TECHNICAL SPECIFICATIONS

on the procurement of external evaluation services required for the implementation of the General Framework of Bonds intended to protect the environment and fight against climate change, as well as external evaluation services of the allocation reports related to green bonds issued by Romania through the Ministry of Finance

External evaluation assistance services requested:

General Description:

In accordance with the provisions of the legislation on public debt (GEO no. 64/2007 on public debt and implementing rules approved by GD no. 1470/2007), the Ministry of Finance is authorized to issue government securities, both on the internal market and on the external market, for the purpose of financing projects/expenses that are intended to protect the environment and fight against climate change, as well as those in the social and sustainable development field, based on a special framework approved by Government Decision.

According to the Government public debt management strategy 2022-2024, one of the medium-term guidelines is the introduction of green bond issues, through the creation of the General Framework for green bonds at the sovereign level, through coordinated efforts at the level of line ministries and the identification of expenses/projects which shall be subject to financing through these bonds. Also, in accordance with the Indicative Programme of Government Securities Issues for 2023, the Ministry of Finance is considering the possibility of including green bond issues in the financing plan, depending on the completion of the General Framework for Green Bonds at the sovereign level. In the process of creating and implementing the Framework for financing projects/expenses that are intended to protect the environment and fight against climate change (hereinafter referred to as the General Framework), the Ministry of Finance benefits from technical assistance from the World Bank.

In order to carry out the inaugural issue of green bonds, the Ministry of Finance must contract external evaluation services for the General Framework related to these bonds.

The external evaluation services of the General Framework can be provided during 2023, and the provision of external evaluation services of the allocation reports related to green bonds issued by Romania through the Ministry of Finance will be estimated during 2024, depending on the use of the funds collected through the bonds issue.

The Ministry of Finance intends to implement a sovereign programme of green bonds (thematic) and loans to finance essential expenses to facilitate the transition to a low-carbon economy, protect the environment and promote Romania's priorities under the United Nations Sustainable Development Goals. The General Directorate of Treasury and Public Debt is working with the World Bank to establish a robust governance structure for Romania's debut on the thematic bond market, in line with the International Capital Markets Association's Green Bond Principles.

The General Directorate of Treasury and Public Debt of the Ministry of Finance is currently developing a General Framework in the interest of transparency, disclosure, integrity and quality to demonstrate how it will issue thematic bonds. The GDTPD intends to obtain an external evaluation to verify that the General Framework is in line with international best practice so as to provide investors with a precise assessment of the climate and environmental ambitions of the General Framework and the robustness of the governance structure. The evaluation will follow the guidelines for the external green bond evaluations of the International Capital Market Association.

Given the importance of the transaction to signal the commitment of the Romanian Government to environmental sustainability, decarbonization plans and sustainable development goals, the Ministry of Finance will procure the services of an independent provider to provide a second opinion on the General Framework and its positive environmental credentials, ensuring that it is in line with best international practice and meets the investors' expectations.

I. Specific requirements necessary for the conclusion of the contract for external evaluation services

(1) The external evaluation company should not be blacklisted or banned/disqualified by any regulatory/statutory body/organization.

(2) The company must be aligned to the ICMA Guide for external evaluators. In this respect, tenderers will submit a solemn declaration by which they assume alignment with the ICMA Guide.

(3) The evaluation company will accept that the works are performed remotely, participating in meetings, as the case may be, through the teleconference facilities. The meeting hours will be coordinated to ensure the participation of the General Directorate for Treasury and Public Debt, as well as the World Bank teams in Bucharest and Washington DC.

(4) The evaluation company shall adhere to strict standards of confidentiality in relation to the information made available by the beneficiary.

(5) The contract on external evaluation services shall be concluded for a period of 1 year and 6 months or until the completion of the provision of services and shall be signed by the Minister of Finance, or by a person delegated in this regard, and by the mandated representative of the external evaluation company winning the procurement, based on the documents submitted in order to participate in the award of the external evaluation contract.

II. Types of services requested:

1. External evaluation of the General Framework on the basis of which the Ministry of Finance will carry out the green bonds issue;
2. External evaluation of the allocation reports related to green bonds issued by Romania through the Ministry of Finance.

 **Specific requirements for the submission of tenders for external evaluation services**:

1. Following this procurement, an external evaluation company (Second Party Provider – SPO) will be selected, with which MoF will conclude an external evaluation service contract;
2. Duration of the contract: 1 year and 6 months from the date of signing or until the completion of the provision of services;
3. For the provision of the external evaluation services mentioned under the contract, MoF, through the specialized department, will request the external evaluation company to provide the services when the General Framework related to these bonds is completed and when the allocation reports are completed.
4. In order to participate in the procurement of external evaluation services, tenderers shall submit the following:
5. Technical tender;
6. Financial tender.
7. Technical tender
8. technical criteria and scores awarded:

|  |  |  |
| --- | --- | --- |
| **Technical criteria** | **Minimum requirement** | **Score** |
| i) external evaluation of the Green / Social /Sustainability Bond Frameworks of sovereign issuers, for which the tenderer provided such services during the period January 1, 2020 – June 30, 2023 including  | minimum 1 evaluated Green/Social /Sustainability Bond Framework of sovereign issuers – 0 points | maximum 45 points for most evaluated Green/Social /Sustainability Bond Frameworks of sovereign issuers, the rest of the pro-rata tenderers  |
| ii) external evaluation of the allocation reports related to green / social /sustainability bonds made by sovereign issuers, during the period January 1, 2020 –June 30, 2023 including  | minimum 1 evaluated allocation report related to green / social /sustainability bonds carried out by sovereign issuers – 0 points | maximum 15 points for most evaluated Allocation Reports related to green / social /sustainability bonds made by sovereign issuers, the rest of the pro-rata tenderers |
| Total |  | 60 points |

b) the technical tenders are presented in tabular form according to Annex no. 1. The technical tenders must be accompanied by the supporting documents attesting its quality in the activities presented in the technical tender, namely the relevant pages of the Green / Social /Sustainability Bond Frameworks of the sovereign issuers and of the external evaluation reports of the allocation reports (the pages showing the name of the sovereign issuer, as well as the name of the company that provided the external evaluation services);

c) the technical tender shall include the following:

* Technical offer form - Appendix no. 3 to Technical Specifications,
* detailed presentation of the members of the proposed project team or CVs of these persons (with express mention of whether there are Romanian speakers among the members of the project team),
* confirmation of the tenderer's willingness to engage in the project immediately after signing the contract,
* the estimated duration of the evaluation period and the tendered deadline for submitting the evaluation report of the General Framework,
* the project plan specifying the exact times at which the first draft form of the evaluation report will be sent to the beneficiary, respectively the second draft form of this report.

d) the commitment of the tenderer to submit the evaluation report of the general framework within the tendered term, which may be maximum 45 days from the receipt of the said draft framework;

(e) tenders which do not receive points under one of the technical criteria referred to in subparagraph (a), which obtain a technical score of less than 30 points or which do not contain the information/documents required under subparagraph (c) shall be disqualified.

1. Financial tender

The financial tender is filled in according to Annex no. 2. This will include all expenses denominated in euro, net of VAT, deriving from the fulfillment of the object of procurement, expenses including, but not limited to, transport expenses, daily subsistence allowance, accommodation, photocopying, etc.), distributed by each category of external evaluation services, namely:

|  |  |  |
| --- | --- | --- |
| No. | Type Service | Score |
| 1 | External evaluation of the General Framework on the basis of which the Ministry of Finance will carry out the issue of green bonds  | 30 points |
| 2 | External evaluation of the allocation reports related to green bonds issued by Romania through the Ministry of Finance  | 10 points |
|  | Total | 40 points |

The score is awarded for each type of service, as follows:

* for the minimum value of each type of service, the corresponding maximum score, presented above, shall be given;
* for another value, the score is awarded using the following calculation formula:

Pservice n  = Minimum value **X** corresponding maximum score

 Value n

1. Final score. For the ranking of qualified tenders, the score obtained in the financial tender is added to the technical tender score. In the event of a tie between the tenderers, the tender that obtained the best score in the technical tender shall prevail.
2. The price of the proposed services shall not exceed the level of the winning financial tender for each type of service requested by the Ministry of Finance.
3. In submitting the technical and financial tenders, the tenderers shall comply with the structure by categories of services.
4. **Field of activity**
5. The activities to be undertaken by the evaluation company, as follows:

A.1. In order to evaluate the General Framework

i) Confirms/revises the alignment of the General Framework with the four basic components of the Green Bond Principles;

ii) Evaluates the correlation with the strategy and sustainability priorities of the issuer and the issuer, as stated in the relevant official statements;

iii) Examines the list of eligible projects proposed for Green Bonds to verify the correlation of the eligible categories of the General Framework and the Green Bond Principles (2021);

iv) Provides opinions to the Ministry of Finance for the consolidation of the Framework according to the best international practices and investors' expectations within the agreed time frame;

v) Draws up an opinion on the revised Framework and confirms that the selected projects are expected to have a net positive impact on the environment;

vi) Publishes its opinion on the General Framework on a publicly accessible platform, according to the agreement with the Ministry of Finance, represented by the General Directorate of Treasury and Public Debt;

vii) Coordinates the pre- and post-issue media communication with the World Bank and the Ministry of Finance, through the General Directorate of Treasury and Public Debt, according to the agreed communication strategy;

A.2. In order to achieve the allocation reports

i) Provides the external evaluation of the allocation reports related to the green bonds issued by Romania through the Ministry of Finance;

ii) Publishes its opinion on the allocation reports related to the green bonds issued by Romania through the Ministry of Finance on a publicly accessible platform.

B. Specific results expected from the external evaluation company

The external evaluation company will attend the opening meeting of the collaboration in order to explain its process to provide external opinion. The company will issue a final opinion, confirming the environmental credentials of the selected projects and the alignment of the General Framework to the expectations of investors and international best practices, within the deadline agreed with the Ministry of Finance, represented by the General Directorate of Treasury and Public Debt. Deliverables (General Framework Assessment Report and Allocation Reports) and related activities will not be considered completed until reviewed and approved by the beneficiary. The external evaluation company will collaborate with the technical experts of the Ministry of Finance, represented by the General Directorate of Treasury and Public Debt, as well as with technical experts from the sectoral ministries for collecting information.

C. Specific documents to be made available by the beneficiary to the external evaluation company:

(i) General framework;

(ii) List of eligible projects proposed for the allocation of revenues to be obtained from green bond issues;

(iii) other documents agreed with the General Directorate for Treasury and Public Debt, including government policies and programmes addressing sustainability, as appropriate.

1. Acceptance of external evaluation services

The evaluation reports (General Framework and allocation) will constitute the deliverables that will be the basis for the acceptance of the services provided. They are to be submitted on paper to the single registry of the Ministry of Finance or transmitted by means of remote communication.

The acceptance is carried out on the basis of the Activity Report accompanying the deliverables, sent by the provider on paper or electronically and undertaken by the beneficiary.