
REGIONAL – GOVERNANCE & KNOWLEDGE GENERATION PROJECT
Component 1 Governance
Sub-Component 1.3 Promotion of private sector participation in environmental
management
Procurement Reference: FC002

Terms of Reference for supporting industrial pollution abatement in Lebanon

A. CONTEXT

1. The Regional – Governance and Knowledge generation Project has been conceived to foster the integration of environmental issues into sectoral and development policies of Lebanon, Morocco, and Tunisia (Beneficiaries) and potentially of Algeria, Egypt, Libya, Syria, and West Bank and Gaza (potential Beneficiaries). The Project aims at achieving this objective via (i) the production of innovative knowledge on environmental issues, with specific reference to water related issues (freshwater, coastal, and marine resources), and (ii) the organization of conferences, seminars, workshops, etc. during which knowledge will be used to strengthen the capacity of key stakeholders at local, national, and regional level.
2. The Project’s implementation period is three years, and was declared effective March 29, 2012.
3. Plan Bleu is the implementing agency of the Project and is therefore responsible for all procurement connected to the implementation of the Project.
4. As part of the Regional – Governance and Knowledge generation Project (GEF grant), the Project Steering Committee has approved to conduct and finance the activity described herein which aims at supporting industrial pollution abatement in Lebanon.
5. The proposed activity builds on existing and ongoing efforts of GIZ’s Environmental Fund for Lebanon (EFL) and the Lebanese Ministry of Environment (MoE) to prepare the Lebanon Pollution Abatement Project (LEPAP) – an initiative supported by the World Bank. The LEPAP aims at reducing pollution by creating a sustainable and market-based financial incentive scheme offering preferential lending terms to public and private entities moving towards compliance with the environmental legal framework. The implementation period of the LEPAP is expected to start in 2013 and the project is based on a proposed World Bank loan of USD 15 million. Other national partners (Ministry of Finance, Central Bank of Lebanon) and donors (GIZ/EFL, EU) are also supporting the development of LEPAP.
6. LEPAP will be introducing a market mechanism for pollution control and green investments. A financing window will be established within the Central Bank of Lebanon (CBL). The funds will then be channeled through participating commercial banks, which will be remunerated through a percentage of the interest rate. The beneficiary firms will then receive the loan from the commercial bank at market rate with a grant portion

(generated from the profits of the commercial banks in re-investing the project funds for subsequent 10-20 years), that will be freed only after the targeted environmental performance has been proven to be reached.

7. A Technical Assessment (TA assessment) in preparation of LEPAP activities has been conducted between January and August 2012 by EFL and MoE in order to assess demand for financing of environmental loans among Lebanese industries. The assessment has identified 13 industrial enterprises with a total proposed investment of approximately USD 5 million from mainly small and medium sized enterprises and a few large industries. The 13 identified enterprises which will constitute the first pipeline of projects that could be financed through LEPAP, have been divided into two categories:

- Category 1: Enterprises in need of environmental audits for pollution abatement projects in order to identify the mitigating measures in the form of technology, operation and maintenance;
- Category 2: Enterprises where pollution abatement projects have already been defined and tendered (one or several offers available).

Accordingly, for Category 1 enterprises the following support was provided:

- A rapid audit of the enterprise's processes and operations;
- Discussion of the proposed project and assessment of its feasibility and the level of interest of the respective enterprise;
- Identification of needs for further investigations (water sampling and analysis, process investigations, etc...) and corresponding procedures (where necessary);
- Preliminary cost estimates and design parameters; and
- Detailed Technical Notes were prepared for each enterprise describing the existing situation as a result of the rapid audit, the proposed pollution abatement project, and providing capital and operational cost estimates.

As for Category 2 enterprises, the assessment included a rapid audit and subsequently the review and validation of the technical and financial offers available and the provision of recommendations where needed.

In addition to the 13 selected enterprises, EFL is providing continuous support to all enterprises interested in identifying pollution abatement technologies which could be adopted at their level. In this framework, EFL will deploy national and international expertise to investigate the needs and prepare a fact sheet for new industries similar to those prepared for the 13 enterprises covered by the TA assessment provided earlier in 2012. This exercise will follow the same system as in the TA assessment supplemented by a rapid audit, and will include fact sheets and detailed technical notes as applicable.

This consultancy will be delivered on a case by case basis and will not necessarily cover all 13 enterprises included in the TA assessment of 2012 in case the enterprises will not be willing to borrow from LEPAP, and would cover up to 5 additional identified industries for which fact sheets and detailed technical notes have been prepared.

The expertise required under this consultancy should NOT be limited to those identified under the TA assessment but should also include other industrial sectors and pollution aspects which were not covered under the TA assessment.

The full report of the GIZ/EFL 2012 TA assessment and its annexes including the Fact sheets and Technical detailed notes are available at the MoE and EFL and will be provided to the consultant on a case by case basis.

B. OBJECTIVES

7. The general objective of the consultancy is to provide support to a total of 12 enterprises identified among the 13 industries under the TA assessment or which recently indicated their interest to prepare environmental audits required to apply for financing under the LEPAP. MoE and EFL will agree on joint criteria for the selection of 12 industries which will benefit from the TA assessment under this assignment.
8. The specific objective of the consultancy is to provide further technical assistance with regards to industrial pollution abatement activities, to cover the following activities:
 - Support in the preparation of fact sheets based on a rapid audit for newly identified industries which indicated their interest in borrowing through LEPAP for the adoption of pollution abatement technologies and which have not been covered under the TA assessment of EFL of 2012;
 - Conduct rapid audit and ensure that the results of the audits are included in existing fact sheets and detailed technical notes. Otherwise, complete additionally required information including monitoring programs and refining of information to define the best industrial abatement technologies and options;
 - Define detailed technical design/specs for the identification of needed pollution abatement technologies/equipment;
 - Review tender documents for those enterprises that have already prepared their tenders to ensure that they follow the World Bank procurement guidelines and assist in the preparation of new tender documents for those enterprises that are willing to borrow from LEPAP.

C. ACTIVITIES

9. The consultancy will comprise 3 steps. Expected tasks are as follows:
 - Step 1: Definition of exact technical support requirements for each of the 12 enterprises
 - (1) Review the factsheets and the technical notes for 12 enterprises which have shown interest in borrowing from LEPAP or otherwise abstain. In case the enterprise is interested to borrow, exchange further available information with the consultants who established the factsheets and identify complementary information needed to address the pollution abatement issues in question.
 - (2) Conduct rapid audit for each of the 12 enterprises to identify the appropriate projects that can be financed from LEPAP and their requirements in terms of further technical assistance, such as type and scope of laboratory analysis and of technical specs.

A technical report will be drafted for each of the 12 enterprises that will stipulate the results of tasks 1 and 2 of this step. These reports will be transmitted to Plan Bleu as well as to MoE/EFL.

- Step 2: Conduct rapid environment audit of projects that are identified for each of the 12 enterprises
 - (1) Define technical specifications for the needed pollution abatement technologies/equipment of the selected project.Building on the reports elaborated under step 1, the results of step 2 will be added into these reports, in form of new chapters or annexes, as required. The reports will then be transmitted to Plan Bleu and MoE/EFL.
- Step 3: Provide technical assistance regarding procurement/tenders as required for each of the 12 enterprises
 - (1) Prepare tender documents in accordance with the World Bank procurement guidelines; and
 - (2) Assist in reviewing the tender documents.The prepared tender documents as well as the minutes from the review of tender documents will be transmitted to Plan Bleu and MoE/EFL.

D. DATA TO BE PROVIDED BY THE CLIENT

10. The Client will be responsible of providing the following data upon contract signature:
- (1) GIZ/EFL report for the TA assessment of 13 enterprises included in the technical assistance (2012) as well as new fact sheets and technical notes developed for new industries; and
 - (2) EFL/MoE will follow up on information requested by the Consulting firm.
 - (3) The Country Environmental Analysis of Lebanon (CEA) of 2011 which includes a description of the EIA process in Lebanon.

E. MODALITIES, DELIVERABLES AND DURATION

11. The consultancy is expected over a total duration of 12 months.
12. The first step will be initiated in January 2013. It is expected that at least one field visit will be required to respond on a case by case basis to the needs of each industry. A field visit to each industry will be mainly linked to step 1 of the consultancy. It will be followed by steps 2 and 3 which will take place following the field visit. The Consulting firm will propose a detailed planning of the consultancy with their technical proposal.
13. It is expected that site visits would be conducted to respond to the ToRs under Step1. It will be possible to cover several industries under one mission to Lebanon by a specific expert or team of experts, noting that the industries to be covered under each mission to

Lebanon might include similar sectors/needs in order to optimize specializations of the deployed expertise.

14. For monitoring purposes, the draft report for each step will be shared with EFL and MoE as well as with Plan Bleu prior to submission of the final documents.

15. It is expected that the assignment would take a total of 129 days, divided as follows (the timing is indicative only and is modifiable depending on identified priorities):

Ref	Deliverable's Title	Duration (working days)
Step 1 – Definition of requirements, technical reports to be produced		
1(1)	Review available fact sheets	12
1(2)	Visits of 12 industries	24
<i>subtotal</i>		36 days
Step 2 – Conduct technical analysis, results to be included in the technical reports		
2 (1)	Rapid Audit of 12 enterprises including report (4x12 +4)	52
<i>subtotal</i>		52 days
Step 3 – Assistance with procurement, tender documents and minutes to be produced		
3(1)	Assistance in the preparation of tender documents (3 x 12)	36
3(2)	Assistance in establishing criteria for the procurement review	5
<i>subtotal</i>		41 days
GRAND TOTAL:		129 DAYS

16. Steps 1 and 2 require that the Consulting firm is present for field visits of the respective enterprises for a duration of at least 3 days/enterprise. However, at the discretion of the Consulting firm and in accordance with EFL/MoE and Plan Bleu, additional face-to-face interactions may be useful to ensure a smooth implementation of the activity.

F. QUALIFICATIONS OF THE CONSULTING FIRM

17. Firm general profile

The firm should have a proven experience and expertise in: (a) in all industrial sectors, especially the food, minerals, pulp and paper and furniture industries; and in the abatement of solid wastes, wastewater and air pollution from industries. Experience of clean(er) production particularly in the Mediterranean region is a plus; and (b) in environmental assessment and procurement in accordance with the World Bank policies and guidelines.

18. Required staff

Coordination skills and teamwork abilities are essential to carry out the consultancy. The Consulting firm will provide detailed information about the composition of the team who will work on the consultancy, as well as about relevant experience of each team member. The technical proposal will also include indications about the distribution of the workload related to steps 1 to 3 between all members of the team who will be assigned to the consultancy. The following staff is required for the preparation of the above-specified deliverables:

- i. Key-Staff specialists required qualifications are the following:
 - a. Advanced diploma in engineering, environmental engineering, sustainable and clean production or other related fields.
 - b. Domain(s) of international technical expertise: Cleaner production and pollution abatement in industrial sectors, particularly in the food, minerals, pulp and paper and furniture industries. Wastewater management, solid waste management, air pollution reduction, environmental impact mitigation.
 - c. Specialization in procurement.
 - d. Specialization in environmental assessment.
 - e. Sound previous experience in similar projects in the required domains.
- ii. Language requirements:
 - a. Staff: English is a must. Arabic or French are a plus.
 - b. Reporting: English is a must.