seen to affect the Consultant's impartiality or create a potential conflict of interest in relation to the Assignment.

1.6 The Parties are independent parties and the Parties agree that the Agreement shall not be deemed as an employment agreement and that the Consultant is not, nor any other person performing services under this Agreement, engaged by NEFCO as an employee but as an independent consultant and that relevant provisions of the Swedish Employment Protections Act (1982:80) shall not be applicable on the Parties' arrangement under this Agreement.

2 TIME SCHEDULE, INFORMATION, ASSIGNED PERSONNEL AND COOPERATION WITH THIRD PARTIES

2.1 The Services shall be provided in accordance with the time schedule in the Special Terms and Conditions and as possibly described in more detail in the annexes. The Consultant shall ensure that the agreed time schedule is adhered to.

2.2 The Parties shall keep each other timely informed about events or matters relevant for the performance of the Services. The Consultant shall without delay inform NEFCO Responsible person of any events which have had or are likely to have an adverse impact on the Consultant's provision of the Services within the agreed time schedule and/or otherwise negatively impact the Consultant's performance and/or fulfilment of the Services. Any delay or other underperformance in carrying out the Services shall be subject to the remedies set out in Sections 4, 5 and 17.

2.3 The Services shall be carried out personally by the Consultant or the personnel of the Consultant as set out in Section 1 of the Special Terms and Conditions and as possibly described in more detail in the annexes (the "**Assigned Personnel**"). If the Consultant should wish to engage a subcontractor to perform a certain part of the Services, the matter shall be discussed with NEFCO, including its possible effects on the Consultant's remuneration, and can only be done subject to NEFCO's prior written approval. Notwithstanding such approval, the Consultant shall remain fully responsible and liable for the performance of the Services, including any Services provided by its subcontractors as if they had been carried out by the Consultant.

2.4 The Consultant shall, without unreasonable delay and at no cost to NEFCO, be obliged to replace any Assigned Personnel performing the Services, who NEFCO reasonably considers is lacking the necessary competence, whom NEFCO finds it manifestly difficult to collaborate with or whose conduct is inconsistent with what NEFCO reasonably expects. The

identity of such replacing personnel as well as any other changes of the Assigned Personnel and any possible effects on the Consultant's remuneration, shall be subject to NEFCO's prior written approval (except if triggered by a *force majeure* situation). If approved by NEFCO, the replacing personnel shall become Assigned Personnel. Any changes in the Assigned Personnel shall not affect the agreed time schedule, in the absence of NEFCO's prior written consent.

2.5 If and to the extent relevant, the Consultant shall while providing the Services co-operate with other parties as may be determined by NEFCO.

3 CHANGE REQUEST

3.1 NEFCO and/or the Consultant may request the other Party to make changes to the Services to be provided.

3.2 In such case, the requesting Party shall submit a written request (the "**Change Request**"). The Change Request shall contain a description of the content of the proposed change as well as the reasons for the change and the effect the change is deemed to have on the Services.

3.3 The receiving Party shall within reasonable time review the Change Request in terms of its possible impact on the agreed Total Fee, time schedule and/or other agreed terms and conditions, and each Party shall be entitled to either approve or reject the Change Request.

3.4 If the Change Request is accepted by the other Party, the change shall be formalized through both Parties approving it in writing and the change shall thereafter be considered as an amendment to the Agreement.

3.5 The Parties agree and acknowledge that comments to form or substance, revision, adjustment, correction and/or supplemental requirements to bring the Services to a final and acceptable/agreed form (including all reasonable incidental work related thereto, such as meetings, telephone calls, correspondence etc.) shall not be considered as changes to the Services in terms of Sections 3.1 to 3.4 above.

4 ERRORS, OMISSIONS AND DELAY

4.1 The Consultant shall, at no cost to NEFCO, assume responsibility for correcting any errors and/or omissions in the performance of the Services.

4.2 In the event that the Consultant is delayed in performing the Services or a material error, defect and/or non-conformity occurs in the Services, and the situation upon NEFCO's request is not remedied or corrected within 30 (thirty) days to NEFCO's satisfaction, NEFCO shall (without prejudice to NEFCO's other rights under the Agreement, including, without limitation, the right to liquidated damages in accordance with Section 5) have the right to:

(i) accept the Services in their then current form at a reduced price which corresponds to the value of the actually delivered part; or alternatively;

(ii) complete itself or appoint a third party to complete the Services at the Consultant's sole cost and expense; or alternatively;

(iii) terminate the Agreement in whole or in part with immediate effect, while reserving all other rights available to it under the Agreement and applicable law; and in addition to (i) - (iii)

(iv) seek damages from the Consultant.

5 LIQUIDATED DAMAGES IN CASE OF DELAY

5.1 If the Consultant is not able to provide the Services within the agreed time schedule and this is not caused by *force majeure* or circumstances related to NEFCO, then the Consultant shall pay liquidated damages to NEFCO in compensation for the delay.

5.2 The liquidated damages shall amount to 0.2 percent of the agreed Total Fee excluding VAT, for each working day the Services are delayed, but in any circumstances limited to a maximum of 50 (fifty) working days. NEFCO shall be entitled to deduct such liquidated damages from any amounts owed by NEFCO to the Consultant under the Agreement.

5.3 If only parts of the agreed Services are delayed, the Consultant may request NEFCO to reduce the liquidated damages in such way that the compensation is proportional to the ability of NEFCO to utilise those parts of the Services that have been performed and delivered to NEFCO.

5.4 Any claims for liquidated damages shall be presented by NEFCO in writing to the Consultant at the latest 90 (ninety) days from the day on which the Assignment was completed or the Agreement was terminated. If NEFCO should not present a claim to the Consultant within this time limit, NEFCO's right to liquidated damages shall be deemed forfeited.

6 REMUNERATION

6.1 The remuneration to be paid by NEFCO to the Consultant in return for the Services shall consist of the fee agreed in the Special Terms and Conditions.

6.2 The Total Fee can be either fixed or variable. Variable fees shall be based on performance on a time and material basis.

6.3 If agreed in the Special Terms and Conditions, NEFCO shall, against receipts or written clarification, in addition to the Total Fee, pay compensation for the costs listed below:

(i) reasonable travel costs in economy class including airport transfers;

(ii) reasonable accommodation costs in a standard hotel room including breakfast only; and

(iii) other expenditures required for providing the Services.

6.4 Notwithstanding Section 6.3, NEFCO will not reimburse (i) travel time, or (ii) travel costs within the Helsinki metropolitan area (meaning a range of sixty (60) kilometres measured from the centre of Helsinki).

6.5 NEFCO will not pay any daily allowances to the Consultant.

7 TERMS OF PAYMENT

7.1 Payment(s) will be made by NEFCO in accordance with the payment schedule agreed in the Special Terms and Conditions. If no payment schedule is agreed, the Consultant shall invoice NEFCO monthly in arrears after the Services have been performed by the Consultant and accepted by NEFCO.

7.2 According to Article 9 of the Agreement concerning NEFCO[1], NEFCO is in the Nordic countries exempted from taxation, including VAT, in relation to its official activities. Also, as an international organization, NEFCO is exempted from VAT within the European Union[2].

7.3 Invoices specifying the nature and extent of the Services performed will be paid by NEFCO within 30 (thirty) days from the date of receipt, subject to NEFCO's acceptance of the Services as satisfactory. Should an invoice or a part thereof be disputed by NEFCO, NEFCO will up-front pay the undisputed part.

7.4 The Consultant shall submit a written confirmation issued by the account-holding bank confirming that the Consultant is the legal owner of the bank account to which the payment is requested to be made.

7.5 At the latest within 90 (ninety) days after completion of the Assignment, the Consultant shall submit a final invoice specifying any outstanding payments with respect to the Services provided under the Assignment. NEFCO's payment of the final invoice will only take place once NEFCO has agreed to that the Assignment has been completed. Any subsequent claim for payment shall entail no more than the right of set-off of any payments owed by NEFCO to the Consultant, unless the Consultant, within the specified time, gives written notification to the effect that an outstanding payment, unknown to him at that time, may lead to a further claim, or can show that the claim is based on the outstanding sum that was unknown to him at the time.

7.6 If NEFCO should not make an undisputed payment on time, the Consultant shall be entitled to request interest on the overdue amount if the claim is presented within reasonable time not exceeding 45 (forty-five) days after the overdue date, at an annual interest rate of 9% p.a. (nine per cent per annum) from and including the due date to but excluding the date of actual payment.

8 LIABILITY AND LIMITATION OF LIABILITY

8.1 The Consultant shall, subject to the limitations specified below in this Section 8 and any additional provisions agreed in the Special Terms and Conditions, be liable for any damage that the Consultant, its subcontractors or any other party engaged by the Consultant for the performance of the Services, may cause NEFCO to incur as a consequence of the Consultant's wilful misconduct, negligence or breach of the Agreement.

8.2 NEFCO's acceptance of the Services shall not release the Consultant from liability.

8.3 The total aggregate liability of both Parties under or in relation to the Agreement shall be limited to the higher of (i) 50,000 euro; or (ii) the value of the Total Fee and possible costs compensation paid or payable by NEFCO to the Consultant under the Agreement.

8.4 The limitation of liability set out in this Section 8 shall not apply in case of gross negligence, fraud, wilful misconduct, death or personal injury, material breach of the Agreement or breach of the Agreement in relation to the intellectual property rights or indemnification provisions set out in Section 9 or in relation to the confidentiality provision in Section 12. Further, the limitation of liability set out in this Section 8 shall not apply in case the Consultant is liable for payments to any third party in accordance with Section 4.2.

[1]Agreement between Denmark, Finland, Iceland, Norway and Sweden concerning the Nordic Environment Finance Corporation, available at NEFCO's website www.nefco.int.

[2] On the basis of Article 151(1), point b, of Directive 2006/112/EC on the common system of value added tax (as amended by 2009/162/EC) and Article 12(1), point b, of Directive 2008/118/EC concerning the general arrangements for excise duty.

9 RIGHTS OF OWNERSHIP, INTELLECTUAL PROPERTY RIGHTS AND INDEMNIFICATION

9.1 All rights, title, interest and all intellectual property rights in and to any pre-existing material, information, data, programs, models, methods and/or work created by a Party outside the scope of this Agreement or prior to the execution of this Agreement, shall vest in and remain the sole and exclusive property of that Party.

9.2 All rights, title, interest and all intellectual property rights in or relating to the Services shall vest exclusively in NEFCO. The Consultant may retain copies of documents and data, but shall not be entitled to use this material for purposes unrelated to the Services without NEFCO's prior written consent.

9.3 Equipment, vehicles and materials made available to the Consultant by NEFCO, or purchased by the Consultant wholly or partly with funds supplied or reimbursed by NEFCO under this Agreement shall be the property of NEFCO and shall be marked as such. Upon completion of the Services or termination of the Agreement, the Consultant shall make available to NEFCO an inventory of such equipment, vehicles and materials and shall dispose of same equipment, vehicles and materials in accordance with NEFCO's instructions.

9.4 For the avoidance of doubt, nothing in this Agreement shall limit a Party's right to use the general professional skills, experience and know-how acquired and/or applied by it under or in relation to this Agreement for the benefit of itself or a third party.

9.5 The Consultant shall indemnify, defend and hold NEFCO harmless from any and all claims, suits, actions or demands asserted against NEFCO world-wide, and against all liabilities, damages, losses, costs and expenses (including but not limited to attorney's fees) which NEFCO may incur when arising directly or indirectly from any infringement or alleged infringement of any patent, trademark, copyright or design or any other intellectual property right of a third party, if such claim, demand, suit or action may be attributable to the Consultant's provision of the Services. Should an intellectual property claim, or threat for such claim, arise, the Parties shall seek to agree on appropriate measures to address the matter. The cost for the defence against any such claim shall be entirely borne and covered by the Consultant as set out above.

9.6 No limitation(s) of liability set out in the Agreement or otherwise shall apply to the indemnification undertaking to hold NEFCO harmless as set out in Section 9.5 above.

10 INSURANCE

10.1 The Consultant shall maintain adequate insurance for any liability under this Agreement, including for safeguarding of the documents and other property of NEFCO, which may be in the Consultant's possession during the Assignment.

10.2 Unless otherwise agreed between the Parties, the Consultant shall maintain adequate professional liability insurance throughout the entire period of the Assignment.

10.3 The Consultant shall be responsible for insuring its Assigned Personnel, and for ensuring that any subcontractor(s) is similarly insured, against death, injury, loss of property and illness. The Consultant shall also be responsible for ensuring that adequate travel insurance is in place.

10.4 Upon NEFCO's request, the Consultant shall provide evidence demonstrating that sufficient insurance is in place.

11 LEGAL STATUS OF NEFCO

11.1 The Consultant expressly acknowledges NEFCO's legal status as an international organisation, vested with certain immunities and privileges, and the impact this special legal status has on NEFCO's contractual obligations as follows:

(i) NEFCO is a legal person under international law and is governed solely by and operates under its constituent documents;

(ii) NEFCO enjoys immunity from jurisdiction, which means that the chosen dispute resolution mechanism shall be arbitration and only a final arbitral award is binding upon NEFCO;

(iii) NEFCO itself, its property and assets (wherever located and by whomsoever held) are immune from search, requisition, confiscation and expropriation by executive and legislative actions (including any interim court orders, injunctive reliefs etc.);

(iv) NEFCO's premises, archives, and all documents belonging to NEFCO or held by NEFCO are inviolable and the communications of NEFCO are protected by bank secrecy and are confidential;

(v) NEFCO has its own established governing and supervisory bodies and, therefore, NEFCO is exempted from audit inspections and disclosure requirements under national laws or as otherwise may be imposed on a party through a contractual relationship; and

(vi) NEFCO is not bound by any national or EU legislation on protection of personal data. NEFCO's Global Privacy Policy (available at NEFCO's website) provides information on why and how personal data is processed at NEFCO.

11.2 Nothing in this Agreement shall be construed as a waiver, renunciation or other modification of any immunities, privileges or exemptions accorded to NEFCO pursuant to the Agreement concerning NEFCO, any international convention or any applicable law. Notwithstanding the foregoing, NEFCO has made an express submission to arbitration under Section 16 and accordingly, and without prejudice to its other privileges and immunities (including, without limitation, the inviolability of its archives), it acknowledges that it does not have immunity from suit and legal process in respect of the enforcement of a final arbitral award duly made against it as a result of its express submission to arbitration pursuant to Section 16.

12 CONFIDENTIALITY

12.1 The Consultant understands and agrees that as part of the Assignment, the Consultant may get access to information (in hard copy, electronic format or verbally) that relates to NEFCO's or NEFCO's clients' and cooperation partners' past, present or future operations, businesses, research, development, finances, services and technical know-how or knowledge (the "**Confidential Information"**). Any information related to NEFCO and its activities is protected by bank secrecy and shall therefore be treated as Confidential Information and be subject to the confidentiality obligation set out in this Section 12. Furthermore, all information contained in this Agreement shall be deemed Confidential Information.

12.2 The Consultant undertakes to keep confidential any Confidential Information it may receive from NEFCO, a client of NEFCO or any third party under or in connection with this Agreement and, save as specifically permitted below, not to divulge this information to any third party without NEFCO's prior written consent. The Consultant undertakes to use the Confidential Information solely for the purposes of this Agreement.

12.3 Save as may follow from statutory obligations of confidentiality, the above shall not apply to any information that:

(i) is in the public domain at the time of disclosure or later becomes a part of the public domain through no breach of this Agreement;

(ii) is received by the Consultant in good faith from a third party who is under no obligation of confidentiality with respect thereto;

(iii) is known to the Consultant without any obligation of confidentiality prior to disclosure by NEFCO;

(iv) is independently developed by the Consultant without utilizing the Confidential Information as evidenced by the Consultant's written records;

(v) is expressly authorised to be disclosed by NEFCO in writing; or

(vi) is required to be disclosed by law or in accordance with the requirement of a supervisory or regulatory authority to which the Consultant is subject to. For the sake of clarity, the Consultant expressly acknowledges that NEFCO enjoys inviolability of its archives and communication, including any data, information and material, and therefore any disclosure in accordance with this subsection shall always be subject to NEFCO's prior written consent. Any such authorised disclosure shall only be made to the extent required.

12.4 The Consultant may give access to Confidential Information received from NEFCO to its Assigned Personnel and/or subcontractors (if any) only on a need-to-know basis, and provided that there is always a clear understanding of the confidential nature of the information as set out in this Section. The Consultant further represents and warrants that it will ensure that the Assigned Personnel and/or subcontractors (if any) will agree to be bound and adhere to the confidentiality obligations set out in this Section. The Consultant also accepts that all Assigned Personnel performing the Services shall, at NEFCO's request, be obliged to sign a separate confidentiality agreement.

12.5 The Consultant shall exercise its utmost care in safeguarding that the Confidential Information is appropriately processed, stored, handled and protected.

12.6 The rights and obligations set out in this Section shall survive the expiry or termination of this Agreement. Upon expiry or termination of the Agreement for any reason, the Consultant shall immediately cease using the Confidential Information and, upon NEFCO's request, destroy or promptly return all concerned material (and all copies thereof) to NEFCO and confirm to NEFCO, within 15 (fifteen) days after NEFCO's request, that all of the Confidential Information has been destroyed or returned.

13 PERSONAL DATA PROTECTION

13.1 The Consultant shall at all times comply with the applicable data protection laws in processing any personal data, including by procuring all requisite consents where necessary, including where explicit consent is required.

13.2 The Consultant

(i) has introduced and applies appropriate data protection policies and procedures concerning the collection, use, storage, retention, transfer and security of personal data;

(ii) has implemented regular staff training, using testing, audits or other documented mechanisms to ensure and monitor compliance with those policies and procedures;

(iii) has ensured that only authorised personnel has access to personal data and that such access has only been granted on a need to know basis; and

(iv) maintains complete, accurate and up to date records of all of its personal data processing activities as required by the applicable data protection laws.

14 AUDITING, ANTICORRUPTION AND ETHICAL CONDUCT

14.1 The Consultant shall (i) keep accurate and systematic accounts and records with respect to the Services provided under the Agreement, in accordance with internationally accepted accounting principles and in a form and detail which clearly identifies all relevant charges and costs, and their basis; and (ii) upon request up to two (2) years from the expiration or termination of the Agreement, permit NEFCO or its designated representative to inspect these accounts and records and to make copies thereof as well as to have them audited by auditors appointed by NEFCO.

14.2 The Consultant acknowledges and confirms that it is aware of and undertakes to comply with NEFCO's Policy on Anticorruption and Compliance, available at NEFCO's website (the "**Anticorruption Policy**"), which includes specifically an undertaking to (i) not engage directly or indirectly in any abuse, coercion, collusion, corruption, fraud, obstruction, money laundering or financing of terrorism as defined in the Anticorruption Policy (the "**Prohibited Practices**"), and (ii) promptly, upon becoming aware of any suspected or alleged Prohibited Practices in relation to the Services or the Agreement, notify NEFCO in writing.

14.3 The Consultant acknowledges and confirms that it is aware of and undertakes to comply with NEFCO's Policy on Prevention of Sexual Exploitation, Sexual Abuse and Sexual Harassment, available at NEFCO's website (the "**SEAH Policy**"), which includes specifically an undertaking to (i) refrain from directly or indirectly participating or engaging in any form of sexual abuse, sexual exploitation or sexual harassment as defined in the SEAH Policy, and (ii) promptly, upon becoming aware of any suspected or alleged SEAH in relation to the Services or the Agreement, notify NEFCO in writing.

14.4 The Consultant undertakes while performing the Services to observe the highest ethical standards and to follow all applicable laws, including but not limited to those relating to payment of taxes and/or social security contributions in accordance with the laws of the country in which the Consultant is domiciled, operates or where the Services are performed.

14.5 The Consultant shall provide NEFCO or any designated NEFCO representative its full and timely cooperation during any integrity due diligence process or investigation relating to an suspected or alleged breach of the Anticorruption Policy or the SEAH Policy, and shall require its agents, attorneys, accountants or other advisers, to cooperate as reasonably required during any due diligence, audits or investigations carried out by NEFCO. The Consultant shall also make relevant personnel available for a meeting with the NEFCO representative.

14.6 NEFCO shall, in its sole discretion, have the right to terminate the Agreement with immediate effect, should it become apparent in the reasonable opinion of NEFCO that the Consultant, the Assigned Personnel or any other parties involved in the provision of the Services have engaged in Prohibited Practices or in SEAH, and/or have not adhered to the obligations under this Section 14.

15 REFERENCE RIGHT

15.1 The Consultant shall be entitled to use NEFCO name as a reference for marketing or other purposes subject to NEFCO's prior written consent in each individual case.

16 GOVERNING LAW AND DISPUTE RESOLUTION

16.1 This Agreement shall be governed by and construed in accordance with the substantive laws of Sweden.

16.2 Any dispute, controversy or claim arising out of or in connection with this Agreement, or the breach, termination or invalidity thereof, which has not been settled amicably by mutual agreement of the Parties within 60 (sixty) days after the other Party's receipt of a written request for negotiations by either Party to such effect, shall be finally settled by arbitration administered by the SCC Arbitration Institute (the "**SCC**").

16.3 The Rules for Expedited Arbitrations of the SCC (the "**Expedited Rules**") shall apply where the amount in dispute does not exceed EUR 300,000. Where the amount in dispute exceeds EUR 300,000, the Arbitration Rules of the SCC (the "**Arbitration Rules**") shall apply. The arbitral tribunal shall be composed of a sole arbitrator appointed in accordance with the Expedited Rules or Arbitration Rules, as relevant. The amount in dispute shall be calculated as including the claims made in the request for arbitration and any counterclaims made in the answer to the request for arbitration. With reference to points 11.1 (ii) and 11.1 (iii) in Section 11 of this Agreement, Article 38 (Interim measures) of the Expedited Rules and Article 37 (Interim measures) of the Arbitration Rules shall not be applicable to NEFCO during the arbitral proceeding.

16.4 The legal seat and place of arbitration shall be Stockholm, Sweden. The arbitrator may, at /her discretion, hold hearings, meetings and deliberations at any other convenient geographical place in order to secure the efficient and cost-effective conduct of the proceedings.

16.5 The language to be used in the arbitral proceedings (including the documentation) shall be English.

16.6 The arbitral award shall be final and binding upon the Parties.

17 TERM AND TERMINATION

17.1 The Agreement shall become effective and binding upon signing by both Parties and shall remain effective until both Parties have fulfilled their respective obligations under the Agreement, unless terminated earlier in accordance with this Agreement.

17.2 NEFCO shall be entitled to terminate the Agreement with 30 (thirty) days prior written notice. In such case the Consultant shall be entitled to compensation, in accordance with this Agreement, (i) for the Services carried out until the notice of termination was made and (ii) for occurred verified necessary expenses which have not yet been reimbursed.

17.3 NEFCO shall be entitled to terminate the Agreement with immediate effect upon written notice, if the Consultant files for bankruptcy or is put into liquidation, receivership or becomes insolvent. In such case the Consultant shall be entitled to compensation, in accordance with this Agreement, (i) for the Services carried out until the notice of termination was made and (ii) for occurred verified necessary expenses which have not yet been reimbursed.

17.4 Either Party shall be entitled to terminate the Agreement with 30 (thirty) days prior written notice, if there is a *force majeure* event that continues for more than 30 (thirty) days or if the other Party is in material breach of its obligations under the Agreement and the breaching Party fails to remedy such breach within the notice period. Any unpaid fee that is disputed by NEFCO shall not constitute a material breach under this Section.

17.5 Upon termination, the results of work carried out shall immediately be handed over to NEFCO, unless otherwise agreed between the Parties.

18 AMENDMENTS TO THE AGREEMENT

18.1 Any amendments to the Agreement shall be made in writing and accepted and signed by the authorised representatives of both Parties.

19 TRANSFER OF THE AGREEMENT

19.1 The Consultant may not assign or transfer this Agreement or any of its rights or obligations under the Agreement without NEFCO's prior written consent.

20 NOTICES

20.1 Any notice to be given by one Party to the other shall be made in writing and deemed properly given or made when delivered to the recipient by hand, registered mail, courier or email during normal business hours to the address and contact person specified in Section 1 of the Special Terms and Conditions (or to such other address as may be notified in writing from time to time by either Party). If given by email, any notice shall promptly be confirmed by registered letter or courier.

21 SURVIVING TERMS

21.1 The following Sections of NEFCO's General Terms and Conditions for Consultancy Services shall survive any termination or expiry:

Section 8, Liability and Limitation of Liability;
Section 9, Rights of Ownership, Intellectual Property Rights and Indemnification;
Section 11, Legal Status of NEFCO;
Section 12, Confidentiality;
Section 13, Data Protection;
Section 14, Auditing, Anticorruption and Ethical Conduct;
Section 15, Reference Right; and
Section 16, Governing Law and Dispute Resolution.

Facility for Energy Saving Credits in
the Republic of Moldova

Consulting Services for
Project Preparation and Implementation Support of
the

"Energy Efficiency refurbishment of
educational institutions in
local communities of the Republic of Moldova"

Terms of Reference

6 September 2024

1 BACKGROUND

Energy Saving Credit Facility (ESC)

The Nordic Environment Finance Corporation's (NEFCO's) Facility for Energy Saving Credits is a loan programme, under the Nordic Environment Development Fund (NMF), which is intended to offer small scale financing primarily for energy saving measures in municipally owned buildings such as schools, day care centres, hospitals and sports facilities as well as street lighting systems. The Facility for Energy Saving Credits provides loans to municipalities or municipal companies.

The main objective of the Facility is to promote emissions reductions via reduced energy consumption, and the environmental monitoring is mainly focused on the release of carbon dioxide, nitrogen and sulphur oxides as well as volatile compounds.

Under the Facility, NEFCO can finance, in local currency, up to 90 percent of the investment costs of any project being financed under the credit programme. The maximum loan amount granted under the Facility is equivalent of EUR 500,000 in local currencies.

The repayment of the loan is directly linked to the estimated savings of the investment with a maximum repayment period of 5 years.

Since the operationalisation of ESC in Moldova in 2019, two projects have been implemented and five projects are currently ongoing.

Eastern Europe Energy Efficiency and Environment Partnership (E5P)

The E5P is a EUR 407 million multi-donor and multi-IFI Fund operating in Ukraine, Armenia, Azerbaijan, Georgia and Moldova. It was initiated during the Swedish Presidency of the European Union in 2009. It aims at supporting high impact energy efficiency and environmental investments in the Eastern Partnership countries.

The E5P merges financial contributions from the European Union and a group of twenty-four nations, including countries which are benefiting from the fund. The contributions are used as grants to support municipal sector projects. The grant allocations are flexible and recognise priorities of each recipient country with the overall aim to reduce energy use, pollution and greenhouse gas emissions. The fund also supports policy dialogue and regulatory reform.

ESC&E5P in Moldova

The first joint programme of NEFCO and E5P in Moldova, where E5P grants are blended with ESC loans, has been under implementation since 2022. The programme relates to energy efficiency refurbishment in healthcare institutions of four districts in Moldova and consists of four separate ESC projects. A major part of the programme is expected to see completion by the end of 2024.

The Government of Moldova appreciates NEFCO being the only IFI in a position to provide municipal lending in the country and expressed interest in seeing these activities expand. In line with such wish, NEFCO is currently developing a second joint programme ("The Programme") with the E5P which will target energy efficiency of the educational sector - primarily schools and kindergartens.

NEFCO received and approved five project proposals from the local communities in Moldova which are attached herewith as Annex 1 and shall be the basis for further preparation of projects to enable their approval by the decision-making bodies of NEFCO and E5P.

NEFCO expects to provide ESC loan financing and E5P grant financing to the following local communities hereafter referred to as "Borrowers/ Grant Beneficiaries" or "Communities":

- The District of Calarasi;
- The City of Anenii Noi;
- The Village of Carbuna;
- The Village of Mindresti;
- The Village of Zubresti.

The total budget of the Programme to consist of the five separate projects is expected to be within EUR 2,500,000.

2 OBJECTIVES OF THE ASSIGNMENT

The objectives of the assignment are to provide the following services:

- Prepare the identified projects to be funded under ESC and E5P;
- Provide the necessary support to Borrowers/ Grant Beneficiaries with passing local procedures, such as:
  - agreeing of the amount and terms of local borrowing with the Ministry of Finance of Moldova ("MinFin") in order to obtain its approval;
  - approval of borrowings by the Communities' councils;
- Provide the necessary support to NEFCO and Borrowers/ Grant Beneficiaries with signing of loan and grant agreements between NEFCO and the Communities;
- Provide the necessary support to Borrowers/ Grant Beneficiaries in promoting the gender sensitivity and balance when establishing the Project Implementation Units (PIUs);
- Provide the necessary support with project procurement and implementation;
- Carry out project implementation monitoring and reporting to NEFCO and Borrowers/ Grant Beneficiaries;
- Monitor a proper closure of projects once completed;
- Serve as the point of contact between NEFCO and the Communities throughout the whole period of programme preparation and implementation.

A more detailed description of the scope of work is provided in the following section.

3 *SCOPE* OF WORK

Phase A

3.1 Project preparation

3.1.1 Preparation of projects business plans

For each project, the Consultant shall prepare, on the basis of project proposals and energy audits conducted by the Communities, a business plan in accordance with NEFCO's template based on analysis of collected data during the visits to the communities and facilities included into the projects scope. The business plan shall include, but shall not be limited to, the following items:

- Project location and background information on the applicant, such as:
- Location, year of establishment, main services provided to the community;
- Volume of services provided (number of customers served, volume of services provided, etc.), gender statistics;
- Budget development of the community for the last three years and confirmation of its borrowing capacity;
- Experience with International Financial Institutions (IFIs) and with Nordic organisations, if any.

- Project purpose and objectives, including:
- Description of the current situation, including actual energy consumption volumes and operating conditions broken down by sites/objects;
- Key problem(s) of the institutions/facilities the project aims to address.

- Presentation of the project, including:
- Main activities/measures/components and their key parameters and details to the extent sufficient for producing terms of reference for preparation of project design documentation at a later stage of the project;
- Anticipated project timeline/phases broken down by activities/measures;
- Estimated project costs broken down by measures/activities/components/sites;
- Estimated cost savings broken down by measures/activities/components and by cost nature (electricity, heat, fuels, O&M cost, deferred investment costs, others specifically applicable);
- Estimated simple payback period broken down by measures/tasks/activities/components;
- Anticipated risks for project implementation;
- Draft procurement plan.

- Assessment and quantification of the expected environmental benefits from the project (emissions and emissions reduction of CO2, NOx, SOx, particulates, etc.) and other improvements and social benefits.

- Assessment of hazardous waste treatment requirements and procedures for hazardous waste that could originate due to project implementation (e.g. mercury containing lamps, asbestos containing materials, etc.).

- Project financing plan with breakdown of financing sources, such NEFCO loan, E5P grant and local contribution.

- Estimated project overall profitability and payback period.

The business plan shall be agreed with the Community and submitted to NEFCO for review, comments and final approval.

The Consultant shall also provide comments/updates/additional information to the submitted business plan if such are requested by the decision-making bodies of NEFCO when the project is presented for approval.

3.1.2 Assistance with integrity due diligence (IDD) checks

Before considering providing financing to a project, Nefco needs to perform an Integrity Due Diligence (IDD) review on all potential new counterparties. The IDD is conducted by gathering and as-

sessing information relating to, among other things, ownership, corporate structure and decision-makers.

The Consultant shall assist NEFCO with the IDD process by providing IDD forms to the Communities, ensuring that the forms are properly filled in and returned to NEFCO, assisting in collection of related and relevant information.

Furthermore, the Consultant shall assist with regular updates of IDDs and upon request shall continuously monitor integrity issues in case of pending criminal cases, litigations, or any other related integrity issues.

3.1.3 Preparation of E5P grant application

After completion of business plans and approval of projects by NEFCO, or in parallel with this as advised by NEFCO, the Consultant shall prepare an investment grant application to the E5P in accordance with the available template. The application shall be prepared on the whole Programme, including all five projects. If needed, the Consultant shall further support NEFCO in the process of seeking the approval by the ESP Assembly, including provision of additional information and/or support in addressing any issues in relation to Programme raised by the E5P donors as part of the approval process.

Phase B

3.2 Support in obtaining MinFin approval

After the Programme approval by NEFCO and E5P or in parallel with the business plan preparation (subject to the Community's readiness) the Consultant shall assist with obtaining the MinFin approval of NEFCO loans to the Communities as follows.

3.2.1 Coordination Support in obtaining MinFin approval

The Consultant shall coordinate continuously with the Borrowers/Grant Beneficiaries (financial unit and PIU) the MinFin approval, including but not limited to:

a) Preparation of an action plan and deadlines for the development and approval of documents (taking into consideration scheduled dates of Communities' councils' sessions);

b) Ensuring permanent deadline monitoring;

c) Monitoring the status of consideration of documents by the MinFin and the Borrowers/Grant Beneficiaries addressing the MinFin's comments on documents, if any, in a satisfactory manner;

d) When needed, participation in PIU meetings and communities' councils' sessions for project presentation purposes.

3.2.2 Support in preparation of documents for MinFin approval

The Consultant shall assist the Communities in:

a) Providing templates of documents in accordance with the MinFin's requirements and instructions for their preparation;

b) Consulting on how to calculate, fill in templates to ensure the compliance with the requirements of the MinFin as well as providing other necessary support in the course of preparation of the above-mentioned documents;

c) Checking the final package of documents prepared by the Communities before the submission to MinFin**.**

3.3 Support in approval of borrowings by the Communities' councils

During the Minfin stage and thereafter within project preparation and implementation stages, the Consultant shall provide continuous monitoring and support to PIU in the preparation of documents for the Communities councils' decision to approve the borrowings.

3.4 Support to preparation and execution of financing agreements

Following approval by MinFin of communities' borrowings from NEFCO, the Consultant shall assist NEFCO and the Communities in preparation and execution of loan and grant agreements between NEFCO and the Communities. This shall include, but not be limited to the following:

1. Assist NEFCO in the preparation of the loan and grant documentation for each specific project, including in particular the preparation and drafting of Annex 1 to the loan and grant agreements, consisting of a technical description of the project, implementation schedule, disbursement plan and a description of the Borrowers/Grant Beneficiaries' reporting obligations;

2. Assist in the communication between the Borrowers/Grant Beneficiaries and NEFCO regarding all aspects relevant to the preparation of loan and grant documentation, including providing the Borrowers/Grant Beneficiaries with draft agreements prepared by NEFCO, arranging of inputs from the Borrowers/Grant Beneficiaries to the draft agreements (contact details, bank account information, etc.), collecting comments on the agreements from the Borrowers/Grant Beneficiaries to NEFCO and providing NEFCO comments back to the Borrowers/Grant Beneficiaries. While performing this task the Consultant shall assume solely the role of a mediator without taking on any position of adviser to the Borrowers/Grant Beneficiaries on any aspects related to the loan/grant documentation;

3. Assist in the practical arrangements for and coordination of the signings of loan and grant agreements between the Borrowers/Grant Beneficiaries and NEFCO;

4. Assist in communication/visibility activities related to the signing of loan and grant agreements.

3.5 Support to preparation of design documentation

The Consultant shall assist the Communities in preparation of the design documentation. Depending on the availability of the design documentation and intents to have it as part of turn-key contract (-s) one of the following options shall be used:

a) *Design documentation is available*. The Consultant shall collect from the Communities and analyse all available design documentation together with state expertise conclusions related to the project as compared to the business plan. The Consultant shall then develop recommendations for amendments to the design documentation. Recommendations shall be agreed with the Communities by signing the design amendments approval protocol. These amendments will be implemented by the design contractor;

b) *Design documentation is absent and will be part of turn-key contract.* The Consultant shall develop and agree with the Communities Terms of Reference for design documentation in the detail sufficient for inclusion in the tender documents for work and goods.

c) *Design documentation is absent and shall be developed prior to procurement of goods and works.* In this case the Consultant shall develop and agree with the Communities Terms of Reference for design documentation in the detail sufficient for preparation of separate design documentation.

Terms of reference for design documentation upon readiness shall be agreed by e-mail by the PIU head.

All design specifications shall meet requirements of Moldovan Law and international standards, where appropriate.

3.6 Support to project procurement

Following the project approval, signature of loan and grant agreements and completion of terms of reference for design documentation according to one of the options above, the Consultant shall assist the Borrowers/ Grant Beneficiaries in carrying out the procurement and in keeping with NEFCO Procurement Policy and Procedures and Recommended Tender Documents.

The Communities are responsible for procurement and acting as the Employer in procurement. The Consultant will take the lead in organising and managing all related project procurement process. This shall include, but not be limited to the following.

3.6.1 Monitoring of procurement

The Consultant shall oversee all procurement activities and ensure that procurement is carried out in accordance with NEFCO Procurement Policy and Procedures.

3.6.2 Advice on procurement strategy

The Consultant shall provide advice to the Communities with respect to all aspects of the procurement strategy.

3.6.3 Preparation of procurement documentation

The Consultant will prepare the procurement documentation for each project for approval by the Communities and for obtaining required "no-objections" from NEFCO. To this end, the Consultant will, inter alia:

- Prepare a project procurement plan, agree it with the PIU and assist in seeking NEFCO's no-objection;

- Prepare full set of tender documents (including employer's requirements and technical specifications) based on NEFCO's Recommended Tender Documents (available from Nefco) and assist in seeking NEFCO's no-objection;

- Develop appropriate tender evaluation and qualification criteria;

- Ensure that all applicable environmental procedures required by NEFCO are addressed by the tender documents.

3.6.4 Tender Process

In line with the approved procurement plan the Consultant shall:

- Prepare and assist to publish a procurement notification and invitation;
- Carry out the administration of the tender process, ensure that appropriate records are kept, documentation is properly stored, recorded and managed, and confidentiality is maintained;
- Coordinate with the Borrowers/Grant Beneficiaries and/or the PIU to ensure that pre-tender meetings and site visits are arranged appropriately;
- Coordinate the issue of tender documents and prepare answers to all enquiries from potential tenderers;
- Formulate and issue all clarifications and amendments to the tender documents;
- Coordinate the reception of tenders, tender opening procedure, attend tender opening meetings and prepare minutes, ensure that tender results are properly recorded. The Consultant shall take into consideration that project needs may require procurement of several lots, each requiring preparation of separate package of tender documentation, tender procedure, evaluation report and all related assistance to the Communities in connection with this. It should be also noted that in case of unsuccessful tenders, re-tenders may take place.

3.6.5 Tender evaluation

The Consultant shall:

- Give guidance on the composition of the Evaluation Committee and to the Committee as required. Assist the Committee with initial examination and detailed evaluation of submitted tender proposals;
- Prepare a detailed report on the evaluation and comparison of tenders, in accordance with the evaluation criteria set forth in the tender documents and provide specific reasons on which award recommendation is made, for consideration by the Committee;
- Arrange for meetings of the Evaluation Committee, attend as an advisor and keep record of these meetings, presenting the minutes for approval by the Communities;
- Document the Evaluation Committee's deliberations in relation to the evaluation report and compile the agreements reached into the report prior to seeking all approvals;

- Assist in seeking NEFCO no-objection for the tender evaluation report;
- Ensure that all queries and complaints are promptly attended to as appropriate and copy such inquiries as appropriate to NEFCO.

3.6.6 Integrity checks of the successful tenderers

Integrity assessment of respective tenderers according to NEFCO's Policy on Integrity Due Diligence (IDD) shall be carried out for the tender recognised by the evaluation committee as being substantially responsive and prior to completion of the procurement procedure and contract award.

Integrity checks of potential contractors shall be undertaken to mitigate the risk of fraud and the reputational risk of Borrowers/ Grant Beneficiaries and NEFCO. The integrity checks shall basically confirm the identity, management and financial position of the contractor; confirm that the company has no pending criminal cases, tax cases or other litigations; confirm that the company is not ineligible or under sanctions, as defined by NEFCO Procurement Policy and Procedures.

This examination should include, but should not be limited to, the following activities:

a) Verifying that the tenderer is not in a conflict-of-interest situation, as defined in NEFCO Procurement Policy and Procedures;

b) Verifying whether the evaluated tenderer had any integrity and/or corruption issues, criminal cases or other litigations.

Also, the Consultant shall upon request from NEFCO continuously monitor integrity issues in case of pending criminal cases, etc.

3.6.7 Contract finalisation

The Consultant will assist the Communities to finalize contract agreements. In this respect the Consultant will:

- Ensure that the terms and conditions of any contract entered into between the Borrowers/ Grant Beneficiaries and a Contractor are not materially different from those on which the tender was invited;
- Prepare draft "Notification of Award" for the Borrowers/ Grant Beneficiaries, which will specify the sum which the Borrowers/ Grant Beneficiaries will pay to the Contractor in consideration of the execution and completion of the Works and the remedying of any defects therein by the Contractor;
- Prepare draft contract agreements incorporating all understandings between the parties and ensure compliance with the requirements of the tender documents;
- Assist in seeking NEFCO's no-objection to draft contract agreements;
- Advise the Borrowers/Grant Beneficiaries whether the performance and the advance payment securities provided by the Contractors, including their source, are acceptable;
- Assist the Borrowers/ Grant Beneficiaries in carrying out a contract finalization meeting with the successful Contractors and/or drafting minutes of negotiations, if deemed necessary and appropriate;
- Oversee that unsuccessful tenderers are informed; ensure that all queries and complaints are promptly attended to as appropriate and report correspondingly to NEFCO;
- Ensure that copies of signed contract agreements are submitted to NEFCO.

3.6.8 Support to project implementation

The Consultant shall support the Borrowers/Grant Beneficiaries in project implementation through fulfilling inter alia the following activities:

- Supporting the Borrowers/ Grant Beneficiaries with contract administration, works and goods testing and acceptance and participating in the interim and final acceptance of works and goods;
- Assisting the Borrowers/ Grant Beneficiaries with obtaining tax exemption for loan and grant financed contracts[1];
- Assisting the Borrowers/ Grant Beneficiaries with contractual payments under the project's implementation;
- Reviewing the project progress and identifying the issues posing risks of project implementation delays and/or costs overruns and proposing risk alleviation measures. Inform the Borrowers/ Grant Beneficiaries and NEFCO in case of significant deviation from the implementation plan, as well as adjust the implementation plan according to these deviations and seek approval for it by Borrowers/ Grant Beneficiaries and no-objection by NEFCO. As part of this task the Consultant shall prepare progress reports, as specified below, as well as any other documentation that may be reasonably requested by the NEFCO.

3.6.9 Environment and Safety

The Consultant shall ensure that the Contractors take all steps required by the Contracts to ensure that proper pollution control and other environmental protection measures are taken and notify the Borrowers/ Grant Beneficiaries if the Contractors are not taking the said measures and advise the Borrowers/ Grant Beneficiaries of what further measures should be taken to comply with the said Contracts.

3.6.10 Gender

The Consultant shall:

- Support the Borrowers/ Grant Beneficiaries to ensure the gender-sensitive approach and equal access to enhanced educational institutions for girls and boys, as well as persons with disabilities;
- Assist the Borrowers/ Grant Beneficiaries to collect and use sex disaggregated statistics and qualitative information to analyse and track the gender issues;
- Safeguard that gender related issues are properly addressed during the project implementation.

3.7 Support in assuring compliance with Finance Documents

3.7.1 Arrangement of timely disbursement under the contracts

To ensure advance planning and timely disbursements under the contracts, the Consultant shall, inter alia:

- Prepare project's disbursement plan and seek its approval from NEFCO before first disbursements;
- Assist with financial planning;

[1] Both E5P grants and NEFCO ESC loans are exempt from VAT and custom duties in Moldova

- Verify the invoices and payment documents for all contracts;
- Assist with preparing of disbursement requests according to the requirements of the financing agreements.

3.7.2 Conditions precedent

The Consultant shall advise the Borrowers/Grant Beneficiaries on actions required to discharge the Conditions Precedent/effectiveness to the availability of funds according to loan and grant agreements with NEFCO. The Consultant shall also assist in collecting the necessary documents, verifying them with and furnishing them to NEFCO.

3.7.3 Reporting in accordance with the Finance Documents

The Consultant shall assist the Borrowers/Grant Beneficiaries with any reporting envisaged by the loan/grant agreements, including environmental reporting.

3.8 Support in communication/visibility aspects of the projects

The Consultant shall assist NEFCO to coordinate with the Communities possible communications activities related to the projects such as inaugurations of completed projects, issuance of press-releases, publication of news stories and dissemination of results of the projects.

4 REPORTING REQUIREMENTS

Under each individual project (except for 4.2. below where the Programme shall be presented as a whole), the Consultant shall be required to deliver the following reports:

PHASE A

4.1 Business Plan

The Consultant shall prepare and submit a business plan in accordance with NEFCO's template and instructions provided under section 3.1.1 above.

4.2 E5P Grant Application

The Consultant shall submit an investment grant application to the E5P covering the whole Programme in accordance with the template to be provided by NEFCO.

PHASE B

4.3 Tender Evaluation report

Upon completion of the procurement procedure (for each of the projects separately) the Consultant shall prepare a draft Tender Evaluation Report[2] and submit to PIU for approval and to NEFCO for no-

[2] Please, refer to NEFCO Tender Evaluation Guide for Works, Goods and Related Services with Appendices thereof

objection, prior to issuing the notification of award. The Report shall include, but not be limited to, the following items:

- Receipt and opening of tenders;
- Preliminary examination of tenders;
- Substantially non-responsive tenders;
- Correction of arithmetic errors;
- Currency conversion;
- Adjustment for non-material deviations;
- Tenders subject to detailed evaluation;
- Evaluation and comparison of tenders;
- Lowest evaluated responsive tender;
- Post-qualification;
- Award recommendation.

4.4 First progress Report

Before the first disbursement in an individual project, the Consultant shall prepare and submit to NEFCO the First Progress Report that shall include, but not be limited to, the following items:

- Update on project status, highlighting any changes to the project parameters as well as any developments that might impact project timeline and costs;
- Procurement completed, process description and information on the main contracts concluded;
- Cost update relative to investment budget;
- Update on percentage of equity financing achieved;
- Updated implementation schedule as compared to initial plan;
- Project disbursement plan;
- Status of financing;
- Conclusion on Borrowers/ Grant Beneficiaries' readiness for tranche disbursement.

4.5 Progress Reports

Before each subsequent disbursement irrespectively of the number of contracts the Consultant shall submit to NEFCO the Progress Report that shall include, but shall not be limited to, the following items:

- Project progress, including the percentage completion achieved;
- Update on main contracts and contract amendments, if any;
- Update on percentage of equity financing achieved;
- Update on project costs, identified risks of cost overruns, if any;
- Update on project savings and payback period;
- Update on project timing schedule, anticipated project delays, if any;
- Sex disaggregated reporting on PIUs and beneficiaries (staff and beneficiaries of educational facilities);
- Recommendations on implementation risks' mitigation;
- Conclusion on Borrowers/ Grant Beneficiaries' readiness for tranche disbursement.

4.6 Completion report

Within maximum two months after project completion (and before the final disbursement of loan/grant funds), the Consultant shall submit to NEFCO the Completion Report including a description of preliminary environmental effects of the project as well as the fulfilment of other objectives of the project, as described in the Business plan and the financing agreements. The Completion Report shall include (but shall not be limited to) the following items:

- Overview of the overall project completion as compared to the plan;
- Summary of project results, providing a comparison between targets set and actual achievements;
- Actual project costs versus the investment budget;
- Actual implementation schedule as compared to the plan;
- Results of tests on completion and assessment of impact of deviations on project results, such as savings, emission reductions, payback period;
- Lessons learned and recommendations, as appropriate, for future activities.

4.7 Other reports

The Consultant is also obliged to prepare and submit the ad-hoc reports and/or short project status reports on various aspects of the assignment, if/when requested by NEFCO.

4.8 Submission of reports

The Consultant shall prepare all reports in English (and in Romanian when requested by Borrowers/Grant Beneficiaries) and submit them in digital MS Word and PDF formats to NEFCO for approval (and to Borrowers/ Grant Beneficiaries when requested). Ad hoc reports may need to be prepared in English language only.

5 SITE VISITS

The Consultant shall ensure adequate presence in the field during the project preparation and implementation as well as maximum presence during peak periods of procurement, design and construction phases. The Consultant undertakes to prepare and submit the project meeting and site visits reports.

In particular, the Consultant shall ensure:

a) Systematic communication and participation in the PIU meetings;

b) Participation in meetings with the Communities' representatives and designer during design phases;

c) Systematic participation in meetings during procurement phases including pre-tender meeting and tender opening meeting;

d) At least monthly site visit during the construction stage in order to ensure systematic monitoring of performance and quality;

e) Mandatory visits in case of emergency situations or if deviations from construction requirements are occurring;

f) Mandatory visits prior to the preparation of each progress reports as well as inspection visit with the scope of ensuring that necessary measurements and/or acceptance tests are fulfilled prior to completion of the report;

g) Participation in NEFCO delegation's visits, if any.

6 STRUCTURE, DURATION & IMPLEMENTATION ARRANGEMENTS

6.1 Structure and Duration of the Assignment

The assignment is planned to commence as soon as the consultancy agreement is signed (tentatively October 2024) and to last for three years thereafter, with possibility of extension.

The expected timeline for the Phase A - approximately 3 months, for the Phase B - approximately two to three years.

The Consultant shall be fully aware and take into consideration that:

- Phase A of the assignment comprising development of five business plans and one grant application may be reduced or altered due to possible changes in the commitment of the respective Communities with regard to their respective loan applications;

- Phase B of the assignment is contingent upon approval of projects developed during Phase A by NEFCO and E5P. Also, the final scope of this phase will depend on the outcome of Phase A (in terms of number of projects developed and approved) as well as initial stages of Phase B (in terms of the Communities being able to secure approvals for borrowings from government and local authorities);

- Participation in this Project (notably as regards Phase B) will demand a very flexible work plan since the duration of the Project may be prolonged or reduced by several months (e.g. due to time needed to receive loan, grant, approvals from governmental or local authorities or in connection with extensive tender procedures, including cases of re-tendering etc.), while the actual workload will remain fairly unchanged. The Assignment will not require Consultant's full-time presence in the Communities.

6.2 Implementation Arrangements

The Consultant selected for implementation of this assignment will be responsible for all office running and communication costs, and for the provision of computer and office equipment, office supplies and maintenance, and local transportation required by the Consultant's staff throughout the term of the assignment.

The Consultant will additionally be responsible for all international and local transport, living accommodation and expenses for its staff, together with communications materials, training materials, printing, report production and translation, renting measurement equipment, if necessary.

7 PERSONNEL REQUIREMENTS

The Consultant shall be a qualified consulting firm with proven international experience in project preparations, management, design, procurement, and supervision of public projects financed by International Financial Institutions (IFIs). Furthermore, technical and economic knowledge in the energy

efficiency of public buildings and renewable energy (biomass and solar) is essential for the assignment.

The assignment also requires excellent coordination, organizational and management skills as well as efficient partnership with a local organization in the Republic of Moldova.

The Consultant shall nominate qualified key experts for carrying out the Assignment, which are expected to have the following specific qualifications:

7.1 Team Leader/Energy Efficiency Expert:

- At least 10 years of proven experience in energy efficiency projects identification, preparation, management and implementation support;
- At least 7 years of proven experience as team leader;
- At least 7 years of proven experience of working in public projects financed by Multilateral Development Banks (MDBs)/International Finance Institutions (IFIs);
- At least 7 years of proven experience in managing projects in the Former Soviet Union countries;
- At least 5 years of experience in preparation/review of design and cost estimates, preparation of technical specifications for tender documentation as well as project implementation supervision
- Strong knowledge of project cycle management, strong planning and organisational skills, including team management;
- Knowledge of internationally accepted procurement rules and procedures;
- Excellent written and communication skills in English. Working knowledge of Romanian or Russian languages is advantageous.

7.2 Senior Procurement Expert:

- At least 10 years of proven experience in senior procurement position responsible for procurement preparation and execution in public projects financed by MDBs/IFIs;
- Proficiency with internationally accepted procurement rules and procedures;
- Excellent knowledge of international contracting practices with regard to contract preparation and administration;
- Excellent written and communication skills in English. Working knowledge of Romanian or Russian languages is advantageous.

7.3 Local Coordinator:

- At least 10 years of professional experience in the related field (energy, engineering, municipal infrastructure or similar);
- At least 5 years of proven experience in leading/coordinating public energy efficiency projects in Moldova;
- At least 5 years of proven experience in working with MDBs/IFIs;
- Excellent knowledge of institutional, organizational and managerial specifics and overall context of municipal landscape in Moldova;
- Proven skills and solid experience in project preparation and/or implementation/monitoring;
- Excellent communication and reporting skills;
- Fluency in English and Romanian/Russian language.

7.4 Other Experts:

The Consultant shall also nominate other short-term experts as deemed necessary for the successful completion of the assignment, for example:

- Civil engineer(s);
- Design engineer(s);
- Energy Efficiency/District Heating expert(s);
- Procurement specialist;
- Financial management specialist;
- Environmental expert;
- Gender expert
- Technical supervision expert(s)

Each of the above experts shall have at least 5 years of proven experience in the related fields. Experience of work with municipal projects and public buildings would be an advantage.

The Consultant is requested to submit CVs of all experts which could be involved in the projects including permanent, outsourced and local experts.

Annex 1 Project proposals

NEFCO Energy Saving Credits Programme
Project Proposal

1. Project name	Enhancing Energy Efficiency in the kindergartens “Andries” and “Izvoras” in the City of Anenii Noi

2. Borrower	City of Anenii Noi
Type of ownership	Public
Address	6th Suvorov str., Anenii Noi City, MD6501
Phone	+373 265 22 108 +373 692 26 058
E-mail	primaria.aneni@gmail.com
Website	https://anenii-noi.com/
Registration number	1007601010231

3. Project description

Details of the Borrower:

Anenii Noi, colloquially known as Aneni, is a city steeped in rich history and strategically positioned in the Republic of Moldova. Located just 36 km southeast of the capital, Chișinău, the city nestles in the valley of the Bîc River, a tributary of the Nistru. Its name, translating to "sand" in the local dialect, alludes to the sandy terrains of the Bîc valley upon which the city was built. First documented in 1731, it has undergone numerous transformations over the years, evolving from a small settlement known as Pașcani on the Bîc to a thriving city with a population exceeding 10,000. Today, Anenii Noi stands as the administrative centre of its namesake district, housing a plethora of cultural, economic, and administrative institutions.

In the context of an investment plan, Anenii Noi presents unique opportunities owing to its geographical position, storied past, and available resources. The city has witnessed dynamic evolution, from its humble origins to its current status as a district centre. With a well-developed infrastructure encompassing health, education, and cultural institutions, Anenii Noi is poised to welcome and support new investment initiatives. With a local economy anchored in agriculture and processing industries, the city holds the potential to emerge as an investment hub in these sectors, as well as in tourism, given its cultural and historical heritage.

Brief description of the current situation and problems:

Founded in 1974 and 1984 respectively, the Andries and Izvoras kindergartens cover a vast area of 2,708 square meters and have the capacity to host up to 600 children. An in-depth assessment of the building's energy efficiency has pinpointed significant shortcomings that require prompt attention. Both kindergartens, Andries and Izvoras, appear to grapple with significant energy inefficiencies. They have been revealed in the course of the conducted energy audit and are as follows:

The proposed **insulation measures** for exterior walls, plinths, and attics suggest that the buildings currently experience substantial heat losses, leading to increased energy consumption.

Ventilation challenges are evident, with recommendations for new systems hinting at existing issues of poor indoor air quality and outdated equipment.

The need for modernizing **lighting systems** and introducing renewable energy sources, such as solar collectors and photovoltaic panels, implies a reliance on older, less efficient energy solutions.

In the case of Andries Kindergarten, the thermal **distribution system** is relatively modern, employing bitubular infrastructure with PVC pipes and steel radiators equipped with regulators. However, in contrast, Izvoras Kindergarten has retained its original monotubular system with uninsulated steel pipes, which have become partially clogged over time. As a consequence of this outdated configuration, Izvoras Kindergarten suffers from uneven and inefficient distribution of thermal agents.

Simultaneously, it's worth noting that Izvoras Kindergarten operates its own **natural gas heating** plant, whereas Andries Kindergarten relies on the **centralized system**, which is equipped with an Individual Heating Substation to supply thermal energy.

The indoor temperature control in both institutions is managed through the regulation of the thermal agent. Izvoras Kindergarten achieves this through the heating plant, while Andries Kindergarten uses the Individual Thermal Point for this purpose. The maintenance and servicing of these indoor systems are carried out by specialized personnel employed by each institution.

Structural concerns are also apparent, especially for kindergarten Izvoras, with suggestions for **roof reconstructions** indicating potential leaks, water damage, and security issues. In essence, both institutions face pressing challenges related to energy conservation, structural integrity, and overall modernization.

The sun, a powerful and abundant energy source, remains underutilized. By introducing a **flat solar collector system**, complemented by an accumulator vessel, the institutions will harness solar energy for domestic hot water preparation. This will not only reduce energy costs for the kitchens in both institutions but also reduce their carbon footprint.

Building on the solar theme, the potential installation of a **40- & 55- kW photovoltaic panel** system will further harness solar energy. These panels will convert sunlight directly into electricity, providing a clean, renewable energy source for the kindergartens.

To address these inefficiencies and transition towards a more energy-efficient and sustainable infrastructure, the following measures are proposed:

Building envelope insulation and associated renovation works:

1. **Walls and socles insulation:** insulate the exterior walls using 150mm Mineral Wool and to fortify the plinth with 100mm Extruded Polystyrene. This will enhance the building's thermal efficiency.
2. **Roof insulation:** insulate the attic floor with 150mm Mineral Wool to further mitigate heat losses.

Rehabilitation and modernizing of internal systems:

1. **Heat recovery ventilation system:** installation of a local ventilation system equipped with heat recovery.
2. **Lighting:** Modernizing the interior lighting system through replacement of 487 existing luminaires fitted with fluorescent lamps (mercury free) with new LED luminaires in order to ensure energy-efficient illumination.
3. **Modernization of interior heating system:** replacement of the existing distribution system with a modern bi-tubular system (PVC pipes, steel radiators, thermoplastic head).
4. **Reconstructing the roof:** replacement of the truss roof of Block D and the flat roof of Block F, including the rainwater drainage system
5. **Natural Ventilation:** Cleaning and rehabilitating the existing natural ventilation system.

Renewable energy sources:

1. **Installation of a biomass boiler:** replacement of the existing gas-fired plant with a biomass plant (2x 50 kW pellets-fired boilers) to supply the building with renewable energy.
2. **Solar Collector System:** The introduction of a flat solar collector system, complemented by an accumulator vessel for domestic hot water preparation to reduce the energy costs of the kitchens in both institutions.
3. **Photovoltaic Panels:** The potential installation of a 40- & 55-kW photovoltaic panel system will harness solar energy.

Below are the costs associated with proposed project measures:

Kindergarten Andries

Activity	MDL
Building envelope insulation and associated renovation works	
Insulation of walls with 150mm mineral wool and the plinth with 100mm extruded polystyrene	1,929,984
Insulation of the attic floor with 150mm mineral wool	1,525,860
Rehabilitation and modernizing of internal systems	
Installation of a local ventilation system with heat recovery	257,400
Modernizing the interior lighting system (263 luminaries)	202,776
Cleaning and rehabilitating the existing natural ventilation system	100,000
Renewable energy sources:	
Installation of a flat solar collector system with an accumulator vessel for domestic hot water preparation	166,100
Installing a 40kW photovoltaic panel system	729,980
Total	**4,912,100**

Kindergarten Izvoras

Activity	MDL
Building envelope insulation and associated renovation works:	
Insulating the exterior walls with 150mm Mineral Wool and the plinth with 100mm Extruded Polystyrene	2,138,872
Insulating the attic floor with 150mm Mineral Wool	1,263,229
Constructing and arranging the blind area of the building along the exterior walls	191,280
Installing canopies above the exterior doors	70,000
Rehabilitation and modernizing of internal systems:	
Installing a local ventilation system with heat recovery	290,400
Modernizing the interior lighting system (224 luminaries)	184,824
Reconstructing the interior heating system	760,614
Reconstructing the truss roof of Block D and the flat roof of Block F, including the rainwater drainage system	488,910
Cleaning and rehabilitating the existing natural ventilation system	100,000
Renewable energy sources:	
Upgrading the existing heating units by constructing a new biomass boiler plant that will provide thermal energy for the institution's buildings (2x50 kW)	570,540
Installing a 55kW photovoltaic panel system	1,003,723
Installing a flat solar collector system with an accumulator vessel for domestic hot water preparation	166,100
Total	**7,228,492**

The project implementation will result in:

Upon the successful implementation of the proposed measures, Izvoras Kindergarten is poised to achieve an impressive 76 % reduction in thermal energy consumption. Coupled with the installation of the biomass heating plant, these changes will not only enhance thermal comfort but also result in an environmental footprint. Furthermore, by upgrading the lighting system and installing photovoltaic panels on the building's roof, Izvoras Kindergarten anticipates an impressive 95 % reduction in electricity consumption from the grid.

Similarly, for Andries Kindergarten, the adoption of these measures will yield significant benefits, with heat savings estimated to reach 55%. Moreover, the installation of a photovoltaic system on the roof is projected to reduce electricity consumption from the grid by an impressive 72%.

Total project cost – MDL 13,689,863 or EUR 720,519, including:

Financing source	MDL	EUR
NEFCO Loan	8,033,633	422,823
E5P Grant	4,106,959	216,156
Borrower's contribution	1,549,271	81,540

Planned type of loan security: The Anenii Noi Local Council, in compliance with the provisions outlined in Articles 14 and 20 of Law No. 397 dated 16.10.2003 on public finance, will allocate funds within the budget specifically for the repayment and servicing of the loan.

4. Investments, MDL	Borrower	NEFCO	E5P	Total
Design documentation (including Energy Audit)	92,400[1]			92,400
Materials & works		8,033,633	4,106,959	12,140,592
Technical supervision	242,812			242,812
Contingencies	1,214,059			1,214,059
Total investment, MDL	1,549,271	8,033,633	4,106,959	13,689,863

Notwithstanding the above distribution and depending on the actual amount of contingencies ultimately required, the Borrower's contribution shall always be at least 10% of the total project costs.

5. Environmental benefits [tones/year][2]	CO_2	SO_2	NO_x	Particles
Existing emissions	193.67	0.081	0.08	0.07
Emissions after the project implementation	39.35	0.013	0.02	0.02
Total reduction in emissions	154.32	0.068	0.05	0.05

[1] Already incurred costs

[2] The emission factors used in the calculation were taken from the 2017 "CoM Default Emission Factors for the Eastern Partnership countries" material prepared by the European Commission, for electricity it is 0.473 kgCO2/kWh, 0.020 kgCO2/kWh and 0.277 kgCO2/kWh for natural gas heating. Emissions factors taken from World Bank Environmental Manual was used for NOx- 0.0017 kg/kWh, and for SO2 –3.792*10-6 kg/kWh, using natural gas as fuel.

Kindergarten Andries

6a. Savings components	The current situation		After the implementation		Net savings	
	Quantity	MDL/a	Quantity	MDL/a	Quantity	MDL/a
Heat, Gcal/a	188.4	678,240	83.5	300,456	105	377,784
Electricity in the facilities, MWh/a	52.76	135,593	14.8	38,036	37.96	97,557
Maintenance costs						35,406
Deferred Investment Cost						164,000
Annual savings, MDL						674,747

Kindergarten Izvoras

6b. Savings components	The current situation		After the implementation		Net savings	
	Quantity	MDL/a	Quantity	MDL/a	Quantity	MDL/a
Natural gas, m3/a	26,945	877,868	-	-	26,945	877,868
Biomass (pellets/ briquets), tones/a	-	-	38.2	210,100	-38.2	-210,100
Subtotal Heat Energy						667,686
Electricity in the facilities, MWh/a	61.7	158,489	3.2	8,108	58.51	150,381
Maintenance costs						39,594
Deferred Investment Cost						183,400
Annual savings, MDL						1,041,043

Summary results

7. Total annual savings	The current situation		After the implementation		Net savings	
	Quantity	MDL/a	Quantity	MDL/a	Quantity	MDL/a
Natural gas, m3/a	26,945	877,868	-	-	26,945	877,868
Biomass (pellets/ briquets), tones/a	-	-	38.2	210,100	-38.2	-210,100
Heat, Gcal/a	188.4	678,240	83.5	300,456	105	377,784
Electricity in the facilities, MWh/a	114.43	294,083	17.96	46,144	96.47	247,938
Maintenance costs						75,000
Deferred Investment Cost						347,400
Annual savings, MDL						1,715,790
Payback period, years						7.98

8. Tariffs and rates		
Heat	3,600	MDL/Gcal
Natural gas	32.58	MDL/m3
Biomass (pellets/ briquets)	5,500	MDL/tone
Electricity	2,570	MDL/MWh
Number of attendants in the facilities	600	persons
Exchange rate	19	MDL/Euro

9. Financing (eligibility)	
Has the city received or applied for any other NEFCO funding? A city can receive max 2 loans in total from ESC program; If a city has obtained, or fulfils the financial criteria for obtaining, a loan on market terms from NEFCO loan, the city does not qualify for ESC loans.	yes ☐ no ☒
Details:	
Has the city obtained (or in application phase for) financing from any other International Financial Institution ("IFI")? If a city has obtained a loan on market terms from another IFI, the city does not qualify for ESC loans.	yes ☐ no ☒
Details:	
Is the City aware of the conditions for receipt of funds from NEFCO, and can arrange the required co-financing of the project (min 10% of total investment; the maximum ESC loan amount is local currency equivalent of 500,000 Euro)	yes ☒ no ☐
Details: The district authorities have demonstrated their commitment by providing a guarantee letter, affirming their intention to contribute a minimum of 10% towards the investment.	

10. NEFCO requirements for project audits	
Was Energy Audit performed?	yes ☒ no ☐
Details: The EA has been conducted by an authorized expert and data used to fill in the application is extracted from it.	
Is expert report on the state of building constructional elements available, confirming that the planned thermal renovation can be conducted and the building structures are not in emergency state?	yes ☐ no ☒
Details: As a result of the building's visual inspection the building is in good shape and has no structural damage that would disqualify it. The applicant is ready to conduct an independent expertise of the building when required.	

11. Non-quantifiable benefits (environmental, social effects, etc.)
The energy efficiency enhancements for the Andries and Izvoras kindergartens in Anenii Noi promise benefits that transcend mere energy savings. Aesthetically, the renovated infrastructure will uplift the city's visual appeal, symbolizing progress and modernity. On a societal level, improved indoor air quality and better-insulated buildings will not only ensure the well-being and comfort of the children and staff but can also lead to reduced morbidity rates within the kindergartens. Furthermore, such advancements in infrastructure resonate with the city's commitment to the well-being of its residents, reinforcing Anenii Noi's reputation as a city that values both its people and its future.

12. Form filled in by	Mayor		
Contact person	Alexandru Matarin	Date	15.10.2023

NEFCO Energy Saving Credits Programme
Project Proposal

1. Project name	Enhancing Energy Efficiency in the M. Sadoveanu Lyceum in Călărași district

2. Borrower	District of Călărași
Type of ownership	Public
Address	1st Biruinței street, City of Călărași,
Phone	+37324422058
E-mail	dir.economie@gmail.com, consiliu@calarasi.md
Website	https://www.calarasi.md/
Registration number	1007601009886

3. Project description

Details of the Borrower:

Călărași District is located in the central area of the Republic of Moldova. With its favorable geographic position, transportation infrastructure, and existing industries, the district offers potential for growth and development. Călărași District spans an area of 753.5 square kilometers, strategically bordered by Nisporeni District to the southwest, Orhei District to the east, Ungheni District to the west, Telenești District to the north, and Strășeni District to the southeast. The district benefits from excellent transportation routes, including railways and national/international highways, facilitating easy access to neighboring countries such as Romania and Ukraine. This advantageous connectivity opens avenues for trade and economic cooperation. Situated in the Codrii Zone, it reaches an elevation of 400 meters above sea level. This geographical diversity offers opportunities for tourism, eco-friendly activities, and potential investments in sectors such as agriculture and renewable energy. As of 2023, the district's population stands at approximately 64.1 thousand people, with a population density of 85 individuals per square kilometer.

Brief description of the current situation and problems:

The current situation regarding the energy efficiency of public buildings, particularly education institutions, has been a cause for concern for the district administration. Limited budgetary resources have hindered the necessary renovations and improvements, leading to increased expenses for heating and electricity. Addressing these issues, the administration has identified the "Mihail Sadoveanu" lyceum as a top priority project due to its poor energy performance. They have been revealed in the course of the conducted energy audit and are as follows:

The lyceum suffers from a lack of **insulation**, resulting in inefficient heating, which significantly contributes to the high energy costs. Additionally, the indoor lighting system is outdated, consuming excessive energy without providing sufficient illumination. These factors not only strain the district's budget but also affect the comfort of the learning environment for pupils and staff.

The **distribution of the heating agent** in the building is carried out through vertical and horizontal columns feeding the heating units, it was renovated partially. The renovated heating system is bi-tubular (polypropylene turn-return pipes), mounted above the floor and equipped with steel radiators. All heaters are equipped with turn-off valves and shut-off plugs, without a thermostatic head. The old heating system is bi-tubular in the teaching classes and mono-tubular in the gallery (steel pipes). Heating elements - cast iron radiators, without valves and thermostatic head, but in a good technical condition.

Ventilation ducts in classrooms are not functional. Ventilation of rooms is provided naturally by opening windows, which in winter leads to significant heat losses.

In a bid to elevate the building's energy efficiency and sustainability, our proposed investment plan encompasses several pivotal measures. Foremost among these is the **thermal insulation** of the building façade, ensuring enhanced temperature regulation. Additionally, a **lighting** revamp is in the cards, transitioning from outdated fluorescent fixtures to modern LED alternatives, complemented by the replacement of aged wiring. Harnessing solar energy stands central to our vision. The building's roof will be adorned with **photovoltaic (PV) panels**, tapping into renewable electricity generation. In tandem, the kitchen roof will feature solar collectors, optimizing water heating through solar means. Coupled with a decentralized heat recovery ventilation system, our plan promises a harmonious blend of energy efficiency and environmental stewardship.

The supply of the institution with **thermal energy** is provided by the Centralized Thermal Energy Supply System (SACET). The thermal agent is delivered through the thermal point located in Block B of the high school. The thermal point is equipped with manual thermal flow regulators, and compact ultrasonic meter is installed to measure the thermal energy consumption. The indoor temperature regulation is carried out by technical staff employed by the institution.

For **hot water preparation**, the kitchen of the education institution currently relies on electrical boilers. While efficient, these **electrical systems** represent an area where our proposed solar collectors can make a significant impact, offering a more sustainable and cost-effective solution for the institution's hot water needs.

By implementing these retrofitting measures, the district administration aims to address the energy inefficiencies and enhance the overall sustainability of the lyceum. This investment will not only decrease operational expenses but also contribute to environmental conservation and support the transition to a more sustainable future.

Moreover, the "Mihail Sadoveanu" lyceum holds significant social and educational importance within the community. Providing a conducive and energy-efficient learning environment for the students is of utmost priority. The proposed retrofitting project will not only benefit the lyceum but also serve as an exemplary model for other public buildings in the district, promoting the importance of energy efficiency and sustainability.

To address the above mentioned inefficiencies and transition towards a more energy-efficient and sustainable infrastructure, the following measures are proposed:

Building envelope insulation and associated renovation works:

1. **Walls and plinth insulation:** It is proposed to insulate the exterior walls using 150mm Mineral Wool and to fortify the plinth with 100mm Extruded Polystyrene. This will enhance the building's thermal efficiency.

Rehabilitation and modernizing of internal systems:

1. **Lighting:** modernization of the interior lighting system will be held by replacement of approximately 230 existing lighting fixtures with predominantly fluorescent lamps (mercury free) by new LED fixtures, replacement of about 3 km of worn-out indoor wiring by self-supporting insulated wiring.
2. **Heat recovery ventilation system:** installation of a local ventilation system equipped with heat recovery.

Renewable energy sources:

1. **Photovoltaic Panels:** installation of PV panels on the building's roof with a capacity of 24 kW;
2. **Solar Collector System:** introduction of a flat solar collector system, complemented by an accumulator vessel for domestic hot water preparation on the kitchen roof (3.5 kW).

Costs associated with proposed project measures:

Activity	MDL
Building envelope insulation and associated renovation works	
Insulation of walls with 150mm mineral wool and the plinth with 100mm extruded polystyrene	3,503,658
Rehabilitation and modernizing of internal systems	
Installation of a local ventilation system with heat recovery	675,360
Modernizing the interior lighting system (230 luminaries) and replacement of wiring	1,286,742
Renewable energy sources:	
Installation of a flat solar collector system with an accumulator vessel for domestic hot water preparation (installed capacity 3.5 kW)	89,100
Installing a 24kW photovoltaic panel system	728,174
Total	**6,283,034**

The project implementation will result in:
Savings of 50% in heat, 26 % in electricity consumption are expected (PV power generation included). In addition, the comfort of learning in the lyceum building will be enhanced. Reduction in GHG emissions will occur as well.

Total project cost – MDL 7,268,566 or EUR 382,556 to be financed as follows:

Financing source	MDL	EUR
NEFCO Loan	4,188,689	220,457
E5P Grant	2,094,345	110,229
Borrower's contribution	985,532	51,870

Planned type of loan security: The Calarasi District Council, in compliance with the provisions outlined in Articles 14 and 20 of Law No. 397 dated 16.10.2003 on public finance, will allocate funds within the budget specifically for the repayment and servicing of the loan.

4. Investments, MDL	Borrower	NEFCO	E5P	Total
Design documentation (including the Energy Audit)	231,568[1]			231,568
Materials & works		4,188,689	2,094,345	6,283,034
Technical supervision	125,661			125,661
Contingencies	628,303			628,303
Total investment, MDL	985,532	4,188,689	2,094,345	7,268,566

Notwithstanding the above distribution and depending on the actual amount of contingencies ultimately required, the Borrower's contribution shall always be at least 10% of the total project costs.

[1]Already incurred costs.

5. Environmental benefits [tones/year][2]	CO_2	SO_2	NO_x
Existing emissions	124.02	0.02	0.1
Emissions after the project implementation	66.26	0.02	0
Total reduction in emissions	57.76	0	0.1

6. Savings components	**The current situation**		**After the implementation**		**Net savings**	
	Quantity	MDL/a	quantity	MDL/a	quantity	MDL/a
Heat, Gcal	336.4	1,133,668	169.5	571,215	166.9	562,453
Electricity in the facilities, MWh	32.7	97,773	24.3	72,657	8.40	25,116
Maintenance costs						37,000
Differed investment costs						502,800
Total savings, MDL/a						1,127,369
Payback period, years						6.45

7. Tariffs and rates		
Heat	3,370	MDL/Gcal
Electricity	2,990	MDL/MWh
Number of attendants in the facility	607	persons
Exchange rate	19	MDL/Euro

[2] The emission factors used in the calculation were taken from the 2017 "CoM Default Emission Factors for the Eastern Partnership countries" material prepared by the European Commission, for electricity it is 0.473 kgCO2/kWh, 0.020 kgCO2/kWh and 0.277 kgCO2/kWh for natural gas heating. Emissions factors taken from World Bank Environmental Manual was used for NOx- 0.0017 kg/kWh, and for SO2 –3.792*10-6 kg/kWh, using natural gas as fuel.

8. Financing (eligibility)	
Has the city received or applied for any other NEFCO funding? • A city can receive max 2 loans in total from ESC program; • If a city has obtained, or fulfils the financial criteria for obtaining, a loan on market terms from NEFCO, or issued a guarantee for a DemoUkrainaDH loan, the city does not qualify for ESC loans.	yes ☐ no ☒
Details:	
Has the city obtained (or in application phase for) financing from any other International Financial Institution ("IFI")? • If a city has obtained a loan on market terms from another IFI, the city does not qualify for ESC loans.	yes ☒ no ☐
Details: The district administration has successfully secured a zero-interest loan from the Council of Europe Development Bank (CEB) for the purpose of constructing social housing units within the district.	
Is the City aware of the conditions for receipt of funds from NEFCO, and can arrange the required co-financing of the project (min 10% of total investment; the maximum ESC loan amount is local currency equivalent of 500,000 Euro)	yes ☒ no ☐
Details: The district authorities have demonstrated their commitment by providing a guarantee letter, affirming their intention to contribute a minimum of 10% towards the investment.	

9. NEFCO requirements for project audits	
Was Energy Audit performed?	yes ☒ no ☐
Details: The EA has been conducted by an authorized expert and data used to fill in the application is extracted from it.	
Is expert report on the state of building constructional elements available, confirming that the planned thermal renovation can be conducted and the building structures are not in emergency state?	yes ☐ no ☒
Details: As a result of the building visual inspection the building is in good shape and has no structural damages that would disqualify it. The applicant is ready to conduct an independent expertise of the building when required.	

10. Non-quantifiable benefits (environmental, social effects, etc.)
The proposed retrofitting of the "Mihail Sadoveanu" lyceum is not just an investment in energy efficiency, but a broader commitment to the future of the Călărași District. By integrating solar technologies and optimizing energy consumption, the district takes a decisive step towards reducing its carbon footprint, conserving non-renewable resources, and aligning with global sustainability aspirations. This initiative promises not only a more conducive learning environment for students but also serves as a beacon of awareness, educating the community about the importance of sustainable practices. Beyond the immediate environmental impact, the project holds profound implications for the district's socio-economic fabric. The enhanced learning spaces, coupled with potential local employment opportunities, underscore a dedication to community well-being. Furthermore, as the lyceum stands as a testament to modern sustainability standards, it paves the way for future endeavors, ensuring that the district's rich heritage is preserved while meeting the demands of the present and future.

11. Form filled in by	Head of Economy Department of Calarasi District Counsil		
Contact person	Evgheni Tihonov	Date	17.07.2023

NEFCO Energy Saving Credits Programme
Project Proposal

1. Project name	Enhancing Energy Efficiency in the Carbuna kindergarten, Ialoveni District

2. Borrower	Village of Carbuna
Type of ownership	Public
Address	Cărbuna village, Ialoveni district, MD7713
Phone	+373 268 65 236 +373 698 83 385
E-mail	carbunaprimaria@gmail.com
Website	N/A
Registration number	1009601000083

3. Project description

Details of the Borrower:

Carbuna village is situated in the Ialoveni district of Moldova. Geographically, it's located at a latitude of 46.7122 and a longitude of 28.9516, with an altitude of 96 meters above sea level.. According to the most recent information, Carbuna boasts a population of 1870 residents. The village is strategically positioned 30 km away from Ialoveni city and 31 km from the capital city, Chisinau.

The demographic distribution, based on the 2020 electoral lists, indicates a young and potentially active workforce. Most of the population falls within the age range of 26-35 years, making up 27.05% of the total residents. The village has a rich cultural heritage, with Moldovans/Romanians making up 99.53% of the population.

Recent developments and events in the village, such as eco-cultural zones and historical festivals, highlight its potential as a hub for cultural tourism and sustainable development.

Brief description of the current situation and problems:

Established in 1983, the Carbuna kindergarten spans an expansive 1,410 square meters and is designed to accommodate up to 147 children.

A comprehensive evaluation of the building's energy performance has identified critical inefficiencies that necessitate immediate intervention. They have been revealed in the course of the conducted energy audit and are as follows:

The building comprises two primary blocks connected by a gallery. Over time, these structures have exhibited considerable wear, with the energy inefficiencies becoming progressively pronounced.

Both primary blocks are devoid of adequate **thermal insulation**, resulting in substantial thermal bridging and heat losses during colder periods. This inefficiency necessitates the heating systems to operate beyond their optimal capacity, leading to increased energy consumption. The gallery, serving as a connector between the blocks, mirrors this insulation inadequacy, intensifying the overall heat losses.

The roof of the object is a hipped roof, which means that heat losses occur through the attic floor under it. The attic floor lacks effective insulation, allowing for heat to ascend and dissipate through the roof structure, marking a notable energy wastage point.

The floorboard of the building in contact with the basement (unheated space) consists of 2 types: plank (wood) and tiles.

The joinery is made of PVC with double layer glass, and is in a good technical condition, but there are also some wooden doors, that need to be replaced.

The building is heated by a combined **heating plant** consisting of two natural gas boilers, main source, and a solid biofuel (pellets, briquets) boiler, which is complementary. The heating plant is located in the kindergarten building.

The interior **heat distribution system** is made of metal pipes and the heating elements are cast iron radiators placed under the windows. The heating system is bi-tubular type. The interior temperature is regulated only at the heating plant level. The weak point of the system is the thermal networks running through the basement of the building, which are not insulated and represent a source of heat losses.

In the building, rooms are ventilated naturally by opening windows and using suction **ventilation** ducts, but these ducts have not been cleaned for many years, so they are not functional.

Currently, **the lighting system** consists of 86 LED tube luminaires with 164 lamps in total, 9 fluorescent luminaires with 33 lamps in total, and 13 incandescent bulb luminaires.

To address these inefficiencies and transition towards a more energy-efficient and sustainable infrastructure, the following measures are proposed:

Building envelope insulation and associated renovation works:

1. **Wall Thermal Insulation**: to insulate the exterior walls using 150 mm Mineral Wool and to fortify the plinth with 100mm Extruded Polystyrene to enhance the building's thermal efficiency.
2. **Floorboard Insulation**: Enhancing the thermal barrier from the basement attic side to prevent upward heat escape, thermal insulation shall be carried out with mineral wool 150 mm thick.
3. **Attic Floor Insulation**: For the attic floor under the hip roof, thermal insulation shall be carried out with mineral wool 100 mm thick.
4. **Joinery Upgrade**: Replacing the existing wooden doors with energy-efficient PVC frames made of non-recycled PVC, five [5] air chambers, with Low-e coated glass.

Rehabilitation and modernizing of internal systems:

1. **Heat recovery ventilation system:** installation of a local ventilation system equipped with heat recovery.
2. **Heating Distribution Pipe Insulation**: Insulating the heating pipes located in the basement to minimize energy losses during transmission.
3. **Lighting:** Modernizing the interior lighting system through replacement of existing 33 fluorescent and 13 incandescent bulbs with new LED bulbs, in order to ensure energy-efficient illumination.

Renewable energy sources:

1. **PV System Installation**: Integrating a 20 kW photovoltaic system to harness solar energy and supplement the building's power needs.

Costs associated with proposed project measures:

Activity	MDL
Building envelope insulation and associated renovation works	
Insulation of walls with 150mm mineral wool and the plinth with 100mm extruded polystyrene	2,426,566
Insulation of the attic floor with 100mm mineral wool	1,502,847
Insulation of floorboard with 150 mm mineral wool	951,000
Replacement of wooden joinery (wooden window frames/doors)	28,500
Rehabilitation and modernizing of internal systems	
Installation of a local ventilation system with heat recovery	126,000
Modernizing the interior lighting system	4,124
Thermal insulation of the heating distribution pipes in the basement	59,100
Renewable energy sources:	
Installing a 20 kW photovoltaic panel system	400,000
Total	**5,498,137**

The project implementation will result in:

Savings of 68 % in heat, 26 % in electricity consumption from the grid (PV power generation included) are expected. In addition, staying conditions in the kindergarten building will be enhanced. Reduction in GHG emissions will occur as well.

Total project cost – MDL 6,307,913 or EUR 331,995, including:

Financing source	MDL	EUR
NEFCO Loan	3,654,964	192,367
E5P Grant	1,843,172	97,009
Borrower's contribution	809,776	42,620

Planned type of loan security: The Carbuna Local Council, in compliance with the provisions outlined in Articles 14 and 20 of Law No. 397 dated 16.10.2003 on public finance, will allocate funds within the budget specifically for the repayment and servicing of the loan.

4. Investments, MDL	Borrower	NEFCO	E5P	Total
Design documentation (including Energy Audit)[1]	150,000			150,000
Materials & works		3,654,964	1,843,172	5,498,137
Technical supervision	109,963			109,963
Contingencies	549,814			549,814
Total investment, MDL	809,776	3,654,964	1,843,172	6,307,913

Notwithstanding the above distribution and depending on the actual amount of contingencies ultimately required, the Borrower's contribution shall always be at least 10% of the total project costs.

[1] Already incurred costs.

5. Environmental benefits [tones/year][2]	CO_2	SO_2	NO_x	Particles
Existing emissions	94.29	0.014	0.06	0.03
Emissions after the project implementation	34.11	0.010	0.02	0.01
Total reduction in emissions	60.18	0.004	0.04	0.02

6. Savings components	**The current situation**		**After the implementation**		**Net savings**	
	Quantity	MDL/a	Quantity	MDL/a	Quantity	MDL/a
Natural Gas, m3/a	29,045	850,134	9,270	271,337	19,775	578,797
Electricity in the facilities, MWh/a	19.91	59,531	14.83	44,330	5.08	15,201
Maintenance costs						37,000
Deferred Investment Cost						190,900
Total savings						821,898
Payback period, years						7.7

7. Tariffs and rates		
Natural gas	29.27	MDL/m3
Electricity	2,990	MDL/MWh
Number of attendants in the facility	147	persons
Exchange rate	19	MDL/Euro

[2] The emission factors used in the calculation were taken from the 2017 "CoM Default Emission Factors for the Eastern Partnership countries" material prepared by the European Commission, for electricity it is 0.473 kgCO2/kWh, and 0.277 kgCO2/kWh for natural gas heating. Emissions factors taken from World Bank Environmental Manual was used for NOx- 0.0017 kg/kWh, and for SO2 –3.792*10-6 kg/kWh, using natural gas as fuel.

8. Financing (eligibility)	
Has the city received or applied for any other NEFCO funding? A city can receive max 2 loans in total from ESC program; If a city has obtained, or fulfils the financial criteria for obtaining, a loan on market terms from NEFCO, the city does not qualify for ESC loans.	yes ☐ no ☒
Details:	
Has the city obtained (or in application phase for) financing from any other International Financial Institution ("IFI")? If a city has obtained a loan on market terms from another IFI, the city does not qualify for ESC loans.	yes ☐ no ☒
Details:	
Is the City aware of the conditions for receipt of funds from NEFCO, and can arrange the required co-financing of the project (min 10% of total investment; the maximum ESC loan amount is local currency equivalent of 500,000 Euro)	yes ☒ no ☐
Details: The district authorities have demonstrated their commitment by providing a guarantee letter, affirming their intention to contribute a minimum of 10% towards the investment.	

9. NEFCO requirements for project audits	
Was Energy Audit performed?	yes ☒ no ☐
Details: The EA has been conducted by an authorized expert and data used to fill in the application is extracted from it.	
Is expert report on the state of building constructional elements available, confirming that the planned thermal renovation can be conducted and the building structures are not in emergency state?	yes ☐ no ☒
Details: As a result of the building's visual inspection the building is in good shape and has no structural damage that would disqualify it. The applicant is ready to conduct an independent expertise of the building when required.	

10. Non-quantifiable benefits (environmental, social effects, etc.)
Addressing the energy inefficiencies is not merely a matter of reducing operational costs; it represents a strategic move towards sustainability. By modernizing its facilities, the kindergarten aims to significantly reduce its carbon footprint, aligning with broader environmental goals and setting a precedent for sustainable practices within the region. The implications of this project extend beyond energy conservation. Enhanced insulation and improved ventilation systems are anticipated to foster a healthier learning environment, potentially reducing health-related absences and improving overall well-being for both staff and students. As the village undertakes this transformation, the Carbuna kindergarten serves as a tangible representation of the community's commitment to integrating tradition with modern, sustainable practices, setting a benchmark for future infrastructural developments in the region.

11. Form filled in by	Mayor		
Contact person	Constantin Ciocoi	Date	12.08.2023

NEFCO Energy Saving Credits Programme
Project Proposal

1. Project name	Enhancing Energy Efficiency in the Kindergarten's and Village Hall buildings in the village of Mindresti, Telenesti district

2. Borrower	Village of Mindresti
Type of ownership	Public
Address	MD – 5825. Mindresti village, Telenesti district
Phone	079994260
E-mail	primariamindresti@gmail.com
Website	n/a
Registration number	1007601006302

3. Project description

Details of the Borrower:

Located in the heart of Moldova, Mindresti village is a historically rich village that sits at the confluence of the Ciulucul-Mijlociu and Ciulucul-Mic rivers. Its name, deeply rooted in local lore, reflects the resilience and pride of its inhabitants who have cultivated a vibrant community over the centuries. The village's strategic positioning and natural beauty, coupled with the history of continuous habitation since the Neolithic era, underscore its suitability for sustained development.

Mindresti's economy is primarily driven by the agri-food sector, with viticulture and services also playing significant roles. The village is home to numerous economic agents, community associations, and agricultural enterprises, reflecting a robust local economy.

Mindresti commune is part of the Telenesti District located at latitude 47.5072 longitude 28.2769 and altitude of 89 meters above sea level. The commune's population is 4,410, that include Mindresti and Codru villages. Direct distance to rayon center is 10 km. Direct distance to Chisinau is 81 km.

The kindergarten "Nicusor" in Mindresti village is a pre-school institution with a working regime of 5 days/week, 12 months/year with a daily schedule of activities for a capacity of 115 children, working hours from 7.00 to 18.00. The educational activity is provided by 28 teachers and auxiliary staff, and their contribution to the children's development and integration into society is invaluable.

The Village Hall building in Mindresti village is the seat for the administrations of Mindresti and Codru villages, with a population of over 4 thousand people. Besides, the building also serves as an office for the Social Service and a Post Office, where the villagers can benefit from the corresponding social services.

Brief description of the current situation and problems:

The public building sector in Mindresti, Moldova, is currently facing significant challenges in terms of energy efficiency. The lack of energy-efficient infrastructure and outdated construction standards have led to high energy consumption and increased greenhouse gas emissions. This necessitates a comprehensive approach to enhance the energy efficiency of key public buildings in the community.

The Mindresti kindergarten, a vital institution for the community's children, has been identified as a prime candidate for energy efficiency improvements. An energy audit revealed the need for thermal insulation of the building envelope, which would not only reduce energy consumption but also enhance thermal comfort and prevent structural damage from condensation.

The outer walls of the kindergarten building are made of 550 mm thick limestone, the inside is plastered with 30 mm thick plaster and the outside is covered with 50 mm thick plaster. Visually it can be seen that the joints of the building are damaged, leading to increased energy losses, water infiltration and increased energy consumption.

The kindergarten **floorboard** is made of concrete panels which leads to considerable energy losses.

Most of the **joinery** is three-chamber PVC and low-E glazing with satisfactory technical condition.

The heating of the kindergarten blocks is carried out with the help of their own **heating plant**, which is located in a separate building in close proximity to kindergarten, according to the fire regulations, in which 2 boilers (unknown capacity) are installed that operate on solid fuel (wood and coal). Boilers are morally and technically outdated, they require an operator to be always present to load them with fuel and to evacuate slag and ash. They are not equipped with any kind of regulating mechanisms, the regulation of temperature and flow of thermal agent is done manually by the operator using valves by adjusting the flow rate.

The heating system is made of steel pipes, mono-tubular with bottom distribution. Cast iron radiators are used as heating elements. It should be noted that the heating system is in satisfactory condition.

The walls of the facade of the Village Hall building are of the same type, made of limestone with a wall thickness of 55 cm. The plinth walls are made of cast concrete with a total thickness of 60 cm. Note that in places, due to its wear, the outer layer is missing.

The roof of the institution is of the hipped type, covered with slate sheets. The **rainwater drainage system** is only present on a portion of the building and is in satisfactory condition, on some portions it is missing, leading to damage to the building envelope, so some portions of the exterior plaster is affected by external weather conditions and mechanical actions.

The attic floor is made of reinforced concrete slab, clay/cement mortar with a total thickness of 34 cm, without any thermal insulation layer. The roof has undergone minimal routine repair work over the years. The hipped roof has a rainwater drainage system, but with the capital reconstruction of the roof it is recommended to replace the drainage system. It should also be noted that the roof is not watertight (cracks are visible) which leads to water penetration and contributes to rotting of the wooden beams and the attic floor of level 2. It should be mentioned that the thermal resistance of the attic floor is low, which leads to considerable energy losses.

The floorboard of the building in contact with the basement (unheated space) consists of 2 types: plank (wood) and tiles.

The original double wooden joinery was replaced in 2008 with 3-chamber, double-glazed (4-16-4 mm), PVC-framed joinery, which as a result provided higher thermal comfort in the heated rooms and improved airtightness. Visually, the exterior PVC framed joinery is in good and functional condition.

The heating plant supplying the Village Hall building was commissioned in 2018 and is equipped with 2 wall-mounted natural gas hot water boilers. The total thermal output of the installed equipment is 54 kW. The central heating unit has the possibility to prepare domestic hot water. The boilers are equipped with modern heat load regulators, both manual and automatic.

The distribution of thermal energy is carried out by the control node located in the room of the heating plant by means of two circulation pumps (one for each level). The internal heating system is a bi-tubular system made of polypropylene pipes (tour/return). Static heating elements - steel radiators, panel type equipped with shut-off valves but without thermostatic heads. A thorough energy audit was conducted, pinpointing the necessary measures to decrease energy consumption. Implementing these changes will not only save money but also reduce GHG emissions.

Investing in energy efficiency for these key public buildings will provide multiple benefits. It will create a more sustainable and comfortable environment for the community, lead to economic savings, and align with broader sustainable development goals. This initiative will position Mindresti as a model for other communities, demonstrating the tangible benefits of investing in energy efficiency.

Addressing the energy inefficiencies in Mindresti's public buildings, the administration proposes a comprehensive investment in the refurbishment of both the kindergarten and the Village Hall building. This includes the insulation of walls, attic floor, ceiling above the basement as well as plinth. Also, the project envisages the installation of a boiler with installed capacity of 50 kW (wood chips) to heat the kindergarten during the wintertime. In addition to the above-mentioned measures, the project is expected to cover the investment costs of a photovoltaic system for Village Hall, reconstruction of the roof and rainwater drainage system, construction and arrangement of blind area of the building, in the perimeter of external walls and installation of canopies above doors.

The proposed measures will not only benefit these institutions but will also demonstrate the tangible benefits of energy efficiency and sustainability to the wider community.

List of project measures:

Building envelope insulation and associated renovation works:

1. **Walls and socles insulation:** It is proposed to insulate the exterior walls using 150mm Mineral Wool and to fortify the plinth with 100mm Extruded Polystyrene. This will enhance the building's thermal efficiency.
2. **Attic Floor Insulation**: For the attic floor under the hip roof, thermal insulation shall be carried out with mineral wool 100 mm thick.
3. **Floorboard Insulation**: Enhancing the thermal barrier from the basement attic side to prevent upward heat escape, thermal insulation shall be carried out with XPS extruded polystyrene 150mm thick.
4. **Installation of canopies above exterior doors:** Installation of 5 new canopies as a means of protecting the insulation works of the external walls and the rehabilitation of the facade.
5. **Construction and arrangement of blind area:** The construction of an impermeable layer of concrete or asphalt extending along the perimeter of the building to protect the building foundation and plinth against water penetration.
6. **Reconstruction of the roof and rainwater drainage system:** Reconstruction of the hipped roof and drainage system to protect the building and the surface of the insulated walls from roof water leakage during rainwater and snowfall.

Renewable energy sources:

1. **Photovoltaic Panels:** The installation of 10-kW photovoltaic panel system will harness solar energy.
2. **Installation of a biomass boiler:** replacement of the existing coal-fired plant with a biomass plant (50 kW wood chips-fired boiler) to supply the building with renewable energy.

Costs associated with proposed project measures:

1. **Kindergarten building**

Activity	**MDL**
Building envelope insulation and associated renovation works	
Insulation of walls with 150mm mineral wool and the plinth with 100mm extruded polystyrene	1,510,970
Thermal insulation of the floorboard above the basement, 150 mm extruded polystyrene	331,499
Thermal insulation of the attic floor with mineral wool, 100 mm	1,114,274
Renewable energy sources:	
Modernization of the existing heating plant by replacement of exiting solid fuel boilers with biomass boiler (wood chips) 50 kW	240,361
Total	**3,197,104**

2. **Village Hall building**

Activity	**MDL**
Building envelope and associated renovation works	
Insulation of walls with 150mm mineral wool and the socles with 100mm extruded polystyrene	626,350
Insulation of the attic floor with 100 mm mineral wool	453,523
Insulation of floorboard with 150mm extruded polystyrene	302,682
Reconstruction of the roof and rainwater drainage system	412,000
Construction and arrangement of blind area of the building along the perimeter of external walls	70,560
Installation of canopies above doors	34,000
Renewable energy sources:	
Installing a 10 kW photovoltaic system	188,100
Total	**2,087,215**

The project implementation will result in:

Following the implementation of the proposed measures, Kindergarten building will be able to reduce 64% of its thermal energy consumption, and in combination with the installation of the biomass heating plant, in addition to thermal comfort it will have an environmental impact almost equal to zero.

For the Village Hall building the heat savings will reach 58%, and 100% in electricity consumption from the grid are expected, due to the installation of a photovoltaic system on the roof.

Total project cost – MDL 6,204,416 or EUR 326,548 including:

Financing source	**MDL**	**EUR**
NEFCO Loan	3,522,264	185,382
E5P Grant	1,762,054	92,740
Borrower's contribution	920,098	48,426

Planned type of loan security: The Mindresti Local Council, in compliance with the provisions outlined in Articles 14 and 20 of Law No. 397 dated 16.10.2003 on public finance, will allocate funds within the budget specifically for the repayment and servicing of the loan.

4. Investments, MDL	**Borrower**	**NEFCO**	**E5P**	**Total**
Design documentation (including the Energy Audit)	285,980[1]			285,980
Materials & works		3,522,264	1,762,054	5,284,319
Technical supervision	105,686			105,686
Contingencies	528,432			528,432
Total investment, MDL	920,098	3,522,264	1,762,054	6,204,417

Notwithstanding the above distribution and depending on the actual amount of contingencies ultimately required, the Borrower's contribution shall always be at least 10% of the total project costs.

5. Environmental benefits [tones/year] [2]	CO_2	SO_2	NO_x	Particles
Existing emissions	154.08	0.03	0.1	0.1
Emissions after the project implementation	23.35	0.02	0.1	0.0
Total reduction in emissions	130.73	0.01	0.0	0.1

Kindergarten building

6a. Savings components	**The current situation**		**After the implementation**		**Net savings**	
	Quantity	MDL/a	Quantity	MDL/a	Quantity	MDL/a
Coal, tones	42.8	470,800	-	-	42.8	470,800
Firewood, m^3/a	31.4	50,240	-	-	31.4	50,240
Biomass (wood chips), tones/a	-	-	31.2	186,992	-31.2	-186,992
Subtotal Heat Energy						**334,048**
Maintenance costs						35,000
Deferred Investment Cost						168,497
Annual savings, MDL						537,546

[1]Already incurred costs.

[2] The emission factors used in the calculation were taken from the 2017 "CoM Default Emission Factors for the Eastern Partner countries" material prepared by the European Commission, for electricity it is 0.473 kgCO2/kWh, 0.020 kgCO2/kWh and 0.277 kgCO2/kWh for natural gas heating. Emissions factors taken from World Bank Environmental Manual was used for NOx- 0.0017 kg/kWh, and for SO2 –3.792*10-6 kg/kWh, using natural gas as fuel.

Village Hall building

6b. Savings components	The current situation		After the implementation		Net savings	
	Quantity	MDL/a	Quantity	MDL/a	Quantity	MDL/a
Natural gas, m^3/a	10,102	295,686	4,284	125,393	5,818	170,293
Electricity in the facilities, MWh/a	9.76	29,179	-[3]	-	9.76	29,179
Maintenance costs						34,000
Deferred Investment Cost						110,003
Annual savings, MDL						343,475

Summary results

7. Total annual savings	The current situation		After the implementation		Net savings	
	Quantity	MDL/a	Quantity	MDL/a	Quantity	MDL/a
Coal, tones	42.8	470,800	-	-	42.8	470,800
Firewood, m^3/a	31.4	50 240	-	-	31.4	50,240
Biomass (wood chips), tones/a	-	-	31.2	186,992	-31.2	-186,992
Natural gas, m3/a	10,102	295,686	4,284	125,393	5,818	170,293
Electricity in the facilities, MWh/a	42.46	126,952	32.7	97,773	9.76	29,179
Maintenance costs						69,000
Deferred Investment Cost						278,500
Annual savings, MDL						881,021
Payback period, years						7

[3] According to EA the energy generated by the photovoltaic installation will cover 100% of the electricity needs of the Village Hall building.

8. Tariffs and rates		
Natural gas	29.27	MDL/m3
Coal	11,000	MDL/tone
Firewood	1,600	MDL/m3
Biomass (wood chips)	6000	MDL/tone
Electricity	2,990	MDL/MWh
Number of attendants in the facility (-ies)	4,410/143	Settlers/children
Exchange rate	19	MDL/Euro

9. Financing (eligibility)	
Has the city received or applied for any other NEFCO funding? • A city can receive max 2 loans in total from ESC program; • If a city has obtained, or fulfils the financial criteria for obtaining, a loan on market terms from NEFCO, or issued a guarantee for a DemoUkrainaDH loan, the city does not qualify for ESC loans.	yes ☐ no ☒
Details:	
Has the city obtained (or in application phase for) financing from any other International Financial Institution ("IFI")? • If a city has obtained a loan on market terms from another IFI, the city does not qualify for ESC loans.	yes ☒ no ☐
Details: The district administration has successfully secured a zero-interest loan from the Council of Europe Development Bank (CEB) for the purpose of constructing social housing units within the district.	
Is the City aware of the conditions for receipt of funds from NEFCO, and can arrange the required co-financing of the project (min 10% of total investment; the maximum ESC loan amount is local currency equivalent of 500,000 Euro)	yes ☒ no ☐
Details: The district authorities have demonstrated their commitment by providing a guarantee letter, affirming their intention to contribute a minimum of 10% towards the investment.	

10. NEFCO requirements for project audits	
Was Energy Audit performed?	yes ☒ no ☐
Details: The EA has been conducted by an authorized expert and data used to fill in the application is extracted from it.	
Is expert report on the state of building constructional elements available, confirming that the planned thermal renovation can be conducted and the building structures are not in emergency state?	yes ☐ no ☒
Details: As a result of the building's visual inspection the building is in good shape and has no structural damage that would disqualify it. The applicant is ready to conduct an independent expertise of the building when required.	

11. Non-quantifiable benefits (environmental, social effects, etc.)
The thermal rehabilitation of public buildings and the use of solar energy and biomass in the village of Mindresti (the village hall building and kindergarten "Nicusor") implies not only investments in energy efficiency but also in the well-being of the settlement itself. In addition to ensuring thermal comfort in the mentioned buildings, especially in the kindergarten that prepares the next generations, the Mindresti commune optimizes its energy consumption and financial resources, but also reduces carbon emissions and harmful substances emitted into the atmosphere and conserves non-renewable energy resources in line with sustainable global aspirations. Besides reducing the environmental impact, the project will have profound implications for the socio-economic structure of the community. Improved indoor microclimate conditions of the buildings will underline the dedication to community well-being. Furthermore, as the Mindresti commune stands as a testament to modern sustainability standards, it paves the way for future endeavors, ensuring that the district's rich heritage is preserved while meeting the demands of the present and future.

11. Form filled in by	Mayor		
Contact person	Oxana Guzun	Date	27.07.2023

NEFCO Energy Saving Credits Programme
Project Proposal

1. Project name	Enhancing Energy Efficiency in the Zubrești Theoretical Lyceum, Strășeni District

2. Borrower	Village of Zubresti
Type of ownership	Public
Address	MD – 5825. Zubrești village, Strășeni District
Phone	60662227
E-mail	secrprimariazubrești@gmail.com
Website	https://www.primzubresti.md/ro/
Registration number	1008601000329

3. Project description

Details of the Borrower:

Zubrești, a charming village and commune nestled in the Strășeni district, with an area spanning approximately 2.36 square kilometers and a perimeter of 9.70 km, this village offers a delightful expanse to explore. According to the latest statistical information, the population of Zubrești is 2906 inhabitants.

Brief description of the current situation and problems:

TL Zubrești was established in 1973, boasting a seating capacity of 650 students and encompassing a spacious total area of 2304 square meters. The institution is equipped with 22 classrooms, alongside with a sports hall and a ballroom, laboratories, workshops, and a computer room with internet connectivity. Additionally, the school houses a library and a reading room for students' educational pursuits. The institution proudly maintains 100% coverage of teachers to cater to the students' needs effectively.

The current situation at the Zubrești Theoretical Lyceum is one that requires urgent attention to improve energy efficiency and create a more sustainable and comfortable learning environment for students and staff. The building, which consists of two main blocks and a gallery, has been showing signs of wear and tear, and its poor energy inefficiency is becoming increasingly evident. The walls of both blocks are currently lacking proper thermal insulation, leading to significant heat losses during the colder months. This not only makes the classrooms uncomfortable but also leads to high energy consumption as heating systems work overtime to compensate for the heat losses. Similarly, the gallery walls, which connect the two blocks, are also devoid of any thermal insulation, further exacerbating the problem. The attic floor is another area of concern. Without proper insulation, heat rises and escapes through the roof, leading to a significant waste of energy. This issue is compounded by the current state of the joinery, which is outdated and inefficient.

The exterior structural walls are made of 490 mm thick limestone blocks, covered on the outside with plaster. The exterior plaster is in places fallen and/or cracked. The structural strength of the walls is satisfactory. But the blind area and plinth also need replacement to ensure the building is adequately protected from the external elements.

The roof of the building is of the hipped type, i.e. heat losses occur through the attic floor under the hipped roof. The roof of blocks 1,2 and of the gallery is relatively new and in good condition, the roof of block 3 is old and in a deplorable condition and requires replacement. The lack of functional gutters and downpipes can lead to water damage, which can further degrade the building's insulation and structural integrity.

Most of the **joinery** are PVC double-glazed. However, there are also wooden windows in block 3 which need to be replaced, for avoiding heat losses, also a major source of heat losses are block 1 window hinges that need replacement as well.

The building is heated by a proper **gas-fired heating plant**, which is in a separate building (because of fire regulations) in the immediate vicinity of the high school. The heating plant consists of two boilers Romstal Bali RTN E100X (2x100 kW). The technical condition of the heating is satisfactory.

The building's heating infrastructure presents specific challenges**. The interior distribution system of the thermal agent** is constructed from metal pipes, with cast iron radiators situated beneath the windows. This monotube heating system lacks individual thermostats for each radiator. As a result, temperature adjustments are centralized at the heating plant, limiting room-by-room customization. Furthermore, it's crucial to note that in the heat distribution room, which channels the heating agent to the three blocks and connecting gallery, the existing pipes are outdated and lack proper insulation.

Currently, they contribute to poor energy inefficiency by allowing heat to escape before it reaches its intended destination. This system's inefficiency is a drain on resources and a source of unnecessary energy waste.

The lighting system is another area that requires modernization. The current system consists of 286 luminaries, mainly of fluorescent tube luminaires, outdated, energy-inefficient bulbs that not only consume more electricity but also need frequent replacement.

The school also lacks a **photovoltaic (PV) system**, which could harness solar energy to provide a sustainable and renewable source of power. This would significantly reduce the school's reliance on non-renewable energy sources and lower its energy costs.

The Zubresti Theoretical Lyceum is in dire need of a comprehensive energy efficiency upgrade. From improving insulation and modernizing systems to installing renewable energy sources, these changes will not only make the school more sustainable but also create a more comfortable and conducive learning environment.

To address these inefficiencies and enable transition towards a more energy-efficient and sustainable infrastructure, the following measures are proposed:

Building envelope insulation and associated renovation works:

1. **Walls and socles insulation:** to insulate the exterior walls using 150mm Mineral Wool and to fortify the plinth with 100mm Extruded Polystyrene. This will enhance the building's thermal efficiency.
2. **Roof insulation:** to insulate the attic floor with 150mm Mineral Wool to further mitigate heat losses.
3. **Reconstruction of rainwater drainage system:** Reconstruction of the drainage system to protect the building and the surface of the insulated walls from roof water leakage during rainwater and snowfall.
4. **Construction and arrangement of blind area:** The construction of an impermeable layer of concrete or asphalt extending along the perimeter of the building to protect the building foundation and plinth against water penetration.

5. **Wooden Joinery and Hinges replacement:** Replacing the existing wooden window frames and doors with energy-efficient PVC frames made of non-recycled PVC, five [5] air chambers, with Low-e coated glass.

Rehabilitation and modernizing of internal systems:

1. **Replacement and insulation of the heat pipes** from the basement with mineral wool for temperature control of the process.
2. **Lighting:** Modernizing the interior lighting system through replacement of 286 existing fluorescent bulbs (mercury free) with new LED, in order to ensure energy-efficient illumination.

Renewable energy sources:

1. **Photovoltaic Panels:** to install 24 kW photovoltaic panel systems to harness solar energy.

List of proposed project measures:

Activity	MDL
Building envelope insulation and associated renovation works	
Insulation of walls with 150mm mineral wool and the plinth with 100mm extruded polystyrene	3,137,391
Insulating the attic floor with 150mm Mineral Wool	2,928,600
Replacement of wooden joinery in block 3	158,574
Replacing block 1 window hinges	116,000
Reconstruction of rainwater drainage system	74,000
Renovation of the building's blind area	321,280
Rehabilitation and modernizing of internal systems	
Replacement and thermal insulation of pipes of the thermal agent distribution system	400,000
Modernizing the interior lighting system (286 luminaries)	50,000
Renewable energy sources:	
Installing a 24kW photovoltaic panel system	456,000
Total	**7,853,543**

The project implementation will result in:
Savings of 57 % in heat, 12 % in electricity consumption from the grid are expected. In addition, the learning comfort in the lyceum building will be enhanced. Reduction in GHG emissions will occur as well.

Total project cost – MDL 9,081,948 or EUR 477,997including:

Financing source	MDL	EUR
NEFCO Loan	5,228,860	275,203
E5P Grant	2,624,683	138,141
Borrower's contribution	1,228,405	64,653

Planned type of loan security: The Zubresti Local Council, in compliance with the provisions outlined in Articles 14 and 20 of Law No. 397 dated 16.10.2003 on public finance, will allocate funds within the budget specifically for the repayment and servicing of the loan.

Notwithstanding the above distribution and depending on the actual amount of contingencies ultimately required, the Borrower's contribution shall always be at least 10% of the total project costs.

4. Investments, MDL	**Borrower**	**NEFCO**	**E5P**	**Total**
Design documentation (including Energy Audit)	285,980[1]			285,980
Materials & works		5,228,860	2,624,683	7,853,543
Technical supervision	157,071			157,071
Contingencies	785,354			785,354
Total investment, MDL	1,228,405	5,228,860	2,624,683	9,081,948

5. Environmental benefits [tonnes/year][2]	CO_2	SO_2	NO_x	Particles
Existing emissions	151.40	0.02	0.12	0.05
Emissions after the project implementation	74.44	0.017	0.06	0.03
Total reduction in emissions	76.95	0.003	0.06	0.02

6. Savings components	**The current situation**		**After the implementation**		**Net savings**	
	Quantity	MDL/a	Quantity	MDL/a	Quantity	MDL/a
Natural gas, m3	56,064	1,640,998	24,050	703,939	32,014	937,059
Electricity in the facilities, MWh	27.75	82,961	23.774	71,084	3.97	11,876
Maintenance costs						44,500
Deferred Investment Cost						380,700
Total savings, MDL/a						1,374,135
Payback period, years						6.6

[1] Already incurred costs.

[2] The emission factors used in the calculation were taken from the 2017 "CoM Default Emission Factors for the Eastern Partner countries" material prepared by the European Commission, for electricity it is 0.473 kgCO2/kWh, and 0.277 kgCO2/kWh for natural gas heating. Emissions factors taken from World Bank Enviromental Manual was used for NOx-0.0017 kg/kWh, and for SO2 –3.792*10-6 kg/kWh, using natural gas as fuel.

7. Tariffs and rates		
Natural gas	29.27	MDL/m3
Electricity	2,990	MDL/MWh
Number of attendants in the facility	422	persons
Exchange rate	19	MDL/Euro

8. Financing (eligibility)	
Has the city received or applied for any other NEFCO funding? A city can receive max 2 loans in total from ESC program; If a city has obtained, or fulfils the financial criteria for obtaining, a loan on market terms from NEFCO, or issued a guarantee for a DemoUkrainaDH loan, the city does not qualify for ESC loans.	yes ☐ no ☒
Details:	
Has the city obtained (or in application phase for) financing from any other International Financial Institution ("IFI")? If a city has obtained a loan on market terms from another IFI, the city does not qualify for ESC loans.	yes ☐ no ☒
Details:	
Is the City aware of the conditions for receipt of funds from NEFCO, and can arrange the required co-financing of the project (min 10% of total investment; the maximum ESC loan amount is local currency equivalent of 500,000 Euro)	yes ☒ no ☐
Details: The district authorities have demonstrated their commitment by providing a guarantee letter, affirming their intention to contribute a minimum of 10% towards the investment.	

9. NEFCO requirements for project audits	
Was Energy Audit performed?	yes ☒ no ☐
Details: The EA has been conducted by an authorized expert and data used to fill in the application is extracted from it.	
Is expert report on the state of building constructional elements available, confirming that the planned thermal renovation can be conducted and the building structures are not in emergency state?	yes ☐ no ☒
Details: As a result of the building's visual inspection the building is in good shape and has no structural damage that would disqualify it. The applicant is ready to conduct an independent expertise of the building when required.	

10. Non-quantifiable benefits (environmental, social effects, etc.)
The envisioned enhancements for the Zubrești Theoretical Lyceum represent more than just infrastructural improvements; they symbolize a profound commitment to the future of the Straseni region in the Republic of Moldova. Addressing the energy inefficiencies and modernizing the facilities is a testament to the region's dedication to creating a sustainable and conducive educational environment. By rectifying the current challenges, the lyceum will not only offer a more comfortable learning space but will also stand as a beacon of resilience and adaptability, emphasizing the importance of proactive measures in the face of challenges. Investment transcends the tangible, touching upon the philosophy of community well-being. The modernized facilities will not only foster academic excellence but will also serve as communal hubs, strengthening the social fabric of Zubrești. Moreover, as the Zubrești Theoretical Lyceum undergoes this transformation, it sets a precedent for other institutions, showcasing the harmonious blend of tradition and modernity. This initiative ensures that while the rich legacy of the region is celebrated, it is also equipped to embrace the evolving demands of contemporary education and community engagement.

11. Form filled in by	Mayor		
Contact person	Maria Manoli	Date	02.08.2023

Annex 3

Securedmail manuals

How to send a secure message to a Securedmail user *procurement@nefco.int*:

Go to the website *www.securedmail.eu*.

Type recipient's email address **procurement@nefco.int** into the field “Send a secure message to a recipient” and click "Send".

Alternatively, you can attach this link to your browser:
https://www.securedmail.eu/message/procurement@nefco.int

A display for composing the secured message opens. Type your own e-mail address in the uppermost field. A delivery confirmation request will be sent to this address to verity your identity. Type the subject, message and include attachment(s). You can accept the suggested random password or replace it and enter your own password. The password is delivered automatically to the recipient's mobile phone via SMS.

Click “Send”.

You will receive a confirmation request from the Securedmail server to your e-mail address, and you’ll have to confirm it by clicking a link in the message. **The message will not be sent to the recipient until you have clicked the confirmation!**

In case you do not succeed in sending the proposal though the system, please contact the responsible person at Nefco or *procurement@nefco.int* or *nelly.eriksson@nefco.int* for further assistance before the deadline of submission.