



United Nations Environment Programme

برنامج الأمم المتحدة للبيئة • 联合国环境规划署

PROGRAMME DES NATIONS UNIES POUR L'ENVIRONNEMENT • PROGRAMA DE LAS NACIONES UNIDAS PARA EL MEDIO AMBIENTE
ПРОГРАММА ОРГАНИЗАЦИИ ОБЪЕДИНЕННЫХ НАЦИЙ ПО ОКРУЖАЮЩЕЙ СРЕДЕ

QUALIFICATION OF VENDORS

= REQUEST FOR PROPOSALS =

Indonesia Solar Energy Technology Loan Programme

Aceh, Indonesia

Division of Technology, Industry and Economics (UNEP/DTIE)

15 rue de Milan • 75441 Paris CEDEX 09 • France

Tel: +33.1.44.37.14.50 • E-mail: unep.tie@unep.fr

Fax: +33.1.44.37.14.74 • URL: <http://www.unep.fr>



United Nations Environment Programme

برنامج الأمم المتحدة للبيئة • 联合国环境规划署
PROGRAMME DES NATIONS UNIES POUR L'ENVIRONNEMENT • PROGRAMA DE LAS NACIONES UNIDAS PARA EL MEDIO AMBIENTE
ПРОГРАММА ОРГАНИЗАЦИИ ОБЪЕДИНЕННЫХ НАЦИЙ ПО ОКРУЖАЮЩЕЙ СРЕДЕ

Indonesia Solar Energy Technology Loan Programme Aceh, Indonesia QUALIFICATION OF VENDORS REQUEST FOR PROPOSALS October 2008

[Proposal and Attachments Must be Submitted in English]

1 DESCRIPTION OF SOLICITATION

1.1 Introduction

This Request for Proposals (“RFP”) has been issued in order to identify, select, and qualify Vendors of solar biomass hybrid-powered dryers (“Dryers”) for the purpose of participating in a Loan Programme under the auspices of the United Nations Environment Programme (“UNEP”) in Aceh Province, Indonesia.

1.2 Contents of this Request for Proposals

This RFP consists of the following three components: a statement of Programme Requirements, a Response Format, and Proposal Evaluation and Selection processes. The Programme Requirements (Section 2) describe the Loan Programme and the information / criteria for qualification; the Response Format (Section 3) describes the format in which the Proposal is to be submitted by Bidders; and Proposal Evaluation and Selection (Section 4) describes the evaluation criteria and process for selection and qualification of the Vendors. The Proposal must contain the information requested and follow the format specified in the Response Format section.

1.3 Form of Sponsorship

UNEP will collaborate with select local banks (“Banks”) and extend support to them for the purposes of granting and managing loans advanced to the customers of the Bank, against the purchase of the Dryers from Vendors. UNEP will work with Vendors and Banks to identify buyers of the Dryers to participate in the Programme. This support will be available for a limited period of time.

1.4 Solicitation Schedule

The schedule for this RFP is as follows:

- Release of the RFP: November 3, 2008
- Proposals should be submitted before: December 15, 2008
- Selection of Vendors: January 15, 2008

1.5 Point of Contact and Proposal Submissions

The point of contact for this RFP is:

Dr. Chia-Chin Cheng, Energy Scientist
UNEP Risoe Center
At Risø National Laboratory
Denmark Technical University
Frederiksborgvej 399, P.O. Box 49
DK-4000 Roskilde, Denmark
Phone: +45-4677-5116, Fax: +45-4632-1999
Email: chia-chin.cheng@risoe.dk

In Indonesia, the point of contact is:

Helianti Hilman
Yayasan Khaula Karya
Jl. Kemang Utara A No 3,
Jakarta 12730, Indonesia
Phone: +62-21-718-3483
Email: helianti@khaula.org



United Nations Environment Programme

برنامج الأمم المتحدة للبيئة • 联合国环境规划署
PROGRAMME DES NATIONS UNIES POUR L'ENVIRONNEMENT • PROGRAMA DE LAS NACIONES UNIDAS PARA EL MEDIO AMBIENTE
ПРОГРАММА ОРГАНИЗАЦИИ ОБЪЕДИНЕННЫХ НАЦИЙ ПО ОКРУЖАЮЩЕЙ СРЕДЕ

1.6 Questions

All questions about the final RFP must be submitted by email to chia-chin.cheng@risoe.dk at least 2 working days before the Proposal due date noted in Section 1.4.

1.7 Withdrawal and Modification of Proposals

Once submitted, Bidders may not submit revised Proposals. Bidders may withdraw their Proposal from consideration up to the Proposal deadline.

1.8 Confidentiality of Proposals

All proposals will be treated as confidential. Operational or strategic details of project proposals will be shared only within the UNEP, its allied agencies, their consultants, and Banks.

2 PROGRAMME REQUIREMENTS

This RFP is directed at experienced Vendors with demonstrated ability to sell and service the Dryers.

2.1 Programme Background and Introduction

The Loan Programme is a short-term intervention designed to help kick-start the market for credit finance of the solar energy sector in Indonesia, specifically for the agriculture and fishing sectors in Aceh Province.

2.2 Context and Rationale

Although the operating costs of Dryers are quite low, the initial cost of buying them is high and only a small percentage of small and medium-sized enterprises ("SMEs") can afford to pay up-front to acquire them. Lack of access to credit is perceived to be a large impediment to growth.

2.3 Sponsors

- **United Nations Environment Programme** is working to address global energy and environment issues on both political and technical levels. One of its focus areas is to encourage widespread use of clean energy and facilitate the use of environmentally sound technologies. The UNEP works extensively with the governments, the World Bank and other international banks, NGOs, industry associations, and consulting organisations.
- The **UNEP Risoe Centre** based in Roskilde, Denmark, provides technical and analytical support to the UNEP for a range of activities in the energy-environment area, including climate change mitigation, environmental issues in national and international environmental policies, and energy sector reform.

2.4 Loan Programme

The Banks will provide loans to buyers of Dryers supplied by the Vendors, based on the Banks' lending policies. The Banks will follow such loan appraisal criteria as they may decide appropriate in accordance with their internal lending policies and in consonance with the objectives of the Loan Programme, and the UNEP will not endorse any product sold or project proposal submitted by the Vendors. Similarly, documentation for such loans will be in conformity with normal banking practice. The Banks may request additional information, documentation, or support from the Vendors as part of its loan appraisal, approval, and management procedures.



United Nations Environment Programme

برنامج الأمم المتحدة للبيئة • 联合国环境规划署

PROGRAMME DES NATIONS UNIES POUR L'ENVIRONNEMENT • PROGRAMA DE LAS NACIONES UNIDAS PARA EL MEDIO AMBIENTE

ПРОГРАММА ОРГАНИЗАЦИИ ОБЪЕДИНЕННЫХ НАЦИЙ ПО ОКРУЖАЮЩЕЙ СРЕДЕ

Qualified Vendors:

UNEP will establish a concurrent mechanism to identify and select Vendors who will qualify for the support under the Loan Programme. More Bidders will be added to a list to serve as a panel of qualified Vendors, and this list may be revised from time to time depending on assessment of their performance and their compliance with qualification criteria. The loans will be available for those Vendors whose Dryers satisfy Dryer Technical Specifications and fulfill Vendor Qualifying Criteria (please see below). Neither the UNEP nor the Banks are customers or buyers of the Dryers, and their association does not imply any endorsement of the Dryer sold by the Vendors.

Qualifying Criteria

UNEP stipulates criteria for qualifying Vendors, which may vary from time to time. The **Vendor Qualifying Criteria** stipulated at present are detailed in **Attachment 1**.

Technical Specifications

UNEP stipulates the Technical Specifications for the Dryers eligible for financial support, which could be revised from time to time depending on changes in technology, operating experience, market circumstances, pricing, and customer preferences. The **Technical Specifications** stipulated at present are detailed in **Attachment 2**.

Price List

Vendors will make available their product descriptions, price lists, including revisions thereto, to UNEP and the Banks to indicate the range of sale prices in which the products will be sold to the customers, so as to make the pricing process transparent. Bank financing will be within the prices indicated by the Vendor and the Bank's own appraisal. Banks may seek clarification and explanations of prices from Vendors during Bank loan appraisal.

Rate of Interest on the Loans

Banks will charge commercial rates of interest on loans advanced to buyers of Dryers, or such other rates of interest as may be notified from time to time.

Areas & Branches

The loans will be available at selected branches of the Bank.

Awareness Program

UNEP and/or the banks may request the Vendors to participate in initiatives associated with spreading awareness and information about solar biomass hybrid drying technologies, the Dryers, and the Loan Programme. Vendors hold their own responsibility on any incurred costs related to their participation in this awareness program.

2.5 Threshold Requirements

Proposals must meet the threshold requirements in this Section hereinbelow.



United Nations Environment Programme

برنامج الأمم المتحدة للبيئة • 联合国环境规划署

PROGRAMME DES NATIONS UNIES POUR L'ENVIRONNEMENT • PROGRAMA DE LAS NACIONES UNIDAS PARA EL MEDIO AMBIENTE

ПРОГРАММА ОРГАНИЗАЦИИ ОБЪЕДИНЕННЫХ НАЦИЙ ПО ОКРУЖАЮЩЕЙ СРЕДЕ

This Section indicates documentary evidence to be attached by Bidders in their Proposals, which may have to be supplemented or corroborated upon request. Bidders are free to attach any additional documentation that may strengthen their case. Bidder must provide details with respect to each and every qualification norm mentioned herein below, and the Proposal may be considered to be incomplete if any significant or material information is not discussed in the Proposal. Proposals that do not meet these requirements, as determined by the UNEP, will be rejected.

Who can qualify?

2.5.1 Bidders who have sold solar dryers or solar biomass hybrid dryers in Indonesia and Asia are preferred, but other regions will be considered.

- Indicate the number of solar dryers and solar biomass hybrid dryers sold in the last 5 years, specifying separately the number of sales under: (a) government-sponsored programmes and institutional customers, and (b) to retail customers.

2.5.2 Bidders should have extensive experience installing solar dryers and/or solar biomass hybrid dryers in Indonesia.

- Indicate the number of dryers and solar biomass hybrid dryers sold and installed (please mention whether they were installed by the Bidders' own personnel) in each year, classified by the type of product and the region or territory of installation.
 - Distinguish between government-sponsored programs, large or institutional (greater than 1-ton per day capacity), and retail customers.
 - Distinguish between solar dryers and solar biomass hybrid dryers, indicating the source of alternative energy (e.g., biomass, diesel) for each solar biomass hybrid dryer sold.
 - Confirm whether the products sold and installed were manufactured in-house or procured from other manufacturers.
 - Indicate the locations where the solar dryers and solar biomass hybrid dryers are installed and available for physical inspection, if required.
- Please provide suitable references of customers who may be contacted for independent verification.
- Present information in the format below:

Name of Customer	Location	Date/Year of sale	Dryer Type: Solar Only/Solar-Biomass/Solar-Diesel/Solar-Other	Customer – Govt/Donor/Actual User

Customer – Cocoa/Coffee/Seafood/Other	Physical Specifications – Capacity	Technology type	Manufactured In-House – Yes/No	Customer Reference Name/Contact Details



2.5.3 The solar dryers and solar biomass hybrid dryers sold should be suitable for use in drying at least one of the following commodities: cocoa, coffee, and sea food (e.g., anchovy, medium-sized fish).

- Indicate the number of solar dryers and solar biomass hybrid dryers the Bidder has installed to dry cocoa, coffee, and seafood relevant for businesses in Aceh Province.
- Discuss whether past installations were financially feasible for the customer and whether any subsidies or other financial support was provided to customer.

2.5.4 Bidders should operate in Indonesia, with sales and service networks in Indonesia, and have the capability and infrastructure to design, produce, supply, construct, install, commission, train operating customers' personnel, and provide after-sales service in Aceh Province. Provide details regarding the following:

- Locations of manufacturing facilities, Sales Offices, and Service Centers in Indonesia, including names and contact details of key personnel.
- Extent of in-house manufacture, giving details of sources of major components and suppliers.
- Dates on which Sales Offices and Service Centers commenced operations.
- If Sales Offices and Service Centers are owned by the Bidder or owned/ operated by distributors, dealers, resellers, franchises, or indirectly.
- The existing and proposed sales and service infrastructure in Aceh Province, indicating whether it is owned and operated by own personnel or by franchisees/ resellers/others.

2.5.5 Bidders should have ongoing programs to train personnel of the Dryer buyers.

- Indicate arrangements that will be made for training personnel of the Dryer buyers in using the Dryers.

2.5.6 Bidders should be turnkey service providers with their own manufacturing/assembly capabilities and infrastructure – no resellers or dealers or distributors are eligible. However, in the event that the Vendor proposes to use dealers, resellers, agents, contractors, or such other persons to provide any of the manufacturing, sales, or after-sales service, the Vendor must assume responsibility of all acts of such persons and provide details of these service providers, including a statement of their capability and infrastructure.

- All components and after-sales service should be part of the integrated package sold by Bidders to the customer.
- Provide full details of the dealers, resellers, agents, contractors, or such persons who will manufacture, sell, or render after-sales service.

Product Specifications

2.5.7 Bidders should submit the following details of their solar dryers and solar biomass hybrid dryers and confirm that they comply with the Technical Specifications (**Appendix 2**):

- Provide Dryer model names, configuration, variations that are available, and brand names under which the Bidder sells the Dryers.
- Provide photographs of the Dryers associated with the Proposal, showing where possible, the location where they are installed.
- Indicate the name of the crop (i.e., coffee, cocoa, etc.) and category of seafood that the Dryers are suitable for.
- In the event that the Bidder is interested in selling Dryers for specific crops and/or categories of seafood only, and not the entire range of crops and seafood, this should be indicated.



United Nations Environment Programme

برنامج الأمم المتحدة للبيئة • 联合国环境规划署

PROGRAMME DES NATIONS UNIES POUR L'ENVIRONNEMENT • PROGRAMA DE LAS NACIONES UNIDAS PARA EL MEDIO AMBIENTE

ПРОГРАММА ОРГАНИЗАЦИИ ОБЪЕДИНЕННЫХ НАЦИЙ ПО ОКРУЖАЮЩЕЙ СРЕДЕ

- Confirm for each Dryer the manner in which it complies with the Technical Specifications. State out wherever there are deviations from Technical Specifications.
- Provide certificates for independent testing and certification of Dryers sold by the Bidder (testing and certification should be done in respect of specific products that will be sold under this Programme, and should not be over 2 years old).
- Indicate the Dryer cost, estimated payback period using the incremental increase in output and income, added value for using the Dryer, and provide relevant calculations. Where possible, use statistics from the operation of similar Dryer models.
- If qualified, Vendors will be required to comply with requests made from time to time by the UNEP or Banks to subject its Dryers to testing, audit, and certification by independent agencies.

2.5.8 In the event that Dryers sold to its customers do not conform to the Technical Specifications (**Appendix 2**), adequate disclosure should be made to the customer and the Bank financing the purchase, stating the deviations therefrom, impact thereof, and quantifying the cost increase/reduction therefrom. In such cases, UNEP and the Bank will extend their support under the Loan Programme at their sole discretion.

2.5.9 All Dryers sold should be new, and no second-hand or reconditioned Dryers will be eligible for funding.

2.5.10 The Vendor should provide detailed information including documentation such as invoices for each Dryer sold, whenever requested for by the Bank and UNEP, and should facilitate inspection, audit, or certification by Bank and UNEP's representatives. Details regarding the User's Manual and Technician's Manual requirements are provided in **Attachment 2**.

After-Sales Infrastructure

2.5.11 Warranties should be supplied for every Dryer and the main components of each Dryer. Required warranty details, including the length of Warranty, are noted in **Attachment 2**.

2.5.12 The Vendor should provide after-sales services based on a pre-determined schedule. The maintenance schedule should be disclosed in product literature and follow the guidelines noted in **Attachment 2**.

2.5.13 Contact information for Service Centers should be available in product literature and the User's Manual.

2.5.14 Service Technicians should visit Dryer locations as needed. Particulars of the Service Technician visits should be made available to customers and UNEP for audit and verification.

- Indicate the kind of records that are available at the main offices, Sales Offices, and Service Centers in respect of adherence to the maintenance schedule and after-sales support.

2.5.15 The Service Center should be able to provide a high level of after-sales support to customers, no longer than 48 hours after a customer's request. Vendor should provide information on Service Centers established by them, the area covered by each, and the facilities available in each.

- Indicate the sales territory covered by each Sales Office and Service Center, with names of major towns and villages covered in each sales territory. Vendor should indicate where the Service Centers are located.



2.5.16 After-sales service support should be made available to the customer for the full period of the Bank Loan.

2.5.17 After-sales service support should continue to be available for the original period of the Bank Loan if the Bank repossesses the Dryer from defaulters.

2.5.18 The Vendor should assist the Bank in restoring by repair or replacement a Dryer that is repossessed by the Bank from defaulters, and resold to other customers at a price to be mutually decided upon.

2.5.19 In the event that dealers, resellers, or marketing agents resign or are retired, the Vendor should make alternative arrangements for servicing the Dryer already sold in that region in which the resigned or retired dealer, reseller, or marketing agent operated in, such that there is no break in after-sales service. Existing customers should be informed of the change in contact particulars of the new dealer, reseller, or marketing agent who will provide the after-sales service.

Pricing of Products

2.5.20 Vendor should circulate a common Price List in respect of each of its products to the Banks and UNEP. The Price List should detail all common configurations in which the product is or proposed to be sold, and all sales should be within the price range indicated in the Price List. Deviations, if any, should be explained, if requested for, at the time of the Bank's appraisal of the loan application.

- Provide a Price List, and include costs for construction, labor, installation, training, and operations & maintenance.
- Provide an Invoice template that complies with the aforementioned disclosure requirements.
- Provide a Guidebook for evaluation of the invoiced price with respect to the Price List. The Guidebook will provide a detailed price breakdown for the Dryer.

2.5.21 If there are revisions in the Price List, these should be indicated to the Banks.

Financial Feasibility of Solar Drying

2.5.22 Use of Dryers instead of conventional sun-drying and/or non-solar drying options must yield financial benefits in the form of higher productivity, better product quality, shorter processing times, etc.

- The Bidders should demonstrate financial feasibility for the Dryers to the customer without using any subsidies or grants and/or commercial financing costs for capital investment. Include the Dryer's payback period, estimated increase in productivity, and added income of Dryer users.
- Provide Cost Sheets (in Microsoft Excel spreadsheet format), comparing various drying options (e.g., sun-drying, diesel-based drying) with costs of investment in and costs of operating the Bidders' Dryer. For calculation purposes, the format stipulated in **Attachment 3** may be used. Bidders may make modifications to the aforesaid format in case they wish to give additional information or present information in a better manner.
- The aforementioned Cost Sheets must be furnished separately for each crop (e.g., coffee, cocoa) and category of seafood.
- Bidders may indicate whether their Dryers are financially feasible for each crop and category of seafood.



Marketing Plan

2.5.23 The UNEP has conducted a market assessment study for sale of Dryers in Aceh Province and identified coffee, cocoa, and certain categories of seafood as appropriate for solar drying.

- Provide your Marketing Plan for selling Dryers in Aceh Province to the aforesaid customer segments.
- Identify geographical areas and customer categories where market potential is high.
- List the recommended selling strategies and awareness-raising measures to penetrate the market.
- Indicate broad selling targets in Aceh Province.

Reporting & Compliance

2.5.24 Vendors will submit reports in formats stipulated by UNEP to the Bank and/or UNEP every 2 months for the first 6 months after installation and Dryer commissioning regarding: Dryer sales and installation; Dryer specifications; added value of the Dryer; after-sales service activity; and obstacles encountered in the Dryer's operation. Summary reports will then be submitted bi-annually covering the same material during the life of the Bank loan.

3 RESPONSE FORMAT

3.1 Introduction

This section contains the instructions for preparing the Proposal. A minimum set of mandatory information is required to ensure an adequate description of the applicant. A prescribed format for the Proposal is given to facilitate preparation and evaluation. Additional material beyond what is requested will not be part of the evaluation. Elaborate proposals, lengthy discussions, and non-critical attachments are discouraged. The Proposal must be organized and have the requested information in the sequence presented below. Sections must be numbered and identified as given below. If a requested item is not known or is not applicable, state that fact in that section of the Proposal.

3.2 Proposal Content

3.2.1 Cover Page

- State the name of the applicant, company name, date of the Proposal, and contact information for the person responsible for the Proposal preparation.

3.2.2 Applicant's Experience

- Include background information indicating why the Bidder is qualified to submit a Proposal for the RFP.
- Discuss how the Bidder complies with each one of the requirements described in Section 2.5.
- Identify existing projects developed and/or operated by the Bidder.
- Indicate if the Dryers are intended for use for drying all crops and categories of seafood, or does the Bidder intend to seek qualification for only limited crops and categories of seafood.

3.2.3 Proposal Format

- Proposals must be in a typed format, single space, and with 12-point or larger font, on A4 page format with each page numbered.



United Nations Environment Programme

برنامج الأمم المتحدة للبيئة • 联合国环境规划署

PROGRAMME DES NATIONS UNIES POUR L'ENVIRONNEMENT • PROGRAMA DE LAS NACIONES UNIDAS PARA EL MEDIO AMBIENTE

ПРОГРАММА ОРГАНИЗАЦИИ ОБЪЕДИНЕННЫХ НАЦИЙ ПО ОКРУЖАЮЩЕЙ СРЕДЕ

- Proposals must be submitted as electronic computer files in Adobe Portable Document Format (pdf) or Microsoft Word.
- The electronic files may be emailed to chia-chin.cheng@risoe.dk and helianti@khaula.org.
- Electronic files provided must be free of all computer viruses. Any such electronic files containing viruses will be deleted immediately and may be rejected without further notice.
- All Proposals must be received by UNEP before 5:00 pm Jakarta Time (UTC/GMT +7 hours) on December 15, 2008.

4 PROPOSAL EVALUATION AND SELECTION

4.1 Proposal Evaluation Process

Each Proposal received on time will be reviewed and evaluated by a UNEP Proposal evaluation panel. Third party consultant(s) that have signed non-disclosure agreements with UNEP and conflict of interest statements may be used at UNEP's discretion. The UNEP will take reasonable steps to protect any information submitted and use it solely for purposes of the evaluation; nevertheless, UNEP accepts no liability for any disclosures.

Proposals will be screened to determine if they contain the requested information in the required format. Proposals that, at UNEP's sole discretion, meet these criteria will be designated responsive and proceed to the next level of evaluation. Proposals that do not meet these criteria or do not satisfy the threshold criteria (including those noted in Section 3) will be designated non-responsive and set aside. UNEP reserves the right to reject any or all proposals.

The Proposal evaluation panel may determine that the threshold requirements have been met but that additional information is needed to fully evaluate a proposal. Information or required details may be sought from the applicant in the form of additional written material or oral presentation that will expand upon the original material presented in the proposal. UNEP has sole discretion to declare a proposal non-responsive or request additional information.

If the Proposal is found to be conforming to requirements and the Bidder meets stipulated criteria, the Bidder may be qualified as a Vendor. Thereupon, the Vendor will be required to execute a suitable agreement.