

## **Stakeholder Consultation and Design of Two Concept Notes**

### TERMS OF REFERENCE

#### **I. Project Background**

Armenia Renewable Resources and Energy Efficiency Fund (R2E2) is a professional and experienced entity in the field of energy efficiency and renewable energy in the Republic of Armenia. Since establishment in 2006, it is implementing wide range of activities aimed at promoting investments in energy efficiency and renewable energy sectors, fostering market development in the sphere of Armenia's energy efficiency and renewable resources, enhancing reduction of technological influence on environment and human health, developing mechanisms aimed at increasing the level of reliability of energy security and energy system. One of the key objectives of Fund's operations is to promote "green energy" practices in the deprived regions of the country and make it affordable to the mostly vulnerable population, thus addressing "energy poverty" issues for the population. In doing so, R2E2 has partnered with number of international organizations and donor agencies to implement innovative and targeted support to the beneficiaries. Owing to outstanding achievements in delivering its mandate and with the purpose to scale up activities of the Fund (through channeling concessional resources), in 2017 NDA has issued nomination letter supporting R2E2 aspiration to become accredited under the national direct assess modality.

#### **II. Assignment Background**

In 2018, R2E2 has filled in accreditation application through OAS system and submitted to initial review by Secretariat. Comments received from GCF has made clear that R2E2 require professional support in order to address existing gaps in its institutional and procedural frameworks.

More specifically, R2E2 required support in assessment of compliance against GCF Fiduciary Standards. To address this, the consulting company has been contracted to carry out comprehensive gap assessment & design of action plan. This has been followed with selection of professional consulting company and individual consultant that designed respective policies and procedures aimed at introduction of internal regulatory framework that is concordant with GCF requirements for potential accredited entities.

The last phase of the Readiness Project is targeting implementation of large scale consultations with stakeholders and design of the project portfolio for potential accredited entity.

#### **III. Objective of the Assignment**

The objective of the assignment is to design project portfolio for potential accredited entity (R2E2 Fund) following review of the national long-term policies in the domain of energy efficiency and renewable energy and in close consultations with potential stakeholders (relevant ministries and agencies, municipalities, private sector representatives and international development partners).

## Scope of Work

More specifically, the Company will:

1. Carry out desk research and thoroughly examine Armenia's long-term development policies and strategies in the field of energy efficiency and renewable energy, access infrastructural development and investment needs, as well as review country cooperation strategies and project portfolios of international development partners to distill potential projects that could potentially be included into the potential entity portfolio.

*Results of the desk research should serve as the basis for inclusion of the projects from renewable energy and energy efficiency sector into the final draft of the Country partnership document ("GCF – Armenia Country Cooperation Programme").*

**Deliverable 1.** – Comprehensive report summarizing results of the desk research, proposing long-list of projects (to be further validated with the Client) and methodological approaches for implementation of consultations with stakeholders.

2. Organize and coordinate consultation process that will engage the following key stakeholders: relevant ministries and agencies, municipalities (Yerevan and 3-4 biggest cities of Armenia), private sector entities currently designing projects in the climate mitigation domain and representatives of international development partners (MDBs).

*The structure and the timeline of the consultation process will be proposed by the Company and agreed upon with the Client.*

**Deliverable 2.** – Comprehensive report summarizing results of the consultation process and summary recommendations on the potential projects accompanied with the ranking of Projects identified through stage one and consulted with stakeholders.

3. Design full-fledged Concept Notes (in accordance with GCF requirements) for 2 projects selected by the Client based on the results of consultations with stakeholders.

**Deliverable 3.** – 2 Concept Notes for the selected project structured in accordance with respective procedural manuals and templates.

## Timeframe, deliverables and reporting

The overall duration of the **"Readiness Support for accreditation gap assessment, capacity building and pipeline development for potential accredited entity"** Project is 24 months.

Required services will be delivered during May - August 2022 (16 weeks).