

## **REQUEST FOR PROPOSALS**

**Groundwater, Mykolaiv**

**Country:** Ukraine

### **Selection of Consultants for:**

Feasibility Study and Project Implementation Unit  
Support (PIU support) in relation to required test  
drillings

**Client:** Nefco

25 September 2025

## Section 1 – Letter of Invitation

Helsinki, 25 September 2025

Dear Sir/Madam,

### 1. Introduction

- 1.1. Funds of up to EUR 250,000 will be allocated from the Nefco Green Recovery Programme for Ukraine, including grant proceeds by Ministry of Foreign Affairs of Denmark, for consulting services to the Mykolaiv Vodokanal, owned 100% by the City of Myklaiv. This amount includes a provision for contingencies of 10%.
- 1.2. The financing is granted specifically for transfer of operational knowledge from Denmark to the City of Mykolaiv, represented by Mykolaivvodokanal, on identification of and utilization of underground water.
- 1.3. The assignment is divided into two separate phases or assignment types, which can be run in sequence or as parallel work-streams. Under Phase I of the assignment, the Consultant will prepare a Feasibility Study (“FS”) for the City. Under Phase II of the assignment the consultant will assume the role of the PIU Supporting Consultant for contracting of a Local Contractor for the required (underground water) test drillings, which in turn shall inform the Feasibility Study with data points. A total budget up to EUR 370,000 for test drillings are available by means of a grant from Ministry of Foreign Affairs of Denmark.
- 1.4. The objective of the Feasibility Study is described in the ToR. The objective of the PIU role is to - based on NEFCO’s procurement practices and policies – to define the requirements for the test drillings and to support the Project Implementation Unit at Mykolaivvodokanal implementing the needed test drillings (as defined by the FS consultant) and collect the needed data from the test drillings to be able to make conclusions and recommendations for the feasibility study.
- 1.5. The FS shall be presented to the City, NEFCO and other key stakeholders to enable them to appraise and structure a bankable Investment Programme for ground water utilization.
- 1.6. Nefco now invites proposals to provide the following consulting services: **“Feasibility Study and Project Implementation Unit Support (PIU support) in relation to required test drillings”**. The details of the required services are provided in the attached Terms of Reference.
- 1.7. This Request for Proposals (“RfP”) has been published on Nefco's webpage.

## 2. Indication of Interest

- 2.1. Please inform Nefco by e-mail: *procurement@Nefco.int* with copy to *bo.nyhus@Nefco.int* and *iryna.fedorenko@nefco.int*, not later than 6 October 2025 that you have received this Letter of Invitation and whether you intend to submit a proposal.
- 2.2. All firms that have informed Nefco of intention to submit a proposal will be invited to an online pre-proposal meeting at 14:00 hrs local time in Helsinki on 13 October 2025 in which the project, its background and assignment will be explained in details. In the online meeting, the participants will be able to raise questions. Answers to the questions will be submitted by e-mail to all firms that have confirmed their intent to prepare a proposal within the time indicated in this RFP.
- 2.3. All questions on the Terms of Reference and/or the RfP shall be provided in writing to NEFCO by e-mail: *procurement@nefco.int* with copy to *bo.nyhus@Nefco.int* and *iryna.fedorenko@nefco.int*, no later than 20 October 2025 after which all questions will be compiled, together with questions from the pre-bidding meeting, by Nefco without any editing in the form they are sent to Nefco. Answers to the questions will be sent by e-mail to all Consultants that have confirmed their intent to prepare a proposal within the time indicated in this RFP.

## 3. Submission of Proposals

- 3.1. Proposals must be submitted to Nefco *strictly* no later than **13:00 hrs local time in Helsinki on 3 November 2025** (submission date). Bidders are strongly encouraged to submit their tenders at least one day prior to the deadline. Nefco may at its discretion extend the deadline for submission of proposals. Belated proposals will be rejected and not opened.
- 3.2. 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.
- 3.3. Proposals shall be submitted in English and must remain valid for 90 days starting from the Proposals submission date, which is November 3, 2025. Consultants willing to prepare and submit a proposal are responsible for all associated costs.
- 3.4. The proposal shall be submitted to NEFCO using secure encrypted e-mails, in two separate emails:

**Email A: Technical Proposal**

The Technical Proposal shall be sent to NEFCO to email address [procurement@Nefco.int](mailto:procurement@Nefco.int) by using this link <https://www.securedmail.eu/message/procurement@Nefco.int>. Please indicate as title in the subject field: “Mykolaiv GW”. In the message field please indicate at least the sender’s name and company.

For further information, please see the enclosed document in Annex 3.

**Email B: Financial Proposal**

The Financial Proposal shall be sent to NEFCO to email address [nelly.eriksson@Nefco.int](mailto:nelly.eriksson@Nefco.int) by using this link <https://www.securedmail.eu/message/nelly.eriksson@Nefco.int>. Please indicate as title in the subject field: “Mykolaiv GW”. In the message field please indicate at least the sender’s name and company.

For further information, please see the enclosed document in Annex 3.

In case there are problems with the securedmail system, please contact [procurement@nefco.int](mailto:procurement@nefco.int) or [nelly.eriksson@nefco.int](mailto:nelly.eriksson@nefco.int) for further assistance.

A consultant will be selected under **Quality and Cost-Based Selection method** and procedures described in this RfP, in accordance with NEFCO’s [Procurement Policy and Procedures](#) available at [www.Nefco.int](http://www.Nefco.int) under Procurement.

This RfP includes the following documents:

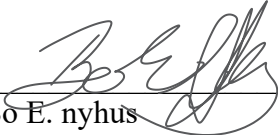
- Section 1 - Letter of Invitation
- Section 2 - Instructions to Consultants
- Section 3 - Technical Proposal - Standard Forms
- Section 4 - Financial Proposal - Standard Forms

Annex 1: General Conditions of Contract for Consultant’s Services

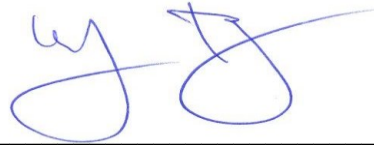
Annex 2: Terms of Reference

Annex 3: Securedmail manuals

Yours sincerely,



Bo E. nyhus  
Investment Director  
Nordic Environment Finance Corporation



Ulf Bojö  
Vice President  
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 Ministry of Foreign Affairs of Denmark through NEFCO. According to the terms and conditions on the operation of the trust funds, there are no limitations on the nationality of the firm or the sub-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. In the case of a Joint Venture (JV), the Consultant shall clearly indicate in FORM TECH-1, *Technical Proposal Submission Form*, the name of the Lead Firm as well as the name(s) of the JV members.
- 2.3. Consultants may also provide a list of sub-consultants, if applicable. However, the list of JV members and the list of firms participating as sub-consultants in this tender must be clearly and strictly distinguished.
- 2.4. In the case where the Consultant is, or propose to be a Joint Venture or other Association (a) all members of the Joint Venture or Association must satisfy the legal, Financial, litigation, eligibility and other requirements set out in this RFP; (b) all members of the Joint Venture or Association shall submit, they will be jointly and severally liable for the execution of the Contract; and (c) the Joint Venture or Association will nominate a representative who will have the authority to conduct all business for and on behalf of any and all the members of the Joint Venture or the Association if awarded the Contract, during Contract performance.
- 2.5. In addition to the requirements above, Proposal submitted by a Joint Venture or other Association shall include a copy of the Joint Venture/Association agreement entered into by all members. Alternatively, a Letter of Intent to execute a Joint Venture/Association agreement shall be signed by all members and submitted with the Proposal, together with a copy of the proposed agreement. If there is a change in the legal structure of the Consultant, after the Proposal submission, the Consultant is required to immediately inform NEFCO.

## Section 2 – Instructions to Consultants

However, any change of legal structure shall not be used to satisfy a qualification requirement that was not satisfied as of the deadline of Proposal submission

- 2.6. Consultant (either individually or as a JV member) shall not participate in more than one proposal. Such participation shall result in the disqualification of all proposals in which the firm is involved. However, a firm that is not presented as an individual Consultant or a JVCA member may participate as a sub-consultant in more than one proposal.
- 2.7.
- 2.8. Consultants shall submit technical and financial proposals in separate emails. No financial data of any sort shall be included in the technical proposal. A technical proposal containing financial information will constitute grounds for declaring the proposal non-responsive. Only emails containing technical proposals shall be opened at the time of submission of proposals. The financial proposals will be kept unopened until the technical evaluation is completed.
- 2.9. Should the NEFCO deem it necessary to amend the RFP as a result of a clarification, it shall do so following the procedure described below:
  - a) At any time before the Proposal submission deadline, NEFCO may amend the RFP by issuing an amendment in writing or by standard electronic means. The amendment shall be sent to all that have confirmed their intent to prepare a Proposal. If the amendment is substantial, NEFCO may extend the Proposal submission deadline to give the Consultants reasonable time to take an amendment into account in their Proposals.
  - b) The information about extension of the deadline will be published accordingly on the websites of NEFCO
  - c) The Consultant may submit a modified Proposal or a modification to any part of it at any time prior to the Proposal Submission Deadline. No modifications to the Technical or Financial Proposal shall be accepted after the Deadline.
  - d) During the period of Proposal validity, Consultants shall maintain the availability of Key Experts identified in the Proposal. NEFCO will make its best effort to award the Contract within this period. Should the need arise, however, NEFCO may request Consultants to extend the validity period of their Proposal. Consultants who agree to such extension shall confirm that they maintain the availability of the Key Experts nominated in the Proposal, or in their confirmation of extension of validity of the Proposal, Consultants could submit new Key Experts in replacement, which would be considered in the final evaluation for Contract award.

## Section 2 – Instructions to Consultants

### 3. Technical Proposal (not exceeding 12 pages, excluding CVs)

- 3.1. The Technical Proposal shall be prepared using the Standard Forms provided in Section 3 of this RFP.

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 in case of Joint Venture, on each member of this JV. Provision of the requested information, in full, must be presented as follows:

- (a) A brief description of the firm (in case of JV, each member of the JV), an outline of the firm's (in case of JV, each member of the JV) recent experience of assignments of a similar nature and specifically the firm's (in case of JV, each member of the JV) previous work, especially in the project country. Information on the current workload of the firm (in case of JV, each member of the JV) in the relevant areas of this assignment shall also be presented.
- (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 Ukrainian 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. The number of candidates proposed for each Key Experts position shall correspond to the requirements specified in the TOR. Non-compliance with these requirements may lead to a request for additional clarifications or to NEFCO's decision to select the most suitable candidate.
- (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



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be provided for each task. The staffing schedule shall indicate clearly the estimated duration (in both the home office and in the field)<sup>1</sup> and the probable timing of the assignment of each professional (both foreign and local). The Consultant shall demonstrate that they have access to office space, a vehicle, necessary equipment, local counterpart support, and other relevant resources required in the field for carrying out the proposed services.

### 3.2. 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/ months of each team member to be assigned and the related unit rates, (ii) *direct expenses* in respect of subsistence costs and (iii) *all other reimbursable expenses*. A provision of contingency of 10% of the grand total of the financial proposal is to be indicated. The contingency, set at ten percent (10%), shall be calculated on the total contract amount and shall be deemed an integral part of, and included within, the total price of the proposal.
- (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.
- (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 (work

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<sup>1</sup> For the purposes of this contract, the terms "Home Office" and "Field" are defined as follows:

- "Home Office" means professional activities undertaken remotely from the expert's usual place of residence or regular office, located in the expert's country of permanent residence. This includes work performed without the need for travel or relocation.
- "Field" work means professional activities carried out within the beneficiary's country or any country other than the expert's country of permanent residence, which typically require travel, on-site presence, or temporary relocation.

Note:

In cases where the expert's country of residence is the same as the beneficiary's, work shall be classified as:

"Home Office", if it is conducted from the expert's regular office or home without travel or relocation.

"Field", if it requires the expert to travel within the beneficiary country (e.g., to a project site, a different region, or a government counterpart's office) and involves physical presence away from the expert's usual workplace.

## Section 2 – Instructions to Consultants

performed physically at the office of the Beneficiary in Mykolaiv and with employees of the Beneficiary) and in the home office (the office location, which is the daily office location of the consultant irrespective of the country). 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 lump-sum contract will be concluded for the assignment. The payment milestones for the lump-sum contract are defined under section 4.8 below.

### 4. Evaluation of Proposals

- 4.1. Evaluation of the proposals will be carried out by an evaluation committee appointed by Nefco.
- 4.2. 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.
- 4.3. **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 Ukraine in general and in particular to experiences in Denmark with knowledge from projects with the final aim of mapping and utilizing underground water resources.
  - (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.
- 4.4. See further the scoring table below. All evaluations will be made according to the Evaluation Criteria specified below. A technical proposal may be treated as non-responsive

## **Section 2 – Instructions to Consultants**

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.

- 4.5. 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.
- 4.6. The specific evaluation criteria are listed below:

## Section 2 – Instructions to Consultants

	<b>EVALUATION CRITERIA</b>	<b>Maximum points</b>
<b>1</b>	<b>Experience of Consulting firm</b>	
	a) Proven experience in projects such as ground water mapping, utilization and investment planning in Denmark (Danish localized experiences)	10
	b) Demonstrated experience in Feasibility Study and/or developing Priority Investment projects	7
	c) Demonstrated PIU Support experience from Ukraine	8
	<b>Subtotal 1</b>	<b>25</b>
<b>2</b>	<b>Approach and methodology</b>	
	a) Proposed approach and methodology, including the clear approach for carrying out the scope of work under all the tasks as specified in the Terms of Reference of this RFP.	15
	b) The proposed work plan is consistent with the approach and methodology, as well as the work and deliverables schedule.	5
	c) Proposed organization and staffing plan, including the extent to which the Proposal provides a clear, logical, and appropriate staffing pattern with roles and responsibilities among different personnel adequately defined, including non-key personnel, and how the organization and staffing plans are consistent with the work plan proposed.	10
	<b>Subtotal 2</b>	<b>30</b>
<b>3</b>	<b>Qualifications and competence of key experts</b>	
	a) Team leader for FS	10
	b) Team Leader for PIU Support Function	10
	c) Ground Water Expert	10
	d) Environmental and Social expert	5
	e) Relevance and qualification of other Key experts including Financial Expert	10
	<b>Subtotal 3</b>	<b>45</b>
	<b>Total</b>	<b>100</b>

- 4.7. **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 proposals 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.
- 4.8. **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.

**Lump-sum contract.** The consultant is deemed to have included all prices in the financial proposal, so neither arithmetical corrections nor price adjustments will be made. The total

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price, net of VAT, specified in the financial proposal (Form FIN-1) will be considered as the offered price.

- 4.9. 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. Financial proposals including cost components in other currencies than EUR shall be converted to EUR according to the exchange rates published by the European Central Bank on the submission date of the proposal.

- 4.10. 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.

### 5. Contract Negotiations and Award

- 5.1. Nefco reserves the right to reject all proposals.
- 5.2. 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.
- 5.3. The costs of preparing a proposal and of negotiating and concluding a contract including the costs of travel to participate in possible pre-proposal meeting are not reimbursable as costs of the assignment.
- 5.4. 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.
- 5.5. The firm (or the leading consultant of the JV,) 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

## Section 2 – Instructions to Consultants

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.

- 5.6. The representatives of the consulting firm invited for contract negotiations must be authorised (in case of the JV, on behalf of all the members of this JV) 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 firms, who submitted the proposals will be informed accordingly.
- 5.7. Payments will be made to the Consultant from Technical Assistance linked to the Lviv Biogas Project. The Consultant will be paid 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.
- 5.8. The preliminary milestone based payment schedule of the lump-sum contract is the following: Inception Report – 15% of the Remuneration indicated in the Financial Proposal (FIN-2); Tender Documentation(s) for Project 2a (Rehabilitation works and sludge management) – 10%; Tender Evaluation Report(s) for Project 2a (Rehabilitation works and sludge management) – 10%; Sludge Management Plan – 10%; and Quarterly Reports demonstrating a funding disbursement rate to be decided – 55% .



## Section 3 – Technical Proposal – Standard Forms

### FORM TECH-1 TECHNICAL PROPOSAL SUBMISSION FORM

[Location, Date]

To: Nefco

Dear Sirs,

We, the undersigned, offer to provide the consulting services for “**Feasibility Study and Project Implementation Unit Support (PIU support) in relation to required test drillings**” in accordance with your Request for Proposals and our Proposal. We are hereby submitting our Proposal, which includes this Technical Proposal, and a Financial Proposal sent in a separate secured mail.

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

*[Note: In the case of a Joint Venture (JV), the Consultant shall clearly indicate in FORM TECH-1, Technical Proposal Submission Form, the name of the Lead Firm as well as the name(s) of the JV members.*

*Consultants may also provide a list of sub-consultants, if applicable. However, the list of JV members and the list of firms participating as sub-consultants in this tender must be clearly and strictly distinguished.*

1. *Lead member of JV or any other Association (name and country of origin)*
2. *Member (s) of JV or any other Association (name(s) and country(ies) of origin)*
3. *Sub-consultant(s) (name(s) and country(ies) of origin)]*

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.



### **Section 3 – Technical Proposal – Standard Forms**

We hereby accept the General 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 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 (type of assignment, e.g. Project Implementation Unit support, feasibility study) 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-5

### TEAM COMPOSITION AND TASK ASSIGNMENTS

[illegible]

## 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. The title of the position shall be aligned with the title indicated in the TOR* ]:
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}

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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 Key Experts 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<sup>2</sup> 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 <u>staff-week</u> input		
		1	2	3	4	5	6	7	8	9	10	11	12	n		Home	Field	Total
KEY EXPERTS																		
Foreign																		
1		(Home)																
		(Field)																
2																		
n																		

<sup>2</sup> For the purposes of this contract, the terms “Home Work” and “Field Work” are defined as follows:

- “Home Work” means professional activities undertaken remotely from the expert’s usual place of residence or regular office, located in the expert’s country of permanent residence. This includes work performed without the need for travel or relocation.
- “Field Work” means professional activities carried out within the beneficiary’s country or any country other than the expert’s country of permanent residence, which typically require travel, on-site presence, or temporary relocation.

Note:

In cases where the expert’s country of residence is the same as the beneficiary’s, work shall be classified as:

“Home Work”, if it is conducted from the expert’s regular office or home without travel or relocation.

“Field Work”, if it requires the expert to travel within the beneficiary country (e.g., to a project site, a different region, or a government counterpart's office) and involves physical presence away from the expert’s usual workplace.

### Section 3 – Technical Proposal – Standard Forms

												Subtotal					
Local																	
1		(Home)															
		(Field)															
2																	
n																	
												Subtotal					
												Total					

### Section 3 – Technical Proposal – Standard Forms

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

### Section 3 – Technical Proposal – Standard Forms

#### FORM TECH-8 WORK SCHEDULE

No.	Activity	<u>Weeks</u>												
		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 by Nordic Environment Finance Corporation (NEFCO) or by any national or EU Institutions or any international financial institution or other sanctions authority, which NEFCO deems relevant, 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:

- **Abuse** meaning theft, misappropriation, waste or improper use of property or assets related to the Contract, either committed intentionally or through reckless disregard.

### Section 3 – Technical Proposal – Standard Forms

- **Coercion** meaning impairing or harming, or threatening to impair or harm, directly or indirectly, any party or the property of the party for the purpose of improperly influencing the actions of a party.
- **Collusion** meaning an arrangement between two or more parties designed to achieve an improper purpose, including for the purpose of improperly influencing the actions of another party.
- **Corruption** meaning the promise, offering, giving, receiving, or soliciting, directly or indirectly, anything of value or any undue advantage, or any act or omission that involves the abuse of authority or functions, for the purpose of influencing or causing to influence improperly the actions of another party, or for the purpose of obtaining an undue advantage for oneself or for another party.
- **Fraud** meaning any act or omission, including misrepresentation or concealing a material fact, that knowingly or recklessly misleads, or attempts to mislead, a party for the purpose of obtaining a financial or other benefit or undue advantage for oneself or for a third party, or to avoid an obligation.
- **Obstruction** meaning
  - (i) deliberately destroying, falsifying, altering or concealing evidence material to an investigation;
  - (ii) making false statements to investigators in order to materially impede an investigation;
  - (iii) failing to comply with requests to provide information, documents or records in connection with an investigation;
  - (iv) threatening, harassing, or intimidating any party to prevent it from disclosing its knowledge of matters relevant to a NEFCO investigation or from pursuing an investigation; or
  - (v) materially impeding NEFCO's contractual rights of audit or access to information; and
- **Money laundering** meaning
  - (i) the conversion or transfer of property, knowing that such property is derived from criminal activity, to conceal and disguise the illicit origin of the property, or assisting any person who is involved in the commission of such activity to evade the legal consequences of this action;
  - (ii) the concealment or disguise of the true nature, source, location, disposition, movement, rights with respect to, or ownership of property, knowing such

### Section 3 – Technical Proposal – Standard Forms

property is derived from criminal activity;

(iii) the acquisition, possession or use of property knowing, at the time of receipt, that such property was derived from criminal activity; or

(iv) participation or assistance in any of the activities above; and

- **Financing of terrorism** meaning 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 terrorist activities (the "terrorist activities" shall have the same meaning as set out in Article 2 of the International Convention for the Suppression of the Financing of Terrorism).

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 [*insert assignment title*] in accordance with your Request for Proposals dated [*insert date*] and our Technical Proposal. Our attached Financial Proposal is for the **Total Cost of EUR [*insert 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	EUR
Remuneration	
Reimbursable Expenses	
Contingency	
<b>Subtotals</b>	
<b>Grand total in EUR</b>	

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.

A provision of contingency of at least 10% of the grand total of the financial proposal is to be indicated.

The contingency, set at ten percent (10%), shall be calculated on the total contract amount and shall be deemed an integral part of, and included within, the total price of the proposal, which can not exceed EUR 250,000



**Section 4 – Financial Proposal – Standard Forms**

	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>B. [Reimbursable] _____</b>								
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}							
<b>Total Costs</b>								



## 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 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 17.
- 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 NEFCO<sup>1</sup>, 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 Union<sup>2</sup>.
- 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 The Consultant shall submit a written confirmation issued by the account-holding bank confirming that the Consultant is the legal owner of 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.
- 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.

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<sup>1</sup>Agreement between Denmark, Finland, Iceland, Norway and Sweden concerning the Nordic Environment Finance Corporation, available at NEFCO's website [www.nefco.int](http://www.nefco.int).

<sup>2</sup> 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.





## **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;
  - (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; and
  - (vi) NEFCO is not bound by any national or EU legislation on protection of personal data. NEFCO's Global Privacy Policy (available at NEFCO's website) provides information on why and how personal data is processed at NEFCO.
- 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 16 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 16.

## 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 PERSONAL DATA PROTECTION**

- 13.1 The Consultant shall at all times comply with the applicable data protection laws in processing any personal data, including by procuring all requisite consents where necessary, including where explicit consent is required.
- 13.2 The Consultant
- (i) has introduced and applies appropriate data protection policies and procedures concerning the collection, use, storage, retention, transfer and security of personal data;
  - (ii) has implemented regular staff training, using testing, audits or other documented mechanisms to ensure and monitor compliance with those policies and procedures;

- (iii) has ensured that only authorised personnel has access to personal data and that such access has only been granted on a need to know basis; and
- (iv) maintains complete, accurate and up to date records of all of its personal data processing activities as required by the applicable data protection laws.

## 14 AUDITING, ANTICORRUPTION AND ETHICAL CONDUCT

- 14.1 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.
- 14.2 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.
- 14.3 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.
- 14.4 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.
- 14.5 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.
- 14.6 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 14.

## 15 REFERENCE RIGHT

- 15.1 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.

## 16 GOVERNING LAW AND DISPUTE RESOLUTION

- 16.1 This Agreement shall be governed by and construed in accordance with the substantive laws of Sweden.
- 16.2 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 SCC Arbitration Institute (the "**SCC**").
- 16.3 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 of this Agreement, Article 38 (Interim measures) of the Expedited Rules and Article 37 (Interim measures) of the Arbitration Rules shall not be applicable to NEFCO during the arbitral proceeding.
- 16.4 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.
- 16.5 The language to be used in the arbitral proceedings (including the documentation) shall be English.
- 16.6 The arbitral award shall be final and binding upon the Parties.

## 17 TERM AND TERMINATION

- 17.1 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.
- 17.2 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.
- 17.3 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.
- 17.4 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.
- 17.5 Upon termination, the results of work carried out shall immediately be handed over to NEFCO, unless otherwise agreed between the Parties.

## **18 AMENDMENTS TO THE AGREEMENT**

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

## **19 TRANSFER OF THE AGREEMENT**

- 19.1 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.

## **20 NOTICES**

- 20.1 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.

## **21 SURVIVING TERMS**

- 21.1 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, Data Protection;  
Section 14, Auditing, Anticorruption and Ethical Conduct;  
Section 15, Reference Right; and  
Section 16, Governing Law and Dispute Resolution.

**Beneficiary:**

Mykolaivvodokanal

City of Mykoliav

Ukraine

**Terms of Reference for a  
Groundwater Feasibility Study (FS) –  
including required test drillings**

**Sponsored by:**

Ministry of Foreign Affairs of Denmark

**September 2025**

**List of abbreviations:**

City, Municipality	Mykolaiv city
MVK	Mykolaivvodokanal, City Utility Enterprise, 100% owned by Mykolaiv city council
MFA-DK	Ministry of Foreign Affairs of Denmark
Nefco	Nordic Environment Finance Corporation
FS	Feasibility Study
Project Stakeholders	Mykolaiv city, MVK, MFA-DK, Nefco, EPA (GKO)



# 1. BACKGROUND

The city of Mykolaiv is located at the Black Sea and is a strategically important city between Kherson and Odessa and had, in the pre-war situation, around 500,000 inhabitants. Mykolaiv being close to the frontline, has seen over 60% of its population leave the city. Recently the city's population has returned but the economy of an otherwise prosperous and lively city has, consequently, come close to a standstill.

As a result of Russia's war on Ukraine combined with years of underinvestment in municipal infrastructure the critical infrastructure of the city is heavily damaged and dysfunctional. Especially the water and wastewater sector require substantial recovery.

The city's main water pipeline that passes through the occupied Kherson Oblast has been destroyed, leaving much of Mykolaiv without a reliable water source since April 2022 and the City was essentially left without drinking water since April 2022 due to shelled water mains. Currently its population is therefore relying on emergency water provided primarily by trucks and supplemented by desalination of brackish water from the Dnieper–Bug estuary and new hastily drilled temporary boreholes.

For the city of Mykolaiv, drinking water is currently a top priority and this priority has been further underlined as a result of the damages from the war. Even before the Russian invasion, various studies were initiated to identify new sources of drinking water including surveys of potential surface water intakes, a renewed water reservoir and a modernised water treatment plant for the city of Mykolaiv.

**However, a comprehensive mapping and study of groundwater resources in the vicinity of Mykolaiv has still not been undertaken but is asked for.**

Therefore, the current Feasibility Study shall focus on assessing the potential (possibility, costs, impacts, timelines ect.) for using the ground water resources in Mykolaiv area as a possible and relevant solution (*not necessarily as the only solution*) towards a sustainable and reliable supply of drinking water to Mykolaiv. Such a study is also aligned with the Master Plan prepared by COWI and various sector cooperation activities both at "Government to Government level" (Water Strategy development and Embassy posted sector experts) and in the form of various twinning activities. Such a study is also relevant for EIB's intended investment in supply of drinking water to the city.

The city of Mykolaiv was chosen as a primary target for Danish Governmental assistance based on a direct request from the President of Ukraine to the Danish Parliament and the Ministry of Foreign affairs of Denmark has shown an interest in assisting Mykolaiv with establishing a secondary and reliable supply of water, based on Danish experiences with groundwater.

The city of Mykolaiv and NEFCO have several years of fruitful cooperation within the utilities sector, which is a branch of companies, owned by the city, servicing the city's population with essential welfare services. The Mayor of Mykolaiv and his administration has been in close dialogue with the Danish MFA regarding early recovery investments in key infrastructure sectors, as well as longer-term recovery and reconstruction priorities, focusing on needs in the energy efficiency, water and sanitation and solid waste sectors.

Based on years of good existing working relationship between Mykolaiv, Nefco and the Ministry of Foreign Affairs of Denmark and Nefco's unique experience of municipal infrastructure projects, environmental expertise as well as one of the few organisations with well-arranged procurement and disbursement infrastructure, Nefco was assigned by the Ministry of Foreign Affairs of Denmark to manage grant funds and facilitate projects implementation and channelling funds to Ukraine.

Total estimated budget, including payments for local Contractors for test drillings, is up to MDKK 5. It is assumed that 40% of the total budget will be allocated to the development of the Feasibility Study work (consultancy fees) and 60% for payments for local works by the local contractor (for test drillings). The Contractor for the test drilling will be employed by MVK based on NEFCO's procurement procedures. This budgetary split is however to be finally decided via a dialogue with the consultant chosen for the assignment.

## **2. WATER SUPPLY SYSTEM IN MYKOLAIV**

### **2.1. Assumptions about current situation**

Mykolaiv had a population of approx. 500,000 inhabitants in pre-war times. The city residents remaining in the city since the hostilities began is estimated at 250,000 inhabitants but could bounce back after the war.

The water supply and wastewater services in the city are provided 100% by the municipally owned utility company MykolaivVodokanal (MVK). MVK is a municipal utility company, with monopoly status, provides both drinking water supply and sewage services to the population, organizations and enterprises of the city of Mykolaiv.

The water supply for Mykolaiv city was originally sourced as surface water from the Dnipro River and the total volume of drinking water supply to the city is currently 120.000 m3/day.

The “Zhovtneve Reservoir” exists within the territory of the city and is, according to the decision of the Mykolaiv City Council dated 07.10.2002 No. 3/9 defined as a “natural landscape object” – under special legal regulations. The reservoir was built in 1956 with a designed lifetime until 2006. It has significant siltation (the siltation period is, according to the project, 50 years) and it will require significant efforts to restore its function as a reserve source of water supply.

The water supply system of the city of Mykolaiv currently includes a surface water intake from the Inhulets River and underground water intakes from a number of artesian wells located in various neighbourhoods of the city of Mykolaiv and in the Kherson region. Currently, this water is supplied without additional treatment (as so-called “technical water”) to all connected consumers of MVK as well as for the own needs of MVK.

Drinking water from a surface source supplied to the city network is purified at treatment stations - stages I-II and III. The technological scheme of drinking water purification includes the following main stages: coagulation, settling, filtering, disinfection.

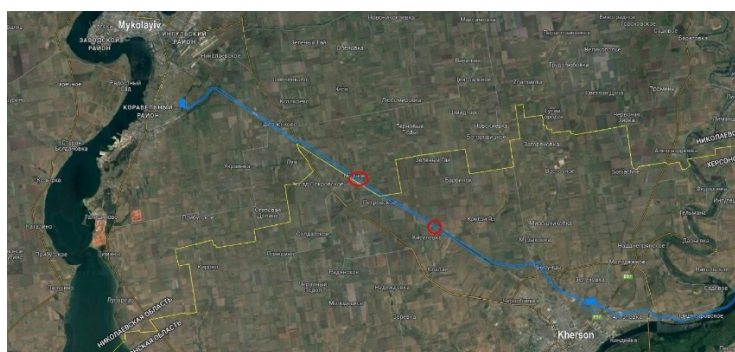
The hydrogeology in the area of Mykolaiv is considered complex due to several reasons as informed by MVK:

- The region is located within the Black Sea Depression, characterized by layers of clay, sandstone, limestone, and loam. These rocks have varying permeability, complicating predictions of groundwater movement. Presence of fractured limestone and marl can create localized aquifers, but due to uneven fracturing, water may accumulate in limited volumes.
- The aquifers are characterized by a complex structure. Several aquifers at different depths are present in the Mykolaiv area, separated by impermeable layers (clay). Aquifers are often localized, meaning they can abruptly end or change direction, complicating the prediction of well yield.
- Due to the proximity to the Black Sea and the geological history of the region, many aquifers contain mineralized water with high levels of chlorides and sulfates, making it unsuitable for drinking without additional treatment.
- Due to the varying types of rocks and layers, groundwater movement is uneven, complicating predictions of water inflow to wells. Low natural recharge rates of aquifers increase the risk of depletion with intensive use.
- Mykolaiv is situated in a seismically active zone, which may affect the stability of rock formations and the structure of aquifers.

According to MVK, this hydrogeology of the area surrounding Mykolaiv is one among many reasons why locally sourced groundwater is not commonly used, indicating the need for thorough groundwater mapping.

## 2.2. The damage caused by war

The pre-war water intake was located in the neighbouring Kherson region. The water pipeline was partly damaged around the villages Myrne and Kysilivka of Kherson region (see Pic. 1) as a result of fightings in the area.



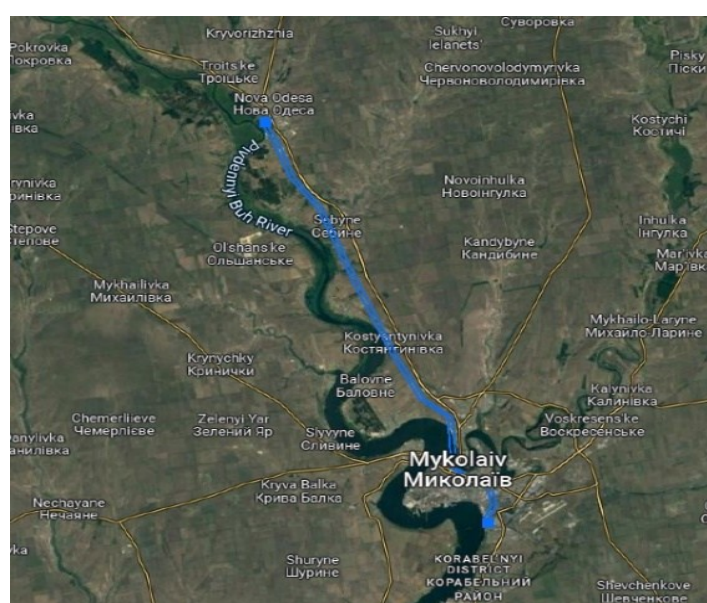
*Picture 1. Damages of water supply pipeline*

As a temporary solution, MVK arranged supply of technical water (not suitable for drinking) to the city using the Inhulets intake. The current total centralized technical water supply is 70 000 m<sup>3</sup>/day.

MVK is currently supported by the UN-led WASH cluster in the provision of drinking water supply. The drinking water supply to the population is distributed by trucks within the city with prior notification of the population on temporary trucks locations. Bottled water or private wells are used by others. In addition to this, reverse osmosis-based water distribution points are established across the city. Other organizations are also active in the city in projects related to water supply, demand and mapping.

The above-mentioned supply – both for drinking water and technical water - is considered a temporary measure for the war time and is not a long-term solution. Although the situation around the city of Mykolaiv has been largely stable since November 2022, martial law provisions continuously impose certain restrictions on access to water supply facilities.

A long-term action and investment plan was developed by the French engineering and consulting group – EGIS. The long-term action plan provided by the EGIS study suggests different options for new surface water intakes (Pic. 2):



*Picture 2. Proposed new water intake from Nova Odesa, located 50 km to the northwest of Mykolaiv.*

Based on the EGIS study Mykolaiv City Administration has approached EIB with a request to support development and implementation of a sustainable long-term solution for reliable water supply to Mykolaiv. The EIB has expressed

initial willingness to fund projects which will diversify the city's water intake, adding an alternative pipeline from Nova Odesa (45 km from Mykolaiv) and modernising the existing water treatment plant in Mykolaiv. Expenses for these construction works will likely be covered in cooperation with the Ukrainian government.

## **2.3. Potential test areas and assumptions**

MVK has already preliminarily considered the possibility to utilize groundwater, which is otherwise not a customary source of water intake in Ukraine. The only way to clarify the realism of this potential new source is to map and study supply and demand patterns and to initiate relevant tests.

"MVK has preliminarily indicated four potential test areas, and a fifth might also be of interest:

- Area surrounding the Mykolaiv Alumina Plant
- Zhovtnevy Reservoir
- Area immediately north of Mykolaiv on the eastern bank of the Pivdenny Buh
- Built-up areas in Mykolaiv at the western bank of Pivdennyh Buh
- Nova Odesa area - as an alternative inlet to the pipeline."

Further and/or other areas for testing ground water resources may be identified during the assignment. On each test site – if deemed relevant – an option is included to complement existing boreholes with drilling additionally 4-5 new test wells to verify assessments of water availability.

## **3. ASSIGNMENT OBJECTIVE**

The overall objective of the assignment is to prepare a Feasibility Study, at investment grade quality, with a conclusion and a recommendation to what extend underground water can become a relevant, reasonable, realistic and a sustainable source – partly or in full – for supplying the city with drinking water. The conclusion should describe, analyse and conclude on this issue in terms of physical, environmental, financial and practical/operational considerations.

It is furthermore an important part of the assignment to ensure that experiences from Denmark – both in terms of methodology, use of technology, operational practices and sector policy is transferred to the Beneficiary and other core stakeholders.

As an important input to the Feasibility Study, the Consultant is furthermore expected to, as a sub-assignment, to manage the local contractor, to perform test drillings. The Contractor is not identified yet. The local Contractor shall be employed by the Beneficiary based on NEFCO's procurement principles and the Consultant shall therefore both be able to work as a Feasibility Study Consultant **and** as a specialized PIU Consultant and must have experiences within both types of assignments.

The assignment is a hybrid of a Feasibility Study and a Project Implementation Unit Assignment. Besides the basic data collection and situation description typical for a FS assignment, the consultant shall propose a sampling approach for borehole drilling and testing. The data collected from these activities shall be used to inform the conclusions in the Feasibility Study. The consultant shall therefore also be capable of managing the selected Contractors work and coordinate the work with the selected contractor. The Contractor shall however be employed by the MVK based on funding provided by donors.

**Since the hybrid assignment form and the topic is new to NEFCO, the Consultant shall present to NEFCO a suggestion to methodology, work program, timeline and output expectations based on which the Consultancy's proposal will be evaluated as described in the Request for Proposal (RfP). The methodology and work program shall consider the budgetary limitations.**

The below is therefore to be considered as a minimum requirement and the Consultant is expected to suggest changes and introduce perfections to the assignment, considering the total budget and the overall objective, as described above.

NEFCO expects that the Consultant can deliver a full package of documentation – at a quality level - which NEFCO, and other Stakeholders, in turn can use to decide on an eventual future investment in underground water sources for the city of Mykolaiv.



## 4. DELIVERABLES OF THE FEASIBILITY STUDY

The output of the project is:

1. **An Inception Report** which shall address and further outline and time plan of the study. The Inception Report should verify assumptions made in the ToR and the Consultant's own suggested methodology and provide eventual adjustments. Considering the overall objective of the assignment, the Consultant is expected to present a clear work plan and sampling/testing methodology for the borehole drilling and consequent data analysis. Based upon this, mapping of suggested test drilling areas, design of bore wells, recommended equipment for test drilling, work plan and methodology description and timeline for the study shall be presented. The Inception Report shall be presented for approval by the project stakeholders. An Inception Report Workshop for the project outline to be presented, discussed and approved.
2. **Status reports.** After the Inception report is delivered the consultant shall deliver short (max 3 pages) status reports (frequency to be suggested in the presented methodology) on the assignment progress supported by photo/video materials. The status reports are to provide information about results of test drillings, water analysis results from tested boreholes. The status reports are to function as a dialogue tool between the Stakeholders ensuring that the final scope and outcome of the assignment would be acceptable and environmentally sustainable.
3. **A Technical Assessment Report** provide mapping of boreholes, describing all aspects of the made boreholes in the selected areas including all relevant parameters, observations and conclusions. The report to be presented at workshop for project stakeholders, discussed and approved.
4. **A Draft Feasibility Study** including outcomes and conclusions of comprehensive hydrogeological survey, analysis of economic and financial feasibility of recommended measures, environmental and social assessment, sustainability and maintenance, risk assessment and mitigation measures, compliance of the project to regulatory and legal requirements.
5. When the Draft Feasibility Report is available a **seminar** shall be organized for all stakeholders, including relevant governmental research institutions and regulatory authorities. The participants for this seminar shall be agreed with the Beneficiary and with the Danish Embassy in Kyiv. The purpose of the seminar is twofold. The seminar shall help to share knowledge and build up capacities and capabilities in and outside Mykolaiv and the seminar shall function as an input to the consultants when preparing the final report. The consultants may decide on a sequencing of the seminar prior to what is indicated in this document. The seminar should involve experts from *Ukrainian Geological Survey* and other justified Stakeholders.
6. On-line presentation of the Feasibility Study and conclusions for a larger group of Stakeholders.
7. **Final Feasibility Study** submitted for final approved by Project Stakeholders, including a "Result Framework" for the project based on template provided by NEFCO.

All deliverables shall be shared and discussed with Project Stakeholders.

For clarification expanded hydrogeological study requirements are listed and commented as an annex 1 to this document

### 4.1. ROLES AND RESPONSIBILITIES

The city of Mykolaiv and MVK are responsible for providing the consultant with the needed data (to the extend available), existing hydrogeological studies and baseline data from previous projects and input material. However, the consultant should independently verify the information received. The consultant is the sole responsible for preparing the Feasibility Study, including but not limited to appointing and allocating the right staff members for the sub-assignments and enable their work "on site", with due consideration of the safety situation in Mykolaiv region due to the war risks, and "in office".

MVK is responsible for obtaining all relevant permissions from the State Agency for Water Resources and other regulatory bodies of relevance for the study.

The consultant shall ultimately report and consult in parallel to the project stakeholders. The project stakeholders the right to accept and approve each individual deliverable, including the final Feasibility Report.

The consultant is the focal point of communication between major stakeholders and is expected to ensure that all stakeholders are informed about and involved in the processes.

The consultant shall ensure that the Feasibility Study, its findings and the expected outcomes are embedded in, and supported by, the city of Mykolaiv and the MVK.

Specialists from the Danish Environmental Protection Agency (EPA-GKO) will work alongside NEFCO and guide the Consultants' work and <https://www.geo.gov.ua/en/> will be indirectly involved.

The assignment is partly a practical, administrative and analytical assignment. For NEFCO – local involvement, local engagement and local presence by the consultant is of outmost importance.

## **4.2. TIMING**

Based on information available and general assumptions, deadline for delivering the Feasibility Study is 6 months from the signing of the contract. Results from the borehole drilling may impact this timeline significantly.

The consultant shall prepare and present a realistic Action Plan (AP) for the Feasibility Study containing milestones, timing, duration, sequencing, interdependencies, and responsibilities etc. The purpose of this implementation plan is to make sure that all stakeholders understand the timeline, roles and responsibilities during implementation.

## **5. SCOPE OF WORK AND EXPECTATIONS TOWARDS REPORT CONTENT**

The scope of Feasibility Study work should include, but not necessarily be limited to, the following tasks.

### **5.1. SUMMARY OF THE REPORT**

The summary shall be brief, maximum 5 pages and be very clear in terms of justification, costs, timeline, risks and impact – not limited to environmental impacts only.

### **5.2. BACKGROUND**

- A brief description of the project location, project objectives, project outputs and expected project outcome.
- Description of the project owner and other main project involved parties and their roles within the project.
- Dates and descriptions of essential events in project history. Project studies and investigations already performed.

### **5.3. DEMOGRAPHIC AND SOCIO-ECONOMIC DATA**

National as well as local level statistical information (preferably with disaggregated data and most vulnerable groups) on:

- Population, including number of IDPs indicated separately
- Economic growth and growth potentials.

Key demographic data for Mykolaiv city with influence for utility assessment:

- Forecast of population growth and needed water supply, 20 years
- Types of consumers -housing, private companies and public buildings in the area with focus on water consumption.



- Water resources in Mykolaiv area and water cost

## **5.4. SECTOR DESCRIPTION**

- Mapping of the actors of relevance for utilizing ground water resources as drinking water both a national level (Ukrainian Geological Survey, Geoinform, State Agency for water resources Ukraine etc.) and at local municipal level.
  - Creating a Sankey diagram of the existing water supply system
  - The mapping should consider the relevance for this assignment and for the investment project to follow the feasibility Study.
  - The mapping should also justify the possible involvement of selected actors in the planned seminar/webinar, which also is a part of this assignment.
- Government policy and strategy for the sector.
- The relevant public authorities for the sector at national and local levels.
- National policy for tariff structures and rates for the services.
- Local tariff structure and rates for the services.

## **5.5. PROJECT JUSTIFICATION**

Problem analysis / problems to be addressed

## **5.6. TECHNOLOGY**

The Feasibility Study shall at a minimum address the following:

### **1.1.1 INVESTMENT & SAVINGS**

The Consultant shall conduct cost-efficiency analysis of groundwater project. The analysis shall include detailed description of capital, operational expenses and any other costs that may occur during project implementation and further operation. The consultant shall suggest the most technically feasible and cost-efficient list of boreholes subject to further financing. The consultant shall present required investments, environmental savings and project payback.

## **5.7. TASKS AND PROCESS TOWARDS ENVIRONMENTAL AND SOCIAL SUSTAINABILITY**

On an overall frame the following shall be conducted:

- Perform screening for core sustainability issues specific for the project
- Identify needs for analysis of sustainability issues deemed significant
- Identify stakeholders in the sustainability process and decide on level of consultations in relation to the evaluation and during project implementation, operation and decommissioning
- For significant sustainability issues, discuss sustainability objectives, substitutions if relevant, consequential objectives, related issues and resulting goals and measurements
- Based on the above discussion, elaborate a Project Sustainability Logbook (PSL) where the identified issues and objectives are presented and prioritized. Further, in the PSL, elaborate monitoring tables, generally and in detail for the planning phase, stating parameters and indicators. In respect of life-cycling costing, discuss whether simple (LCC) or whole-life (WLC) analysis shall be preferred. This table shall serve as basis for the subsequent planning and implementation, should the project be approved.

Specific on utility level the following shall be conducted:

- Evaluate possible solutions by comparison to conclude how to renovate, optimise, repair and make the overall system most efficient in terms of; economy, energy efficiency, decrease in loss and green transition



- Assess the present Operation and Maintenance strategy and address needed justifications in general and in specific for the changes caused by the present project
- Assess the organisation of Mykolaivvodokanal and identify decision makers and operational responsible
- Identify training needs for raising staff awareness

## **5.8. ENVIRONMENTAL EVALUATION**

The environmental evaluation is a central element of attention when NEFCO is to evaluate the project and decide on project approval. NEFCO would in addition to a clear baseline description also need to understand the post-project situation and impact risks.

Environmental indicators for the baseline and post-project simulation should as a minimum include all indicators relevant for the current project and the consultant is expected to define and justify these choices. This work package includes the development of an ESAP and a "Results Framework". Based on the environmental evaluation the consultant shall in cooperation with the city of Mykolaiv and MVK recommend if an Environmental Impact Assessment, EIA, is needed. If so, the city of Mykolaiv and MVK should provide input to elements to be addressed in the EIA.

Eventual environmental controversies and impact risks shall be described and ranked.

## **5.9. INVESTMENT BUDGET AND FINANCING SOURCES**

The consultant will prepare a detailed investment budget, denominated in euro, for the proposed investment project. Each investment component shall be clearly traceable to the technical description of the project and be based on realistic reference prices. VAT shall be calculated as a separate item to allow understanding the required investments for different financing options. All other applied assumptions should be explained and justified.

## **5.10. INVESTMENT APPRAISAL**

The consultant is to present investment appraisal of the project. The appraisal shall be of such a quality and level that the main Project Stakeholders can decide on possible financing and implementation of the project.

The investment appraisal must include a sensitivity analysis and a justified selection of changes in parameters which may impact the projects financial sustainability.

All calculations should cover a time span of 20 years, assume a discount rate of 6% and consider tariff dynamics. VAT will not be applied on the grant amount. All other applied assumptions should be explained and justified.

## **5.11. PLAN OF IMPLEMENTATION**

Plan of project implementation with milestones and implementation responsibilities.

## **5.12. ASSUMPTION AND RISKS ANALYSIS**

Identify major risks and risk mitigation measures. The types of risks may be (only treat the relevant ones, but do remember to mention which risk mitigation measures the project will take to avoid/minimize each risk):

- Security & Safety (e.g. interstate war, civil war, state break-down, violent crime, terror, piracy, natural disasters, pandemics).
- Political & Social (e.g. government, government policies, poverty reduction strategy, partnership, institutions, administration, rule of law, stakeholders, gender issues, rights issues).
- Financial & Economical (e.g. financial management, corruption, procurement, legal framework, finance act, process, audit, fiscal and foreign trade balances, recession, inflation).
- Conflicts (e.g. political, religious, ethnic, social class, resources, trade, international or internal).
- Resources (e.g. natural human, financial).

## **6. QUALIFICATION CRITERIA FOR CONSULTANT**

The consultant is expected to meet the requirements of the following desired consultant profile.

The consultant should be an experienced consultancy firm with proven solid background within providing consultancy services in the water & wastewater sector.

The consultant shall ensure that some of experts have fluent knowledge of Russian or Ukrainian for smooth communication and exchange of information with the City and MVK.

The Consultant's team composition for this assignment should include key team member experts with strong expertise in the following areas:

- Ground water and drinking water quality assessment
- Water supply
- Financial modelling
- Environmental Analysis
- PIU Consultancy expertise
  - Procurement management
  - Contract management
  - Construction supervision etc.

The consultant is encouraged to build up cooperation between international experts, including experts from water utility company and experts from Ukraine.

### **6.1. METHODOLOGY**

The methodology proposed by the consultancy (maximum 5 pages) should show:

- Full comprehension of the assignment, its challenges and complexity
- Motivation/dedication for this assignment
- Adequate utilization in Ukraine of the core staff and possible auxiliary staff including proposed intervention periods of the core staff
- How Nordic groundwater technologies might be applied in Ukraine
- A realistic workplan
- Identification of milestones in the assignment

It is important that the consultant takes into consideration water supply challenges and risks related to ongoing war in Ukraine and that all possible options regarding solutions have been addressed.

### **6.2. STAFFING**

#### **6.2.1. TEAM LEADER**

- Minimum B.Sc. / M.Sc. degree in engineering
- Professional experience of minimum 10 years of which minimum 5 years are experience working with water and wastewater sector
- Proven experience in planning, designing, evaluation of water and wastewater systems suitable for conditions in Ukraine
- Experience in coordination of multi-disciplinary teams, preferable in donor-funded projects
- Knowledge of sustainability and life cycle costing approaches
- Experience from carrying out Feasibility Studies is an advantage
- Proven analytical, communication and project management skills
- Fluency in English, oral and written. Knowledge of Russian or Ukrainian is an advantage

- Working experience from the Region

### **6.2.2.GROUNDWATER EXPERT**

- Minimum M.Sc. / B.Sc. degree in engineering
- Minimum Experience of 5 years working experience in preparation of groundwater management plans in municipal water sector
- Proven experience from design and groundwater process optimisation in developed and/or developing countries
- Fluency in English, oral and written. Knowledge of Ukrainian or Russian
- Working experience from the Region an added value

### **6.2.3.FINANCING EXPERT**

- Minimum Master or Bachelor's degree in economy
  - Minimum 7 years of experience in environmental economy on an international basis
  - Proven knowledge about budgeting and financial analysis
  - Good knowledge of financing approaches and IFI procedures
  - Knowledge about life-cycle costing
- Fluency in English, oral and written. Knowledge of Ukrainian or Russian

### **6.2.4.ENVIRONMENTAL AND SOCIAL EXPERT**

- Minimum Master or Bachelor's degree in Socio-Economy or Anthropology
- Minimum 5 years of experience from working with demographic and socio-economic assessments and studies in developing countries
- Proven knowledge in preparation of environmental strategies, environmental and social management plans for municipalities
- Proven knowledge of the Human Rights Based Approach (HRBA) and theory of change
- Good knowledge English, oral and written. Knowledge of Ukrainian or Russian
- Working experience from the region, and knowledge of Ukraine an added value

## **6.3. Project Implementation Unity Support**

The Consultant shall in parallel to the Feasibility Study assignment fulfill the role as PIU support Consultant (for the test drilling work to be performed) and should therefore have recent experience with PIU assignments for International Financial Institutions in Ukraine.

# **Appendix 1: Expanded hydrogeological study requirements**

## **Inception phase**

### **Gathering knowledge and understanding of the area (preliminary study)**

Existing data and knowledge of the four areas must be collected. Be it within geology, hydrology, geophysics and chemistry. Both in the form of data from databases, reports/articles and knowledge from knowledgeable individuals at, for example, local universities, etc.

An initial conceptual geological model is created based on existing data and, if possible, an initial conceptual hydrological model. These conceptual models are not digital models but notes containing the preliminary geological and hydrological understanding of the four areas, in the form of text descriptions, profiles, maps, etc. The purpose of the conceptual models is to improve the decision-making basis for, among other things, the location of the boreholes and the assessment of the need for ground-based geophysical mapping.

The above must be documented in the inception report.

### **Planning of drilling and surveys in these**

#### **Planning of drilling locations**

The inception report must provide a proposal for the location of 4-5 boreholes in each of the four study areas. The purpose of the boreholes is to uncover expected drinking water reservoirs in the study areas and to assess the available resource, quantitatively and qualitatively.

It must be assessed what depths the boreholes should have, and at what depth they should be filtered. It must also be assessed whether there is a need for one of the boreholes in each area to be extra deep, as well as how deep these should be and where they should be filtered.

When planning the location of the bore holes, considerations must also be made about accessibility to the sites, including driving conditions, legal access, military conditions and other factors.

It must be assessed whether it makes sense to keep the bore holes after the initial investigations, and whether the filters should be suitable for subsequent water extraction. If they are not to be used for subsequent monitoring or water extraction, it is recommended that the boreholes be filled and closed again.

#### **Planning of water sampling from each survey well**

The inception report must identify in more detail, which substances are to be analyzed for. The analysis program is going to live up to the requirements of the EU Drinking Water Directive. Deviations from the requirements of the EU Drinking Water Directive must be approved by the client. This could be the case if local conditions dictate it.

It must also be described where the samples are sent for analysis, and how it is ensured that they arrive for analysis in a timely manner.

#### **Assessment of the need for pump tests in boreholes and choice of method**

Assessment of the need for pump tests in wells, and the choice of methods must be described in the inception report.

Pump tests must be carried out in all wells, to examine the performance of the well.

It must be assessed whether there is also a need to conduct pump tests with a view to the overall hydraulic properties of the reservoir and the prominent flow direction. In this case, water levels must be logged simultaneously in nearby boreholes, including perhaps the other survey boreholes in the area.

In addition, it must be assessed whether there is a need for longer-term pump tests for some of the wells in order to collect knowledge about hydraulic barriers, reservoir boundaries, connections to other reservoirs and connections to surface water, with a view to determining structure and flow patterns.

#### **Assessment of the need for geophysical logs in boreholes and selection of logger program**

The inception report must assess whether there is a need and possibility to perform geophysical logs in the planned wells. It must be assessed what type of geophysical logs it might be relevant to perform in the area.

#### **Assessment of expected need for soil samples from boreholes to be sent for further analysis**

It must be assessed in the inception report, whether there is a need to carry out further investigation of the soil samples from the boreholes. If the existing geological knowledge is inadequate and there is great uncertainty about the geological deposits in the area and the geological formation history, there may be a need to carry out detailed geological investigations of samples from selected boreholes. Additional analyses could, for example, be foraminiferal analysis, sediment chemistry, etc.

#### **Assessment of the need for continuous logging of water levels in the boreholes**

It is assessed in the inception report whether chatter loggers should be installed to measure the pressure level continuously in any of the planned exploration wells for, for example, 1-2 years or more.

#### **Planning of drilling**

Planning of drilling must be described in the inception report. The bidder must be responsible for drilling supervision with an experienced geologist or similar with experience in this field. The drilling itself must be carried out by a company with experience in carrying out geological investigation drilling and/or water supply drilling.

#### **Assessment of the need for performing ground-based geophysics**

The inception report must identify whether there is a need for and possibility to carry out ground-based geophysical surveys in the four survey areas. The identification must include an assessment of collection needs, data type needs, and collection options, as well as an assessment of the best geophysical method. The security situation in the area is an important point of attention in identifying the need and possibilities for collecting geophysics. The final selection or de-selection of geophysics must be agreed with the client.

#### **Inception report workshop**

The bidder hosts a workshop where considerations and conclusions from the inception phase are discussed. This is with the aim of deciding what exactly should be done in the following technical phase.

A draft inception report must be submitted one week before the workshop.

## **Technical phase**

### **Drilling**

In the technical phase, the boreholes are established and other studies in relation to the wells are carried out.

### **Conducting ground-based geophysics – if applicable**

In the technical phase, ground-based geophysics is collected, processed and interpreted, if relevant.

### **Hydrogeological co-interpretation**

The collected data is used to update the geological and hydrological model.

### **Reporting**

A Technical Assessment Report is written, describing all aspects of the drilling, boreholes, tests in boreholes, groundbased geophysics, the updated conceptual geological and hydrological models and conclusions on the availability, quantity, quality etc. of ground water for drinking water purposes in the 4 test sites.

## Securedmail manual for external sender

### Technical proposal

#### How to send a secure message to a Securedmail user **procurement@nefco.int:**

Go to the website [www.securedmail.eu](http://www.securedmail.eu).

Type recipient's email address **procurement@nefco.int** into the field "Send a secure message to a recipient" and click "Send".

Alternatively, you can attach this link to your browser:

<https://www.securedmail.eu/message/procurement@nefco.int>

A display for composing the secured message opens. Type your own e-mail address in the uppermost field. A delivery confirmation request will be sent to this address to verify your identity.

Type the subject, message and include attachment(s).

You can accept the suggested random password or replace it and enter your own password. The password is delivered automatically to the recipient's mobile phone via SMS.

Click "Send".

You will receive a confirmation request from the Securedmail server to your e-mail address, and you'll have to confirm it by clicking a link in the message. **The message will not be sent to the recipient until you have clicked the confirmation!**

In case you do not succeed in sending the proposal though the system, please contact the responsible person at Nefco or [procurement@nefco.int](mailto:procurement@nefco.int) or [nelly.eriksson@nefco.int](mailto:nelly.eriksson@nefco.int) for further assistance before the deadline of submission.

## Securedmail manual for external sender

### Financial proposal

#### How to send a secure message to a Securedmail user **nelly.eriksson@nefco.int:**

Go to the website [www.securedmail.eu](http://www.securedmail.eu).

Type recipient's email address **nelly.eriksson@nefco.int** into the field "Send a secure message to a recipient" and click "Send".

Alternatively, you can attach this link to your browser:

<https://www.securedmail.eu/message/nelly.eriksson@nefco.int>

A display for composing the secured message opens. Type your own e-mail address in the uppermost field. A delivery confirmation request will be sent to this address to verify your identity.

Type the subject, message and include attachment(s).

You can accept the suggested random password or replace it and enter your own password. The password is delivered automatically to the recipient's mobile phone via SMS.

Click "Send".

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