

Terms of Reference
Inclusive Energy Transition in Southeast Europe as an Opportunity
Study 2020-2021

Relevant Context

Before the signing of the Paris Agreement in 2016 by a majority of countries in Southeast Europe (SEE), the Intergovernmental Panel on Climate Change stated that the average global temperature must not rise above 1.5 degrees Celsius. Doing so would set off a chain of events, which would lead, among other catastrophic impacts, to a rise in sea levels and the displacement of populations around the world. Achieving this goal requires a radical shift in the production and consumption of energy before 2030 that would decrease greenhouse gasses and, by extension, slow down the climate crisis.

Countries in SEE continue to rely on coal for their energy production and exhibit a lack of interest in pushing for a serious, structural energy transition. Few energy providers dominate the SEE markets, leading to a lack of transparency and to corruption through the political influence of energy oligarchs. More than half of electricity output in the Western Balkans (WB) is powered by coal, and in countries like Bulgaria, which are part of the European Union (EU), the amount is at about 50%. Coal is also used for heating in individual households. The average coal power plant in the WB was constructed over 40 years ago and emits 20 times more sulfur dioxide and particulate matter than the average plant in the EU. Combined with emissions from transportation, this has led to a spike in premature deaths and some of the worst air pollution in the world in a region that hosts comparatively smaller populations. Administrations are making the pro-coal case citing the arguments of energy independence and security of supply. Communities with strong social and economic ties to the coal industry may be concerned that an energy transition in the region would negatively affect their livelihoods. Without alternatives in sight, the apprehension of both communities and decision-makers is existential. For climate justice to be achieved, an energy transition must take society with it.

If countries cooperate, the region as a whole enjoys excellent opportunities for phasing in renewable energies. European integration could be a relevant political vehicle, including through the Energy Community and its initiatives. The Regional Co-operation Council (RCC) has announced increased efforts to bolster regional cooperation on integrating environment and climate policies into other policy areas, such as energy, and to encourage broader use of alternative energy sources. Green Energy Agenda for the Western Balkans is also in the making. The EU-internal debate around a European Green Deal is likely to influence this discussion. Countries also must submit their nationally determined

contributions (NDC) under the Paris Agreement by 2020 and every 5 years after that. Finally, reform opportunities in the course of creating policies and structures in response to the Covid-19 pandemic may become relevant to the shaping of an inclusive energy transition in SEE as well.

Objectives of the study

The Friedrich-Ebert-Stiftung Regional Dialogue Southeast Europe (FES SOE) recognizes regional challenges and is committed to advancing a socio-ecological transformation, democratic consolidation, social and economic justice, and peace in the SEE region. It is, therefore, opening a call for applicants interested in collaborating with us on the “Inclusive Energy Transition in Southeast Europe as an Opportunity” study.

The primary objective of the study will be to determine and eventually communicate the potential for and opportunities connected to an inclusive energy transition in SEE based on contextualized geographical, political, social, and economic information as well as bottom-up, local, and community perspectives. Particular emphasis should be put on the question of what co-benefits an inclusive energy transition would create. A secondary objective is to identify political avenues (not technical details) and platforms that would likely receive popular and/or political support for an inclusive energy transition in Southeast Europe.

Note the normative and indeed political character of this project: As a political organisation, the FES is not only interested in “solving a puzzle”. While putting hypotheses (c.f. below) to the test, the FES also looks for data to substantiate a distinct line of argumentation.

Definitions

The term “inclusive energy transition” is understood as an energy system based on energy democracy and involvement of the citizens. The term encompasses but also goes beyond the idea of a “just transition”, a concept coined by the trade unions and aiming to heighten environmental protection while supporting workers and communities in the transition process. “Energy transition” is understood as both phasing-out coal and phasing-in renewable energies.

Hypotheses

The FES SOE assumes an inclusive energy transition in SEE to effect positive change in the region in several areas, namely through

- Strengthening democratic development by
 - o encouraging citizen participation and
 - o innovating political decision-making;
- Economic development, particularly in rural areas

- increasing local value-added as well as
 - employment, especially in maintenance,
 - thus curbing rural-urban migration and buttressing decentralisation;
- Supporting peacebuilding through transnational local collaboration or cooperation among ethnically / culturally diverse communities;
 - Intensifying regional intergovernmental cooperation.

Applicants are asked to discuss and suggest any changes to these hypotheses in their project proposals.

Target Groups

The target groups for communicating the findings are as follows, in order of priority:

- Local opinion-leaders in their communities (journalists, educators, trade-unionists, entrepreneurs, politicians, activists, religious leaders);
- The general public on the local and national levels;
- Decision-makers who are not primarily concerned with environmental or energy policy in national governments and regional institutions (including the Regional Cooperation Council);
- National and international officials concerned with the development of energy policies (national governments, Energy Community Secretariat)
- Political parties on the national level;
- Trade unions on the national level;
- Chambers of commerce on the national level;
- European party families;
- The international community on the national level;
- Academia on the national level;
- Any of the above outside the region.

Applicants are asked to discuss and suggest any changes to these target groups in their project proposals.

Project details and contents of the proposal

The selected applicant will be responsible for preparing and conducting the research and producing written outputs, which fulfill the specified purpose and objectives with the provided definitions in mind. It is of paramount importance that the language and length of the written outputs be tailored to the target groups. Applicants are asked to specify the language and citation style they intend to use as well as propose suitable formats for written outputs. Proposals must further include a proposed structure for all written outputs specifying the length of each chapter/part (in number of words).

The hypotheses should be tested by analysing an amount of five cases selected and distributed in such a way that they allow for a certain generalisation of findings for the whole region. Good practices and innovations from the region are of particular interest. Cases should include rural areas or communities (to test for additional local added value/development, employment and effects on migration) as well as trans-border and/or ethnically and/or culturally diverse areas or communities (to test for contributions to peacebuilding and transnational collaboration as well as for the potential for increased intergovernmental/regional cooperation). Finally, cases must provide opportunities to examine innovations in citizens' participation and political decision-making as well as evaluate effects on democratisation. In the application, the selection of cases proposed, as well as their relation to one another, must be justified.

Applicants are further asked to propose a methodology they seem suitable for the research part of the project and substantiate their proposal. Elements that could be taken into consideration:

- Desk review of existing research relevant to the purpose and objectives of this study; analysis of discourses on / discursive changes around the energy transition;
- Online surveys and focus group discussions, participatory research methodologies;
- Ongoing analysis and incorporation of current events relating to the energy transition of SEE within and beyond the region;
- Use of visuals (photographs, infographics, graphs outlining empirical evidence collected, creative elements, etc.) to help draw conclusions;
- Coalition-building among organisations, institutions, and other stakeholders concerned with the topic of the inclusive energy transition.

As the communication of the research results is of paramount importance, a communications campaign involving all stakeholders will follow and a separate call targeted at communication agencies will be issued later this summer. Cases for the research however should be selected with their potential for external communications in mind.

The research should throughout its duration build and track valuable connections with stakeholders, individuals, and entities concerned with the topic of an inclusive energy transition on the local, national, regional, and international levels that can be tapped into for communicational and operational purposes as well.

The FES SOE is expecting a project timeframe of 6 months from awarding the contract until the publication of the written outputs. The communication of early results and findings etc. will start as early as October 2020 and before the roll-out of a larger campaign, i.e. when all the written outputs are available.

In their project plans, applicants are expected to define project milestones of the research bearing in mind said communication campaign.

The following are some guiding questions that could be applied to each case studied as well as the region as a whole. These are meant merely to illustrate the FES SOE's understanding of the research design and should be adapted and improved upon by the applicants.

- What is an inclusive energy transition, and what does it entail? What are the indicators of an inclusive energy transition?
- Where does each case stand on its journey towards an inclusive energy transition? Which avenues for change are especially noteworthy? What were the challenges on the way, and how could they be overcome?
- What are best practices for economic alternatives, bottom-up participation models, political platforms, transnational collaboration, intergovernmental cooperation, etc. that could inspire an inclusive energy transition in the wider region?
- How is the possibility of an inclusive energy transition in SEE connected to initiatives by the Regional Cooperation Council or in the Energy Community? How is it related to the EU's Green Deal as well as to other regional initiatives and political developments in reaction to the Covid-19 pandemic?
- What opportunities are connected to an inclusive energy transition in terms of the economy, employment, migration, (democratic) development, transnational and intergovernmental regional cooperation, peacebuilding, and conflict?
- What would be promising approaches / political avenues and platforms for target groups to further and/or co-benefit from an inclusive energy transition?

Eligibility of the applicants

Individuals, companies, NGOs, and/or consortiums wishing to submit their bids are expected to document the following for any researchers and/or specialists involved:

- An advanced degree in law, economics, business or other fields related to the tasks and objective of the study;
- A minimum of 5 years of relevant experience delivering consultancy projects in energy, environmental or climate matters, with international organizations and think tanks;
- A solid understanding of energy and climate landscape in the SEE region, in particular, WB;
- Proven critical and analytical skills;
- Experience in writing clear and concise reports and other deliverables;
- Ability to engage with different stakeholders across SEE;
- Strong presentation skills proving competency in conveying the objective of the study;
- Excellent command of English, and a SEE language(s), knowledge of German being an asset.

Structure of the proposal

All proposals should consist of a technical and financial offer.

Technical offer must include:

- A Project plan including the research milestones and consideration of communication timeline, (no longer than 500 words excluding references and sources)
- A Concept note demonstrating the applicant's understanding of the project and specifying the project design and/or suggesting any improvements where applicable (no longer than 2,500 words).
- CV(s) of expert(s);
- A list of active weblinks to some selected published work by the experts and one sentence of context information per link;
- Other (e.g. added value to the study, environmental, sustainable components, etc.);

- In the case of companies/consortiums, in addition to the above:
 - o Profile with a description of most relevant past work, emphasizing key takeaways from previous projects;
 - o Registration excerpts;
 - o Financial audit reports for the past two years.

Financial offer must:

- Be broken into installments reflecting e.g. proposed study's milestones;
- Be expressed in EUR specifying VAT, if applicable.

Submission of applications

Applications should be sent in English, by 28 July, to selma.sehovic@fes-soe.org and info@fes-soe.org with reference to the "*Inclusive Energy Transition in Southeast Europe as an Opportunity Study 2020-2021.*" The accompanying documents should be referenced with names indicated under the technical and financial offer.

Evaluation Criteria

The study will be awarded to the highest qualified bidder. Applications are evaluated based on the following criteria:

Technical Offer:

- Project understanding and plausibility of the project plan (10 points);
- Innovative suggestions improving the project design (35 points);
- Professional capacities: the strength of CVs, past reports, reference list of experience in similar or related projects (20 points);
- Other added value to the project (5 points).

Financial Offer carries 30 points.

Maximum score: Technical + Financial Offer = 100 points.

Notification

Applicants will be notified of the outcome within 30 days of the last day for the submission of applications.

Please address any questions or needs for clarification regarding these Terms of Reference to: info@fes-soe.org