Overview of the Request for Application to Receive Funding by GRMF

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Evaluation criteria for surface studies (I)

<table>
<thead>
<tr>
<th>Main evaluation criteria</th>
<th>Possible total points</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Geo-scientific:</strong></td>
<td></td>
</tr>
<tr>
<td>Indication of the existence and nature of geothermal resource based on results from</td>
<td>40</td>
</tr>
<tr>
<td>previous studies</td>
<td>60</td>
</tr>
<tr>
<td>Robustness of work programme and schedules for surface studies</td>
<td>20</td>
</tr>
<tr>
<td><strong>Financing plan &amp; permits:</strong></td>
<td></td>
</tr>
<tr>
<td>Appropriate authorisation for exploration activities, environmental, access rights and</td>
<td>1</td>
</tr>
<tr>
<td>any other relevant permits / licences / rights in place or under negotiation</td>
<td>10</td>
</tr>
<tr>
<td>Description of market for future power plant output</td>
<td>6</td>
</tr>
<tr>
<td>Plan for financing the developer’s portion of the surface studies budget</td>
<td>3</td>
</tr>
</tbody>
</table>

Main evaluation criteria are highlighted. **Scoring in the lowest category** in any of the highlighted criteria will lead to **direct rejection of the application** even if the overall threshold of 70 points is reached.
## Evaluation criteria for surface studies (II)

<table>
<thead>
<tr>
<th>Main evaluation criteria</th>
<th>Possible total points</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Project development:</strong></td>
<td></td>
</tr>
<tr>
<td>Plans for obtaining expertise, finance and equipment for reservoir confirmation drilling</td>
<td>2</td>
</tr>
<tr>
<td><strong>Experience:</strong></td>
<td></td>
</tr>
<tr>
<td>Geothermal exploration experience and expertise of the developer including private sector partners and engaged consultants as demonstrated in the key personnel CVs</td>
<td>13</td>
</tr>
<tr>
<td>Geothermal exploration experience and expertise of the developer including private sector partners and engaged consultants as demonstrated in the project references</td>
<td>10</td>
</tr>
<tr>
<td>Financial-, management- and organisational capabilities</td>
<td>4</td>
</tr>
<tr>
<td><strong>Quality of the application</strong></td>
<td>1</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>100</td>
</tr>
</tbody>
</table>

Main evaluation criteria are highlighted. **Scoring in the lowest category** in any of the highlighted criteria will **lead to direct rejection of the application** even if the overall threshold of 70 points is reached.
Evaluation criteria for surface studies (III) - Summary

<table>
<thead>
<tr>
<th>Main evaluation criteria</th>
<th>Possible total points</th>
</tr>
</thead>
<tbody>
<tr>
<td>Geo-scientific</td>
<td>60</td>
</tr>
<tr>
<td>Financing plan &amp; permits</td>
<td>10</td>
</tr>
<tr>
<td>Project development</td>
<td>2</td>
</tr>
<tr>
<td>Experience</td>
<td>27</td>
</tr>
<tr>
<td>Quality of the application</td>
<td>1</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>100</strong></td>
</tr>
</tbody>
</table>

Note: Minimum points for successful applications: 70
Evaluation criteria – grounds for 'initial rejection'

If submission form is incomplete (incompleteness relates to filling all required fields of the template and providing all information in the required standards; also, if any fields are ticked as ‘Not Applicable’ this must be supported by additional remarks)

No extensive geological and geochemical studies have yet been undertaken for the proposed project site (reconnaissance studies will not be supported)

The full application is found to be non-responsive in respect to the information and request for further clarification provided in the EoI feedback letter
Evaluation criteria – grounds for 'initial rejection'

The Cover Letter and the two Declarations are not submitted according to the provided format and / or are not signed & stamped.

The Application is not submitted by the submission deadline to the required location in the requested format (1 original hard copy of the Cover Letter and the two Declarations – fully initialled; 1 searchable electronic version).

Required E & S submission is missing (see E & S requirements of GRMF)
Eligible costs - Infrastructure

Access roads and/or access road maintenance (if applicable)

Water supply infrastructure (if applicable)
Eligible is that part of the water supply system, which is required to operate a single rig

Transport and crew accommodation (for infrastructure works, if applicable)

Eligible, reasonable and agreed contingencies
Eligible costs – Surface studies

**Rental or “provision”** of technical equipment (e.g. geophysical signal sources, geophysical sensors, recorders, receiver stations, GPS equipment)

**Providers of specialist services** (e.g. geological mapping, seismic surveys electromagnetics, magnetotellurics, gravity, microseisms, LiDAR, chemical and petrological analyses, soil geochemistry etc.)

**Material and specialist services** - such as drilling and logging, for shallow temperature gradient well(s)

**Personnel, on-site accommodation and transport** - including vehicle leasing or rental

**Purchase of aerial photography, remote sensing data or equivalent**

**Consumables** (e.g. fuel, chemicals used during sampling / measurements)

*“provision” means that equipment owned by the applicant can be funded at the rates usually charged for rental. Purchasing equipment is not an eligible cost*
Eligible costs – Surface studies (II)

Mandatory insurances and bonds to be taken out and to be maintained during the entire project period including but not limited to the following items:

- General liability including third party liability
- All risks (physical loss or damage),
- Construction
- Fire
- All medical, cars and housing insurances for the personnel at site
- Workers compensation insurance

Relevant insurance so the beneficiary can guarantee that there will not be any liability whatsoever for the contracting authority arising out of or in connection with the grant contract against the contracting authority,
Eligible costs – Surface studies (III)

Costs for fulfilment of environmental & social (E&S) requirements

E&S studies and – assessments as per Applicable Standards as part of the surface studies (scoping studies), establishment of stakeholder engagement plan and corresponding stakeholder engagement activities

Activities/costs to obtain E&S permits and licences (for subsequent drilling)

E&S studies/ – assessments and – management plans and update of Stakeholder Engagement Plan as per Applicable Standards in the course of the preparation of the subsequent drilling phase
Eligible costs – Surface studies (IV)

- Prices quoted in the cost estimate shall specify item costs and contingency separately (no added contingency to total project cost is to be applied).
- The maximum grant stipulated in the grant contract shall not be exceeded under any circumstances.
- An adequate break-down of costs needs to be provided – detailed description what is included in relevant costs items, to be provided as attachment to the F2 cost estimate template (including reference to the attachment).

Note:
Non-eligible costs (I)

- All costs in excess of the amount stated in the Grant Contract
- Developer overheads (e.g. office costs, management costs)
- Costs of permanent abandonment of a well
- Third party liability and claims, including claims by the drilling contractor and environmental damage or clean-up costs
- Debts and provisions for losses or debts
- Interest owed
- Items already financed by other parties (e.g. governments, donors)
Non-eligible costs (II)

<table>
<thead>
<tr>
<th>Purchases of land, buildings or vehicles</th>
<th>Currency exchange losses</th>
<th>Taxes (including VAT)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cost of preparing applications or cost incurred during negotiations of the Grant Contract</td>
<td>Costs for participation at meetings and workshops</td>
<td>Training and capacity building</td>
</tr>
<tr>
<td>Directors &amp; Officers Liability insurance</td>
<td>Costs incurred prior to grant award (such as costs for studies, concessions and concession related items such as rental payments etc.), except for “early contracting”</td>
<td>Costs resulting from tender procedures not following the GRMF procurement regulations.</td>
</tr>
</tbody>
</table>
Early Contracting Regulations (I)

General regulation:

The time for commencement of services and sub-contracting shall be according to the agreed Time Schedule forming a part of the Grant Contract, but not earlier than the effective date of the Grant Contract.

The following alternative commencement dates apply:

1\textsuperscript{st} cut-off date on early contracting refers to the submission deadline of the EoI (12 December 2017):

- Costs from contracts signed with any third party before this date will not be eligible;
- Costs from contracts signed after this date will be eligible.

2\textsuperscript{nd} cut-off date on early contracting refers to the submission deadline of the full Application (4 June 2018):

- Any activity (and therefore any related costs) that shall be eligible for support by GRMF (= eligible activity) can only start after this date.

Exception: E&S activities as required by GRMF regulations may already start after the 1\textsuperscript{st} cut-off date.
Early Contracting Regulations (II)

As specified in the Conditions for Early Contracting the AUC must be notified in writing in case a developer intends to start early contracting by submitting a procurement plan – according to template (also to be submitted with the full application), all duties/liabilities in the GRMF grant contract must be kept (procurement etc.) and further regulations must be adhered to.

Applicant takes the full risk that:

- He will not reach the threshold of 70 points in the application procedure and therefore will not be considered for a GRMF Grant
- He will not be considered for a GRMF Grant due to limited funding even if reaching the threshold of 70 points
- The GRMF Grant Contract covers only parts of the project that has been applied for (e.g. due to non-eligible costs being included in the project budget), or
- The GRMF Grant Contract will not be signed for any other reason.
Short Input on Project financials & Annex 2A template

FORM F2-S Cost estimate template

- Insert all project relevant financial information into this template. Make reference to attachments where more detailed cost break-down is to be provided by you.

FORM F3 Project Financing Plan template

- Use relevant values generated in F2-S and insert them into Form F3. Indicate clearly the funding sources for covering total, eligible and ‘other’ project costs

Annex 2A Application Form Surface Studies – Key Financials

- Use relevant values generated in F2-S and insert them into Annex 2A – Form F5-S Key Financials
Cost estimate template - functional principle

The input sheet is the relevant spreadsheet for applicants

The user inserts the data of the project into the input fields of the F2-S Cost template

The content in the output fields is automatically generated

General remarks

The colours of the cells indicate their function:

The input data has to be in USD, the currency of the evaluation model

You can directly change the values in input cells or choose from list

The Figures generated in the last lines of the Cost estimate template (Form F2-S) must be inserted in the fields having similar colors within the Annex 2 - Key Financials - Forms F5-S
Financial Evaluation - check reasonableness of the cost estimate

CURRENCY

All prices shall be converted to United States Dollars. (For quotations: the price in the original currency must also be provided. adjustable price quotations are prohibited and will be treated as unresponsive, which will lead to the rejection of the Application)

Exchange rate shall be the UN Operational Rates of Exchange as published on 1 April 2018 at:


Reasonableness of costs will be checked

Costs which are not reasonable will not be covered by the GRMF fund
Lessons learnt I

- Use the current application forms (2018)
- Read the Developer Manual and RfA & start preparing your application in time
- Keep deadline and location for submission
- Make sure to include signatures on all declarations and CVs
- Ask questions (Use the Q&A option)
- Use correct cover letter
Lessons learnt II

Clarify chronological order of work items (for early contracting – submit procurement plan)

Give a clear overview figure showing the field and surrounding geoth. fields

Specifying role/ function of all personnel involved – use staffing plan template (Infos must match project organogramm)

Fill the application form thoroughly and with care

Provide thorough and detailed information on finances

Clearly justify your choice of technical parameters (well design, TG wells, models & resource calcs)
Challenges
Thank you for your attention!

Questions?

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Local Fund Manager

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Geotechnical Consultant GRMF
Mannvit

Project funded by: