

## Terms of Reference

### TRANSACTION ADVISORY SERVICES FOR PRIVATE SECTOR PARTICIPATION IN THE DEVELOPMENT OF NEW GENERATION CAPACITY, RELATED TRANSMISSION AND THE DEVELOPMENT OF A [LIGNITE FIELD]

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#### I. INTRODUCTION

1. The purpose of this document is to invite the submission of proposals to provide transaction advisory services to the Project Steering Committee of the Power Technical Assistance Project (the Client).
2. The work to be undertaken by the advisors (the Consultant) will be to assist the Client in attracting private sector participation to:
  - a. Develop the [Lignite Field]. The [ ] development project will focus both on (i) providing a reliable long-term fuel supply for the new power plant and [COUNTRY]'s existing generators, and (ii) on meeting [COUNTRY]'s short-term coal supply financing needs through the monetization of [COUNTRY]'s lignite resources; and
  - b. Develop a new lignite-fired Thermal Power Plant (TPP). This plant will produce electricity both for consumption within [COUNTRY] and for export market sales by utilizing the high quality lignite reserves in [COUNTRY], thereby contributing to the overall security of power supply in [ ] region.
3. Additionally, this development program may include investments in existing power generating assets of [COUNTRY], so as to facilitate the transaction by assuring continuity of domestic electricity supplies, reducing load-shedding, and, through export sales, creating economic rents for the benefit of [COUNTRY].
4. Both the new power station and mine will be developed in a manner consistent with international best practices in regard to the management of social, economic, and environmental impacts of such a large-scale undertaking.
5. The work of the Consultant will be funded through a grant made available to the Client by the World Bank.
6. In addition to the Consultant, the Client will also be appointing a team of Legal Advisers, consisting of qualified international and local legal specialists, to undertake additional development of the relevant legal and regulatory frameworks, and to work with the Consultant to complete the Transaction. Further, the Client will be appointing a team of Safeguards Advisers, consisting of qualified international and local technical specialists, to

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undertake the development of environmental and social safeguards relevant to future lignite power development in [COUNTRY], and which will be applicable to the proposed Transaction.

The publicly owned electric utility enterprise [EUE] has immediate need to develop a new open-cut lignite mine to sustain fuel supplies to EUE's two lignite-fired power stations. At present, these two power stations are operating using lignite produced from a nearby mining complex with two contiguous open-cut mines. These two mines are nearly exhausted.

7. EUE has determined that the least-cost source of additional lignite is to develop a mine to the north of the existing mine. Completion of a lignite mine like this would normally require four years to prepare. As time is of the essence, EUE, the [Finance Ministry], and the international donor community have taken steps to pre-finance certain immediate mine development actions until such time as private investors can enter. Thus, two parallel initiatives are being undertaken:

- **Commencement of Immediate Development Activities—Budget Supported.** Under this first initiative, there will be a mobilization of funds through EUE and the donor community to undertake initial mine development actions, including land acquisition, engineering analysis, equipment rehabilitation, and removal of overburden.
- **Mine Completion—Public-Private Partnership.** As a second initiative, actions will be taken, in conjunction with the ongoing corporatization of EUE, to create investment options for public/private partnerships with EUE Operating Company, including market testing of investment alternatives, with a view to concluding the integration of private sector participation into the Lignite Field, including the new mine. Post-[DATE], the public-private partnership will complete the development of the mine.

## II. RELEVANT COUNTRY BACKGROUND

8. [ ]

9. [ ] is working on the completion of the legal and regulatory frameworks in all sectors of the economy including energy. Efforts to develop local democratic institutions and processes have started and several important first steps have been achieved:

10. The [COUNTRY Report] defines the medium-term economic outlook as relying heavily on three economic sectors in which [COUNTRY] has considerable endowment and/or comparative advantage: energy, mining, and agriculture. Both energy and mining have the potential in the medium to longer term to revitalize the [COUNTRY] economy, especially given large and increasing needs in power throughout the region and the rebound in global commodity prices.

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## RELEVANT ENERGY SECTOR ISSUES

11. Prior to restructuring, [UTILITY COMPANY] was a vertically integrated utility incorporating five core businesses: lignite mines, power generation, transmission and dispatching, network, and supply. Restructuring was completed in [DATE] and has resulted in three separate companies: (a) EUE Holding Company; (b) EUE Operating Company (EUE), which includes the lignite mining and power generation assets; and (c) the Transmission System and Market Operator.

12. [COUNTRY]'s key energy resource is its extensive lignite deposits. It has no other fossil fuel resource and has only a modest hydroelectric potential. It has no natural gas import and no gas supply infrastructure. It has no oil refinery and depends entirely on imported liquid fuels. Its electricity network covers almost 100% of the households, but the district heating networks are confined to only about [ ] consumers in [ ] cities, meeting only [ ]% of the heating demand. Hence, there is an excessive heat demand load on the power system. Billing and collection remains a major problem. In [DATE], EUE's technical losses were [ ]%. Of the total energy available, only [ ]% was billed, of which only [ ]% was collected. Due to poor operational and financial performance of EUE, the energy sector has not only become an obstacle to growth but also a fiscal burden.

13. Future development of [COUNTRY]'s lignite resources should be done on the basis of an economic, efficient, and transparent process designed to maximize the economic benefits to [COUNTRY]. This requires coordination between the regulatory regimes. Concurrent investments in both mining and power generation assets will require coordination of two sets of licenses at the same time. A harmonization agreement between these two regulators is being developed for this purpose.

14. Responsibility for mining and energy policy and strategies is now under the authority of [ ], which was established in [DATE]. The [COUNTRY] (White Paper) was finalized by [ ] as a [ ]-funded technical assistance project. The White Paper sets expectations for the energy sector and identifies important development directions.

## LIGNITE MINING AND POWER GENERATION

### *Lignite Mining*

15. [COUNTRY] is endowed with large lignite deposits. To date, only 2 mines have been developed commercially.

16. The [Lignite Field] lies immediately north of existing operations, and contains in excess of [ ] million tonnes of lignite.

17. At current rates of consumption, EUE will require an additional [ ] million tonnes of lignite to sustain supply to the [POWER STATION] through the remaining life of these operations. Remaining reserves in the existing mine totals [ ] million tonnes (less technical

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losses). Thus, [ ] million tonnes will need to come from the new mine. EUE has applied for a mining license for [ ] million tonnes in the [Lignite Field] and that an additional [ ] million tonne buffer could be placed around the license area to cover the possibility of additional extension of plant life or other development on the site.

18. Development of the new mine requires an investment of approximately [CURRENCY AND AMOUNT] million beginning in [DATE] and concluding in [DATE], using refurbished equipment. Final engineering analysis, completed in [DATE] by [ ] is being used by donors as the basis for analysis of funding requirements.

19. Donor funds mobilized by [ ] of [AMOUNT AND CURRENCY] million in [DATE] relate to rehabilitation of one excavator, conveyor, and stacker system and partial rehabilitation of a second excavator. A total of six rehabilitated excavator, conveyor, and stacker systems are needed prior to [DATE] for the new mine development. Estimated real average cost (RAC) of lignite production for the new mine based on the above investment schedule is [AMOUNT AND CURRENCY]/tonne, including environmental and social mitigation for the new operations and investment cost of [AMOUNT AND CURRENCY]/tonne.

***Power Generation***

20. The total installed capacity in [COUNTRY] is [ ] MW, divided into [ ] MW, and [ ] MW in hydroelectric generation. The net available capacity is presently about [ ] MW.

21. Peak demand frequently exceeds the available capacity, requiring EUE to import expensive energy from neighboring countries and/or engage in load-shedding. For example, in [DATE], peak demand reached [ ] MW.

22. [POWER PLANT A] has been poorly maintained and has poor availability. The power plant is also the largest polluter in [COUNTRY] and is not in compliance with [ ] environmental standards. The World Bank has recommended immediate overhaul of one unit of A. The visible soot pollution from [COUNTRY] A is particularly significant. Therefore, repair or replacement of electrostatic precipitators is urgently needed ([AMOUNT AND CURRENCY]).

23. A recent feasibility study estimated that [AMOUNT AND CURRENCY] would be required for the rehabilitation of each of the last two units in [POWER PLANT A]. This would extend the life of these two units up to about [DATE].

[POWER PLANT B] has also been badly maintained until recently. The situation has improved in recent years and many new components have been installed to maintain operation, but only to limited extent to improve the environmental performance.

24. [POWER PLANT B] is also a significant source of pollution. Both [POWER PLANT A and POER PLANT B] need investment in ash handling ([AMOUNT AND CURRENCY])

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and wastewater disposal systems ([AMOUNT AND CURRENCY]).

### AVAILABLE INFORMATION

25. The following studies/analyses of EUE have been completed or are in process:

[ ]

### III. OBJECTIVES OF THE ASSIGNMENT

26. The objective of the assignment is for the Consultant (including firms in consortia) to successfully conclude negotiations with a competitively selected bidder for private sector investment in the proposed Transaction.

27. The precise scope and definition of the proposed Transaction will be determined by the Client after considering the outcome of the Options Analysis (not part of this assignment) to be completed in [DATE] and the advice of the Consultant with respect to the optimal strategy for achieving a successful tender. In general, the Transaction is expected to include a concession for the NEW MINE, a concession for additional lignite reserves either adjacent to the NEW MINE or elsewhere in the Lignite Field, and a concession for the development of a new power station (also referred to as [POWER PLANT C]) to serve both domestic and export markets; the proposed Transaction may also include partnering on the life-extension of [POWER PLANTS A and B].

POWER PLANT C is anticipated to be commercially operational by [DATE] coincident with the development and opening of the NEW MINE. This POWER PLANT C is the top priority of [COUNTRY]'s energy policy as specified in the Energy Strategy. The commissioning of POWER PLANT C will bring about lasting improvement and stabilization to the power supply of [COUNTRY] and opportunity for exporting of power. POWER PLANT C will need to provide reliable power for local consumption and allow for bulk electricity exports to the regional market.

POWER PLANT C shall

- Be operated with more than [ ] full load hours per year (to be confirmed by market and transmission study);
- Be controlled in the load range between [ ] % to [ ] % (minimum load is also to be confirmed in consideration of grid services);
- Have a high availability by using proven equipment for all major components;
- Have a high degree of automation;
- Have a high operative efficiency according to the state of the art;

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- Have a low environmental impact (particularly CO<sub>2</sub>) and fulfill all requirements of relevant [STANDARDS]; and
- Be designed for 40 operational years.

All essential plant components will be designed to provide reliable performance for a minimum of [ ] operation hours. At least [ ] cold, [ ] warm and [ ] hot starts per year are to be taken into account. The new plant will be supplied with lignite from the new open cast NEW MINE and should incorporate proven commercial clean coal technologies (CCT) applicable to the specified lignite meeting all [ENVIRONMENTAL STANDARDS].

Considering [COUNTRY]'s limited consolidated budget, the Consultant shall consider that POWER PLANT C will be developed gradually under a project financing scheme with the involvement of International Financing Institutions (IFIs), private investors and Independent Power Producers (IPPs) under a reasonable set of operational and market servicing scenarios. For this reason, the proposed Transaction may be phased. The TORs for the Options Analysis are attached hereto for reference.

28. The proposed Transaction will be further informed by a Technical Analysis expected to be completed in [DATE] (not part of this assignment). The TORs for the Technical Analysis are attached hereto for reference.

29. In the interests of time, the Client advertised for expressions of interest in the proposed Transaction and is developing a list of prospective bidders prior to the commencement of this assignment (the deadline for submissions by prospective bidders was [ ]). Upon the commencement of this assignment, the Consultant will assume responsibility for finalising this work and prepare the short-list of pre-qualified bidders drawn from those Prospective Bidders who have registered an expression of interest.

30. As noted above, the Consultant will be required to work closely with the Legal Advisers whose work is also funded by the World Bank. The TORs for the Legal Advisers are attached hereto for reference.

31. As also noted above, the World Bank is separately funding the Client's Safeguards Advisers to, *inter alia*, prepare TORs for the successful bidder to (a) undertake environmental and social assessment, (b) prepare corresponding environmental and social impact management plans, and (c) prepare mine closure plans, all according to internationally acceptable standards. The TORs for the Safeguards Advisers are under development and will be provided in due course.

32. A general description of the work program of this assignment, consisting of three phases, is set forth below:

- Phase I—Preparatory Work: This phase consists of:

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- A) A review of the existing market structure to ascertain whether the existing market structure will accommodate the putative transaction and to make those changes necessary where deficiencies are identified in either the structural or legal environment to facilitate the transaction.
  - B) Background preparatory work leading up to a market confirmation of the feasibility of alternative investment structures and packages and an assessment of the relative merits of each option. Taking onboard the outcomes of the Options Analysis, the Consultant will define alternative investment structures for public-private partnerships. The Consultant will take onboard feedback from the market test (see reference to Options Study) and prepare for consideration by the Client a recommended final investment package (including a recommendation on the split between dedicated domestic generation and export-oriented generation), and a recommended short list of qualified bidders.
  - Phase II—Prepare RFP and Bidding: Subject to a determination by the Client to continue and a decision on the domestic/export mix, using forms of contract developed by the Client’s Legal Advisers, the Consultant shall prepare all the necessary documents to undertake a competitive, transparent bidding process. This will include the issuance to the approved short list of qualified bidders of a Request for Proposals (RFP) designed to determine a successful bidder for the development of the proposed Transaction. The final investment package may be phased, subject to meeting minimum early investments that ensure development of the Sibovc SW Mine.
  - Phase III—Negotiations and Closing: Subject to a determination by the Client to continue, working closely and cooperatively with the Client’s Legal Advisers, the Consultant shall assist the Client to conclude negotiations with a successful bidder on mutually-acceptable, appropriate terms and conditions that will assure the successful development of the Transaction.
33. The work is expected to be carried out according to the following schedule:
- [ ]
34. In carrying out the assignment, the Consultant must be familiar with the following multinational policies and practices, and to the extent relevant, incorporate these policies and practices into the Project documents.
- EU Directives—in particular but not limited to directives in the field of environmental management such as the Large Combustion Plant Directive 2001/80/EC, the Integrated Pollution Prevention and Control Directive 96/61/EC, the National Emission Ceilings Directive 2001/81/EC, the Groundwater Directive 80/68/EEC, the Landfill Directive 1999/31/EC, the Water Framework Directive

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2000/60/EC, and the proposed directive on the management of waste from the extractive industries 2003/0107 (COD);<sup>1</sup>

- World Bank Safeguards Policies—in particular as regards *Involuntary Resettlement* (OP/BP 4.12);<sup>2</sup> and
- *World Bank Group Management Response to the Extractive Industries Review*, September 2004—in particular as regards (a) consultations with affected communities, (b) public disclosure of key contractual provisions, (c) participation by the successful bidder in the Extractive Industries Transparency Initiative, and (d) use of security forces.<sup>3</sup>

#### IV. DETAILED DESCRIPTION OF THE SCOPE OF WORK

*[To be supplemented in Contract by successful bidder's Work Plan, as appropriate]*

##### Phase I

35. In Phase I, the Consultant shall:

- (i) **(EUE Risk Review)**: review EUE's (a) corporatization and (b) corporate restructuring thus far to identify any additional areas that need to be addressed prior to the proposed tender particularly as to the defined public service obligation of EUE, adequacy of tariffs, and EUE's financial condition create payment risks for investors in the new mine/thermal power plant. Also, it will be necessary to determine if the EUE mining division should be spun off into a new company, or if Government should establish a new mining company as a successor to the EUE mining division.
- (ii) **(Industrial Structure Review)** A review of the existing market structure to ascertain whether the existing market structure will accommodate the putative transaction and to make those changes necessary where deficiencies are identified in either the structural or legal environment to facilitate the transaction.
- (iii) **(Project Structure)**: analyze investment structures (*e.g.*, management contract, lease, affermage, privatization) for private sector investments in the Transaction; the appropriate investment structure should consider all relevant factors, such as:
  - How to meet the immediate needs for financing the NEW MINE? Is it possible to immediately monetize the value of the lignite in situ? What would be the likely contractual structure(s) for lignite and power sales? How does this allocate risks among the parties? What are the tax and accounting implications?

<sup>1</sup> See <<http://eur-lex.europa.eu/en/index.htm>>.

<sup>2</sup> See <<http://www.worldbank.org/safeguards>>.

<sup>3</sup> See <<http://siteresources.worldbank.org/INTOGMC/Resources/finaleirmanagementresponse.pdf>>.



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- Should the entire Transaction be treated as a single investment or, if not, what is the optimum number and scope of separate investment components and what investment structures are best suited to each component?
  - What undertakings by the Client would be necessary, both ongoing and in the event of an extended *force majeure* and/or early termination?
  - What contingent liabilities might the Client have to assume (*e.g.*, guarantees)?
  - What credit enhancements need to be offered by the Client to the potential investors?
  - What would be the term of the contract(s)?
  - Who will be responsible for safety and environmental compliance? Are investors likely to need indemnification on legacy social and environmental matters?
  - What are the key milestones and how long would they take to be achieved?
  - What would be the role of EUE and the investor's relationship to EUE?
  - What mechanism might be included to redirect donor grants already disbursed for the NEW MINE to other productive purposes (*e.g.*, payment by the successful bidder to [GOVERNMENT] in the aggregate amount of donor grants for the new mine/thermal power plant)?
  - What mechanism might be included to encourage clean coal technologies? What might be the market value of emission reductions?
- (iv)(**Market**): develop a list of prospective power purchasers other than EUE, and prepare estimates of their needs for base and modulated energy and capacity;
- (v) (**HSE**): conduct a high-level assessment of health, safety, and environmental matters that may be of concern to potential investors;
- (vi)(**Legacy Matters**): recommend a suitable structure and quantify the liabilities to allow indemnification to potential investors on relevant social and environmental legacy issues (including the establishment of an environmental liability baseline);
- (vii) (**Investors**): conduct a market survey to gather necessary inputs to recommend a tender structure to the Client;
- (viii) (**Early Diagnostic Report**): make a report to the Client of findings on tasks (i)-(vi) including identification of areas of concern to potential private sector investors and financiers and alternatives to meet such concerns;
- (ix)(**Financial Model**): develop a financial analysis model with capabilities to perform sensitivity analysis for the purpose of quantifying the financial and economic impacts of different structuring options;
- (x) (**Community Development Budget**): recommend a budget amount and implementation period for a program of development in communities affected by the Transaction that all bidders would be required to include in their

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submissions; the components of an actual community development plan would be ascertained only after award to a successful bidder and consultations with affected communities;

- (xi) **(Transmission and Distribution Investment Needs Analysis):** update estimates – based on previous studies – of the types and costs of investments needed to evacuate the power from [COUNTRY] – C.
- (xii) **(Short List):** evaluate the qualifications statements of Prospective Bidders and deliver a ‘Bidder Evaluation and Short List Report,’ recommending a short list of pre-qualified bidders to the Client;
- (xiii) **(Draft Tender Term Sheet):** based on the results of prior Phase I tasks, prepare a draft Tender Term Sheet with the assistance of the Legal Advisor, including policy or procedural options, for review and consideration by the Client, and
- (xiv) **(Phase I Report):** This report will include a summary of the activities and findings resulting from Phase I activities described above, together with conclusions and recommendations to the Client as may be appropriate.

## Phase II

36. Subject to a determination by the Client to continue and based on the outcome of Phase I and the Client’s decisions in relation thereto, in Phase II, the Consultant shall:

- (i) **(RFP):** prepare and deliver bidding documents with all the usual and necessary documentation for bidders to prepare a bid for the Transaction, which would include:
  - a) background material on the proposed Transaction and legal regime, taxation, grid code, environmental and social requirements (including TORs prepared by the Client’s Safeguards Advisers on environmental, social, and resettlement matters), etc;
  - b) the security package prepared by the Client’s Legal Advisers (at a minimum to co-develop the legal and the business terms of project contracts, including but not limited to power purchase agreements, a lignite supply agreement, a limestone supply agreement, a common facilities agreement, an ash disposal agreement, government guarantees and undertakings agreements, consents and acknowledgements, land lease agreement, interconnection agreements and defining necessary permits and assist in the development of conforming licenses);
  - c) a description of the Client’s role and obligations during construction and operation; and

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- d) a description of the bidding process, submission requirements, anticipated time schedule, performance security bond requirements for all bidders, additional performance security bond requirements for the successful bidder, and bid evaluation criteria and methodology;
- (ii) **(Bid Evaluation Methodology)**: develop proposed bid evaluation criteria and methodology delineating information required for consistent evaluation of technical specifications, financial terms, and methodology for evaluation of financing plan; bids for the proposed Transaction will be submitted in separately sealed technical and financial envelopes, of which the technical bids will be evaluated on a pass/fail basis only after which financial bids will determine the successful bidder (*i.e.*, the bidder offering the highest economic value added to [COUNTRY]);
- (iii) **(Expanded Financial Model)**: develop financial evaluation criteria and a financial analysis model with capabilities to perform sensitivity analyses in regard, *inter alia*, to variations in interest rates, construction delays, decreased production, increase in operating costs, inflation rates etc. on the pre- and post-tax return on equity; the return on project investment; the equity payback; and the operating coverage and debt service coverage ratios;

**Bidding and Proposal Evaluation**

- (iv) **(Data Room)**: arrange, with the Legal Advisers, for a data room in [COUNTRY] to include all relevant documents for the potential investors; open and maintain a website for public access, containing information about current activities and links to documents available electronically (portable document format);
- (v) **(Pre-Bid Conference)**: organize a pre-bid conference and site visit for short-listed bidders (local costs to be borne by the Client); give presentations on the bidding process and technical matters;
- (vi) **(Q&A)**: maintain a register of questions submitted by qualified bidders, draft answers for the Client, and, at least 30 days prior to the bid date, submit the questions and approved answers to all qualified bidders; and
- (vii) **(Successful Bidder)**: evaluate the RFP submissions using the methodology developed above, prepare and deliver a ‘Bid Evaluation Report,’ and recommend a successful bidder to the Client.

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**Phase III**

37. In Phase III, the Consultant shall:

**Negotiations and Finalization of the Security Package**

- (i) **(Strategy)**: prepare a list of issues and proposed Client strategies for closing negotiations with the successful bidder;
- (ii) **(Negotiations)**: working closely and cooperatively with the Client's Legal Advisers, recognizing that time is of the essence, assist the Client in commercial aspects of the negotiations and finalization of the security package to contract closing;<sup>4</sup>
- (iii) **(Removal of CP's)**: working closely with Government and the successful bidder, assist the Government in the removal of conditions precedent to financial close; and
- (iv) **(Fairness Opinion)**: render a fairness opinion if required by the Client.

38. The Consultant will uphold the highest standards of integrity and provide an unbiased, independent viewpoint; provide expert advice that is objective and is based on documented information, discussions, and field observations; maintain records of their work and their findings; report on their work in a professional and timely manner; and maintain the confidentiality of any information or documents pertaining to proprietary processes of prospective investors or the Client.

**V. DELIVERABLES**

39. The work of the Consultant will be supervised by the Client.

40. All deliverable reports should be submitted to the Client and donors<sup>5</sup> according to the time schedule set out below. All reports will be in English and where mentioned above, also in Albanian and Serbian. In addition, one soft electronic copy (portable document format) of each report shall be provided to the Client and donors.

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<sup>4</sup> The financial closing of the proposed Transaction may well be phased.

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**Table 1: Deliverables**

Milestone	Months to Completion
1. Contract signature	0
2. Submission of Bank guarantee	0
3. Acceptance of Phase I Report	4
4. Approval of Request for Proposals (RFP)	6
5. Bidder Selection and Award	10
6. Contract Closing with Successful Bidder	18
7. Removal of Conditions Precedent and Financial Closure	24

41. The Consultant shall ensure that any commercially sensitive information it may receive from prospective investors for use in this assignment is presented in a manner to protect such sensitive information.

## VI. ORGANIZATION

42. The Consultant shall propose a project team and organization, taking into consideration the following requirements:

- A. The Consultant will be required to incorporate on its team a consortium that has the following expertise: (1) an internationally recognized and extensive track record of structuring and financing complex infrastructure projects for governments on large transactions in the independent power and mining sectors in the emerging markets— as a lead manager of the assignment; (2) technical, industry, and evaluation expertise in the energy sector, especially in lignite power generation and lignite mining; (3) financial experts having extensive experience closing project financings and emerging market debt/equity placements; and (4) commercial experts having extensive experience negotiating and closing public-private partnerships in the energy sector; in addition, familiarity with the legal and regulatory environment in [COUNTRY] and the electricity market in [REGION] would be an advantage.
- B. The Consultant is also expected to regularly conduct briefing meetings with MEM, the PSC, EUE, the PISG, and their advisors.
- C. The work will require an extensive field presence in [COUNTRY]. If the Consultant does not have an existing local presence, a local special purpose office in [LOCATION] should be established (the special purpose office can also be provided through a subcontractor). Given the size and complexity of the project, the Consultant would be expected to maintain a full time presence of its senior experts, including its

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Project Manager unless otherwise agreed with the Client.

- D. It is required that the majority of the key professionals be employees of the Consultant or of firms participating in a consortium with the Consultant, and that some of the proposed personnel have a working knowledge of the Albanian language.
- E. Experienced experts shall render the required high quality input and shall make themselves available to participate in presentations or key meetings with the Client and with [ ].
- F. **Key Personnel and Sub-Consultants**  
Members of the Consultants team should have the following qualifications

Key Professional Staff

**Team Leader**

At least 8 years experience at senior management, project management level in the specific area(s) denoted within the TOR, or in equivalent assignments; with a detailed working knowledge of the associated task related topics

**Other Advisers**

At least 5 years experience in the specific area of the Advisers' specialisation, with a working knowledge of one or more associated topic areas

**All International Advisers**

Should have an advanced degree, or professional or institutional equivalent, preferably in the area of specialisation of the Adviser. Alternatively, less qualified Advisers should have national higher certificate or diploma, or its professional or institutional equivalent, with at least 12 years experience  
Practical working experience in the specialist areas  
Diplomatic skills and ease of working with International experts.  
Appreciate and be responsive to the local culture and religions.

Key Professional Staff's qualification and experience will be evaluated according to the requirements of paragraph 5.2 (a) of the Data Sheet

Support Staff

**Local Advisers**

Have 3 or more years experience in the task related topic of specialisation, or in equivalent assignments.

Have a degree in Finance, Law, Economics, Science, Engineering, or hold a professional or institutional equivalent

A good working knowledge of both written and spoken English.

Local Staff (other disciplines)

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Appointed on an ‘as needed basis’

## VII. ANTICIPATED TIMING AND DURATION

43. The assignment is envisaged to start within ten days of the signing of a contract with the winning bidder, and is to be completed within [ ] months after its commencement. The estimated level of effort for the work is [ ] professional staff-months.

## VIII. CONFIDENTIALITY

44. The Consultant agrees to keep confidential all information that it receives, directly or indirectly, from [ ] as well as all copies or analyses that it makes, or have been made by third parties, on the basis of such information (collectively, the Material). The Consultant shall use the Material exclusively for the purpose of this assignment. The confidentiality obligations shall not apply to information in the public domain. The Consultant shall only permit access to the Material to persons within its organization and affiliated firms on a need-to-know basis. The Consultant shall explicitly inform such persons of the confidential nature of the Material and, prior to providing them the Material, subject them to the confidential obligations contained in this declaration. The Consultant, its sub-consultants, and the personnel of either of them will be required, either during the term or for a period of two years after the expiration of this assignment, not to disclose any proprietary or confidential information relating to the proposed project, the services, or EUE’s business or operations, without the prior written consent of [ ].

50. Reporting requirements. The Consultants will:

- Be responsible to [PROJECT OFFICE], who is responsible for day-to-day coordination of the tasks and the consistency of approach for the project.
- Report to [PROJECT] on a regular basis.
- Attend meetings as required and/or requested, with [PROJECT OFFICE], Ministries, Government organisations or representatives, expert groups and other interested stakeholder bodies.
- Attend a twice-monthly Project Office management meeting at the beginning of the first and third week of each month, and/or on an ‘as needed’ basis.
- Will submit a brief weekly report each Monday (maximum 1 - 2 pages) detailing the past week activities and the future weeks work plans.
- Will submit a detailed monthly report at the end of each month detailing the past months activities, the successes and difficulties, and the work plan of action for the following months’ activities. The report will highlight the progress towards achieving the deliverables and goals stated in the TOR and the Instructions to Consultants - Data Sheets.
- The monthly report and work plan is expected to be modified by decisions taken during the management meetings.

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- The above mention reports are in addition to the substantive deliverables as detailed in the TOR and the Instructions to Consultants - Data Sheets.
- All reports will be in English and if requested, in [LANGUAGE]. In addition, one soft electronic copy (portable document format) of each report shall be provided to the Client
- Ensure that all information it receives, uncovers through investigation, acquires in the course of daily business, through meetings with groups or individuals, will remain confidential and remain both the property and intellectual property of the client.
- Ensure that no information, other than that necessary in the course of daily business, be disseminated without the prior approval of the Project Manager of the Project Office.
- Ensure an archiving room is established, where all information received or created, in whatever form, as a hard copy or in an electronic digital format, is stored as a record of the work process undertaken. Such information will be organised so as to be easily retrievable through a sequential numerical/alphabetical system, or as an electronic database.
- At the end of the project, control of the Archive Room and its contents, will be handed over to the client.

51. Service and Facilities. The Project Office will provide:

- Normal office accommodation
- Standard office furniture
- Local telephone calls (long distance to be paid by the Consultant)
- Access to Fax facilities
- Internet connection (Each Consultant will be expected to provide a personal laptop). In an emergency, access to a computer will be provided.
- Access to Printer and Photocopy machines
- Normal office consumables, stationery and printing paper

Attachments: TORs for Technical Analysis  
TORs for Legal Advisers  
TORs for Safeguards Advisers