



REQUEST FOR PROPOSALS

Finnish NIB/NEFCO Technical Assistance Trust Fund

Country: Russia

Selection of Consultant for:

Coordination and Management Consultant Services for Finland Black Carbon Programme at NEFCO

Client: NEFCO

4 December 2020

Section 1 – Letter of Invitation

Helsinki, 4 December 2020

Dear Sir/Madam,

Funds of up to EUR 200,000 will be allocated from the Finnish NIB/NEFCO Technical Assistance Trust Fund for consulting services to coordinate and manage the activities in the Finland Black Carbon Programme at NEFCO. This amount includes a 5 % provision for contingencies. According to the terms and conditions on the operation of the Finnish NIB/NEFCO Technical Assistance Trust Fund, the Consultant to be engaged has to be Finnish.

The Ministry for Foreign Affairs of Finland (MFA) aims at an enhanced effort in Russia and with Russia to prepare and develop more climate related (black carbon) investment projects that could then become Northern Dimension Environment Partnership (NDEP) projects. Main purpose of the Finland Black Carbon Programme at NEFCO is to mitigate black carbon emissions as a primary driver through technical assistance and support, not to invest directly in the projects. The activities can include for example scoping/pre-feasibility studies, project specific feasibility studies, other types of technical assistance (TA) e.g. monitoring and supervision of TA projects, and awareness raising with specific focus on the following Russian regions: Archangelsk Region, Komi Republic, Murmansk Region and Karelia Republic.

The overall objective of the Consultancy assignment is to provide coordination and management consultancy services and provide Technical Assistance (TA) for the Programme to achieve the objectives of the Programme. Essential part of the assignment is to supervise the future service providers under the Programme to implement the approved projects in compliance with the relevant agreements. The assignment requires excellent coordination, organizational and management skills, good general knowledge of the current black carbon agenda, its trends and developments as well as pro-found knowledge and experience, in particular, in the following areas of expertise:

- Technical assistance projects in Russia;
- Capability and know-how to identify project opportunities in Russia;
- Energy, district heating and other sectors relevant for the assignment; and
- Emission abatement solutions, technologies and emission factors (black carbon emissions in particular)

NEFCO now invites proposals to provide the following consulting services: “**Coordination and Management Consultant Services for Finland Black Carbon Programme at NEFCO**”. The details of the required services are provided in the attached Terms of Reference.

This Request for Proposals (“RFP”) has been published on NEFCO’s webpage.

Indication of Interest

Any questions on the Terms of Reference or the other documentation in the RFP shall be provided in writing to NEFCO by e-mail: procurement@nefco.fi no later than **21 December 2020** after which all questions will be compiled by NEFCO without any editing in the form they are sent to NEFCO. Answers to the questions are submitted by e-mail to all Consultants that have confirmed their intent to prepare a proposal.

Please inform NEFCO by e-mail: procurement@nefco.fi not later than **21 December 2020**:

- (a) that you have received this Letter of Invitation and whether you intend to submit a proposal.
- (b) whether you will submit a proposal alone or intend to enhance your experience by associating with other firm(s).

Submission of Proposals

Proposals must be submitted to NEFCO no later than at **12:00 hrs local time in Helsinki on 13 January 2021** (submission date). NEFCO may at its discretion extend the deadline for submission of proposals. Belated proposals will be rejected and returned unopened.

The proposal shall be divided into two parts: a technical proposal and a financial proposal. The requirements for the proposals are described in detail in Section 2 – Instructions to Consultants. The attached standard forms are to be used for the purpose.

Proposals shall be submitted in English and must remain valid for 90 days. Consultants willing to prepare and submit a proposal are responsible for all associated costs.

The proposal shall be submitted to NEFCO in two envelopes:

Envelope A: Technical Proposal

The original of the technical proposal, and one electronic copy of the Technical Proposal on USB memory stick.

Envelope B: Financial Proposal

The original of the financial proposal.

These two envelopes are to be enclosed in a third envelope labelled: “**Coordination and Management Consultant Services for Finland Black Carbon Programme at NEFCO - Do not open before 12:00 hrs on the 13 January 2021**”.

The envelopes shall be addressed to NEFCO:

NEFCO
Fabianinkatu 34
FI-00100 – Helsinki, Finland
Telephone: +358 10 618 003

A consultant will be selected under **quality and cost-based selection method** and procedures described in this RFP, in accordance with NEFCO's Procurement Guidelines available at www.nefco.org under "Work with us".

This RFP includes the following documents:

Section 1 - Letter of Invitation
Section 2 - Instructions to Consultants
Section 3 - Technical Proposal - Standard Forms
Section 4 - Financial Proposal - Standard Forms

Annex 1: General Terms and Conditions of Contract for Consultant's Services
Annex 2: Terms of Reference dated

Yours sincerely,



Trond Moe
Managing Director
Nordic Environment Finance Corporation



Vivi Avikainen
Investment Manager
Nordic Environment Finance Corporation

Section 2 – Instructions to Consultants

1. Rules concerning nationality of consultants

The funds used for this consultancy assignment are made available from the Finnish NIB/NEFCO Technical Assistance Trust Fund through NEFCO. According to the terms and conditions on the operation of the Finnish NIB/NEFCO Technical Assistance Trust Fund and Black Carbon Programme at NEFCO, there are some provisions that shall be taken into account when preparing the proposals, namely:

- the firm to be engaged has to be registered in Finland.
- up to 40% of the assignment's budget can finance Local Consultants.

2. Preparation and Submission of Proposals

- 2.1. Consultants submitting proposals are expected to examine carefully and respect all instructions, forms, General Terms and Conditions, Terms of Reference and specifications contained in this Request for Proposals. Failure to submit a proposal containing all the required information and documentation within the deadline specified in the Letter of Invitation may result in rejection of the proposal. The standard forms in Sections 3 and 4 of this Request for Proposals shall be used as applicable.
- 2.2. Consultants shall submit technical and financial proposals in separate sealed envelopes marked “**Technical Proposal**” and “**Financial Proposal**”, as appropriate. No financial data of any sort shall be included in the technical proposal. Only envelopes containing technical proposals shall be opened at the time of submission of proposals. The financial proposals will be kept sealed and in safe custody until the technical evaluation is completed.
- 2.3. **Technical Proposal** (not exceeding 15 pages, excluding CVs)

Consultant's technical proposal shall demonstrate the firm's knowledge of the requirements of the assignment and its understanding of the requisite tasks set forth in the scope of work of the Terms of Reference. Information must be provided on the firm and any subconsulting firm associated with for the purpose of the assignment. Provision of the requested information, in full, must be presented as follows:

- (a) A brief description of the firm, an outline of the firm's recent experience of assignments of a similar nature and specifically the firm's previous work, especially in the project country. Information on the current workload of the firm in the relevant areas of this assignment shall also be presented.

Section 2 – Instructions to Consultants

- (b) Comments or suggestions, if any, on the Terms of Reference designed to improve performance in carrying out the assignment.
- (c) Comments and elaborations on general approach and methodology.
- (d) Composition of the team which the firm proposes to provide in the field and in the home office, together with curricula vitae of each individual team member and the specific task(s) to which each team member would be assigned. The team leader and the key experts listed in the evaluation criteria table (section 3.6 of the Instructions to Consultants) shall be specifically identified. Members of the team shall have requisite experience outside their own country, preferably under conditions similar to those prevailing in the project country. A good working knowledge of English is essential for the staff. Proficiency in Russian is an additional merit. The language conditions for the assignment are stated in the Terms of Reference. If the firm proposes to have a member of the consultant's home office responsible for the supervision of the team in the field, similar details shall be given with the curricula vitae of that member.
- (e) Work programme including a bar chart and a staffing schedule. The bar chart shall indicate estimates of the duration and total staff days, weeks or months that would be provided for each task. The staffing schedule shall indicate clearly the estimated duration (in both the home office and in the field) and the probable timing of the assignment of each professional (both foreign and local).
- (f) Description of office space, vehicles, equipment, local counterpart support etc. required in the field for carrying out the proposed services.

2.4. Financial Proposal

- (a) The firm's financial proposal shall be denominated in EUR. The costs shown shall include a detailed breakdown of (i) *remuneration* for the number of days/weeks/months of each team member to be assigned and the related unit rates, (ii) *direct expenses* in respect of subsistence costs and housing allowances and (iii) *all reimbursable expenses*.
- (b) Financial proposals as submitted by the firm will be considered in the evaluation and selection of consultants. However, each element of the financial proposal of the selected firm will be reviewed during contract negotiations for determining the final contract price.
- (c) **Audit.** NEFCO retains the right to audit, both during and after the assignment, the selected firm's accounts and time and cost records relevant to the services provided, including such accounts and records as will enable verification of the costs related to the assignment.

Section 2 – Instructions to Consultants

- (d) **Funds.** The amount of funds allocated for this assignment is stated in the Letter of Invitation, exclusive of VAT. The financial proposal shall cover all foreign and local costs of services for this assignment including costs of staff in the field and in the home office. The financial proposal shall be based on a minimum of home office contribution during the assignment. It shall also cover international travel (economy class or equivalent), preparation of final reports, equipment, insurance, office supplies, subsistence, local transport, facilities, equipment, and all related expenses. The consultant shall be responsible for all direct and indirect tax liabilities (if any) arising out of or connected to the performance of the services wherever they arise.

The rates and prices shall be fixed for the duration of the assignment and no currency fluctuation or other adjustments will be made.

- (e) **Contract.** A time-based contract will be concluded for the assignment.

3. Evaluation of Proposals

- 3.1. Evaluation of the proposals will be carried out by an evaluation committee appointed by NEFCO.
- 3.2. A two-stage procedure is adopted for evaluating the proposals. The technical proposals will be evaluated first, merit points awarded and the proposals ranked in order of their respective merit points, prior to the opening and evaluation of financial proposals. Quality of the technical proposal, particularly that of the staff proposed, shall be the principal criterion for evaluation of proposals and selection of consultants.
- 3.3. **Technical proposals** shall be evaluated and merit points awarded based on the following factors:
- (a) The firm's experience in the disciplines forming part of the total assignment, with specific reference to experience in Russia in general and in the North-West of Russia in particular;
 - (b) The approach to the assignment, the suggested work programme and organisation and composition of the proposed team of experts, plus comments, if any, on methodology in response to the Terms of Reference; and
 - (c) The qualifications, experience and competence of the experts proposed for the assignment.

See further the scoring table below. All evaluations will be made relating to the Required Qualifications in the Terms of Reference.

Section 2 – Instructions to Consultants

- 3.4. A technical proposal may be treated as non-responsive if information with respect to any of the factors (a), (b) or (c) as requested above in section 3.3 is omitted. Only firms (i) awarded a minimum of 70 technical proposal merit points and (ii) having technical merit points within 15 points of the highest technical score will be considered for the second stage (financial evaluation). If no firm scores the required minimum of technical points, NEFCO reserves the right to negotiate with the firm scoring the highest technical points, or to reject all proposals.
- 3.5. A firm will be excluded from the evaluation if, at the discretion of NEFCO, the firm has been, or might be placed, in a conflict of interest position in the procurement process or the performance of the contract. Firms, which believe such a situation may exist, shall seek guidance from NEFCO prior to preparing the technical proposal.
- 3.6. The specific evaluation criteria are listed below:

PRINCIPAL FACTORS IN EVALUATION	Maximum points
1. Experience of Consulting firm	
a) Experience from similar projects	10
b) Experience from Russia	10
Subtotal 1	(20)
2. Approach and methodology	
a) Relevance to the Terms of Reference	10
b) Suggested work programme	5
c) Staffing plan	5
Subtotal 2	(20)
3. Qualifications and competence of key experts	
a) Programme Manager	25
b) Local Manager	20
c) Environmental Expert	15
Subtotal 3	(60)
TOTAL	100

- 3.7. *The financial proposals* will be opened and evaluated only after the technical evaluation has been completed and merit points awarded to each proposal. The financial proposal envelopes of only those firms that have qualified for the financial evaluation in accordance with section 3.4 above will be opened for financial evaluation. The financial proposals of the remaining firms will remain unopened and will be returned, after NEFCO has awarded a contract to the selected firm.
- 3.8. **Correction of Errors.** Activities and items described in the technical proposal but not priced in the financial proposal shall be assumed to be included in the prices of other activities or items, and no corrections are made to the financial proposal.

Section 2 – Instructions to Consultants

Time-based contract. The evaluation committee will (a) correct any computational or arithmetical errors, and (b) adjust the prices if they fail to reflect all inputs included for the respective activities or items in the technical proposal. In case of discrepancy (i) between a partial amount (sub-total) and the total amount, or (ii) between the amount derived by multiplication of unit price with quantity and the total price, or (iii) between words and figures, the former will prevail. In case of discrepancy between the technical and financial proposals in indicating quantities of input, the technical proposal prevails and the evaluation committee will correct the quantification indicated in the financial proposal so as to make it consistent with that indicated in the technical proposal, apply the relevant unit price included in the financial proposal to the corrected quantity, and correct the total proposal cost.

- 3.9. The financial proposal representing the lowest evaluated price will be given the score 100; others are rated as follows:

$$\text{Financial score of firm A} = \text{lowest evaluated price} / \text{price of firm A} \times 100;$$

If the financial proposal exceeds the indicated available funds it may be rejected at the discretion of NEFCO.

- 3.10. In the final evaluation combining the technical and financial scores, the technical merit score will be given a weight of 80 percent and the financial score shall be given a weight of 20 percent. The firm with the highest evaluated weighted score will be invited to contract negotiations.

4. Contract Negotiations and Award

- 4.1. NEFCO reserves the right to reject all proposals.
- 4.2. The consultancy services are expected to commence no later than within 14 days after the conclusion of the consultancy agreement. Contract negotiations will be carried out by representatives of NEFCO.
- 4.3. The costs of preparing a proposal and of negotiating and concluding a contract including the costs of travel to participate in possible pre-bid meeting are not reimbursable as costs of the assignment.
- 4.4. NEFCO expects to conclude a contract on the basis of the experts named in the proposal and will require, in the contract negotiations, assurances that these experts can, in fact, be made available. NEFCO will, at its sole discretion, consider substitutions only in case the commencement of the assignment would otherwise be delayed, for reasons unrelated to selected consultant, or, exceptionally, because of incapacity of an expert for reasons of health. The desire of a firm to use an expert on another project will not be accepted as a reason for substitution of staff and may result in the rejection of the firm in question.

Section 2 – Instructions to Consultants

- 4.5. The firm (or the leading consultant, if there are several partners) that submitted the first-ranked proposal will be invited to discuss technical and financial details of the proposal and the terms of the contract without delay. Discussions will commence with a review of the technical proposal, the proposed approach and work plan, staffing and any suggestions the consultant may have made to improve the Terms of Reference. Agreements will be reached, first, on the final Terms of Reference, work plan, time schedule, the staff to be employed, their periods of work in the field and in the home office, frequency and timing of home travel, housing costs, budget to be allocated for the provision of office equipment, and next, on the facilities and services to be provided by local counterparts. Thereafter, financial negotiations will begin with discussions of the proposed fee rates for each team member, and of other costs as indicated by the consultants. In subsequent negotiations, the reasonableness of each item included in the Financial Proposal of the selected firm will be assessed. Consultants shall be prepared to disclose during negotiation data backing up the consultant fees and other costs and be aware and accept that the proposed rates and other costs will be subject to scrutiny and possible negotiation.
- 4.6. The representatives of the consulting firm invited for contract negotiations must be authorised (on behalf of all bidding partners) to discuss and agree on the technical and financial aspects of the proposal as well as the terms and conditions of contract and to conclude a binding agreement. Should the discussions with the first invited firm prove unproductive and/or unsatisfactory, the firm submitting the next-ranked proposal will be invited instead (and so on, if necessary, until an agreement is concluded). As soon as the contract is signed with the finally selected consulting firm (the “Consultant”), other short-listed firms will be informed accordingly.
- 4.7. Payments will be made to the Consultant from the “Finnish NIB/NEFCO Technical Assistance Trust Fund”. The Consultant will be payed only for work performed based on the payment schedule finalised at the contract negotiations. Payments will be made in 30 days after receiving the Consultant’s invoice.

Section 3 – Technical Proposal – Standard Forms

FORM TECH-1 TECHNICAL PROPOSAL SUBMISSION FORM

[*Location, Date*]

To: [NEFCO - courier address]

Dear Sirs,

We, the undersigned, offer to provide the consulting services for “**Coordination and Management Consultant Services for Finland Black Carbon Programme at NEFCO**” in accordance with your Request for Proposals dated [*insert date*] and our Proposal. We are hereby submitting our Proposal, which includes this Technical Proposal, and a Financial Proposal sealed under a separate envelope.

[We are submitting our Proposal in association with: [*insert a list with full name and address of each associated Consultant/member of Consortium*].]

We hereby declare that all the information and statements made in this Proposal are true and accept that any misinterpretation or misrepresentation contained in it may lead to our disqualification.

If negotiations are held during the period of validity of the Proposal as defined in the Letter of Invitation, we undertake to negotiate on the basis of the proposed staff. Our Proposal is binding upon us during this period, and subject to the modifications resulting from Contract negotiations.

We undertake, if our Proposal is accepted, to initiate the consulting services related to the assignment not later than the date indicated in Clause 4.2 of the Instructions to Consultants.

We understand that you are not bound to accept any proposal you receive.

We hereby accept the General Terms and Conditions of Contract for Consultant’s Services attached as Annex 1 to your RFP.

Yours sincerely,

Authorized Signature [*In full and the original copy initialized*]:

Name and Title of Signatory:

Name of Firm:

Address:

Section 3 – Technical Proposal – Standard Forms

FORM TECH-2 CONSULTANT’S ORGANISATION AND EXPERIENCE

A - Consultant’s Organisation

Provide here a brief (max 2 pages) description of the background and organisation of your firm/entity as well as of each subconsultant for this assignment.

B - Consultant’s Experience

Please provide information on each assignment, relevant for this assignment, for which your firm, and each joint venture/consortium partner and subconsultant was legally contracted either individually as a corporate entity or as one of the major companies within a consortium, for carrying out consulting services similar to the ones requested under this assignment (max 1 page per project and 5 pages in total) including information on contract value, contracting entity/client, project location/country, duration (months and years), expert months provided (if different from duration), main activities and objectives.

Section 3 – Technical Proposal – Standard Forms

FORM TECH-3 COMMENTS AND SUGGESTIONS ON THE TERMS OF REFERENCE

A – Comments and Suggestions on the Terms of Reference

Present and justify here any modifications or improvement to the Terms of Reference you are proposing to improve performance in carrying out the assignment (such as deleting some activity you consider unnecessary, or adding another, or proposing a different phasing of the activities). Such suggestions shall be concise and to the point, and incorporated in your Proposal.

Section 3 – Technical Proposal – Standard Forms

FORM TECH-4

DESCRIPTION OF APPROACH, METHODOLOGY AND WORK PLAN FOR PERFORMING THE ASSIGNMENT

Technical approach, methodology and work plan are key components of the Technical Proposal. You are suggested to present your Technical Proposal (max 8 pages, inclusive of charts and diagrams) divided into the following three chapters:

- a) Technical Approach and Methodology,
- b) Work Plan, and
- c) Organisation and Staffing.

a) Technical Approach and Methodology. In this chapter you shall explain your understanding of the objectives of the assignment, approach to the services, methodology for carrying out the activities and obtaining the expected output, and the degree of detail of such output. You shall highlight the problems being addressed and their importance, and explain the technical approach you would adopt to address them. You shall also explain the methodologies you propose to adopt and highlight the compatibility of those methodologies with the proposed approach.

b) Work Plan. In this chapter you shall propose the main activities of the assignment, their content and duration, phasing and interrelations, milestones, and delivery dates of the reports. The proposed work plan shall be consistent with the technical approach and methodology, showing understanding of the Terms of Reference and ability to translate them into a feasible work plan. A list of the final documents, including reports, drawings, and tables to be delivered as final output, shall be included here. The work plan shall be consistent with the Work Schedule of Form TECH-8.

c) Organisation and Staffing. In this chapter you shall propose the structure and composition of your team. You shall list the main disciplines of the assignment, the key expert responsible, and proposed technical and support staff.

Section 3 – Technical Proposal – Standard Forms

FORM TECH-6 CURRICULUM VITAE (CV) FOR PROPOSED PROFESSIONAL STAFF

CVs may be provided in any format you prefer, but shall as a minimum clarify the following issues for every member of the proposed professional staff:

1. Proposed Position [*only one candidate shall be nominated for each position*]:
2. Name of Firm [*insert name of firm proposing the staff*]:
3. Name of Staff:
4. Date of Birth:
5. Nationality:
6. Education:
7. Membership of Professional Associations:
8. Other Training:
9. Countries of Work Experience:
10. Languages [*for each language indicate proficiency: good, fair, or poor in speaking, reading, and writing*]:
11. Employment Record Relevant to the Assignment:
12. Adequacy for the Assignment: Detailed Tasks Assigned [*list all tasks to be performed under this assignment*] and Reference to Prior Work/Assignments that Best Illustrates Capability to Handle the Assigned Tasks:

Expert's contact information: (e-mail, phone.....)

Certification:

I, the undersigned, certify that to the best of my knowledge and belief, this CV correctly describes myself, my qualifications, and my experience, and I am available to undertake the assignment in case of an award. I understand that any misstatement or misrepresentation described herein may lead to my disqualification or dismissal by NEFCO, and/or sanctions by NEFCO.

Section 3 – Technical Proposal – Standard Forms

{day/month/year}

Name of Expert

Signature

Date

{day/month/year}

Name of authorized
Representative of the Consultant
(the same who signs the Proposal)

Signature

Date

Section 3 – Technical Proposal – Standard Forms

FORM TECH-7 STAFFING SCHEDULE

For professional staff the input shall be indicated individually; for support staff it shall be indicated by category. Weeks are counted from the start of the assignment. Indicate home and field work separately - field work means work carried out at a place other than in the home office.

No	Name of Staff	Staff input (in the form of a bar chart)														Total staff-week input			
		1	2	3	4	5	6	7	8	9	10	11	12	n	Home	Field	Total		
Foreign																			
1		<i>(Home)</i>																	
		<i>(Field)</i>																	
2																			
n																			
														Subtotal					
Local																			
1		<i>(Home)</i>																	
		<i>(Field)</i>																	
2																			
n																			
														Subtotal					
														Total					

Section 3 – Technical Proposal – Standard Forms

FORM TECH-8 WORK SCHEDULE

No.	Activity	Weeks												
		1	2	3	4	5	6	7	8	9	10	11	12	n
1														
2														
3														
4														
5														
n														

Indicate all main activities of the assignment, including delivery of report (e.g inception, interim, and final reports) and other relevant benchmarks. Duration of activities shall be indicated in the form of a bar chart.

Section 3 – Technical Proposal – Standard Forms

FORM TECH-9 COVENANT OF INTEGRITY

**to the Purchaser/Client/Employer/NEFCO
from a Tenderer/Contractor/Supplier/Service Provider/Consultant
to be attached to its tender
(or to the contract in the case of a negotiated procedure)**

“We declare and covenant that neither we nor anyone, including any of our directors, employees, agents, joint venture partners or sub-contractors (“the **Parties**”), where these exist, acting on our behalf with due authority or with our knowledge or consent, or facilitated by us, has engaged, or will engage, in any Prohibited Practices (as defined below) in connection with the tendering process or in the execution or supply of any works, goods or services for [*specify the contract or tender invitation*] (the “**Contract**”) and covenant to so inform you if any instance of any such Prohibited Practices shall come to the attention of any person in our organisation having responsibility for ensuring compliance with this Covenant.

We shall, for the duration of the tender process and, if we are successful in our tender, for the duration of the Contract, appoint and maintain in office an officer, to whom you shall have full and immediate access, having the duty, and the necessary powers, to ensure compliance with this Covenant.

If any of the Parties, where these exist and as applicable, (i) have been convicted in any court of any offence involving Prohibited Practices in connection with any tendering process or provision of works, goods or services during the five (5) years immediately preceding the date of this Covenant, or (ii) have been dismissed or resigned from any employment on the grounds of being implicated in any Prohibited Practices, or (iii) have been excluded from participation in a tendering procedure on the grounds of Prohibited Practices by Nordic Environment Finance Corporation (NEFCO) or by any national or EU Institutions or any international financial institution, or (iv) is under any investigation in relation to Prohibited Practice, we shall give details of any event in (i)-(iv) above together with details of the measures that we have taken, or shall take, to ensure that no Party will commit any Prohibited Practices in connection with the Contract [*give details if necessary*].

In the event that we are awarded the Contract, we grant the Purchaser/Client/Employer/NEFCO and auditors appointed by either of them, as well as any authority or body having competence under relevant legislation, the right of inspection of our records and those of all our sub-contractors under the Contract. We accept to preserve these records generally in accordance with applicable law but in any case for at least six (6) years from the date of performance of the Contract.”

For the purpose of this Covenant, “Prohibited Practices” includes:

- **Corrupt Practice** is the offering, giving, receiving or soliciting, directly or indirectly, anything of value to influence improperly the actions of another party.

Section 3 – Technical Proposal – Standard Forms

- **Fraudulent Practice** is any act or omission, including a misrepresentation, that knowingly or recklessly misleads, or attempts to mislead, a party to obtain a financial or other benefit or to avoid an obligation.
- **Coercive Practice** is impairing or harming, or threatening to impair or harm, directly or indirectly, any party or the property of any party to influence improperly the actions of a party.
- **Collusive Practice** is an arrangement between two or more parties designed to achieve an improper purpose, including influencing improperly the actions of another party.
- **Obstructive Practice** is (a) deliberately destroying, falsifying, altering or concealing of evidence material to an investigation related to the Contract; and/or threatening, harassing or intimidating any party to prevent it from disclosing its knowledge of matters relevant to such investigation or from pursuing the investigation, or (b) acts intended to materially impede the exercise of NEFCO's contractual rights of audit or access to information or the rights that any relevant authority has in accordance with any law, regulation or treaty.
- **Money Laundering** is (i) the conversion or transfer of property, knowing that such property is derived from criminal activity or participation in such activity, for the purpose of concealing or disguising the illicit origin of the property or of assisting any person who is involved in such activity to evade the legal consequences of his action;
 - (ii) the concealment or disguise of the true nature, source, location, disposition, movement, rights with respect to, or ownership of property, knowing that such property is derived from criminal activity or from participation in such activity;
 - (iii) the acquisition, possession or use of property, knowing, at the time of receipt, that such property was derived from criminal activity or from participation in such activity;
 - (iv) participation in, association to commit, attempts to commit and aiding, abetting, facilitating and counselling any of the actions mentioned in the foregoing points.
- **Financing of terrorism** is the provision or collection of funds, by any means, directly or indirectly, with the intention that they should be used or in the knowledge that they are to be used, in full or in part, in order to carry out any of the offences within the meaning of Directive (EU) 2017/541 of the European Parliament and of the Council of 15 March 2017 on combating terrorism and replacing Council Framework Decision 2002/475/JHA and amending Council Decision 2005/671/JHA.

Date:

Signature:

[Name and position]

for and on behalf of

[Name of the firm or joint venture]

Note: When so required by NEFCO this Covenant must be sent to NEFCO together with a copy of the contract documents. In other cases, it must be kept by the Beneficiary and available upon request from NEFCO.

Section 4 – Financial Proposal – Standard Form

FORM FIN-1 FINANCIAL PROPOSAL SUBMISSION FORM

[Location, Date]

To: NEFCO

Dear Sirs:

We, the undersigned, offer to provide the consulting services for “**Coordination and Management Consultant Services for Finland Black Carbon Programme at NEFCO**” in accordance with your Request for Proposals dated [insert date] and our Technical Proposal. Our attached Financial Proposal is for the **Total Cost of [insert currency and amount(s) in words and figure]**. This amount is exclusive of the applicable VAT].

Our Financial Proposal shall be binding upon us subject to the modifications resulting from the contract negotiations, up to expiration of the validity period of the Proposal as defined in the Letter of Invitation . We understand that any final rates and prices resulting from the contract negotiations will remain fixed until the end of the assignment.

Commissions and gratuities paid or to be paid by us to agents relating to this Proposal and execution of contract, if we are awarded the contract, are listed below:

Name and Address, Amount and Purpose of Commission of Agents, Currency or Gratuity

[If no payments are made or promised, add the following statement: “No commissions or gratuities have been or are to be paid by us to agents or any third party relating to this Proposal and Contract execution.”]

We understand you are not bound to accept any Proposal you receive.

We remain,

Yours sincerely,

Authorized Signature [in full and the original copy initialized]:

Name and Title of Signatory:

Name of Firm:

Address:

Section 4 – Financial Proposal – Standard Forms

FORM FIN-2 SUMMARY OF COSTS

Type of cost	Costs	
	EUR	[currency]
Remuneration		
Reimbursable Expenses		
Subtotals		
Grand total in EUR		

The relevant grand total must coincide with the Total Costs of the Financial Proposal given in Form FIN-1. For each currency, Remuneration and Reimbursable Expenses must respectively coincide with the relevant Total Costs indicated in Forms FIN-3, and FIN-4.

Section 4 – Financial Proposal – Standard Form

FORM FIN-3 BREAKDOWN OF REMUNERATION

When used for lump-sum contract assignment, information to be provided in this form shall only be used to demonstrate the basis for the calculation of the contract’s ceiling amount and, if needed, to establish payments to the Consultant for possible additional services requested by NEFCO. This form shall not be used as a basis for payments under lump-sum contracts.

A. Remuneration _____								
No.	Name ²	Position (as in TECH-6)	Person-month Remuneration Rate ⁴	Time Input in Person/Month (from TECH-6)	{Currency # 1- as in FIN-2}	{Currency # 2- as in FIN-2}	{Currency# 3- as in FIN-2}	{Local Currency- as in FIN-2}
Key Experts								
K-1			[Home]					
			[Field]					
K-2								
Non-Key Experts								
N-1			[Home]					
N-2			[Field]					
Total Costs								

Section 4 – Financial Proposal – Standard Forms

FORM FIN-4 BREAKDOWN OF REIMBURSABLE EXPENSES

When used for lump-sum contract assignment, information to be provided in this form shall only be used to demonstrate the basis for calculation of the contract ceiling amount and, if needed, to establish payments to the Consultant for possible additional services requested by NEFCO. This form shall not be used as a basis for payments under lump-sum contracts.

B. [Reimbursable] _____								
N°	Type of [Reimbursable Expenses]	Unit	Unit Cost	Quantity	{Currency # 1- as in FIN-2}	{Currency # 2- as in FIN-2}	{Currency# 3- as in FIN-2}	{Local Currency- as in FIN-2}
	{e.g., subsistence costs**}	{Day}						
	{e.g., International flights}	{Ticket}						
	{e.g., In/out airport transportation}	{Trip}						
	{e.g., Communication costs between Insert place and Insert place}							
	{ e.g., Reproduction of reports}							
	{e.g., Office rent}							
							
	{Training of the project owner's personnel – if required in TOR}							
Total Costs								



NEFCO'S GENERAL TERMS AND CONDITIONS FOR CONSULTANCY SERVICES

1 RESPONSIBILITY, PROFESSIONAL PRACTICE, INTEGRITY, IMPARTIALITY AND INDEPENDENCE

- 1.1 The Consultant shall be fully responsible for the Services and perform them in an objective and professional manner in compliance with best industry practice for similar services.
- 1.2 While providing the Services, the Consultant shall protect NEFCO's interests and act dutifully and transparently towards NEFCO.
- 1.3 The Consultant shall not receive or request instructions for the performance of the Services from any other party than NEFCO (unless otherwise explicitly instructed by NEFCO).
- 1.4 The Consultant shall during the Assignment remain financially and otherwise independent of other consultants, manufacturers, suppliers, contractors and other actors and/or factors that may prejudice the Consultant's objectivity. In particular the Consultant shall not accept any referral fee or other compensation from other consultants, manufacturers, suppliers, or contractors recommended by the Consultant.
- 1.5 The Consultant shall promptly inform NEFCO of any assignment or relation with a third party which might affect or be seen to affect the Consultant's impartiality or create a potential conflict of interest in relation to the Assignment.
- 1.6 The Parties are independent parties and the Parties agree that the Agreement shall not be deemed as an employment agreement and that the Consultant is not, nor any other person performing services under this Agreement, engaged by NEFCO as an employee but as an independent consultant and that relevant provisions of the Swedish Employment Protections Act (1982:80) shall not be applicable on the Parties' arrangement under this Agreement.

2 TIME SCHEDULE, INFORMATION, ASSIGNED PERSONNEL AND COOPERATION WITH THIRD PARTIES

- 2.1 The Services shall be provided in accordance with the time schedule in the Special Terms and Conditions and as possibly described in more detail in the annexes. The Consultant shall ensure that the agreed time schedule is adhered to.
- 2.2 The Parties shall keep each other timely informed about events or matters relevant for the performance of the Services. The Consultant shall without delay inform NEFCO's Responsible person of any events which have had or are likely to have an adverse impact on the Consultant's provision of the Services within the agreed time schedule and/or otherwise negatively impact the Consultant's performance and/or fulfilment of the Services. Any delay or other underperformance in carrying out the Services shall be subject to the remedies set out in Sections 4, 5 and 16.
- 2.3 The Services shall be carried out personally by the Consultant or the personnel of the Consultant as set out in Section 1 of the Special Terms and Conditions and as possibly described in more detail in the annexes (the "**Assigned Personnel**"). If the Consultant should wish to engage a subcontractor to perform a certain part of the Services, the matter shall be discussed with NEFCO, including its possible effects on the Consultant's remuneration, and can only be done subject to NEFCO's prior written approval. Notwithstanding such approval, the Consultant shall remain fully responsible and liable for the performance of the Services,

including any Services provided by its subcontractors as if they had been carried out by the Consultant.

- 2.4 The Consultant shall, without unreasonable delay and at no cost to NEFCO, be obliged to replace any Assigned Personnel performing the Services, who NEFCO reasonably considers is lacking the necessary competence, whom NEFCO finds it manifestly difficult to collaborate with or whose conduct is inconsistent with what NEFCO reasonably expects. The identity of such replacing personnel as well as any other changes of the Assigned Personnel and any possible effects on the Consultant's remuneration, shall be subject to NEFCO's prior written approval (except if triggered by a *force majeure* situation). If approved by NEFCO, the replacing personnel shall become Assigned Personnel. Any changes in the Assigned Personnel shall not affect the agreed time schedule, in the absence of NEFCO's prior written consent.
- 2.5 If and to the extent relevant, the Consultant shall while providing the Services co-operate with other parties as may be determined by NEFCO.

3 CHANGE REQUEST

- 3.1 NEFCO and/or the Consultant may request the other Party to make changes to the Services to be provided.
- 3.2 In such case, the requesting Party shall submit a written request (the "**Change Request**"). The Change Request shall contain a description of the content of the proposed change as well as the reasons for the change and the effect the change is deemed to have on the Services.
- 3.3 The receiving Party shall within reasonable time review the Change Request in terms of its possible impact on the agreed Total Fee, time schedule and/or other agreed terms and conditions, and each Party shall be entitled to either approve or reject the Change Request.
- 3.4 If the Change Request is accepted by the other Party, the change shall be formalized through both Parties approving it in writing and the change shall thereafter be considered as an amendment to the Agreement.
- 3.5 The Parties agree and acknowledge that comments to form or substance, revision, adjustment, correction and/or supplemental requirements to bring the Services to a final and acceptable/agreed form (including all reasonable incidental work related thereto, such as meetings, telephone calls, correspondence etc.) shall not be considered as changes to the Services in terms of Sections 3.1 to 3.4 above.

4 ERRORS, OMISSIONS AND DELAY

- 4.1 The Consultant shall, at no cost to NEFCO, assume responsibility for correcting any errors and/or omissions in the performance of the Services.
- 4.2 In the event that the Consultant is delayed in performing the Services or a material error, defect and/or non-conformity occurs in the Services, and the situation upon NEFCO's request is not remedied or corrected within 30 (thirty) days to NEFCO's satisfaction, NEFCO shall (without prejudice to NEFCO's other rights under the Agreement, including, without limitation, the right to liquidated damages in accordance with Section 5) have the right to:
- (i) accept the Services in their then current form at a reduced price which corresponds to the value of the actually delivered part; or alternatively;

- (ii) complete itself or appoint a third party to complete the Services at the Consultant's sole cost and expense; or alternatively;
- (iii) terminate the Agreement in whole or in part with immediate effect, while reserving all other rights available to it under the Agreement and applicable law; and in addition to (i) - (iii)
- (iv) seek damages from the Consultant.

5 LIQUIDATED DAMAGES IN CASE OF DELAY

- 5.1 If the Consultant is not able to provide the Services within the agreed time schedule and this is not caused by *force majeure* or circumstances related to NEFCO, then the Consultant shall pay liquidated damages to NEFCO in compensation for the delay.
- 5.2 The liquidated damages shall amount to 0.2 percent of the agreed Total Fee excluding VAT, for each working day the Services are delayed, but in any circumstances limited to a maximum of 50 (fifty) working days. NEFCO shall be entitled to deduct such liquidated damages from any amounts owed by NEFCO to the Consultant under the Agreement.
- 5.3 If only parts of the agreed Services are delayed, the Consultant may request NEFCO to reduce the liquidated damages in such way that the compensation is proportional to the ability of NEFCO to utilise those parts of the Services that have been performed and delivered to NEFCO.
- 5.4 Any claims for liquidated damages shall be presented by NEFCO in writing to the Consultant at the latest 90 (ninety) days from the day on which the Assignment was completed or the Agreement was terminated. If NEFCO should not present a claim to the Consultant within this time limit, NEFCO's right to liquidated damages shall be deemed forfeited.

6 REMUNERATION

- 6.1 The remuneration to be paid by NEFCO to the Consultant in return for the Services shall consist of the fee agreed in the Special Terms and Conditions.
- 6.2 The Total Fee can be either fixed or variable. Variable fees shall be based on performance on a time and material basis.
- 6.3 If agreed in the Special Terms and Conditions, NEFCO shall, against receipts or written clarification, in addition to the Total Fee, pay compensation for the costs listed below:
- (i) reasonable travel costs in economy class including airport transfers;
 - (ii) reasonable accommodation costs in a standard hotel room including breakfast only; and
 - (iii) other expenditures required for providing the Services.
- 6.4 Notwithstanding Section 6.3, NEFCO will not reimburse (i) travel time, or (ii) travel costs within the Helsinki metropolitan area (meaning a range of sixty (60) kilometres measured from the centre of Helsinki).
- 6.5 NEFCO will not pay any daily allowances to the Consultant.

7 TERMS OF PAYMENT

- 7.1 Payment(s) will be made by NEFCO in accordance with the payment schedule agreed in the Special Terms and Conditions. If no payment schedule is agreed, the Consultant shall invoice NEFCO monthly in arrears after the Services have been performed by the Consultant and accepted by NEFCO.
- 7.2 According to Article 9 of the Agreement concerning NEFCO¹, NEFCO is in the Nordic countries exempted from taxation, including VAT, in relation to its official activities. Also, as an international organization, NEFCO is exempted from VAT within the European Union².
- 7.3 Invoices specifying the nature and extent of the Services performed will be paid by NEFCO within 30 (thirty) days from the date of receipt, subject to NEFCO's acceptance of the Services as satisfactory. Should an invoice or a part thereof be disputed by NEFCO, NEFCO will up-front pay the undisputed part.
- 7.4 For NEFCO to be able to make the first payment, the Consultant shall submit an original written confirmation issued by the account-holding bank confirming that the Consultant is the legal owner of, and has sole access to, the bank account to which the payment is requested to be made.
- 7.5 At the latest within 90 (ninety) days after completion of the Assignment, the Consultant shall submit a final invoice specifying any outstanding payments with respect to the Services provided under the Assignment. NEFCO's payment of the final invoice will only take place once NEFCO has agreed to that the Assignment has been completed. Any subsequent claim for payment shall entail no more than the right of set-off of any payments owed by NEFCO to the Consultant, unless the Consultant, within the specified time, gives written notification to the effect that an outstanding payment, unknown to him at that time, may lead to a further claim, or can show that the claim is based on the outstanding sum that was unknown to him at the time.
- 7.6 If NEFCO should not make an undisputed payment on time, the Consultant shall be entitled to request interest on the overdue amount if the claim is presented within reasonable time not exceeding 45 (forty-five) days after the overdue date, at an annual interest rate of 9% p.a. (nine per cent per annum) from and including the due date to but excluding the date of actual payment.

8 LIABILITY AND LIMITATION OF LIABILITY

- 8.1 The Consultant shall, subject to the limitations specified below in this Section 8 and any additional provisions agreed in the Special Terms and Conditions, be liable for any damage that the Consultant, its subcontractors or any other party engaged by the Consultant for the performance of the Services, may cause NEFCO to incur as a consequence of the Consultant's wilful misconduct, negligence or breach of the Agreement.
- 8.2 NEFCO's acceptance of the Services shall not release the Consultant from liability.

¹Agreement between Denmark, Finland, Iceland, Norway and Sweden concerning the Nordic Environment Finance Corporation, available at NEFCO's webpage.

² On the basis of Article 151(1), point b, of Directive 2006/112/EC on the common system of value added tax (as amended by 2009/162/EC) and Article 12(1), point b, of Directive 2008/118/EC concerning the general arrangements for excise duty.

8.3 The total aggregate liability of both Parties under or in relation to the Agreement shall be limited to the higher of (i) 50,000 euro; or (ii) the value of the Total Fee and possible costs compensation paid or payable by NEFCO to the Consultant under the Agreement.

8.4 The limitation of liability set out in this Section 8 shall not apply in case of gross negligence, fraud, wilful misconduct, death or personal injury, material breach of the Agreement or breach of the Agreement in relation to the intellectual property rights or indemnification provisions set out in Section 9 or in relation to the confidentiality provision in Section 12. Further, the limitation of liability set out in this Section 8 shall not apply in case the Consultant is liable for payments to any third party in accordance with Section 4.2.

9 RIGHTS OF OWNERSHIP, INTELLECTUAL PROPERTY RIGHTS AND INDEMNIFICATION

9.1 All rights, title, interest and all intellectual property rights in and to any pre-existing material, information, data, programs, models, methods and/or work created by a Party outside the scope of this Agreement or prior to the execution of this Agreement, shall vest in and remain the sole and exclusive property of that Party.

9.2 All rights, title, interest and all intellectual property rights in or relating to the Services shall vest exclusively in NEFCO. The Consultant may retain copies of documents and data, but shall not be entitled to use this material for purposes unrelated to the Services without NEFCO's prior written consent.

9.3 Equipment, vehicles and materials made available to the Consultant by NEFCO, or purchased by the Consultant wholly or partly with funds supplied or reimbursed by NEFCO under this Agreement shall be the property of NEFCO and shall be marked as such. Upon completion of the Services or termination of the Agreement, the Consultant shall make available to NEFCO an inventory of such equipment, vehicles and materials and shall dispose of same equipment, vehicles and materials in accordance with NEFCO's instructions.

9.4 For the avoidance of doubt, nothing in this Agreement shall limit a Party's right to use the general professional skills, experience and know-how acquired and/or applied by it under or in relation to this Agreement for the benefit of itself or a third party.

9.5 The Consultant shall indemnify, defend and hold NEFCO harmless from any and all claims, suits, actions or demands asserted against NEFCO world-wide, and against all liabilities, damages, losses, costs and expenses (including but not limited to attorney's fees) which NEFCO may incur when arising directly or indirectly from any infringement or alleged infringement of any patent, trademark, copyright or design or any other intellectual property right of a third party, if such claim, demand, suit or action may be attributable to the Consultant's provision of the Services. Should an intellectual property claim, or threat for such claim, arise, the Parties shall seek to agree on appropriate measures to address the matter. The cost for the defence against any such claim shall be entirely borne and covered by the Consultant as set out above.

9.6 No limitation(s) of liability set out in the Agreement or otherwise shall apply to the indemnification undertaking to hold NEFCO harmless as set out in Section 9.5 above.

10 INSURANCE

- 10.1 The Consultant shall maintain adequate insurance for any liability under this Agreement, including for safeguarding of the documents and other property of NEFCO, which may be in the Consultant's possession during the Assignment.
- 10.2 Unless otherwise agreed between the Parties, the Consultant shall maintain adequate professional liability insurance throughout the entire period of the Assignment.
- 10.3 The Consultant shall be responsible for insuring its Assigned Personnel, and for ensuring that any subcontractor(s) is similarly insured, against death, injury, loss of property and illness. The Consultant shall also be responsible for ensuring that adequate travel insurance is in place.
- 10.4 Upon NEFCO's request, the Consultant shall provide evidence demonstrating that sufficient insurance is in place.

11 LEGAL STATUS OF NEFCO

- 11.1 The Consultant expressly acknowledges NEFCO's legal status as an international organisation, vested with certain immunities and privileges, and the impact this special legal status has on NEFCO's contractual obligations as follows:
- (i) NEFCO is a legal person under international law and is governed solely by and operates under its constituent documents;
 - (ii) NEFCO enjoys immunity from jurisdiction, which means that the chosen dispute resolution mechanism shall be arbitration and only a final arbitral award is binding upon NEFCO;
 - (iii) NEFCO itself, its property and assets (wherever located and by whomsoever held) are immune from search, requisition, confiscation and expropriation by executive and legislative actions (including any interim court orders, injunctive reliefs etc.);
 - (iv) NEFCO's premises, archives, and all documents belonging to NEFCO or held by NEFCO are inviolable and the communications of NEFCO are protected by bank secrecy and are confidential; and
 - (v) NEFCO has its own established governing and supervisory bodies and, therefore, NEFCO is exempted from audit inspections and disclosure requirements under national laws or as otherwise may be imposed on a party through a contractual relationship.
- 11.2 Nothing in this Agreement shall be construed as a waiver, renunciation or other modification of any immunities, privileges or exemptions accorded to NEFCO pursuant to the Agreement concerning NEFCO, any international convention or any applicable law. Notwithstanding the foregoing, NEFCO has made an express submission to arbitration under Section 15 and accordingly, and without prejudice to its other privileges and immunities (including, without limitation, the inviolability of its archives), it acknowledges that it does not have immunity from suit and legal process in respect of the enforcement of a final arbitral award duly made against it as a result of its express submission to arbitration pursuant to Section 15.

12 CONFIDENTIALITY

- 12.1 The Consultant understands and agrees that as part of the Assignment, the Consultant may get access to information (in hard copy, electronic format or verbally) that relates to NEFCO's or NEFCO's clients' and cooperation partners' past, present or future operations, businesses, research, development, finances, services and technical know-how or knowledge (the "**Confidential Information**"). Any information related to NEFCO and its activities is protected by bank secrecy and shall therefore be treated as Confidential Information and be subject to the confidentiality obligation set out in this Section 12. Furthermore, all information contained in this Agreement shall be deemed Confidential Information.
- 12.2 The Consultant undertakes to keep confidential any Confidential Information it may receive from NEFCO, a client of NEFCO or any third party under or in connection with this Agreement and, save as specifically permitted below, not to divulge this information to any third party without NEFCO's prior written consent. The Consultant undertakes to use the Confidential Information solely for the purposes of this Agreement.
- 12.3 Save as may follow from statutory obligations of confidentiality, the above shall not apply to any information that:
- (i) is in the public domain at the time of disclosure or later becomes a part of the public domain through no breach of this Agreement;
 - (ii) is received by the Consultant in good faith from a third party who is under no obligation of confidentiality with respect thereto;
 - (iii) is known to the Consultant without any obligation of confidentiality prior to disclosure by NEFCO;
 - (iv) is independently developed by the Consultant without utilizing the Confidential Information as evidenced by the Consultant's written records;
 - (v) is expressly authorised to be disclosed by NEFCO in writing; or
 - (vi) is required to be disclosed by law or in accordance with the requirement of a supervisory or regulatory authority to which the Consultant is subject to. For the sake of clarity, the Consultant expressly acknowledges that NEFCO enjoys inviolability of its archives and communication, including any data, information and material, and therefore any disclosure in accordance with this subsection shall always be subject to NEFCO's prior written consent. Any such authorised disclosure shall only be made to the extent required.
- 12.4 The Consultant may give access to Confidential Information received from NEFCO to its Assigned Personnel and/or subcontractors (if any) only on a need-to-know basis, and provided that there is always a clear understanding of the confidential nature of the information as set out in this Section. The Consultant further represents and warrants that it will ensure that the Assigned Personnel and/or subcontractors (if any) will agree to be bound and adhere to the confidentiality obligations set out in this Section. The Consultant also accepts that all Assigned Personnel performing the Services shall, at NEFCO's request, be obliged to sign a separate confidentiality agreement.
- 12.5 The Consultant shall exercise its utmost care in safeguarding that the Confidential Information is appropriately processed, stored, handled and protected.

- 12.6 The rights and obligations set out in this Section shall survive the expiry or termination of this Agreement. Upon expiry or termination of the Agreement for any reason, the Consultant shall immediately cease using the Confidential Information and, upon NEFCO's request, destroy or promptly return all concerned material (and all copies thereof) to NEFCO and confirm to NEFCO, within 15 (fifteen) days after NEFCO's request, that all of the Confidential Information has been destroyed or returned.

13 AUDITING, ANTICORRUPTION AND ETHICAL CONDUCT

- 13.1 The Consultant shall (i) keep accurate and systematic accounts and records with respect to the Services provided under the Agreement, in accordance with internationally accepted accounting principles and in a form and detail which clearly identifies all relevant charges and costs, and their basis; and (ii) upon request up to two (2) years from the expiration or termination of the Agreement, permit NEFCO or its designated representative to inspect these accounts and records and to make copies thereof as well as to have them audited by auditors appointed by NEFCO.
- 13.2 The Consultant acknowledges and confirms that it is aware of and undertakes to comply with NEFCO's Policy on Anticorruption and Compliance, available at NEFCO's website (the "**Anticorruption Policy**"), which includes specifically an undertaking to (i) not engage directly or indirectly in any abuse, coercion, collusion, corruption, fraud, obstruction, money laundering or financing of terrorism as defined in the Anticorruption Policy (the "**Prohibited Practices**"), and (ii) promptly, upon becoming aware of any suspected or alleged Prohibited Practices in relation to the Services or the Agreement, notify NEFCO in writing.
- 13.3 The Consultant acknowledges and confirms that it is aware of and undertakes to comply with NEFCO's Policy on Prevention of Sexual Exploitation, Sexual Abuse and Sexual Harassment, available at NEFCO's website (the "**SEAH Policy**"), which includes specifically an undertaking to (i) refrain from directly or indirectly participating or engaging in any form of sexual abuse, sexual exploitation or sexual harassment as defined in the SEAH Policy, and (ii) promptly, upon becoming aware of any suspected or alleged SEAH in relation to the Services or the Agreement, notify NEFCO in writing.
- 13.4 The Consultant undertakes while performing the Services to observe the highest ethical standards and to follow all applicable laws, including but not limited to those relating to payment of taxes and/or social security contributions in accordance with the laws of the country in which the Consultant is domiciled, operates or where the Services are performed.
- 13.5 The Consultant shall provide NEFCO or any designated NEFCO representative its full and timely cooperation during any integrity due diligence process or investigation relating to an suspected or alleged breach of the Anticorruption Policy or the SEAH Policy, and shall require its agents, attorneys, accountants or other advisers, to cooperate as reasonably required during any due diligence, audits or investigations carried out by NEFCO. The Consultant shall also make relevant personnel available for a meeting with the NEFCO representative.
- 13.6 NEFCO shall, in its sole discretion, have the right to terminate the Agreement with immediate effect, should it become apparent in the reasonable opinion of NEFCO that the Consultant, the Assigned Personnel or any other parties involved in the provision of the Services have engaged in Prohibited Practices or in SEAH, and/or have not adhered to the obligations under this Section 13.

14 REFERENCE RIGHT

- 14.1 The Consultant shall be entitled to use NEFCO name as a reference for marketing or other purposes subject to NEFCO's prior written consent in each individual case.

15 GOVERNING LAW AND DISPUTE RESOLUTION

- 15.1 This Agreement shall be governed by and construed in accordance with the substantive laws of Sweden.
- 15.2 Any dispute, controversy or claim arising out of or in connection with this Agreement, or the breach, termination or invalidity thereof, which has not been settled amicably by mutual agreement of the Parties within 60 (sixty) days after the other Party's receipt of a written request for negotiations by either Party to such effect, shall be finally settled by arbitration administered by the Arbitration Institute of the Stockholm Chamber of Commerce (the "SCC").
- 15.3 The Rules for Expedited Arbitrations of the SCC (the "**Expedited Rules**") shall apply where the amount in dispute does not exceed EUR 300,000. Where the amount in dispute exceeds EUR 300,000, the Arbitration Rules of the SCC (the "**Arbitration Rules**") shall apply. The arbitral tribunal shall be composed of a sole arbitrator appointed in accordance with the Expedited Rules or Arbitration Rules, as relevant. The amount in dispute shall be calculated as including the claims made in the request for arbitration and any counterclaims made in the answer to the request for arbitration. With reference to points 11.1 (ii) and 11.1 (iii) in Section 11, Article 32 (Interim measures) of the Expedited Rules and the Arbitration Rules shall not be applicable to NEFCO during the arbitral proceeding.
- 15.4 The legal seat and place of arbitration shall be Stockholm, Sweden. The arbitrator may, at /her discretion, hold hearings, meetings and deliberations at any other convenient geographical place in order to secure the efficient and cost-effective conduct of the proceedings.
- 15.5 The language to be used in the arbitral proceedings (including the documentation) shall be English.
- 15.6 The arbitral award shall be final and binding upon the Parties.

16 TERM AND TERMINATION

- 16.1 The Agreement shall become effective and binding upon signing by both Parties and shall remain effective until both Parties have fulfilled their respective obligations under the Agreement, unless terminated earlier in accordance with this Agreement.
- 16.2 NEFCO shall be entitled to terminate the Agreement with 30 (thirty) days prior written notice. In such case the Consultant shall be entitled to compensation, in accordance with this Agreement, (i) for the Services carried out until the notice of termination was made and (ii) for occurred verified necessary expenses which have not yet been reimbursed.
- 16.3 NEFCO shall be entitled to terminate the Agreement with immediate effect upon written notice, if the Consultant files for bankruptcy or is put into liquidation, receivership or becomes insolvent. In such case the Consultant shall be entitled to compensation, in accordance with this Agreement, (i) for the Services carried out until the notice of termination was made and (ii) for occurred verified necessary expenses which have not yet been reimbursed.

16.4 Either Party shall be entitled to terminate the Agreement with 30 (thirty) days prior written notice, if there is a *force majeure* event that continues for more than 30 (thirty) days or if the other Party is in material breach of its obligations under the Agreement and the breaching Party fails to remedy such breach within the notice period. Any unpaid fee that is disputed by NEFCO shall not constitute a material breach under this Section.

16.5 Upon termination, the results of work carried out shall immediately be handed over to NEFCO, unless otherwise agreed between the Parties.

17 AMENDMENTS TO THE AGREEMENT

17.1 Any amendments to the Agreement shall be made in writing and accepted and signed by the authorised representatives of both Parties.

18 TRANSFER OF THE AGREEMENT

18.1 The Consultant may not assign or transfer this Agreement or any of its rights or obligations under the Agreement without NEFCO's prior written consent.

19 NOTICES

19.1 Any notice to be given by one Party to the other shall be made in writing and deemed properly given or made when delivered to the recipient by hand, registered mail, courier or email during normal business hours to the address and contact person specified in Section 1 of the Special Terms and Conditions (or to such other address as may be notified in writing from time to time by either Party). If given by email, any notice shall promptly be confirmed by registered letter or courier.

20 SURVIVING TERMS

20.1 The following Sections of NEFCO's General Terms and Conditions for Consultancy Services shall survive any termination or expiry: Section 8. Liability and Limitation of Liability; Section 9. Rights of ownership, intellectual property rights and indemnification; Section 11. Legal status of NEFCO; Section 12. Confidentiality; Section 13. Auditing, Anticorruption and Ethical Conduct; Section 14. Reference right; Section 15. Governing law and dispute resolution.

**Finland Black Carbon Programme at NEFCO
Effort to reduce black carbon emissions in Northwest Russia**

**Terms of Reference for rendering
Coordination and Management Consulting Services**

3 December 2020

Table of Contents

1. Background	3
2. Background and Context of the Finland Black Carbon Programme in Northwest Russia	3
3. The objectives of the funding Programme	5
4. Programme Funding Terms	5
5. Finnish Content	5
6. Programme's Management	6
6.1 Advisory Group	6
6.2 Coordination and Management Consultant (CM Consultant)	6
6.3 NEFCO Investment Committee and MFA's role	6
7. Objectives of the Programme and Assignment	6
8. Scope of Work for the CM Consultant	7
8.1 General coordination and management of the Programme	7
8.2 Identification of opportunities and solutions for the reduction of black carbon	8
8.3 Preparation of bankable investment projects eligible for potential NEFCO and NDEP financing	8
8.4 Awareness raising	8
8.5 Managing of procurements and monitoring of Technical Assistance (TA) projects	8
9. Reporting requirements and deliverables	9
9.1 Inception report	9
9.2 Quarterly reports	9
9.3 Annual report	10
9.4 Project Completion Report for TA projects	10
9.5 Final Report	10
9.6 Other Reports	10
9.7 Submission of reports	11
10 Duration and Implementation Arrangements	11
10.1 Duration of the Assignment	11
10.2 Implementation Arrangements	11
11 Qualifications, Requirements and Resources	11
Programme Manager, Senior Institutional Expert to manage and lead the assignment	12
Local Manager	12
Environmental Expert	12

1. Background

Black carbon particles accelerate global warming and pose a risk to health. Reducing emissions of black carbon is particularly important in the Arctic region. As most of the black carbon deposited in the Arctic comes from Northern countries, there are various opportunities to control pollution sources and to deliver rapid benefits to air-quality, ecosystems, climate and public health.

The Ministry for Foreign Affairs of Finland (MFA) has possibilities to increase their financing to the Nordic Environment Finance Corporation (NEFCO) for environmental work in Russia. The total amount committed for 2020 is one million euros, with a possibility to extend financing for the next two years, subject to the annual budgetary procedure/approval, and depending on the progress and results of the work.

MFA, Nordic Investment Bank (NIB) and NEFCO have established the Finnish NIB/NEFCO Technical Assistance Trust Fund (the Fund) in 1999 and the purpose is to finance the activities of the Finland Black Carbon Programme under the Fund and according to the restated and amended Trust Fund Agreement (TF Agreement). The intention is to replenish the Fund and earmark the Contributions to the specific Finland Black Carbon Programme at NEFCO.

2. Background and Context of the Finland Black Carbon Programme in Northwest Russia

Black carbon - fine particles of soot

Black carbon originates from a number of sources. These include road vehicles, agricultural and industrial machinery, and power plants burning firewood, solid waste, heavy oil and coal. Sooty particles are also emitted e.g. when surplus oil and gas are flared, and during forest fires.

Sooty particles cause health problems

The World Health Organisation (WHO) has reported that black carbon causes health problems including heart, circulatory and respiratory diseases, and premature deaths. Various toxic compounds that become attached to sooty particles, such as polycyclic aromatic hydrocarbons (PAH) compounds, organic acids and toxic metals, aggravate health impacts. These pollutants can induce inflammations and even cancer. Toxic substances also contaminate the environment, where they may accumulate in food chains and end up in our food.

Warming in the Arctic due to black carbon

Temperatures in the Arctic are rising more than twice as rapidly as global average temperatures. An estimated 20-25 per cent of warming in the Arctic is today caused by black carbon.¹ Sooty particles that fall onto snow and ice absorb sunlight and reduce the reflecting properties of the snow-covered surface. The black carbon particles are themselves heated by the sun, resulting in melting of the ice. This effect is particularly pronounced in spring and summer.

Reducing black carbon emissions for a more rapid cooling effect

The Arctic region serves as a natural cooling system for the global climate. If this function diminishes, global warming will become even more rapid. Warming is above all a consequence of CO₂ emissions. While CO₂ may remain in the atmosphere for centuries, black carbon only stays in the atmosphere for about a week.

¹ Koch, D., S.E. Bauer, A. Del Genio, G. Faluvegi, J.R. McConnell, S. Menon, R.L. Miller, D. Rind, R. Ruedy, G.A. Schmidt and D. Shindell, 2011. Coupled aerosol-chemistry-climate twentieth-century transient model investigation: Trends in short-lived species and climate responses. *Journal of Climate*, 24:2693-2714.

Therefore, reducing sooty emissions may have more immediate cooling effect. It is also important to reduce emissions of other short-lived climate pollutants (SLCPs) including methane, tropospheric ozone precursors and certain hydrofluorocarbon compounds.

Measures to reduce emissions

There are several ways how to reduce black carbon emissions. These include modernization and/or alternatives for old diesel engines (on- and off-road, generators), improving stove performance and usage, alternatives to burning of agricultural wastes, modernization of power plants and improvements in district heating, measures in arctic shipping and transport, collection and utilization of landfill gases, handling of solid waste and controlling gas-flaring in oilfields.

In the Arctic region itself, it is especially worth reducing emissions from traffic, domestic heating, forest fires and agricultural burning. Minimizing flaring and better utilization of Associated Petroleum Gas is particularly important in the Arctic. Technical solutions for APG utilization are already available and being increasingly implemented in Russia.

According to a study by the Arctic Monitoring and Assessment Programme (AMAP), a wider use of best available technologies (BAT) could reduce the warming effect derived from black carbon in Arctic regions by an estimated 10–15 per cent by 2050, which corresponds to 0.25 °C.²

The burning of domestic firewood is a key emission source², which also induces health problems. Clean technologies for the small-scale burning of firewood and improved forest fire prevention systems would help to reduce emissions of sooty particles, while also preserving valuable natural resources, carbon sinks and biodiversity.

Actions in Northwest Russia

Numerous initiatives to mitigate black carbon emission are ongoing. NEFCO is financing projects in Russia through its own investments and through various trust funds such as the Arctic Council Project Support Instrument (PSI), managed by NEFCO and funded by several Arctic Council member states, with Russia as a major contributor; the Northern Dimension Environmental Partnership (NDEP); and the Nordic Environmental Development Fund (NMF).

Since 2004, NEFCO has implemented more than 40 projects related to energy-efficiency and the reduction of greenhouse gas emissions in Russia. These projects include boiler plants in small settlements, installation of hybrid wind-diesel and solar-diesel power generation in remote off-grid settlements, modernisation of street lighting in municipalities, and energy-efficiency measures in public buildings. A PSI funded study related to the mitigation of short-lived climate pollutants from APG Flaring in Northern Russia has also been conducted and recently completed.

Ongoing efforts to develop new black carbon projects

Together with Finland, NEFCO is putting active efforts into finding possibilities for developing new black carbon projects, in particular in the Arctic or semi-Arctic regions of Russia.

NEFCO is seeking to finance projects, where it can add most value, both in environmental and financial terms. In Russia, NEFCO is mainly targeting public sector projects, which would otherwise lack necessary funding. Under certain conditions, NEFCO can also finance public-private partnerships, where the public actor is the ultimate beneficiary.

² AMAP, 2015. Black carbon Arctic climate forcers. AMAP, Oslo 2015.

As reducing black carbon can deliver rapid benefits to air-quality, ecosystems, climate and public health, NEFCO is particularly looking into black carbon related projects in its financing activities during the coming years in Russia.

3. The objectives of the funding Programme

MFA aims at an enhanced effort in Russia and with Russia to prepare and develop more climate related (black carbon) investment projects that could then become Northern Dimension Environmental Partnership (NDEP) projects. To enable both NDEP and NEFCO financing, the projects need to be based primarily on renewable energy, among others biomass, particularly wood with proper emissions abatement technologies installed (as applicable).

The main purpose is to mitigate black carbon emissions as a primary driver through technical assistance and support, not to invest directly in the projects. The activities can include for example scoping/pre-feasibility studies, project specific feasibility studies, other types of technical assistance (TA) e.g. projects monitoring and supervision (in case of procured services), and awareness raising especially in the following Russian regions:

- Archangelsk Region
- Komi Republic
- Murmansk Region
- Karelia Republic

While the main effort will be concentrated on these four priority regions, project opportunities in the other regions of Northwest Russia may also be looked into, if there is appropriate justification and good rationale from the environmental, economic and investment perspectives.

4. Programme Funding Terms

- The total value of the Programme is to begin with EUR one million, replenishments are subject to MFA's funding decisions and funds will be used exclusively to fund activities that meet the objectives of the Programme.
- The procurement of services shall be tied to Finnish content (see below).
- The initial funds are planned to be disbursed until the end of 2021.

5. Finnish Content

The consultants selected for this assignment and for the assignments financed by the Programme shall be either:

- a) Individual consultants with Finnish citizenship or ones with foreign citizenship domiciling in Finland;
- b) Firms registered in Finland; or
- c) Individual consultants with a citizenship of the country of the assignment financed by the Programme or firms registered in the country of the assignment financed by the Programme (hereinafter "Local Consultants"). It is agreed that up to 40% of the Programme's budget can finance Local Consultants.

6. Programme's Management

To manage the Programme, and to support the preparation and development of suitable and eligible projects, the following structure will be established.

6.1 Advisory Group

The Advisory Group will consist of the representatives from MFA, the Ministry of the Environment (MoE) and NEFCO. The Advisory Group will have regular meetings, minimum two times a year to discuss and review the Programme status and progress. MFA, MoE and NEFCO will nominate contact persons to the CM Consultant.

The CM Consultant will participate in the meetings as a presenter. Meetings can be held also via videoconferencing and via exchange of e-mails.

6.2 Coordination and Management Consultant (CM Consultant)

The CM Consultant will provide Technical Assistance (TA) for the Programme. TA involves technical expertise to help to plan, prepare and implement the projects including active awareness raising as more specifically defined in Section 8 below.

6.3 NEFCO Investment Committee and MFA's role

NEFCO's Investment Committee shall approve the activities and projects to be funded by the Programme. After that, NEFCO shall submit project proposals for financing to the MFA for its approval.

7. Objectives of the Programme and Assignment

The objective of the Programme is to promote cooperation and identify opportunities for projects to mitigate black carbon emissions as a primary driver.

Based on the defined objectives of the Programme (Section 3 above) there can be projects of various types and relating to various industries to be promoted. It is expected, however, that a typical project would relate to converting boiler plants utilizing coal or heavy oil ('mazut') as fuel to produce energy to renewable and cleaner sources. Each project could be serving some 3,000 to 10,000 inhabitants and related public buildings. At the same time, it is encouraged to bundle small projects to achieve bigger impact. Efforts should in the first place be put into development of project opportunities with clear energy efficiency gains and economic benefits for the local Russian actors.

Other project types related e.g. to non-combustion forms of energy production and energy efficiency; transportation; open burning and stoves can be identified during the Desk Review task (see item 2 below).

Engaging a CM Consultant will be a key tool to enhance, support and continuously and sustainably develop new black carbon projects.

The aim is to identify, develop and implement several new projects per year. The activities of the Programme will focus on the following tasks:

1. Hiring a Black Carbon Programme Manager - CM Consultant (this assignment/ToR).
2. Desk review of Black Carbon emissions in the North-West of Russia based on the available inventory data and various studies.

3. Identification of feasible public project types to mitigate black carbon emissions. Under certain conditions, NEFCO can also finance public-private partnerships, where the public actor is the ultimate beneficiary.
4. Scoping missions to focus regions, mapping of project opportunities and pre-feasibility studies as needed.
5. Design of investment packages.
6. Feasibility studies based on relevant and chosen cases.
7. Awareness raising activities (e.g. seminars and round table discussions) during the whole lifetime of the Programme activities, in the Russian regions and in Moscow, particularly together with Nordic diplomatic missions and Russian representatives.

8. Scope of Work for the CM Consultant

The overall objective of the assignment is to provide coordination and management consultancy services and provide Technical Assistance (TA) for the Programme to achieve the objectives of the Programme. Essential part of the assignment is to supervise the future service providers under the Programme to implement the approved projects in compliance with the relevant agreements.

The scope of work includes, but is not limited to, the below main tasks and responsibilities.

The CM Consultant will perform the tasks related to general coordination of the Programme, preparatory work to identify project opportunities and recurring activities to enable projects and Programme workflow. NEFCO Investment Committee will decide about the services/tasks CM Consultant will procure following NEFCO's Procurement Policy and Procedures.

8.1 General coordination and management of the Programme

- Identify, develop, implement, and/or monitor the activities and projects within the defined objectives of the Programme;
- Define, collect, and maintain a database of projects and results achieved by the Programme;
- Prepare and implement a communication and stakeholder engagement plan for the Programme;
- Identify and develop opportunities for capacity building and institutional strengthening in the Programme's agreed fields of cooperation;
- Ensure smooth and efficient decision-making and management process under the Programme through performing the following functions:
 - Invite and provide an agenda for each Advisory Group Meeting, keep minutes of the meeting, and distribute the minutes;
 - Prepare presentations of the potential projects for the Advisory Group.
 - Prepare project proposals to NEFCO Investment Committee for further evaluation and approval. Such proposals shall include description of the projects, justification of their relevance to the Programme, indication of possible positive and negative impacts of the project, budget and other necessary information. In case of procured services, Terms of Reference must be included.
- Develop and keep contacts with relevant stakeholders and networks in Russia; participate in meetings and/or events with a potential of promoting the Programme and its objectives;
- Report the activities quarterly and annually.

8.2 Identification of opportunities and solutions for the reduction of black carbon

- Desk review of Black Carbon (BC) emissions in the North-West of Russia based on the available inventory data and various studies;
- Identification of feasible public project types to mitigate BC emissions;
- Survey of suitable technology providers for PM (Particulate Matter) and BC abatement technologies, particularly in Russia and Finland;
- Review of applicable BC emission factors, abatement solutions and technologies.

8.3 Preparation of bankable investment projects eligible for potential NEFCO and NDEP financing

- Plan and arrange/carry out scoping missions/pre-feasibility studies focusing on the Programme's priority regions. The aim of this work shall be to identify concrete technical and institutional opportunities for implementation of investment projects, evaluate the relevance, necessity and feasibility of the projects and assess potential beneficiaries' willingness and readiness to prepare and implement such projects (legal, financial and economic status of the organization; capacity to provide required guarantees for the loan, etc.);
- Initiate development of feasibility studies based on relevant and chosen cases and prepare corresponding Terms of Reference, including, but not limited to, requirements for the development of:
 - project implementation plan - procurement, time schedule, organization
 - technical description of proposed investment
 - planned investment components
 - financial and economic analysis of the projects and project companies
 - environmental benefits
- Arrange procurement of consultant for the feasibility studies, including, Request for Proposals, evaluation of proposals and recommendation for contract award;
- Monitor and ensure high quality of the implementation of the feasibility studies financed by the Programme;
- Assist NEFCO in preparation of investment projects and documentation (NEFCO Investment Committee and board material, NDEP applications, etc.) related to projects developed as a result of the Programme financed feasibility studies or projects originated outside the Programme but clearly relating to black carbon.

8.4 Awareness raising

The Consultant shall plan and arrange awareness raising activities, in particular aimed at explaining the negative impacts of black carbon and the importance of combating those through joint cooperation. These may include producing case studies and policy briefs, awareness campaigns, seminars, and round table discussions together with e.g. Nordic diplomatic missions and Russian representatives, video presentations, etc. These activities shall be carried out during the whole lifetime of the Programme and be focused on and carried out in priority Russian regions and Moscow.

8.5 Managing of procurements and monitoring of Technical Assistance (TA) projects

After NEFCO Investment Committee has approved a project, the CM Consultant shall conduct the tendering of a consultant for the assignment. In case of tendering, the CM Consultant shall prepare needed tender documentation and procure the services for the Programme transparently in accordance with NEFCO's Procurement Policy and Procedures and using NEFCO's templates (e.g. sending the Request for Proposal, answering to potential questions, evaluating the submitted proposals). NEFCO's no-objec-

tion will be needed in various phases of the procurement process. The CM Consultant shall further assist NEFCO in preparing the contract for NEFCO's signing with the consultancy company for the TA project. NEFCO arranges financing of consultant services.

After contract signing, the CM Consultant shall supervise and monitor the contracting party's work, and review and comment on reports and/or other documents that are being prepared as a part of the TA project. If seminars or other dissemination events are included in the project scope, the CM Consultant shall monitor the organization of the events and participate in the events, as deemed relevant.

9. Reporting requirements and deliverables

Under the assignment, the CM Consultant is required to deliver the following reports to NEFCO for review and to MFA for information:

9.1 Inception report

Within four (4) weeks from the signing of the consultancy agreement, the CM Consultant shall prepare and submit for NEFCO's review and comments a draft Inception Report followed by a final Inception Report to be submitted to NEFCO within one week after receiving NEFCO's comments, if any.

The Inception Report should include, without limitation, the following items:

- Update on how the consultant intends to carry out the assignment within the general context of the Programme;
- Initial findings and assessments – including identification of potential types of activities and projects;
- Proposed changes/improvements to scope of work and resources;
- CM Consultant's proposal for a work plan for the duration of the assignment;
- Initial Project Implementation Plan for the Programme;
- Outreach plan - plan how to cooperate with various stakeholders, how to reach relevant and potential project owners; and
- Proposals for quality control & quality assurance procedures.

9.2 Quarterly reports

The CM Consultant shall submit to NEFCO quarterly reports on assignment's progress by the end of the month following the quarter under reporting. The first report should cover the period from the start of the assignment until the end of the respective calendar quarter. NEFCO may comment the quarterly report and the CM consultant will adjust the report or incorporate such comments in the following reports, as appropriate.

The Quarterly Report should include, without limitation, the following items:

- Summary of the report
- Assignment progress including:
 - Description/charts of progress of approved projects;
 - Comparison of actual progress against planned progress including percentage of completion achieved for each project;
 - Expense report for projects;
 - Assignment expense follow-up - quarter (under reporting) and total (from the beginning of the assignment)
- Issues and recommendations
 - Details of any aspects or risks which may jeopardize the successful development or completion of projects;

- Measures being (or to be) adopted to overcome such aspects or risks;
- CM Consultant’s activities and plans
 - CM Consultant’s main activities during the quarter under reporting;
 - CM Consultant’s work plan for the following quarter;
- Update of cash flow forecast and disbursement schedules; and
- Any other information or data that NEFCO may wish to have as part of the report.

9.3 Annual report

The CM Consultant shall submit to NEFCO an Annual Report covering the activities of the Programme during the year including financial reporting. The report shall include summary, introduction and Programme management (contractual, statistics, marketing/dissemination activities). In addition, the report shall analyze how the objectives of the Programme have been reached - project identification, portfolio and procurement. Major deviations from plans and problems encountered shall be explained, and other information, as relevant, related to the implementation of the activities shall be included. The reports shall be submitted no later than by 15 February each year.

9.4 Project Completion Report for TA projects

At the end of each project, the CM Consultant shall prepare and present to NEFCO a Project Completion Report addressing relevant information about the completed project. These reports may be published at the MFA’s and NEFCO’s webpages. The Project Completion Report should include without limitation:

- A summary of the project;
- Implementation progress and schedule;
- Deviations from the original plan;
- Project financial report;
- Project completion, conclusions, lessons learned and recommendations for future activities and/or similar projects.

9.5 Final Report

One month before the end of the assignment, the CM Consultant shall submit a Draft Final/Assignment Completion Report. This should, without limitation, include:

- Overview of the overall assignment;
- Summary of the results of each project implemented, providing a comparison between targets set and actual achievements;
- Commentary on lessons learned; and
- Recommendations, as appropriate, for future activities.

Following the receipt of NEFCO’s comments, the report should be finalized by the CM Consultant and submitted to NEFCO before the end of the assignment.

9.6 Other Reports

The CM Consultant shall also prepare and submit possible ad-hoc reports/memos on various aspects of the assignment, if/when requested by NEFCO.

9.7 Submission of reports

All reports prepared by the CM Consultant under the assignment shall be in English and submitted in both word and PDF format.

10 Duration and Implementation Arrangements

The CM Consultant for the objectives, tasks and requirements as described in this ToR will be procured as one assignment. NEFCO will be the CM Consultant's contracting party for this assignment.

10.1 Duration of the Assignment

The assignment is planned to commence in February 2021, and to last until 31 December 2021. The assignment is considered to have commenced on the date when contract with the CM Consultant becomes effective, upon signing by both parties.

Upon successful performance and availability of additional funding, it will be possible to extend the assignment.

10.2 Implementation Arrangements

The CM Consultant will be responsible for all communication costs, for the provision of computer and local transportation required by the CM Consultant's staff throughout the term of the assignment.

The CM Consultant will additionally be responsible for all international transport, living accommodation and expenses for its staff, together with communications materials, training materials, printing, report production and translation.

The CM Consultant shall, under the assignment budget, be responsible for the payment of all costs related to the organization and implementation of study tours, site visits, translations and printing of brochures and pamphlets.

The CM Consultant shall prepare news items and project updates for NEFCO and MFA for publishing.

11 Qualifications, Requirements and Resources

The CM Consultant shall be a qualified consulting firm with proven experience in project preparations, management, design, procurement, and supervision of public and private projects financed by International Financial Institutions (IFIs). Furthermore, technical and economic know-how in the energy sector (boilers, after-treatment, fuel conversions) and the transport sector (alternative fuels and propulsion) is essential for the assignment.

The assignment requires excellent coordination, organizational and management skills, good general knowledge of the current black carbon agenda, its trends and developments as well as profound knowledge and experience, in particular, in the following areas of expertise:

- Technical assistance projects in Russia;
- Capability and know-how to identify project opportunities in Russia;
- Energy, district heating and other sectors relevant for the assignment; and
- Emission abatement solutions, technologies and emission factors (black carbon emissions in particular)

The CM Consultant shall nominate qualified key experts such as Programme Manager to manage and lead the

assignment in Finland and Environmental expert to work on a part-time basis at the CM Consultant's headquarters as required to complement common knowledge and experience in the areas, including:

- The management and coordination of the assignment
- Environmental analyses;
- Contract administration; and
- IFI procurement procedures.

In addition, a Local Manager, who shall work practically on full time basis in Russia, shall be nominated.

As mentioned above, the assignment is expected to be implemented by experts with the following competence profiles:

Programme Manager to manage and lead the assignment

- Master's Degree or minimum 10 years of professional experience in related field (energy, finance, business, law, etc.).
- Extensive and comprehensive knowledge and experiences in related assignments in the region.
- Organizational and management knowledge and experience.
- Professional expertise in relevant sectors and in managing and leading international projects.
- Knowledge and in-depth understanding of internationally accepted procurement rules and procedures and working with IFIs.
- Extensive knowledge and experience in preparation and implementation of both public and private environmental/energy efficiency infrastructure projects with financing by or through IFIs.
- Experience in capacity building and institutional strengthening in the energy sector in the emerging market economies, particularly in understanding policies, regulations and standards in planning, implementation and development of technologies in the energy sector.
- Fluent in English language. Knowledge of Russian is considered an advantage.

Local Manager

Local manager to be assigned to the CM Consultant tasks should as a minimum have the following qualifications:

- Master's Degree or similar, or minimum of 10 years of professional experience and a minimum of 5 years of experience in the field, with specific experience in related field (energy, engineering, municipal infrastructure or similar).
- Experiences from work within environmental/energy sector in the FSU countries, preferably Russia.
- Solid experience in project preparation and/or implementation/monitoring in the Programme's fields of operation.
- Excellent communication and reporting skills.
- Fluent in English language and in Russian language.

Environmental Expert

- Master's Degree in environmental or similar sciences.
- Minimum 5 years of experience in relevant fields including specific experience in particulate matter and/or black carbon emission factors and abatement technologies.
- Experience in providing environmental assessments for programmes and project proposals.
- Fluent in English language. Knowledge of Russian is considered an advantage.

Unless the PM is engineer, the consultant should include a technical expert in energy, DH or similar in the team.