

Request for Concept Notes

Building Skills and Knowledge on Energy-Efficient Construction and Renovation in the Eastern Partnership Region

1. Background

RECONOMY is an inclusive and green economic development program of the Swedish International Development Cooperation Agency (Sida), implemented by the HELVETAS Swiss Development Organization. In partnership with the Swedish International Development Cooperation Agency (Sida), HELVETAS Swiss Development Organization is leading a regional inclusive and green economic development program, RECONOMY, in 11 countries in Eastern Partnership (Armenia, Azerbaijan, Georgia, Ukraine, Moldova), and the Western Balkans (Kosovo, North Macedonia, Albania, Montenegro, Serbia, and Bosnia and Herzegovina). The main phase for the Eastern Partnership region runs from January 2023 to December 2026.

RECONOMY program is implementing a project “Better Income and Employability in Energy-Efficient Construction and Renovation” in the EaP Region. With a specific focus on Energy Efficiency and Renewable Energy (EE/RE), our core objective is to empower individuals, with a special emphasis on women and youth, including the most disadvantaged and excluded ones by equipping them with the expertise and skills required to actively engage in the dynamic EE/RE sector. This goal will be achieved through:

- (i) Enhancing accessibility to environmentally friendly job prospects and related services within the Energy-Efficient Construction and Renovation sector in the EaP region.
- (ii) Elevating the green and sustainable skill sets of women and young individuals, particularly those facing economic disadvantages and social exclusion, thereby contributing to improved income and employability in this field.
- (iii) Raising awareness about the career opportunities and benefits of the sector.

The design of the project is built on the learnings from the pilots implemented in the inception phase, as well as the general market systems analysis and sector selection exercise that took place during the inception phase.

Countries in the EaP region are in the process of an energy transition, driven by the need to create more economic opportunities, strengthen national energy security, and reduce dependence on gas and oil imports. The war in Ukraine created a critical stimulus for accelerated phasing out of fossil fuels and radical improvements in energy efficiency both in the European Union and the EaP region; however, this requires significant and coordinated efforts from all actors.

Energy efficiency is crucial for this transition, offering national security, reduced greenhouse gas emissions, cleaner air, job creation, and cost savings. Moldova and Ukraine's EU Candidacy Status and Georgia's ongoing reforms under the Association Agreement will facilitate supportive regulatory environments and financial resources. Armenia and Azerbaijan are also prioritizing energy efficiency in the "EU's post-2020 priorities for the Eastern Partnership." All EaP countries will receive support and cooperation under the European Green Deal, with Ukraine emphasizing energy efficiency in post-war reconstruction.

These factors, along with global trends, will increase demand for energy-efficient solutions in the EaP region, requiring changes in skills, business services, regulations, and behaviour. Construction and renovation of buildings were identified as a specific focus area within energy efficiency. The construction sector is a significant employer in the region (60 000+ employees in Moldova, around 700,000 in Ukraine, 35,000 in Armenia, 360,000 in Azerbaijan, and 60,000+ in Georgia); particularly accessible for youth, (dominated by male employees), dominated by MSMEs facing challenges accessing finance and business services. Outdated Soviet-era buildings contribute to high energy consumption, particularly affecting rural and lower-income households. While energy-efficient building practices are slowly gaining traction due to evolving regulations, access to modern materials, and emerging state support programs and credit resources, there is still much progress to be made.

There are constraints in the areas of skills and knowledge, access to information and awareness among the population, behavioral patterns, industry collaboration, and partnership for improved economic opportunities.

The growing energy-efficient construction market requires a range of green skills, including technical, science, operational, and monitoring skills, as well as soft skills like marketing and sales. Many professions need to incorporate new competencies in modern energy-efficient technologies and materials, from construction workers to engineers and architects to design energy-efficient buildings at the same time applying gender and social inclusion lens.

In the EaP region, there's a disconnect between educational providers offering outdated training and companies not collaborating effectively with universities and vocational schools. The migration of skilled workers is also a challenge, necessitating expanded educational opportunities.

The sector is predominantly male, with persistent gender stereotypes. Efforts to bridge the gender gap are insufficient, despite recognizing that the green energy transition offers better opportunities for women. Raising awareness among young people about the future prospects in green energy and energy efficiency careers can help dispel stereotypes about low-quality jobs in the sector.

In summary, the challenges are systemic and require comprehensive solutions. As the target countries undergo significant energy transitions, the need for green solutions and the development of essential skills in the construction sector has become apparent. By bridging gaps in skills, information access, gender equity, and industry collaboration, the project aims to catalyze a sustainable future aligned with global energy efficiency priorities in the Eastern Partnership Region.

2. Objective

RECONOMY seeks Concept Notes that propose innovative initiatives that can transform the EE/RE sector in the EaP region into a model of sustainability and green production through enhancing and strengthening green skills in the sector among women, youth, and the most disadvantaged and excluded ones in EaP countries (Armenia, Georgia, Moldova, and Ukraine).

Our overarching objective is to create a model of sustainability, responsible skills development, and market-driven demand that not only revitalizes the construction sector but also fosters broader socio-economic growth in the region.

Through *these innovative initiatives*, we aim to achieve three specific objectives:

- (i) Equipping women and youth, including the most disadvantaged and excluded ones in the energy efficiency and renewable energy in the construction sector with practical/technical green/sustainable skills and knowledge required to operate in an environmentally responsible manner.
- (ii) Raising awareness about career opportunities and benefits of the sector, promoting sustainability.
- (iii) Supporting women and youth, including the most disadvantaged and excluded ones to get decent and green jobs in the sector.

To ensure the market relevance of the offers, RECONOMY EaP Hub aims to promote structured and frequent dialogue between sectoral associations, training providers, and businesses so that they learn from each other's good practices. As mentioned above, the initiatives should ideally address the needs and improve the preparedness, skills, and knowledge in the EE/RE Industry in the EaP region.

3. Procurement Process

This solicitation is the first step of a competitive two-step process.

Step One: The applicants shall submit a Concept Note, where the proposed innovative initiative should comply with the goals outlined in section 2. Objective.

The applicants are allowed to submit **only 1 (one) Concept Note**. RECONOMY shall review the Concept Notes submitted by applicants and will assess them based on evaluation criteria and the other provisions set out in this Request. The Concept Notes shall be short-listed, and the RECONOMY Program will select a maximum of 5 (five) concept notes.

Step Two: RECONOMY will invite selected applicants to expand their concept notes into a project (business model, sustainability, outreach, etc.).

4. Eligibility for Participation

4.1 Eligible Applicants

Participation is open to all companies, organizations, firms, and institutions **with proven experience in Energy-Efficient Construction and Renovation and/or Skills Development**, that are legal entities registered according to the legislation in force, in at least one of the EaP countries: Georgia, Armenia, Moldova, and Ukraine.

4.2 Exclusion Criteria from Participation

Applicants shall be excluded from taking part in the procurement procedure if they and/or their individual owners meet at least one of the **Exclusion Criteria** described in Annex 1.

5. Instructions on Concept Notes

5.1 Content and Form of the Concept Notes:

Applicants should submit a Concept Note based on the form provided by RECONOMY. Please fill out the **Concept Note Form – Energy Efficient** enclosed in this Request. Applicants must fill out all sections of the form.

5.2 Duration of the activities' implementation:

Applicants should submit Concept Notes with activities that do not exceed a 12-month time frame for their implementation.

5.3 Funding limits:

RECONOMY Program will provide financial support of up to 30,000 CHF per Concept Note, which should be used only for the implementation of activities. The rest of the other costs (rent, salaries, utilities, etc.) should be provided by the applicant's own resources.

5.4 Language of the Concept Notes: ENGLISH

6. Application Procedure

6.1 Selection Criteria:

The eligible applicants meeting the following criteria are invited to submit a Concept Note:

- Experience of at least 3 years in Energy-Efficient Construction and Renovation and/or Skills Development,
- Experience with other partners in implementing projects and/or various initiatives is desirable,
- Organizational, financial, and professional capacities to implement the innovative initiative.

6.2 Submission of Concept Notes

Concept Notes should be delivered in **pdf format** to the email: reconomyprocurement@helvetas.org, with the subject line "Skills and Knowledge in EE - RECONOMY Program", by **3 November 2023**.

7. Evaluation

Concept Notes shall be evaluated on the basis of their completeness, compliance, and responsiveness to the objective and other provisions of this Request. Shortlisted applicants may be invited for an interview where certain aspects of their submitted Concept Notes may be discussed prior to confirmation of being selected for the second step of the procurement process.

7.1 Awarding Criteria

Concept Notes will be evaluated based on the **Best price – Quality ratio** criteria as follows:

- A. Quality of Concept Note - 70%
- B: Financial offer – 30%

7.2 Evaluation Criteria

A. Quality of Concept Note Criteria		Max Points (70)
A1. The innovativeness of the initiative		
A1.1	Degree of innovation	15
A1.2	The impact on the industry sector (number of companies or people reached)	15
A1.3	Sustainability vision	15
A2. Implementation of initiative		
A2.1	Clarity, planning approach, expected results	15
A3. Organizational and professional capacities to implement the initiative		
A3.1	Experience and Qualification of the team assigned to	5
A3.2	Proven experience in implementing various initiatives with other partners	3
A3.3	Demonstrated track record of successfully integrating gender and social inclusion principles	2
B. Financial Offer Criteria		Max Points (30)
B.1	Feasibility of the implementation cost of the initiative	10
B.2	The rates of implementation cost are well aligned with the regional/national market rates	10
B.3	Financial capacity of the applicant and matching funds provision	10

Shortlisted Concept Notes will be selected based on the total score attained.

To be shortlisted the Concept Notes should pass the minimum score of 50% of the quality score of 70 points. The Concept Notes that do not pass the minimum quality score are not considered eligible for further consideration, and their financial offers will not be evaluated.

8. Confidentiality

RECONOMY acknowledges that the information received from Applicants under this Request for Concept Notes may be of a confidential nature. RECONOMY shall use the same degree of care with Applicant's confidential information as it uses to protect its own confidential information.

9. Further Information

Any clarifications or questions regarding this Request for Concept Notes shall be sent to the email address reconomyprocurement@helvetas.org no later than 7 working days before the closing date.

The applicants can expect to receive information about the decision on their expressions of interest by **20 November 2023**.