

RESPONSE TO QUERIES: RFP - Training for Bhutan on Concepts of Project Finance

RFP issue date: July 15, 2021

RFP closing date: August 10, 2021 (18:00 IST)

SI No	Reference	Query	SAREH response
1	General	Can you please confirm whether your (Sannam S4 Management Services India Private Limited) agreement with USAID is a cooperative agreement and can this be a fixed price contract (using market-based fee rates for similar engagements for similar clients e.g. bilateral)?	<p>The cooperative agreement is between USAID and USEA. Sannam S4 is a sub-contractor to USEA as mentioned in the RFP.</p> <p>This will be a fixed price contract with defined deliverables and timelines. The winning bidder will sign a contract with Sannam S4 Management Services India Private Limited.</p>
2	General	Is this opportunity for non-profit organizations only?	This RFP is open for all
3	General	Whether the contract to be awarded is intended for Indian firms or international firms as well?	The RFP is open for both Indian and International organisations.
4	General	Can the contract be in U.S. Dollars? The RFP referenced INR equivalent.	<p>The contracting party - Sannam S4 Management Services India Private Limited - is an entity registered in India. Hence the bid references INR.</p> <p>The bidder can submit quote in foreign currency. The same will be subject to withholding tax in India based on the documents provided by the selected bidder. If bidding in a currency other than the U.S. Dollar (USD), then the bidder must submit a proof of exchange rate of 29 July 2021 (available in https://www.federalreserve.gov/releases/h10/current/) to substantiate that the bid is under the \$ 24,999 threshold.</p> <p>For the purpose of comparative evaluation of bids, exchange rate of 29 July 2021 from https://www.federalreserve.gov/releases/h10/current/ will be used to convert all bids in USD.</p> <p>The quoted price will be firm and no price variation due to escalation, inflation, fluctuation in exchange rates, taxes, or any other market factors shall be accepted after the proposal submission.</p>

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5	Training Program Requirements	Please clarify whether each workshop will have at least 10 hours allocated and both the workshops together make up to at least 20 hours overall? Or it is 20 hours for each workshop and total 40 hours.	Both workshops combined are envisaged to be of minimum 20 hours. An indicative list of topics expected to be covered in both the workshops along with time break-up is included towards the end of the response sheet. However, this is minimum expectation. Bidders should propose number of hours/days for each workshop that they consider sufficient to cover all the requested topics.
6	Training objectives	Please clarify whether the focus of trainings be on large size utility scale power projects or small size power projects (e.g. distributed RE) or both.	Both
7	Proposal Content	<p>Pls clarify on this point. What is the maximum page limit of the CV for each expert? Is it ONE page?</p> <p>Does this point mean the following?</p> <ul style="list-style-type: none"> - Maximum ONE page to define the organization chart - Another ONE page to depict the staffing and responsibilities assigned to each expert (including the subjects allocated) - Another ONE page to present brief Bio <p>Is there any specific template to follow?</p>	<p>One page on the proposed organization of the team and to demonstrate the fulfilment of the minimum eligibility requirements; One page to describe the responsibilities and subject areas assigned to the proposed team members; One page for the bio note of each team member.</p> <p>In addition to the above, completed USAID Contractor Employee Biographical Data Sheet form for every team member proposed by the bidder as annexure. Template is available at https://www.usaid.gov/sites/default/files/documents/1868/AID-1420-17-6-13-19FINAL.doc</p>
8	General	We request two-week extension to the proposal submission deadline by August 24.	Due to time constraint, the proposal submission date cannot be extended.
9	Financial proposal	Is the labour fee to be quoted faculty wise? Or on lump-sum basis. Similarly, detailed break up of indirect cost will be required?	Yes, labour fee must be quoted per proposed team member. Indirect costs can be quoted on lump-sum basis but they should be itemized (include the breakup of components of indirect expenses).
10	General	How many hours of training per day has been envisaged or comfortable for the participants?	About 4 hours per day on an average.
11	General	If the bidder chooses to make association/partnership/, will the bio-data form 1420 will be required for the staff from the associated/partner also? Or only of the staff from the lead bidder?	USAID Contractor Employee Biographical Data Sheet forms is required for every team member proposed by the bidder.

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12	Evaluation Criteria	There is no mention of minimum marks for a proposal to be considered as technically acceptable. We request you to please clarify the same.	Proposals scoring minimum 70% on technical criteria will be considered for financial evaluation.
13	General	In terms of font and size, please confirm that only Times New Roman pt 11 is permissible for text, with Times New Roman pt 9 permissible for any graphics. And that page margins should be US letter size, 9-1/2" x 11".	For this proposal, no guidelines on page margin, font size and style have been specified.
14	Proposal Content	Please confirm that maximum 1 page limit for the bio note of each team member means 1 page for each of the 4 key personnel, for a total of 4 pages.	Yes, one page for each team member. Additionally, completed USAID Contractor Employee Biographical Data Sheet form for every team member proposed by the bidder. Template is available at https://www.usaid.gov/sites/default/files/documents/1868/AID-1420-17-6-13-19FINAL.doc
15	Budget	Please increase the Maximum Award Amount: INR equivalent of \$24,999 USD (Inclusive of GST and applicable taxes).	No change

Indicative list of topics and tentative duration

THEME I - FINANCIAL AND ECONOMIC MODELING (10 HOURS)

Module I - Introduction to project finance (1 hour)

- What is project finance
- Application of project finance
- Overview and explanation of terms used in project finance

Module II - Introduction to financial modelling (1.5 hours)

- Fundamentals of financial modelling
- Terms used in financial modelling
- Types of financial models
- Application of financial model
- Do's and Don'ts in financial modelling

Module III - Developing a basic financial model in MS-Excel (2.5 hours)

- Conceptualizing the model
- Identifying key model variables
- Organizing the model: Data, Assumptions,
- Key output indicators
- Scenarios and Sensitivity analysis
- Auditing a spreadsheet

Module IV – Introduction to economic modelling (1 hour)

- Difference between financial model and economic model
- Determination of economic costs
- Determination of economic benefits and co-benefits (Direct, indirect, tangible and intangible)
- Key output indicators for economic assessment

Module V – Financial and economic models for energy sector (4 hours)

- Financial Model for Clean energy projects (Hydro and Solar)
- Financial Model for Energy Efficiency projects
- Participant's exercise using a financial model template

THEME 2 – INNOVATIVE FINANCIAL INSTRUMENTS & PROJECT STRUCTURING (10 HOURS)

Module I - Risk analysis (2 hour)

- Identification of risks and uncertainties
- Impact on risks on key variables of financial model
- Quantification of risks on project's financial viability using a financial model
- Sensitivity analysis on risks

Module II - Innovative financial instruments (4 hours)

- Conventional financing instruments
- Limitations of conventional financing for Clean Energy and Energy Efficiency (EE) projects
- Innovative financing instruments for Hydro, Solar and Waste to Energy and EE projects
- Comparing different instruments through financial models

- Case studies of implementation from the region
- Group discussion- applicability and suitable instruments for Bhutan

Module III - Project structuring (4 hours)

- Types of business models
- Risk identification and allocations
- Structuring of a project
- Applying financial model to a project structure
- Key clauses for commercial agreements (such as for a Power Purchase Agreement)
- Case Studies on project structuring (roles and responsibilities, commercial arrangements, risk allocations)