Terms of reference (ToR) for the procurement of services below the EU threshold

Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH

CONFIDENTIAL

Consultancy Services to Mobilise Financing for Decentralised/Distributed Energy Storage Projects in India	**Project number/ cost centre: G-011988-003 Tender number**

0. List of abbreviations 2

1. Context 3

2. Tasks to be performed by the contractor 4

3. Concept 8
   Technical-methodological concept 8
   Project management of the contractor (1.6) 8
   Further requirements (1.7) 9

4. Personnel concept 9

5. Costing requirements 12
   Assignment of personnel and travel expenses 12
   Sustainability aspects for travel 13

6. Requirements on the format of the tender 14

7. Annexes ..... **Error! Bookmark not defined.**

0. List of abbreviations

ToRs	Terms of reference
BESS	Battery Energy Storage Systems
NBFC	Non-Banking Finance Companies
PFC	Power Finance Corporation
IREDA	Indian Renewable Energy Development Agency Limited
REC	Rural Electrification Corporation
MFI	Micro Finance Institutions (MFI),
DSCR	Debt Service Coverage Ratio
Debt-Equity	Debt-to-Equity Ratio
Project IRR	Project Internal Rate of Return
Equity IRR	Equity Internal Rate of Return
NPV	Net Present Value
Capex	Capital Expenditure
Opex	Operating Expenditure
PV	Photovoltaics

1. Context

The Indo-German technical cooperation project “Energy Storage for Renewable Energy Integration in India (StoREin)" is led by the Ministry of New and Renewable Energy (MNRE), Government of India and jointly implemented with Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH. The project is commissioned by the Federal Ministry for the Environment, Climate Action, Nature Conservation and Nuclear Safety (BMUKN) under the umbrella of International Climate Initiative (IKI). StoREin is a transformative initiative aims to significantly advance the integration of renewable energy into India's power grid at the Distribution level by leveraging effective energy storage solutions. The project places particular emphasis on creating favourable conditions for decentralised/distributed energy storage applications and their integration with renewable energy.

The project is being implemented together with leading technical and research Consortium Partners; Fraunhofer Institute for Energy Economics and Energy System Technology (Fraunhofer IEE) Germany, Indian Institute of Technology (IIT) Bombay, The Energy and Resources Institute (TERI) and World Resources Institute (WRI) India.

The project adopts a multi-pronged approach with five key components:

- **Policy & regulatory frameworks**: Influencing policy frameworks and regulations to enable and incentivize energy storage adoption.
- **Demonstration projects**: Implementing demonstration projects showcasing the practical application of various energy storage technologies in different settings in the distribution grid.
- **Technical analysis and R&D networks**: Conducting in-depth research on energy storage technologies, integration challenges, and potential solutions specific to the Indian context with the target to find viable solutions.
- **Capacity building:** Equipping stakeholders with the knowledge and skills needed to develop, plan, implement, operate, and manage energy storage systems effectively.
- **Awareness & dissemination:** Raising awareness among the public and policymakers about the benefits and importance of energy storage for renewable energy integration.

While decentralised/distributed energy storage solutions have significant potential to support renewable energy integration and address emerging flexibility requirements at the distribution and consumer levels, their wider deployment is constrained by limited access to appropriate financing. Financial institutions and investors have comparatively limited exposure to decentralised/distributed energy storage business models, while project developers and other market actors face challenges related to project scale, technology and revenue risks, bankability, creditworthiness, collateral requirements, contractual structures and the availability of suitable financing instruments.

Against this background, the StoREin project is seeking consultancy services ***to facilitate access to finance for viable decentralised/distributed energy storage projects in India***. The assignment will identify and assess relevant financial institutions and investors, understand financing barriers and requirements, develop a pipeline of potentially bankable proposal for distributed Battery Energy Storage Systems (BESS) projects and prepare suitable

financing/investment propositions. It will further facilitate targeted engagement between potential financial institutions and project stakeholders, with the objective of onboarding at least two financial institutions and/or investors that demonstrate willingness and/or readiness to consider financing decentralised/distributed energy storage projects. Where feasible, the assignment will also support the progression of suitable opportunities towards project-level financing appraisal and mobilisation.

2. Tasks to be performed by the contractor

The primary outcome of the assignment shall be:

- ***At least two (2) financial institutions and/or investors in India are onboarded and demonstrate willingness and/or readiness to finance viable decentralised energy storage projects***.

The contractor is responsible for providing the following services to achieve primary outcome of the assignment:

Work package 1: Financing Ecosystem Mapping and Investor Mapping Matrix
The consultant shall prepare a map, assess and prepare a list of relevant financial institutions and investors in India with the potential to finance decentralised/distributed energy storage projects for e.g.

- Map relevant financing institutions and investors in India;
- Identify public sector/nationalised banks and private sector banks;
- Identify Non-Banking Finance Companies (NBFC), Micro Finance Institutions (MFI), Public Finance Companies (PFC, IREDA, REC),
- Identify specialised renewable energy and sustainability finance institutions;
- Identify infrastructure and development finance institutions;
- Identify climate funds, impact investors and institutional investors;
- Identify investors with mandates relevant to distributed energy, renewable energy and energy storage. This should also include identify financing mechanisms, criteria for assessing creditworthiness of proposal, DSCR, Debt-Equity, Cash flow, business model
- Identify Multilateral Development Banks, Bilateral Development Banks, National Development Banks, who can provide concessional line of credit, credit-risk guarantee, partial risk guarantee.
- Identify relevant financing products and programmes.
- Assess investors and lender’s appetite, develop investment-ready financing structures, evaluate commercial viability and financing needs
- Assess the institutions' existing financing portfolios and investment mandates;
- Assess their potential suitability for decentralised/distributed energy storage projects.

Work package 2: Assessment of Financing Barriers
The consultant shall identify and assess the financing requirements, barriers and risk perceptions associated with decentralised/distributed energy storage projects. The consultant will also assess project economics including project capex, opex, battery replacement cost, revenue potential and lifecycle cost, project IRR, payback, Equity IRR, DSCR, NPV, Build scenario and sensitive analysis. The assessment will also include:

- Technology risk, revenue uncertainty, creditworthiness of project developers;
- Standardised business models, collateral requirements, interest rate expectations, regulatory and policy uncertainties;
- Bankability of Power Purchase Agreements or other contractual arrangements;
- Availability of payment security mechanisms;
- Assess risks and mitigation strategies, including revenue staking opportunities through ancillary services with or without VGF support
- Other barriers

The consultant shall recommend potential measures to address these barriers including financial requirement of the project, recommend financial structuring to de-risk and make the project viable.

Work package 3: Identification of Viable Decentralised/Distributed Energy storage Project
The consultant shall:

- identify a pipeline of potentially financeable decentralised/distributed energy storage projects that may include, Solar PV + BESS, distributed BESS, behind-the-meter energy storage, agricultural and Agri-PV applications, microgrids, distribution-level energy storage, and other viable decentralised/distributed energy storage business models.
- propose the viable and potentially financeable decentralised/distributed energy storage projects.

Work package 4: Development of Financing Proposition
The consultant shall develop suitable financing and investment propositions that respond to the requirements of potential lenders and investors. which may include:

- Project fact sheets, Investment teasers
- Financing proposals and financial models
- Indicative debt/equity structures
- Risk mitigation mechanisms
- Financing requirement profiles
- Revenue model descriptions
- Investment cases
- Project pipeline presentations.

Work package 5: Structured Engagement and Onboarding
The consultant shall undertake targeted engagement with shortlisted institutions and investors and shall facilitate structured engagement between potential financiers and relevant project developers, technology providers, DISCOMs, and other stakeholders.

The consultant shall:

- Identify relevant decision-makers;
- Facilitate bilateral meetings;
- Organise investor/lender consultations;
- Present decentralised/distributed energy storage project opportunities;
- Facilitate interaction between financiers and project developers;

- Address financing concerns and information gaps;
- Follow up on financing interest;
- Support financial institutions and investors in understanding the commercial and financial viability of decentralised/distributed energy storage projects and the associated financing opportunities.

Work package 6: Financing Institution Engagement and Onboarding Tracker
The consultant shall:

- develop and maintain a Financing Institution Engagement and Onboarding Tracker
- support the progression of identified institutions and investors from general interest towards project-level financing appraisal, due diligence, financing sanction and/or financial closure.

Milestones, as laid out in the table below, are to be achieved during the contract term:

Sr. No.	Milestones / deliverables	Deadlines/timelines	Criteria for acceptance
1	**Inception Report:** Methodology, work plan, stakeholder strategy and onboarding approach	Within 1 month of signing the contract	Upon acceptance by GIZ
2	**Work package 1**: Financing Ecosystem Mapping and Investor Mapping Matrix	Within 2 months	Upon acceptance by GIZ
3	**Work package 2**: Assessment of Financing Barriers and recommendations	Month 2-3	Upon acceptance by GIZ
4	**Work package 3:** Identification of Viable decentralised/distributed energy storage projects	Month 3–4	Upon acceptance by GIZ
5	**Work package 4:** Development of Financing Proposition	Month 4–5	Upon acceptance by GIZ
6	**Work package 5:** Structured Engagement and Onboarding	Throughout	Upon acceptance by GIZ
7	**Work package 6:** Financing Institution Engagement and Onboarding Tracker	Throughout	Upon acceptance by GIZ
8	**Onboarding of Institution/Investor 1** with documentary evidence	By Month 7	Upon acceptance by GIZ
9	**Onboarding of Institution/Investor 2** with documentary evidence	By Month 9	Upon acceptance by GIZ
10	**Financing Mobilisation Progress Report**	Month 9–11	Upon acceptance by GIZ
11	**Final Report**: Results, evidence, lessons learned, recommendations and sustainability strategy including following reports at different stages of reporting above: 1. Inception Report 2. Financial Scoping Assessment Report	End of assignment	Upon acceptance by GIZ

	3. Financial Viability Models 4. Investor and Lender Assessment 4. Financing Framework Report		

Period of assignment: from **December-2026** until **November-2027.**

Evidence of achievement/means of verifiable evidence
The consultant shall be responsible for providing clear and verifiable evidence of the achievement of the onboarding target. This shall be demonstrated through one or more of the following forms of documentary evidence:

A. Written Confirmation

- Official letter from a financial institution/investor confirming willingness to consider financing eligible decentralised/distributed energy storage projects;
- Written statement from an authorised representative of the institution;
- Expression of Interest (EoI);
- Letter of Intent (LoI);
- Official email or communication from an authorised institutional representative explicitly confirming financing interest.

B. Publicly Available Financing Information

- Financing product or programme published on the institution's official website;
- Official financing guidelines indicating eligibility of decentralised/distributed energy storage projects;
- Public announcement of a financing facility or programme applicable to energy storage;
- Published investment mandate that explicitly includes relevant decentralised/distributed energy storage applications.
- Other official marketing or communication materials generated by the institution that demonstrate financing availability or interest in decentralised/distributed energy storage.

C. Evidence of Actual Financing

- Documentation of financing provided to a decentralised/distributed energy storage project;
- Financing sanction documentation;
- Loan or investment agreement;
- Evidence of financial disbursement.

D. Project-Level Financing Engagement

Where available, the following may serve as additional evidence of progress beyond onboarding:

- Financing application submitted;
- Project undergoing credit appraisal or investment due diligence;
- Financing proposal under consideration;
- Financing commitment received.

3. Concept

In the tender, the tenderer is required to show how the objectives defined in Chapter 2 (Tasks to be performed) are to be achieved, if applicable under consideration of further method-related requirements (technical-methodological concept). In addition, the tenderer must describe the project management system for service provision.

Note: The numbers in parentheses correspond to the lines of the technical assessment grid.

Technical-methodological concept

Strategy (1.1): The tenderer is required to consider the tasks to be performed with reference to the objectives of the services put out to tender (see Chapter 1 Context) (1.1.1).

Following this, the tenderer presents and justifies the explicit strategy with which it intends to provide the services for which it is responsible (see Chapter 2 Tasks to be performed) (1.1.2).

The tenderer is required to present the actors relevant for the services for which it is responsible and describe the **cooperation (1.2)** with them.

The tenderer is required to present and explain its approach to **steering (1.3)** the measures with the project partners (1.3.1) and its contribution to the **results-based monitoring system** (1.3.2).

The tenderer is required to describe the key **processes (1.4)** for the services for which it is responsible and create an **operational plan** or schedule (1.4.1) that describes how the services according to Chapter 2 (Tasks to be performed by the contractor) are to be provided.

In particular, the tenderer is required to describe the necessary work steps and, if applicable, take account of the milestones and **contributions** of other actors (partner contributions) in accordance with Chapter 2 (Tasks to be performed) (1.4.2).

The tenderer is required to describe its contribution to knowledge management for the partner (1.5.1) and GIZ and to promote scaling-up effects (1.5.2) under **learning and innovation (1.5)**.

Project management of the contractor (1.6)

The tenderer is required to explain its approach for coordination with the GIZ project. In particular, the project management requirements specified in Chapter 2 (Tasks to be performed by the contractor) must be explained in detail.

The tenderer is required to draw up a **personnel assignment plan** with explanatory notes that lists all the experts proposed in the tender; the plan includes information on assignment dates (duration and expert days) and locations of the individual members of the team complete with the allocation of work steps as set out in the schedule.

The tenderer is required to describe its backstopping concept. The following services are part of the standard backstopping package, which (like ancillary personnel costs) must be factored into the fee schedules of the staff listed in the tender in accordance with Section 3.1 of the GIZ AVB:

- Service-delivery control
- Managing Adaptation to changing conditions
- Ensuring the flow of information between the tenderer and GIZ
- Assuming personnel responsibility for the contractor's experts
- Process-oriented steering for implementation of the commission
- Securing the administrative conclusion of the project

Further requirements (1.7)
The assignment will integrate relevant cross-cutting considerations throughout the implementation, with particular attention to gender equality, inclusiveness, sustainability and knowledge transfer.

4. Criteria for Eligibility of Firms

I. Commercial eligibility assessment

- Average annual turnover for the last three financial years should be at least 30,000 Euros
- The average number of employees and managers from past three years should be minimum 5 persons.

II. Technical eligibility assessment

- The technical assessment is only based on reference projects with a minimum commission value of 5000 Euros
- At least 3 reference projects in the technical field of energy storage or renewable energy project finance/investor engagement
- At least 3 reference projects in India in the last 3 years.

III. Weighted criteria

- Minimum 5 years of experience in energy storage and decentralised/distributed energy storage systems
- Minimum 5 years of experience in project finance, sustainable/green finance and financial modelling
- Minimum 3 years of experience in investment mobilisation and financial institution/investor engagement
- Minimum 3 years of experience in renewable energy and infrastructure project development/bankability
- Minimum 3 years of experience in risk assessment, stakeholder engagement and gender inclusion
- The bidder must have experience working in India.
- The bidder must have experience of working on development projects (at least 50% ODA-financed)

4A. Personnel concept

The tenderer is required to provide personnel who are suited to filling the positions described, on the basis of their CVs (see Chapter 7), the range of tasks involved and the required qualifications.

Team leader

Tasks of the team leader

- Overall responsibility for the advisory packages, technical quality, timely delivery and coordination of the assignment
- Lead the coordination with GIZ, partners and other relevant project stakeholders involved in the project
- Lead Personnel management and strategic engagement of experts within the available budget, as well as planning and steering assignments
- Lead strategic engagement with senior representatives of financial institutions, investors and other financing stakeholders.
- Provide overall guidance on the financing mobilisation strategy, institutional engagement and onboarding of financial institutions/investors.
- Ensure quality assurance and coherence of the financing ecosystem assessment, project pipeline, financing propositions and reports.
- Ensure systematic documentation of engagement, onboarding evidence, progress and lessons learned.
- Regular reporting in accordance with deadlines

Qualifications of the team leader

- Education/training (2.1.1): university degree (master's or equivalent) in finance, economics, business administration, energy, engineering or a related discipline
- Language (2.1.2): C2 -level language proficiency in English language
- General professional experience (2.1.3): 10 years of professional experience in the finance, investment, energy or infrastructure-related sector
- Specific professional experience (2.1.4): 8 years in project finance, sustainable/green finance, infrastructure finance, investment advisory or related fields, preferably including renewable energy and/or energy storage.
- Leadership/management experience (2.1.5): 5 years of management/leadership experience as project team leader or manager in a company
- Regional experience (2.1.6): 5 years of experience in projects in India (country)
- Development cooperation (DC) experience (2.1.7): 5 years of experience in Development Cooperation projects
- Other (2.1.8): Demonstrated experience in stakeholder engagement, financing mobilisation and/or investment facilitation, excellent analytical, communication and negotiation skills

Key expert 1 – Energy storage Financing / investment expert

Tasks of key expert 1

- Lead the assessment of financing requirements, financing barriers and risk perceptions associated with decentralised/distributed energy storage projects.
- Lead identification and screening of potentially financeable decentralised/distributed energy storage projects.

- Develop and quality-assure financing/investment propositions, project fact sheets, investment cases and indicative financing structures.
- Support financial modelling and assessment of project economics, revenue models, financing requirements and potential debt/equity structures.
- Support engagement with financial institutions and investors and address their technical and financial information requirements.
- Support the progression of selected opportunities towards project-level financing appraisal, due diligence and financing mobilisation, wherever feasible.
- Contribute to the preparation of reports, knowledge products and recommendations for scaling up financing of decentralised/distributed energy storage.

Qualifications of key expert 1

- Education/training (2.2.1): University degree (Master or equivalent) in finance, economics, energy, engineering, or a related discipline.
- Language (2.2.2): C2 -level language in English language
- General professional experience (2.2.3): Minimum **7 years** of professional experience in finance, investment, energy or infrastructure.
- Specific professional experience (2.2.4): Minimum **5 years** of experience in renewable energy/project finance, sustainable finance, investment analysis or related fields, with demonstrated experience relevant to energy storage and/or distributed energy.
- Leadership/Management experience (2.2.5): 0-2 years
- Regional experience (2.2.6): Minimum **3 years** of professional experience in India or demonstrated experience with the Indian energy/financing market.
- Development Cooperation (DC) experience (2.2.7): 0-2 years
- Other (2.2.8): Experience in engaging banks, NBFCs, investors or other financing institutions; strong analytical and communication skills;

Soft skills of team members

In addition to their specialist qualifications, the following qualifications are required of team members:

- Team skills,
- Communication skills
- Efficient, partner- and client-focused working methods
- Interdisciplinary thinking

Short-term expert pool maximum 2 members

For the technical assessment, an average of the qualifications of all specified members of the expert pool is calculated. Please send a CV for each pool member (see below Chapter 7 Requirements on the format of the bid) for the assessment.

Tasks of the short-term expert pool

- Energy storage technologies and decentralised/distributed energy storage business models.
- Renewable-energy project development and commercial assessment.
- Financial modelling, project finance and investment analysis.
- Legal, regulatory and contractual aspects relevant to project bankability and financing.
- Risk assessment and risk-mitigation mechanisms.

- Engagement with financial institutions, investors and other market actors.

Qualifications of the short-term expert pool (maximum 2 experts)

- Education/training (2.6.1): 2 experts with university qualification with university degree or equivalent in the relevant field
- Language (2.6.2): 2 experts with B2/C1-level language proficiency in English language
- General professional experience (2.6.3): 2 experts with 3-5 years of professional experience in the Energy / financing sector
- Specific professional experience (2.6.4): 2 experts with 3-5 years of professional experience in renewable energy, energy storage, infrastructure finance or related sectors, as applicable
- Regional experience (2.6.5): 2 experts with 3 years of experience in India,
- Development cooperation (DC) experience (2.6.6): 2 experts with 0-2 years of experience in DC
- Other (2.6.7): Strong analytical, communication and stakeholder-engagement skills.

The tenderer must provide a clear overview of all proposed short-term experts and their individual qualifications, area of expertise, relevant assignments, number of proposed days and timing of deployment.

5. Conflict of interest, fees and disclosures

The contractor shall act independently and in the best interests of the StoREin project. The contractor shall not solicit, accept or receive any fees, commissions, success fees, referral fees or other financial or non-financial benefits from any financial institution, investor, project developer or other party introduced, referred or engaged through this assignment in connection with the mobilisation of financing.

The contractor shall disclose, any existing mandates, engagements, financial interests or other relationships with financial institutions, investors, project developers or other relevant parties that may give rise to an actual, potential or perceived conflict of interest. Any new or emerging conflict of interest during the assignment shall be disclosed to GIZ without delay. The contractor shall not undertake any activity that compromises, or may reasonably be perceived to compromise, its independence, impartiality or the transparency of the financing mobilisation process without prior written approval from GIZ.

6. Costing requirements

Assignment of personnel and travel expenses

Per diem allowances are reimbursed as a lump sum up to the maximum amounts permissible under tax law for each country as set out in the country table in the circular from the German Federal Ministry of Finance on travel expense remuneration (downloadable from the German Federal Ministry of Finance – tax treatment of travel expenses and allowances for international business travel as of 1 January 2026 (GERMAN ONLY)).

Accommodation allowances are reimbursed as detailed in the specification of inputs below.

With special justification, additional Accommodation costs up to a reasonable amount can be reimbursed against evidence.

All business travel must be agreed in advance by the officer responsible for the project

Sustainability aspects for travel
GIZ has undertaken an obligation to reduce greenhouse gas emissions (CO_2 emissions) caused by travel. When preparing your tender, please incorporate options for reducing emissions, such as selecting the lowest emission booking class (economy) and using means of transport, airlines and flight routes with higher CO_2 efficiency. For short distances, travel by train (second class) or e-mobility should be the preferred option.

CO_2 emissions caused by air travel must be offset. GIZ specifies a budget for this, through which the carbon offsets can be settled against evidence.
There are many different providers in the market for emissions certificates, and they have different climate impact ambitions. The Development and Climate Alliance (German only) has published a list of standards (German only). GIZ recommends using the standards specified there.

Specification of inputs

Fee days	**Number of experts**	**Number of days per expert**	**Total**	**Comments**
Designation of Team Leader	1	50	50	Overall leadership, coordination, senior-level institutional engagement, Quality Assurance and reporting
Designation of key expert 1	1	100	100	Financing assessment, project pipeline, financial analysis, financing propositions and engagement
Designation of short-term expert pool	Upto 2	Up to 70 days per expert	140	Specialist inputs in energy storage, project development, legal/regulatory, financial modelling and investment/risk analysis
Total			**290 expert days**	
Travel expenses	**Quantity**	**Number per expert**	**Total**	**Comments**
Per-diem allowance in country of assignment (India)	30 days		30 days	Total 30 days for all experts

Overnight allowance/accommodation in country of assignment (India)	30 nights		30 nights	**Total 30 nights for all experts.** **Please indicate in the price schedule whether your offer is on a lump-sum basis or against evidence.**
Transport	**Quantity**	**Number per expert**	**Total**	**Comments**
Domestic flights	20 round trips		20 round trips	Total 20 round trips for all experts. Flights within the country of assignment during service delivery
CO_2 compensation for air travel *Link to working aid and table for determining the budget and Guidance for GIZ service providers on avoiding, reducing and offsetting GHG emissions on setting the budget.*	20 round trips		20 round trips	A fixed budget of EUR is earmarked for settling carbon offsets against evidence.
Travel expenses (train, car) • train, public transport • Taxi	30 trips		30 trips	Travel within the country of assignment including transfer to/from airport, train station etc.
Other costs	**Number**	**Price**	**Total**	**Comments**
Flexible remuneration	1			

7. Requirements on the format of the tender

The structure of the tender must correspond to the structure of the ToR. In particular, the detailed structure of the concept (Chapter 3) should be organised in accordance with the positively weighted criteria in the assessment grid (not with zero). The tender must be legible (font size 11 or larger) and clearly formulated. It must be drawn up in English (language).
The complete tender must not exceed 10 pages (excluding CVs). If one of the maximum page lengths is exceeded, the content appearing after the cut-off point will not be included in the assessment. External content (e.g. links to websites) will also not be considered.

The CVs of the personnel proposed in accordance with Chapter 4 of the ToRs must be submitted using the format specified in the terms and conditions for application. The CVs shall not exceed 4 pages each. They must clearly show the position and job the proposed person held in the reference project and for how long. The CVs can also be submitted in English (language).

Please calculate your financial tender based exactly on the parameters specified in Chapter 5 Quantitative requirements. The contractor is not contractually entitled to use up the days, trips, workshops or budgets in full. The number of days, trips and workshops and the budgets will be contractually agreed as maximum limits. The specifications for pricing are defined in the price schedule.