



Invitation for expression of interest & submission of proposals for the provision of advisory services on behalf of the Hellenic Corporation of Assets and Participations S.A. to the Steering Committee for the Just Transition of the carbon regions, in order to set up a new entity that will act as a beneficiary of the Special Transition Program 2020-23

April 23, 2021

I. Introduction

I. Pursuant to Article 185 of Law 4389/2016 (Government Gazette A'94), the Hellenic Corporation of Assets and Participations S.A. (hereinafter "HCAP" or the "Corporation") operates in the public interest in accordance with the rules of private economy.

In order to fulfill its purpose, the Corporation shall act in an independent, professional and entrepreneurial manner with a long term vision in achieving its results, in accordance with its Internal Rules of Procedure; it shall also act to guarantee full transparency, with a view to enhancing the value and improving the performance of its assets as well as generating revenue for the Hellenic Republic.

II. Scope of Services

The Corporation is seeking to select a reputable advisor, able to demonstrate and provide unquestionable evidence of its profound knowledge and relevant experience in assignments of this nature (hereinafter "Advisor") and more specifically in the provision of the services (hereinafter "the Services") that are being presented henceforth.

II.a. Project Background

Introduction

In 2019, the EC presented a roadmap with reference to the profound transformation of the European Union's economy, aiming at sustainable growth (Green Deal). The EC introduced, subsequently, a new financial Just Transition Mechanism (JTM), to make the transition to climate neutrality fairly ("Sustainable Europe" plan). Respectively, the Greek Government, in line with the ambitious National Energy and Climate Plan (NECP), committed to withdrawing all lignite power plants by 2028. With this commitment, the Government sets the protection of the environment, the promotion of competitive methods of power generation and the economic diversification of the lignite mining areas in Western Macedonia and Megalopolis as major priorities. These areas suffer the consequences stemming from constant, persisting

and unilateral focus on lignite activity, to the detriment of other economic activities, but also for lack of a new, balanced and sustainable development model.

With a view to a sustainable and socially just transition of these areas, the Government has prepared a comprehensive Just Transition Development Plan (JTDP), in order to create new values in sectors and branches other than the lignite-related ones, building this way on advantages such as the electricity grid infrastructure and the presence of a significant number of professionals with technical skills. The Plan is composed by of five policy pillars (clean energy, industry and trade, smart agriculture, sustainable tourism, technology and education), which are in line with the EU's development policy objectives (a smarter, greener, more connected, more social and closer to the citizens of Europe).

On the other hand, the Plan outlines a number of actions that are already being carried out towards its implementation, as well as towards addressing immediate needs, such as ensuring sufficient capacity for district heating. It is noted that JTDP is part of the broader framework set by the "Energy Roadmap for 2050" and the "European Green Deal", and is prepared in accordance with the NECP and the Act of the Council of Ministers on the establishment, formation and operation of a Government Committee for the JDT of the lignite areas.

In this context, a number of studies has been carried out such as: *“Current situation and prospects for areas in energy transition in Greece”*, *“Decarbonisation of production: social-economic impacts and compensatory actions”* and *“A Road Map for a Managed Transition of Coal-Dependent Regions in Western Macedonia”*. The first two studies elaborated by the JTDP Steering Committee concern the analysis of the economic activity, the social conditions and the energy characteristics of the transition areas. In addition, they explore the possible consequences of their decarbonisation, while they assess the challenges and their development needs and prospects. The third study was carried out by the World Bank in the framework of the project *“A Just Transition for All: Preparing for a managed transition of coal-dependent regions in Western Macedonia, Greece”*, funded by the European Commission, through the SRSP.

With the JTDP, Western Macedonia is about to become an innovative clean-energy center of research and production with a diversified production model, while Megalopolis is about to modernise its energy profile, by shifting to clean production and by reintroducing industrial activities in the area. In this context, vast swathes of land in the mining fields will be disengaged – thus liberated, cleaned, restored and used for new purposes. In other words, they will be organized to host new economic activities. These activities will be supported with strong incentives, which will in turn allow the mobilization of additional private financial resources. At the same time, large network infrastructures are planned to boost the affected areas.

The JTDP is divided into two parts: (a) The national one, which is financed by the Public Investment Programme and the Green Fund, and (b) the co-financed - by the three pillars of the JTM - one: (1) the Just Transition Fund (JTF), through the grant of aid to the most affected regions, (2) the InvestEU Scheme, to leverage private capital, and (3) the European Investment Bank Loan Facility to the public sector. Greece will indicate the eligible areas for which the funds will be used, in accordance with EU rules, so that the European Commission subsequently adopts the detailed Territorial Just-Transition Plans (TJTPs) to be submitted with the new NSRF 2021-2027, under a single Just Transition Programme of EUR 1,7 billion.

With reference to the affected areas of Western Macedonia, Megalopolis, the Aegean islands and Crete, the TJTPs are already being drawn up, in within the framework of the partnership between the Government, the local authorities and all socio-economic partners concerned. The TJTP aiming at the transition of islands to climate neutrality is drawn up on the basis of national planning for the interconnection of the islands with the mainland electricity system and the phasing-out of autonomous polluting oil-fired power plants.

The TJTPs describe the country's commitment to the whole transition process, in line with the NECP. They identify most precisely all social, economic and environmental challenges and they provide details of the need for economic diversification, acquisition of new skills and environmental rehabilitation in the under-transition areas. The TJTPs, in addition to the interventions under the JTF, describe synergies and complementarities with the NSRF projects with other actions financed by different Funds (e.g. Recovery and Resilience Fund, European Agricultural Fund for Rural Development) as well as with pillars 2 and 3 of the JTM. It should be noted that the resources to be made available from the Recovery and Resilience Fund, amounting to 300 million. Euro, concern the restoration of mining areas.

For the successful implementation of the Just Transition, and as a prerequisite for the successful administration, monitoring and implementation of the overall project, a strong governance system is being set up by: a Government Committee, as the supreme executive body, and a Steering Committee, as the supreme governing body for the implementation of the JTDP, both supported by a Technical Secretariat; a Managing Authority of a JTD Programme; a Monitoring Committee & Subcommittees for the JTD Programme, as the supreme monitoring body for the implementation of the JTD Programme, in cooperation with the JTD Steering Committee.

Furthermore, according to the decision of the Government Committee, a Specific Transitional Programme was prepared for the period 2021-2023 to utilize all available resources (NSRF 2014 -2020, Green Fund, Public Investments Programme, etc.). In this framework, an open Invitation was published for consultation and submission of project proposals by Public Sector bodies, Local Authorities, Professional and Social Partners, as well as Academic - Research Bodies. The evaluation phase is to be carried out shortly.

Creation of a new legal entity

The Steering Committee intends to establish a new company wholly specialized in the needs of the JT areas in order to ensure the transition of these areas to the new era with the best possible conditions, preserving social cohesion and accelerating their sustainable development. The Steering Committee will decide the details concerning the new legal entity.

The company's sole purpose will be to ensure the optimal implementation of the critical mix of large and complex development projects which will be financed from the above-mentioned planned Programs. The new company will undertake required actions for projects of various types, from securing the financing and the maturation, until their completion, according to the Management and Control System of the EU co-financed projects.

Furthermore, it will support the local authorities through Program Agreements / Contracts, by providing know-how, or by undertaking the implementation on their behalf, while it will assist the JTDP Steering Committee in its work whenever needed. It is noted that these actions require a comprehensive approach

from the initial design, through all types of licensing procedures, possible expropriations, studies, procedures for the assignment of individual projects implementation, supervision and finalization.

In particular, the new company which will take care of the preparation and drafting of all the necessary documents for the integration of acts / projects, will undertake as a beneficiary all the procedures of execution of these projects (elaboration of studies, obtaining necessary permits, preparation of tender documents, assignment and execution of projects) as well as the supervision and monitoring of the execution of the relevant contracts and the control of the relevant studies. Thus it will take any relevant action and in particular: will support the Steering Committee of SDAM in matters of planning, prioritization of projects, etc.

Therefore, in order to fulfill its purpose, the new entity is required to utilize a reliable and flexible mechanism, with the appropriate know how and the ability to respond promptly to multiple needs that may arise.

The whole mechanism, has to be set up and operational the earliest possible, in order to allow for the prompt maturation and preparation of projects that will be implemented in the carbon – regions so as to enable the transition process ensuring full utilization of the relevant funding sources.

Considering the urgency of the matter, the Steering Committee of SDAM have requested HCAP's support and know how in order to ensure the incorporation of international practices approach in the design and set up of the new legal entity, so as to maximize operational capacity and ensure adequate corporate governance mechanisms set up.

HCAP wishes to support and assist the Government Committee for the Just Transition and the Steering Committee within its scope for the efficient implementation of the above-mentioned programmes.

In pursuance of the above, HCAP intends to hire an Advisor in order to provide services in favor of and for the interest of the Hellenic Republic and the Steering Committee, as the supreme governing body for the implementation of the JTDP.

The Advisor's work will serve as an input for the managed and orderly preparation and set up of the new entity.

II.b. Project tasks

In this context, HCAP conducts a tender process with a request for proposals for the appointment of a contractor (the Advisor) in order to provide support to the Government Committee and the Steering Committee in setting up the new company.

The scope of this project is the provision of advisory services in three main pillars:

1. Design and organization of the corporate governance structure and administrative structure
2. The design and coordination of support structures
3. Provision of technical assistance in order to enable initiation of activities

Each pillar includes a variety of activities:

1) Design and organization of the corporate governance structure and administrative structure

- Corporate governance structure based on international best practices and preparation of the internal operating regulations
- Organization, administrative structure
- Definition of jobs per department
- Human resource needs identification and staffing process alternatives

2) Design and coordination of support structures

- Design of the process for managing, monitoring and implementing EU co-financed development programs
- Design the process for managing, monitoring and implementing other, non-co-financed development programs,
- Overall coordination of the company establishment project (PMO)
 - Roadmap for the establishment of the company and initiation of operations
Monitoring and reporting mechanism on the progress regarding the establishment of the company, including KPIs set up
 - Monitoring and reporting mechanism for the progress of development programs, including KPIs set up,
- Need identification of systems and tools for the company operations for the digitization and smooth operation of the company
- Communication plan with other legal entities (authorities, local communities, media, etc)

3) Provision of technical assistance in order to enable initiation of activities

- Provision of technical support in the process of meeting the HR needs
- Development of a training - onboarding program
- Provision of training to the initially transferred staff
- Scheduling the start-up period and initial actions and planning the coordination of activities with company departments
- Planning the coordination of activities with company departments in Kozani and Megalopolis.

II.c. Project Management

The Steering Committee (SC) will set up a Monitoring Committee (MC) for the present assignment.

The MC will review the progress of works, provide strategic guidance, direction, and decisions as necessary.

The MC will appoint a central contact point (Project Manager), which will be the daily contact point for HCAP and the Advisor.

For the purposes of the Project, the Steering Committee (SC) will have the responsibility for approving the deliverables of the Advisor, following an assessment report by the Monitoring Committee (MC).

III. Duration and deliverables

The services contract is for a period of 12 months, starting from the date of contract signature.

The duration term of the Engagement for the Services, beginning from the date of signing the relevant Engagement and the relevant milestones for the deliverables is presented in the following table.

Project tasks / minimum deliverables	Expected deadline / delivery milestone
1. Design and organization of the corporate governance structure and administrative structure	Within 3 months from contract signature
2. Design and coordination of support structures	Within 5 months from contract signature
3. Provision of technical assistance in order to enable initiation of activities	Within 12 months from contract signature
4. Periodical project monitoring & reporting	Ongoing, during the total project duration

IV. Budget

The maximum annual budget for the provision of the above services amounts to 180.000 €, not including VAT. Offers that exceed the above budget shall not be considered.

The above budget shall include all expenses.

The Advisor will be asked to issue a letter of guarantee, which will amount to 10% of the agreed fee.

V. Participation Requirements

The interested parties, which shall participate in this request for proposals, shall declare responsibly and accept fully and without any reservation the following:

- Meet the conditions for participation to this RfP.
- The bidding process is conducted exclusively in accordance with the terms and conditions of this RfP.
- Guarantee fully and without any reservations the accuracy of their financial offer.
- The submitted offer is binding upon the submitting party for a period of thirty (30) days from the date of the tender within which HCAP shall have the right to invite the Advisor in writing for the conclusion of a contract, and the Advisor shall be obliged to proceed.
- The Advisor has tax and insurance certificate and do not occur in his/her person the reasons for exclusion of articles 73 & 74 of Law 4412/2016.

Each candidate submits a solemn declaration (**DOSSIER C**) where he / she declares responsibly that all the conditions for participation in the tender mentioned in this invitation are met. HCAP may at any time request the relevant supporting documents that certify and prove the requested data.

VI. Selection Criteria

Interested parties may be organisations, companies or a consortium of legal entities and/or professionals and among others, must have and be able to demonstrate and provide indisputable evidence of in-depth market knowledge and expertise in such assignments.

In particular, the qualitative and financial selection criteria for the interested parties are:

VI.a. Technical Offer - Dossier A

1. Track Record & Experience (weight 30%)

Description of relevant experience and track record in the provision of related specialized services, of such nature. More particularly, shall be included:

- i. Description of relevant experience in the Greek and in the international market.
- ii. List of companies/ organisations, with which the Advisor has cooperated as well as indicative presentation of best-applied practices and actions to, at least, two similar assignments.

2. Methodology and approach (weight 30 %)

The interested parties should submit within their proposal, a brief description of the proposed methodological approach to the project, the identification of critical issues, the working method, with special emphasis on the timely establishment and operation of the new company.

3. Project Team (weight 40 %)

Proposed team composition and structure, including relevant experience of the team leader and senior members of the team.

The dossier of the offer should include CVs of all members of the interested party's proposed team, as well as a clear description of the added value of each member in the team, depending on their area of responsibility and experience.

The bidders, as a minimum eligibility criterion, should include in the Management of the project team, at least one (1) Executive, having ten (10) years of experience in managing complex projects and experience in relevant assignments. This Executive should submit a declaration, stating that will spend 100% of work time on the project.

If a consortium is submitting an offer, all participants / members of the consortium must specify the percentage of allocation of work corresponding to each member of the consortium.

The evaluation of the offers shall be performed based on the above-mentioned qualitative criteria under the elements 1, 2, 3 and the financial offer, which will be taken into account with the respective weighting factor.

Proposals with a Technical Evaluation score of less than 6,5 (all selection criteria will be evaluated on a scale between 0-10) in each of the selection criteria will be rejected irrespective of the total scoring achieved for the three selection criteria.

VI.b. Financial Offer - Dossier B

The financial offer of the interested parties (**DOSSIER B**) should specify the fee for the whole project. The financial offer should be absolutely clear and it will be excluded, if it contains proposals that do not allow for accurate and complete comparison of the tenders (for example "For discussion", "Depending on x", "alternative financial offer", etc.) or if it refers to external conditions.

VI.c. Calculation of the Combined Score

The combined score (TPMi) for each bidder will be calculated according to the following equation:

TPMi = [TMi / TMmax] * 0.70 + [FMmin / FMi] * 0.30 where,

TMi = The Bidder's Overall Technical Rating i (i will be on a scale between 0-10)

TMmax = Highest Technical Score Among Bids

FMi = The Bidder's Financial Offer i

FMmin = The Lowest Financial Offer Among the Bids

VII. Conflict of interest statement and financial qualifications –Dossier C

The interested parties and the project team members should declare solemnly that they are not in conflict of interest, regarding the services they are requested to provide to HCAP and the Steering Committee, as the supreme governing body for the implementation of the JTDP. Additionally, they should declare solemnly that they do not have a professional relationship, or that they do not provide services to third parties, such as those that may constitute a conflict of interest, and that in case the assignment is awarded, will be indicated that it will not lead to a conflict of interest for any of the parties involved.

This conflict of interest statement (**DOSSIER C**) will be valid for the whole duration of the services provided to HCAP.

HCAP may request, at any time, from the interested parties and the project team members to provide clarifications and evidence on conflict of interest issues.

The statement of non-existence of a conflict of interest must be signed by the legal representative of each legal entity participating in the consortium expressly stating that he is also undertaking commitment in relation to the employees of that legal entity.

If an Interested Party participates in the competition in collaboration with external partners acting as external consultants, a statement of non-conflict of interest should also be submitted by those partners.

In case that external partners are used, employees of affiliated companies or other legal entities in joint venture or under subcontracting agreement, then for any legal entity regarding the members of the project team working at it, should be included in the file a statement of non-conflict of interest.

The interested parties and the project team members should declare solemnly, when the assignment is awarded, that they ensure the confidentiality of any available information either at the stage of the tender process or later; thus, the interested party they will be asked to sign non-disclosure confidentiality clauses.

The interested parties should submit a solemn declaration (**DOSSIER C**) that during the last three (3) fiscal years and, according to their books and figures, the average annual turnover was at least twice of the total budget of the contract.

VIII. Personal Data

In the context of the submission and / or evaluation of a specific offer, HCAP may collect and process personal data (such as personal data of legal representatives / staff of the interested party, etc.) as data controller, if required. Any such processing shall be carried out as set forth in the HCAP's "Policy for the processing of Personal Data-Information Notice", which can be found at the following link "Policy for the processing of Personal Data" and forms an integral part of this request.

By submitting an offer for this request, shall be deemed that the interested parties have fully and unreservedly accepted the following:

- a. that they have carefully read, prior to the submission of the offer, HCAP's "Policy for the processing of Personal Data-Information Notice", which forms an integral part of this request, and agree with its content.
- b. that they have informed the natural persons whose personal data may be transmitted by the interested parties to HCAP for such transmission as well as in relation to the content of HCAP's Policy, and have received their explicit consent (if required by applicable provisions) to the transmission of their personal data to HCAP, in accordance with this Policy.

IX. Selection Process

1. The Advisor will be selected in accordance with the provisions of the HCAP's Procurement Regulation (art 2.3). The assessment shall take into consideration the selection criteria as set above. HCAP may require any clarification, addition or adjustment of the submitted documentation as deemed necessary. Any clarification or addition to documents shall refer exclusively to ambiguities, nonmaterial discrepancies, or obvious typical errors that can be subject to correction or addition.
2. Interested Parties that do not fulfill the minimum requirements for participation, as set above, will not be considered in the selection process.
3. HCAP hereby reserves the right to extend or amend the engagement so as to include complementary services (if necessary), that may be required, and cannot be identified at the present time, and thus from a technical, legal and financial perspective will prove to be inseparable from such engagement, in accordance with applicable law.
4. HCAP reserves, at the fullest extent possible and at its exclusive discretion, the right to cancel, suspend, amend or postpone until a later time the selection process, without any prior notice, as well as to terminate any negotiations or discussions at any stage of the process, without incurring any liability whatsoever against any participant and/or any third party.

5. No responsibility or liability is or will be accepted by either the HCAP or any of its advisors, agents, employees and officers in respect of any error or inaccuracy or omission from this document. No person acquires any right or claim for compensation or other from this Invitation or from their participation in the procedure described herein, against the HCAP or any its advisors for any reason or cause.
6. Interested Parties shall be considered to have fully and irrevocably accepted the terms and conditions of this tender.
7. Any dispute arising under, or out of, or in connection with the present Request for Proposals, including the offers submitted and the agreement to be signed, shall be subject to the exclusive jurisdiction of the Courts of Athens, Greece and the governing law will be the Greek Law.

X. Submission of Proposals

Interested parties should submit their offers with the indication “Provision of advisory services on behalf of the Hellenic Corporation of Assets and Participations S.A. to the Steering Committee for the Just Transition of the carbon regions, in order to set up a new entity that will act as a beneficiary of the Special Transition Program 2020-23”, exclusively via electronic mail (email) to the electronic mail address: info@hcap.gr.

The proposal of each Interested Party should comprise of all the above requested dossiers (DOSSIERS A, B, C) along with any other document proving the experience and specialization of the Interested Parties in the relevant Services.

More specifically, in the e-mail for the submission of the proposal of each interested party, at the penalty of exclusion, at least two, distinct and password protected files must be attached. Mandatorily, the financial offer (**DOSSIER B**) shall be attached in the email of each offer separately and will be protected with a different password.

After the lapse of the deadline for the submission of proposals, the Interested Parties shall be invited through e-mails to submit the security passwords opening the attached files of their e-mail proposal.

The proposals of Interested Parties must be submitted not later than **May 20th 2021, 17:00 pm Athens time**.