

Request for Proposal

Enhancing B.Grimm Power Public Company Limited's Environmental, Social, and Corporate Governance (ESG) Strategy

RFP No.: MSP-2022-06-SP011

The **USAID and Australia Mekong Safeguards Program** (Mekong Safeguards) is a five-year, \$10.6 million project implemented by The Asia Foundation, working with major banks, governments, and developers on large energy and transportation infrastructure investments to strengthen environmental and social standards and practices in Southeast Asia's Mekong subregion. The program is an exciting opportunity to support new and improved ways governments, financiers, developers, and civil society organizations can build and invest in sustainable energy and transportation.

The Asia Foundation's Thailand Office seeks the services of a qualified and reputable firm to support Mekong Safeguards on a mission to accelerate the sustainable infrastructure transition in the Mekong subregion by reducing the negative environmental and social impacts of large-scale infrastructure project development. The activity under this Request for Proposal (RFP) is to strengthen environmental, social, and corporate governance standards (ESG) at the implementation level by engaging with regional project developers to improve their ESG standards for large-scale infrastructure projects with direct technical assistance and capacity building.

The activity will require highly specialized advisory capacity, with national and international experience, to develop and integrate detailed, pragmatic sustainability practices into the project developer's short/medium/long-term strategies. Interested applicants must read the RFP carefully to prepare the necessary documents. This RFP contains three parts:

- PART 1: Services Procured
- PART 2: Qualifications and Application Process
- PART 3: Evaluation Method and Criteria

PART 1: SERVICES PROCURED

Introduction

B.Grimm Power PLC (B.Grimm) started its operations in Thailand in 1993 as a pioneering small power producer (SPP). Since then, B.Grimm has steadily invested in domestic and overseas projects and become one of the largest independent power producers in Southeast Asia, with power plants of 3,254 MW installed capacity under its responsibility.

Sustainability is always of importance to B.Grimm. The company has established a Corporate Sustainability Department, reporting directly to the chief financial officer, to promote sustainability activities and ensure that the company's sustainability plans are effectively implemented to facilitate the achievement of organizational goals. In addition, the department is also responsible for instilling a sustainability mindset in every unit through close coordination, as well as promoting knowledge and understanding of sustainability and tracking the company's sustainability performance. Progress and results of sustainability performance are reported to management and the Corporate Governance and Sustainability Committee at least quarterly.

With the aim to see their portfolio reach 7,200 MW in 2025, B.Grimm commits a higher effort to work sustainably in all aspects, from the economy and environment to society. Therefore, despite the company's current efforts on its ESG performance which is well demonstrated through its annual sustainability reporting, B.Grimm is still considering enhancing its knowledge of international ESG practices and improving in many areas as possible where relevant so that the business would be expanded with the inclusion of economic, environmental, social, and governance dimensions of sustainability.

Currently, B.Grimm's business sustainability framework includes the development of fundamental elements for a solid foundation of sustainability, encompassing good corporate governance and key economic, social, and environmental sustainability components. The aforementioned sustainability framework addresses B.Grimm's key materiality issues that promote growth and readiness to deliver positive values suitably and fairly to all stakeholders in the value chain. Such objectives are well aligned with the mission of Mekong Safeguards. Accordingly, the Corporate Sustainability Department will collaborate with The Asia Foundation under Mekong Safeguards with technical support on improving its assessing and prioritizing of economic, environmental, and social issues which may affect the sustainability of its business under the current vision.

Objectives

- Support teams in the Corporate Sustainability Department in identifying environmental and/or social issues, risks, and opportunities within the company's energy infrastructure portfolio and aid in measurably improving standards and practices with guidance from international standards and criteria.
- Improve B.Grimm's current environmental and social sustainability assessment criteria and modeling for infrastructure investments, and prioritize sustainability issues in the sequential of importance for both firm's internal and external stakeholders.

Scope of Work

Under Mekong Safeguards' supervision, the awarded applicant will be responsible for, but not limited to, the following tasks, subject to the discussion and approval of Mekong Safeguards.

Milestone/Phase 1: Materiality Assessment

- Define ESG topics that are most important for B.Grimm by conducting interviews and desk research to review and compare relevant international best practices, i.e., GRI Universal

Standard (2021) approach, IFC Performance Standards for materiality assessment, WEF Metrics - Material issues impacting stakeholders, Sustainability Accounting Standards Board (SASB), and other suggested/applicable practices. The purpose is to direct which areas of technical assistance the company requires to improve ESG investment and project deployment practices. Focus of this assessment should relate to B.Grimm's power project portfolio, or blended portfolio of infrastructure-related projects (i.e., power plans, transport, water distribution, etc.).

- Perform stakeholder engagement i.e., survey and focus groups interviews with key communities and individuals relevant to B.Grimm Power projects to understand views on impact/importance of issues relating to current materiality assessment of the company. This would relate to issues such as resettlement, community engagement, socioeconomic impact studies to communities, workforce and gender, and other environmental and social standards and practices sub-categories related. This information should be used to inform technical assistance programming to improve company's ESG practices in project investment and deployment.
- The engagement will include at least nine (9) groups of stakeholders in five locations where B.Grimm is/will be in operation per the following matrix:

	Thailand	Vietnam	Malaysia	Lao PDR	Cambodia
Shareholders and Investors	•			•	•
Business partners and Suppliers	•	•			
Customers	•	•			
Creditors	•	•			
Regulators/government agency	•	•		•	•
Employees	•	•	•	•	•
Communities and societies	•	•		•	•
Media	•	•		•	•
NGOs	•	•		•	•

- Develop and educate use of a materiality assessment tool aligned with the GRI Standard 2021 approach (GRI 3: Material Topics 2021) and conclude the materiality assessment in relation to economic & governance, environmental and social aspects.
- Regularly participate in meetings with Mekong Safeguards/B.Grimm.

Milestone/Phase 2: Sustainability Strategy

- Analyze mega sustainability ESG trends, and the sector's risk and opportunities as related to B.Grimm Power's businesses.
- Develop a short/medium/long term ESG strategy and work plan; this plan should relate directly to infrastructure project investments related to B.Grimm's target of 7,200 MW in 2025. The strategy will consist of policy and practices recommendations (and take into consideration the aspects of environmental and social management system defined in IFC PS), as well as concrete recommended actions categorized by discipline, for example:
 - Recommendations for improved supply chain standards and practices
 - Recommendations for improved environmental and social investment portfolio standards and/or practices
 - Recommendations for improved approach on resettlement and livelihood restoration

- Recommendations for improved community engagement on infrastructure development projects
- Recommendations for improved gender equality and social inclusion mainstreaming in workforce composition on infrastructure development projects
- Recommendations for strategies to identify risks and impacts early in project stage
- Review of organizational capacity and make recommendations on a proposed team to undertake E&S related aspects
- Recommendations on emergency preparedness and response
- Recommendations on monitoring and review mechanisms to ensure enhanced social performance
- Set short/medium/long term targets according to the suggested strategy based on key sustainability/materiality issues (prefer to align with DJSI (CSA), GRI standards, UNSDGs).
- Align the ESG work plan with B.Grimm's current plan for carbon neutrality initiative.
- Finalize the framework and drive to adoption of some or all of B.Grimm Power's key materiality issues to promote short/medium/long term improvement of ESG practices across the company's infrastructure investment and project portfolio to deliver positive values suitably and fairly to all stakeholders in the value chain.
- Regularly participate in meetings with Mekong Safeguards/B.Grimm.

Milestone/Phase 3: Train B.Grimm's staff and relevant stakeholders in improved ESG principles to drive adoption and implementation

- Based on the ESG strategy outlined developed under Milestone/Phase 2, the firm/consultants will conduct 3-5 capacity building and training activities (in-person, virtual, or hybrid as appropriate) with B.Grimm's staff and relevant stakeholders to drive consensus, adoption, and implementation of one or more elements within the strategy. Participant selection should be managed with Mekong Safeguards staff, and primarily consist of "key actors" that would influence B.Grimm's infrastructure development, including company management and staff, government, community leaders and constituents, and journalists.
- The firm/consultants will also work closely with Mekong Safeguards monitoring, evaluation and learning specialist to ensure all data and surveys conducted and collected from participants adhere to the needs of Mekong Safeguards.

Deliverables

	Deliverable	Tentative delivery date ¹	Suggested % of total contract
1	Bi-weekly short summary of the progress on the tasks.	Every two week after the contract execution	N/A
2	- List of the key sustainability issue for B.Grimm in groups/categories according to relevant standards/practices for the same type of industry as relevant. (For Milestone 1) - List of mega sustainability trends, the sector's risk, and opportunities as related to B.Grimm Power's businesses (For Milestone 2)	Two (2) weeks after the contract execution	10%
3	Summary of stakeholders' survey result including interview's details and sensitivity analysis.	Four (4) weeks after the contract execution	10%
4	Materiality assessment, analysis and policy and practices recommendations (2-4). Master materiality assessment from a combined results of each materiality assessments.	Eight (8) weeks after the contract execution	20%
5	Short/Medium/long term sustainability framework with clear measurable targets/results.	Twelve (12) weeks after the contract execution	10%
6	Implementation plan including suggested timeline, key performance indicators for each measurable targets/results and responsible body inside the company.	Twelve (12) weeks after the contract execution	20%
7	3-5 Capacity Building and Training Events with the team of Corporate Sustainability Department and relevant stakeholders as necessary, and coordinate with The Asia Foundation on information collecting of all the works performed.	Sixteen (16) weeks after the contract execution	20%
8	Executive presentation and final summary report for the works done.	Twenty (20) weeks after the contract execution	10%

Duration

- Five (5) months (*tentatively July 2022 to November 2022*).

Indicative Budget

- \$100,000 USD

¹ Delivery dates are adjustable as agreed by Mekong Safeguards and the awarded consultancy firm / individual consultant. Dates in parentheses are estimations based on the contract being signed in June 2022.

PART 2: QUALIFICATIONS AND APPLICATION PROCESS

Preferred Qualifications:

- Organization with an extensive track record of sustainability strategy consulting and related work.
- Experience in developing sustainability reports under international standard either DJSI (CSA), GRI standards, or UNSDGs or equivalent standards.
- Extensive knowledge and experience in business strategy for power generation business with presence and/or capacity to conduct ground working on the countries listed under the Scope of Work.

Limitations

To be considered as *qualified consultancy firm*, applicants are required to adhere to the following criteria:

- Company registration shall not be from Prohibited Countries².
- All deliverables/outputs produced under this assignment will be subject to Marking and Branding Requirements as specified by Mekong Safeguards.

How to Apply

- Prior to the proposal due date, consultancy firms may submit questions or request further information concerning this RFP to Mekong.Safeguards@asiafoundation.org. In the email subject title, please include “*Inquiry on RFP No.: MSP-2022-06-SP011.*”
- Qualified consultancy firms must submit proposals (including both technical and financial proposals) in electronic format only to Mekong.Safeguards@asiafoundation.org by **July 20, 2022 5:00 pm Bangkok time.** The email subject title shall include “*Submission of RFP No.: MSP-2022-06-SP011.*”
- **Proposals for submission (required):**
 - **Technical proposal** consisting of the following:
 - A maximum of five pages describing the proposed approach to the assignment, including analytical approaches and/or software tools to be used in conducting the studies or analyses.
 - One page providing an organization chart and indicating key personnel and staff roles and any subcontract (if applicable).
 - A Gantt chart showing the timeline of proposed tasks and deliverables.
 - One page describing past experiences with similar assignments.
 - Proof of experience in preferred qualifications.
 - CVs of staff proposed to work on the project, including any subcontract (if applicable).

² *Prohibited countries* are countries that the US Government does not do business with, previously referred to as foreign policy restricted countries. The Applicant may not procure goods or services from the Office of Foreign Assets Control (OFAC) comprehensive sanctioned countries: Cuba, Iran, North Korea, Sudan, and Syria. By submitting an application in response to this RFP, the Applicant certifies that proposed equipment will not be procured from vendors located in one the OFAC prohibited countries above, nor will the origin of any of the parts be from a prohibited country.

- Publications or technical analyses related to this Scope of Work, produced by the firm or its staff or consultants proposed for this Scope of Work.
 - Company/organization profile.
- **Financial proposal**, including the following:
 - Total proposed price.
 - Breakdown of cost by deliverables.
- Additional documents to be included along with the submitted proposals, where applicable:
 - Company/organization registration.*
 - List of shareholders.*
 - VAT certificate.*
 - Proof of good financial standing (in the form of company annual reports or similar documentation):
 - Bank statements for the last three years (required).
 - Balance sheets for the last three years (optional).

** Required for companies registered in Thailand. For international companies, similar documents are acceptable.*

PART 3: EVALUATION METHOD AND CRITERIA

- Award of the contract will be made to the qualified consultancy firm whose offer has been evaluated and determined as responsive/compliant/acceptable and represented **the best value** to the Foundation. Evaluation will be done, but will not be scored, under each evaluation factor.
- The following are evaluation factors that are in equal order of importance:
 - **Technical Approach**
To the extent to which the proposed working approach, methodology, and work plan demonstrates a logical, feasible, adequacy, and conformity to accomplishing the Scope of Work and deliverables set forth in Part 2 of the RFP.
 - **Staffing Plan**
To the extent which the proposed staffing plan provides for clear roles and responsibilities and ensures efficient operations for both the work implementation and management required to successfully implement the Scope of Work resulting in deliverables set forth in Part 2 of the RFP.
 - **Qualifications and Competence**
To the extent which the applicant, including staff and sub-contractors (if applicable), convincingly demonstrates recent experience in implementing activities similar in scope, geographical, related industry, and complexity to the Scope of Work set forth in Part 2 of the RFP. Preference would be given to previous experiences working with USAID and/or DFAT programs.
 - **Good Sustainable Business Practices**
To the extent which ensures that the applicant should adhere to ethical business practices, especially on matters relating to labor and human rights, occupational health and safety, and social and environmental responsibility. The Foundation always encourages our consultants to minimize their adverse impacts on biodiversity and

promote a net positive impact of the actions they undertake while providing products or services to the program.

- Financial Proposal

To the extent which a cost realism analysis would be done to determine if the overall cost proposed is reasonable and realistic for the work proposed by each applicant.

- Technical evaluation may also include, at the Foundation's discretion, an interview (virtual) for the qualified consultancy firm(s) to present the approach and qualifications at the date/time with B.Grimm designated by the Foundation.
- The final result will be ranked in preference order according to the result of each evaluating factor set forth above.
- The highest-ranked proposal will be awarded the contract.

Issuance of this RFP does not constitute an award commitment, nor does it commit Mekong Safeguards, the Foundation, USAID, Australia Department of Foreign Affairs and Trade (DFAT) or any of its funding partners to pay for costs incurred in the preparation and submission of applications. Further, Mekong Safeguards Program reserves the right to reject any or all applications received. Applications are submitted at the risk of the applicant. All preparation and submission costs are at the applicant's expense.

Award of the contract resulting from this RFP will be based upon the organization or company whose offer will be the most advantageous for Mekong as specified in this RFP. The Foundation will issue a Service Agreement/Contract following its internal policies and procedures and applicable donor regulations. Payments will be made per the agreed schedule which will be negotiated and finalized before signing the agreement/contract.

The Asia Foundation reserves the right to:

1. Reject any or all offers and discontinue this RFP process without obligation or liability to any potential bidder.
2. Accept other than the lowest priced offer.
3. Conduct discussions with the applicant for the purpose of obtaining "best and final offers." To obtain best and final offers from bidders, the Foundation may do one or more of the following: Enter pre-selection negotiations, schedule oral presentations, and request revised proposals.