



**EUROPEAN COMMISSION**

Directorate –General for Trade

Directorate C – Sustainable development, Bilateral Relations  
**Sustainable development & SPS Issues**

T

Brussels, 9<sup>th</sup> August 2008

Dear Sir/Madam,

**Subject: Invitation to tender related to one or several contracts to provide three Trade Sustainability Impact Assessments (Trade SIAs).**

**Reference of the contract notice: OJ 2008/S 154-207256 of 09/08/2008**

1. The European Commission is planning to conclude one or more contracts to provide three Trade Sustainability Impact Assessments (Trade SIAs).

The lots to be awarded cover respectively:

**Lot 1**

A Trade SIA relating to the negotiation of a Free Trade Agreement (FTA) between the European Community and its Member States and Libya

**Lot 2**

A Trade SIA relating to the negotiations of the Trade Part of the Association Agreement to be negotiated between the European Community and its Member States and the Central American Republics of Costa Rica, El Salvador, Guatemala, Honduras, Nicaragua and Panama.

**Lot 3**

Trade SIA relating to the negotiations of the Trade Part of the Association Agreement to be negotiated between the European Community and its Members States and the Andean Community and its Member Countries.

Tenderers may bid for one, two or all of these three lots.

2. If you are interested in bidding for any of these three lots, you should submit a tender (original plus two copies) only by one of the following methods:

(a) either by registered mail or private courier service, posted no later than **15/09/2008** (postmark or date on the slip issued by the courier service), to the following address:

**European Commission  
Directorate-General for Trade  
For the attention of The Financial Cell/Unit A1 (CHAR 07/023)  
TRADE08/C1/C14 & C15  
Avenue du Bourget n° 1  
B - 1140 Brussels**

(b) or by delivery (in person or by an authorised representative) to the following address:

**European Commission  
Directorate-General for Trade  
For the attention of The Financial Cell/Unit A1 (CHAR 07/023)  
TRADE08/C1/C14 & C15  
Avenue du Bourget n° 1  
B - 1140 Brussels (Evère)  
Belgium**

The documents should be delivered no later than 16.00 hours on **15/09/2008**, in which case a receipt must be obtained as proof of submission, signed and dated by the official in the central delivery department who took delivery. The department is open from 08.00 to 17.00 Monday to Thursday, and from 08.00 to 16.00 on Fridays. It is closed on Saturdays, Sundays and Commission holidays.

3. Tenders (original plus two copies) must be placed inside two sealed envelopes. Both envelopes should mention the following reference: **"TRADE08/C1/C14 & C15"**

The inner envelope, addressed to the department indicated in the invitation to tender, should be marked:

***'Invitation to tender related to a contract to provide three Trade SIAs - Not to be opened by the internal mail department'***.

If self-adhesive envelopes are used, they must be sealed with adhesive tape and the tenderer must sign across this tape.

The inner envelope must also contain two sealed envelopes, one containing the technical specifications and the other the financial bid. Each of these envelopes must clearly indicate the content ("Technical" and "Financial").

Any other method of transmission of the tender (ie. e-mail, etc.) is not permitted and will automatically render the tender null and void even if the tender has also been transmitted by the required method specified above.

4. The Terms of Reference, listing all the documents that must be produced in order to tender, including supporting evidence of economic, financial, technical and professional capacity and the draft contract are enclosed.

Your attention is drawn in particular to the provisions setting out the compulsory content of the offer (points 13 & 14 of the Terms of Reference).

5. Tenders must be:

- a) signed by the tenderer or his duly authorised representative,
- b) perfectly legible so that there can be no doubt as to words and figures,
- c) - drawn up using the model reply forms as set out in the specification.

6. Period of validity of the tender, during which the tenderer may not modify the terms of his tender in any respect: 9 months after the closing date of **15/09/2008**.

7. Submission of a tender implies acceptance of all the terms and conditions set out in this invitation to tender, in the Terms of Reference, and in the draft contract, and, where appropriate, waiver of the tenderer's own general or specific terms and conditions. It is binding on the tenderer to whom the contract is awarded for the duration of the contract.

8. Contacts between the contracting department and tenderers are prohibited throughout the procedure save in exceptional circumstances and under the following conditions only:

Before the final date for submission of tenders

At the request of the tenderer, the contracting department may provide additional information solely for the purpose of clarifying the nature of the contract.

Any requests for additional information must be made in writing only to:

**European Commission**  
**Directorate-General for Trade**  
**For the attention of Ms Ditte Juul-Joergensen**  
**Head of Unit TRADE/C.1**  
**CHAR 09/028**  
**B - 1049 Brussels**  
**E-mail: ditte.juul-joergensen@ec.europa.eu**

Requests for additional information received less than five calendar days before the closing date for submission of tenders will not be processed.

The Commission may, on its own initiative, inform interested parties of any error, inaccuracy, omission or any other clerical error in the text of the call for tenders.

After the opening of tenders

If clarification is required or if obvious clerical errors in the tender need to be corrected, the contracting department may contact the tenderer provided the terms of the tender are not modified as a result.

9. This invitation to tender is in no way binding on the Commission.  
The Commission's contractual obligation commences only upon signature of the contract with the successful tenderer.

Up to the point of signature, the contracting department may either withdraw from the contract or cancel the procurement procedure, without the candidates or tenderers being entitled to claim any compensation. This decision must be substantiated and the candidates or tenderers notified.

10. You will be informed whether or not your tender has been accepted.

11. Processing your reply to the invitation to tender will involve the recording and processing of personal data (such as your name, address and CV) <sup>1</sup>. Such data will be processed pursuant to Regulation (EC) No 45/2001 on the protection of individuals with regard to the processing of personal data by the Community institutions and bodies and on the free movement of such data. Unless indicated otherwise, your replies to the questions and any personal data requested are required to evaluate your tender in accordance with the specifications of the invitation to tender and will be processed solely for that purpose by the European Commission, DG Trade. You are entitled to obtain access to your personal data on request and to rectify any such data that is inaccurate or incomplete. If you have any queries concerning the processing of your personal data, you may address them to Ms Ditte Juul-Joergensen, Head of Unit C.1, DG Trade. You have the right of recourse at any time to the European Data Protection Supervisor for matters relating to the processing of your personal data.

[Signed]

Ignacio Garcia Bercero  
Director

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<sup>1</sup> You are informed that for the purposes of safeguarding the financial interest of the Communities, your personal data may be transferred to internal audit services, to the European Court of Auditors, to the Financial Irregularities Panel and/or to the European Anti-Fraud Office (OLAF). Data of economic operators which are in one of the situations referred to in Articles 93, 94, 96(1)(b) and 96(2)(a) of the Financial Regulation (Council Regulation (EC, Euratom) No 1605/2002 of 25 June 2002 on the Financial Regulation applicable to the general budget of the European Communities, as amended by Council Regulation (EC, Euratom) No 1995/2006 of 13 December 2006) may be included in a central database and communicated to the designated persons of the Commission, other institutions, agencies, authorities and bodies mentioned in Article 95(1) and (2) of the Financial Regulation. This refers as well to the persons with powers of representation, decision making or control over the said economic operators. Any party entered into the database has the right to be informed of the data concerning it, up on request to the accounting officer of the Commission.

# **TERMS OF REFERENCE**

## **Call for tender Trade 08/C1/C14 & C15**

**Relating to a Service Contract to provide three Trade Sustainability Impact Assessments (Trade SIAs):**

### **Lot 1**

A Trade SIA relating to the negotiations of a Free Trade Agreement (FTA) between the European Community and its Member States and Libya

### **Lot 2**

A Trade SIA relating to the negotiations of the Trade Part of the Association Agreement to be negotiated between the European Community and its Member States and the Central American Republics of Costa Rica, El Salvador, Guatemala, Honduras, Nicaragua and Panama

### **Lot 3**

Trade SIA relating to the negotiations of the Trade Part of the Association Agreement to be negotiated between the European Community and its Members States and the Andean Community and its Member Countries.

**Reference contract notice: OJ 2008/S 154-207256 of 09/08/2008**

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**ANNEX 1:** Tender submission form including tenderer declaration, statement of exclusivity and availability, banking references form and legal entities form

**ANNEX 2:** Quotation forms for unit prices

**ANNEX 3:** Model of service contract which will be proposed to the selected Contractors

**ANNEX 4:** SIA Methodology

**ANNEX 5:** Assessment criteria

## **1. MISSION STATEMENT OF THE DIRECTORATE GENERAL FOR TRADE (DG TRADE)**

Under the direction of Commissioner Mandelson, DG Trade is in charge of conducting the Union's commercial policy in accordance with the objectives set out in Article 133 of the EC Treaty.

Trade policy plays a key role in the European Union's relations with the rest of the world and the EU is one of the most important players in international trade, accounting for a fifth of all world trade. The EU's common trade policy enables its 27 members to speak with one voice on the international stage. This policy covers all the main aspects of trade in goods and services (tariff and non-tariff barriers, trade defence, particularly in cases of dumping and subsidies, export loans as well as key aspects of intellectual property, investment and competition, bilateral agreements, participation in the multilateral World Trade Organisation). Trade liberalisation is at the heart of the common trade policy, and it has developed into setting up and implementing multilateral trade rules. The EU is indeed committed to harnessing globalisation so as to address citizens' concerns regarding environment, health, social welfare and cultural diversity. The EU also strives to include developing countries more fully into the world trade system so that all countries may share its potential benefits. Better trade rules and stronger multilateral institutions can help contribute to these aims.

See also: [http://ec.europa.eu/trade/whatwedo/work/index\\_en.htm](http://ec.europa.eu/trade/whatwedo/work/index_en.htm)

## **2. CONTEXT OF THE PROJECT**

### **2.1. The EU Free Trade Agreement (FTA) with Libya and the EU Association Agreements with Central America and Andean Community**

The Commission's communication "Global Europe: competing in the world"<sup>2</sup> reviewed the contribution of EU trade policy to the European Growth and Jobs Strategy. It confirmed the EU's commitment to the WTO and the Doha Development Agenda (DDA) as its first trade policy priority. It went on to argue that the EU should generate new opportunities for growth by going beyond the level of liberalisation achieved multilaterally, both opening markets further to trade and investment and sharing its rules and standards with its partners. The Communication sets out a series of linked trade policy initiatives to complement efforts under the WTO. This includes a new generation of carefully chosen bilateral FTAs.

More specifically for the Euromed region, the Euromed Partnership launched in 1995 foresees the establishment of a free trade area by 2010. Up to date, this partnership is one of the oldest FTAs concluded by the EU. Furthermore, since 2004 the External Neighbourhood Policy aims at reinforcing political and economic security with all Mediterranean partners. However we must acknowledge the particular situation of Libya as it has chosen not to be a EuroMed or a Neighbourhood partner.

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<sup>2</sup> COM(2006) 567, "Global Europe: competing in the world", 4 October 2006

For Central America (CA) and Andean Countries (CAN), the negotiation of Association Agreements follows a commitment taken by the European Union vis-à-vis these two regions at the EU-LAC Summit of Guadalajara in 2004. The trade part is one of three pillars of the Association Agreements, the others being political dialogue and cooperation. As regards these two regions, it was considered more appropriate to pursue global agreements encompassing not only a comprehensive FTA – like in the case of new FTA initiatives with Asian countries – but also enhanced political and co-operation provisions. In particular, the start of Association Agreement negotiations with Central America and the Andean Community is more the reflection of long-standing political and cultural links<sup>3</sup>.

Notwithstanding this and while representing only a limited share (0.4 and 0.9% respectively) of all EU trade flows, the majority of the Central America and Andean Community countries have had significant growth rates and are potentially interesting preferential partners, with a total population amounting to around 140 millions people. Furthermore, future negotiations shall have a strong focus on fostering deeper regional economic integration in both Latin American regions. The purpose is for deeper economic integration to bring enhanced political stability and a predictable economic environment by locking in reforms of the regulatory framework and by creating common and more balanced interests in a larger entity. In the mid-long term, economic operators present in any of the two regions should therefore enjoy from economies of scale thanks to more integrated regional markets as compared to rather small individual ones.

Finally and in relation with the above, the ongoing negotiations recognise different levels of development and competitiveness existing between the EU and each of the two regions (Central America and Andean Countries); therefore asymmetries should be considered, where necessary, in all trade and trade-related areas negotiated. Negotiating Directives were adopted in 2007 by the EU Council of Ministers authorizing the European Commission to negotiate with Central America and with Andean countries.

Each of these above countries or regions (Libya, Central America and Andean Community) has a different level of economic development and trade involvement with the EU. Therefore the SIAs will have to develop assessment methodologies adapted to each partner.

The EU is approaching this new generation of deep and comprehensive FTAs and the Trade Part of Association Agreements with a high level of ambition. This means that the EU envisages FTAs/Association Agreements that are substantial and comprehensive covering a broad range of issues, such as trade in goods, services and trade rules, trade and regulatory cooperation covering these areas, and dispute settlement mechanism.

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<sup>3</sup> Already at the EU – LAC Summit held in Guadalajara in May 2004 it was agreed that a comprehensive Association Agreement, including a Free Trade Area was the common strategic objective of the EU and each of these regions. For this purpose, the two regional groups have been encouraged since 2002 to pursue greater levels of regional economic integration before the effective start of trade-related negotiations.



In practice this means that commitments are expected to be negotiated in the following areas:

1) Trade in industrial, agricultural and fishery products including Tariff and non-Tariff Measures, Trade Defense Instruments, Technical Barriers to Trade, Sanitary and Phytosanitary Measures, Customs/Trade Facilitation and Rules of Origin.

2) Trade in Services.

3) Investment issues including capital movement and payments.

4) Trade rules including:

- Public Procurement
- Competition, including state aid
- Intellectual Property Rights
- Trade and Sustainable Development
- Dispute settlement

Draft negotiating directives for a deep and comprehensive FTA with Libya have been adopted by the European Commission and are being discussed in the EU Council focusing on the strong common interest of the parties to strengthen their trade and economic relations and co-operation building on reform process. The European Union supports Libya's integration in the international trading system and the world economy. Commitment on the economic freedom, trade integration, the set up of a predictable and stable legal environment for foreign direct investments including in the energy sector and sustainable development is the basis for launching these FTA negotiations.

Negotiations shall recognise different levels of development and competitiveness existing between the EU and Libya; therefore asymmetries should be considered, where necessary, in trade and trade-related areas negotiated. Exploratory talks were held with Libya in October 2007 to ensure the EU's ambitions are shared.

Concerning the EU-Libya FTA, it should be noted that the commitments in the areas mentioned above also cover the energy sector. Libya is a strategically important energy supplier to the EU (more than 90% of its oil exports come to the EU and both oil and gas resources are largely unexplored) and it intends to increase production capacity considerably over the next years. There are considerable foreign investment opportunities in oil exploration as well as natural gas production, marketing and distribution, LNG projects and wind and solar power projects. Moreover, Libya also has potential added value as a transit country in an integrated regional Euro-Mediterranean energy market for electricity and gas. It should be noted that one of the most pressing obstacles in realising Libya's potential as an energy supplier is the lack of training at all levels (engineers, technicians and administrators). Libya's interests in the EU are mainly as a direct producer and distributor of oil products. Libyan oil is attractive due to low cost of recovery, its high quality of its oil, and Libya's proximity to European markets.

For Central America and Andean Community, negotiations on the Trade Part of EU the Association Agreements are governed by the following main principles:

- (1) The negotiations should aim at a comprehensive and balanced agreement, going beyond the respective WTO obligations of the parties and building towards future multilateral trade negotiations.
- (2) The agreements should constitute a single undertaking, implemented by the parties as an indivisible whole.

## **2.2. TRADE SUSTAINABILITY IMPACT ASSESSMENT**

The EU has been committed to conducting Trade SIAs as part of its trade policy-making process since 1999. Following the development of the Trade SIA methodological framework in 1999, the EU has launched a Trade SIA for all its major trade negotiations (WTO, EU-Chile, EU-GCC, EU-ACP, EU-EMFTA, EU-MERCOSUR, EU-Ukraine, Partnership Cooperation Agreement (PCA) with China, EU-Korea; EU-India and EU-ASEAN).

Trade SIAs assess the potential impacts of proposed liberalisation on all pillars of sustainable development in order to help optimise policy decision-making. Trade SIAs assess not only the more traditional, aspects of economic impacts (e.g. on trade and output growth), but also the non-trade impacts of trade liberalisation (i.e. the social, environmental and development dimensions).

Trade SIAs are based on the analysis of causal chain which identifies the significant cause-effect link between a proposed change in trade policy and its economic, social (including gender and poverty), and environmental impacts. This analysis should as far as possible combine qualitative and quantitative approaches, use sustainability indicators and be based on the principle of proportionate analysis. Primarily, the analysis should focus on the core indicators identified in the Trade SIA methodology. In addition and where data are available, indicators used in the assessment should cover aspects of quality in work<sup>4</sup> and decent work and Millennium Development Goals (MDG) according to the various themes that can be used in a Trade SIA study<sup>5</sup>. The Trade SIA should also serve as a contribution to the Commission's dialogue with stakeholders<sup>6</sup> and its trading partners.

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<sup>4</sup> For a definition of the concept and underlying indicators, see: [http://ec.europa.eu/employment\\_social/employment\\_analysis/quality\\_en.htm](http://ec.europa.eu/employment_social/employment_analysis/quality_en.htm).

<sup>5</sup> See the SIA Handbook - section 5.5: list of indicators/data.

<sup>6</sup> In accordance with the main categories of potential stakeholders as identified in the European Commission Communication (2002 704 final) summarised in table 3 of the SIA Handbook (p.24/25) and also taking into account section 5.4.2 of the SIA Handbook - (Civil society groups targeted for consultation).

Trade SIAs consist of two complementary elements of equal importance:

(1) ***Economic, environmental and social assessments*** as such, using analytical tools, modelling techniques and rational causal chain analysis. This element should be undertaken in a clear, scientific and objective manner.

(2) ***A consultation process*** whereby consultation and dissemination of results is undertaken with trading partners and stakeholders (in the EU and in trading partners). The assessments and consultations are mutually dependent elements of equal importance for the implementation of the Trade SIAs.

A comprehensive description of the Trade SIA methodology is available in the Trade SIA Handbook and should be taken into account in order to carry out the tasks which are requested under these terms of reference:

[http://europa.eu.int/comm/trade/issues/global/sia/studies\\_meth.htm#handbook](http://europa.eu.int/comm/trade/issues/global/sia/studies_meth.htm#handbook)

General information and reports on Trade SIAs under way and completed are available on DG Trade's website at:

[http://europa.eu.int/comm/trade/issues/global/sia/index\\_en.htm](http://europa.eu.int/comm/trade/issues/global/sia/index_en.htm)

### **3. OBJECTIVES OF THE PROJECT**

This invitation to tender is divided in three lots:

- Lot 1: Trade SIA for the EU FTA with Libya
- Lot 2: Trade SIA for the Trade Part of the EU Association Agreement with Central America
- Lot 3: Trade SIA for the Trade Part of the EU Association Agreement with Andean Community

Tenderers may bid for one, two or all three lots.

For all lots, the aim under this invitation to tender is to ensure that Trade SIAs are carried out in parallel with trade negotiations.

Each of these Trade SIAs should be completed before or in any case not later than the end of the negotiations in question so that the studies' results can inform the decision-making process. In this light, each of the three Trade SIAs should be completed within eight months.

For the EU-Libya FTA, trade negotiations will be launched in 2008.

For the EU Associations Agreements with Central America and Andean Community, negotiations were opened in the first semester of 2007 and could finish by mid 2009.

The Trade SIA should assess how the trade and trade-related provisions of the FTA/Trade Part of the Association Agreements under negotiation could affect economic, social, environmental and developmental issues in the EU and in the countries or regions under consideration.

These assessments are necessary in order to enable the Community to pursue an approach which brings the greatest overall welfare gains, thus helping the Community to meet its objective of promoting sustainable development. Assessing the impacts of trade and investment liberalisation and anticipating transitional economic and social changes within the EU 27 and each country or region under consideration is also necessary in order to set up the right accompanying policies at regional, national and Community level to maintain and improve global competitiveness of industry and services and to ensure support to the necessary labour market and social adjustment.

#### **4. TASKS OF THE CONTRACTOR IN CARRYING OUT THE TRADE SIAS (LOTS 1, 2 AND 3)**

##### **4.1. Overall Analysis of the Sustainability Impacts arising from the EU-Libya FTA (Lot 1)**

The EU-Libya Trade SIA is to some extent atypical because of the imperfections in public data availability on Libya. The consultants will have to invest considerable resources in data collection and collation from various sources in order to arrive at a coherent picture.

A first task is to describe the current situation of the Libyan economy, including the social and environmental situation – before WTO accession and FTA negotiations.

The economic description should include a detailed overview of the legal and institutional framework, and policy reforms already launched in the last couple of years and a quantitative picture of the current situation. The quantitative picture should include:

- A quantification of Gross Domestic Products (GDP) components and their recent evolution, including fiscal revenue and expenditures, imports & exports, investments, labour markets and key environmental variables. Exchange rates, monetary and fiscal policy issues should be discussed where relevant for this Trade SIA.
- An overview of the relative importance of the most significant industrial and service sectors from a sustainability perspective, including the oil industry (operation, revenue, legal and organisational framework, perspectives). This analysis should cover production quantities and prices, employment and wages. A description of the regulatory environments for these industries and services, including market access and national treatment issues, regulatory issues, subsidies, and competition in these sectors.
- A detailed and coherent picture of Libya's external trade (imports/exports) of goods and services should be provided. For trade in goods the analysis should be conducted by category and origin/destination of goods, based on HS classification, and including tariffs (customs fees and duties, consumer and producer taxes, export taxes, and total revenue by category).
- An overview of existing legal and regulatory frameworks, and implementation mechanisms, for Intellectual Property Rights (IPR) protection, public procurement,

TBT and SPS standards. A detailed discussion of customs operations should also be added, including an estimate of transaction costs for importers.

- A overview of the labour market situation, covering employment, wages, unemployment benefits, social security and health insurance issues, subsidies for food, housing and energy, and the situation of migrants.
- An overview of environmental issues, including air and water pollution, water management, environmental legislation and implementation should be conducted with a view to use these insights in the subsequent modelling work and to inform the negotiation process.

Based on this information, a coherent quantitative analysis of the Libyan economy based on computable general equilibrium approach should be carried out. Provided data availability allows it, Libya should be identified as a separate country in the CGE model and database. Preference will be given to modelling approaches that intend to use actual input-output data for Libya, rather than estimated data based on similar economies. Econometric and partial equilibrium modelling should also be used as complementary methodologies to the Computable General Equilibrium (CGE) modelling either to shed further light on specific questions arising in the context of negotiations or as a preliminary analysis needed to better tailor the CGE modelling.

The analysis should be based on a dynamic model that will assess several scenarios. A first step required is to construct a long-term baseline scenario (without WTO accession and EU-Libya FTA) to the specific scenarios under consideration.

The parameters of this baseline scenario should be discussed in detail with DG Trade. This modelling should be completed with social, labour market and environmental modules that track key variables in these domains.

Starting from an agreed baseline scenario, several alternative scenarios should be defined and analysed:

A first scenario will incorporate all requirements for WTO accession: elimination of discriminatory provisions with respect to foreign goods, reduction of import taxes to an acceptable level (to be defined), implementation of standard WTO agreements and provisions on a variety of non-tariff issues (to be discussed after the overall picture of regulatory issues is completed).

Special attention will be paid to outcomes by sector. For trade in goods, standardised elasticities can be used (possibly sensitivity-tested for a plausible range of values) to estimate the external trade and domestic effects, and overall welfare implications. The consultant will investigate the situation of products subject to consumer taxes, which constitutes a discriminatory tax levied on imported products that are also produced locally. The extent and competitiveness of domestic production of these goods will be investigated. For services, trade barrier equivalents can be used to simulate further opening of services sectors. For investment flows, a range of exogenous parameters can be used to test sensitivity of supply side responses to investment inflows (outside the oil industry), including as a result of existing or future privatisation programmes.

A second scenario will then look at the implications of a WTO+ FTA with the EU. Here, a distinction should be made between an ambitious and a less ambitious outcome of the FTA negotiations in terms of phasing out of import taxes, phasing in of services liberalisation (mode 1 and 3), and ambitions with regard to regulatory reforms and

convergence with the EU (to be discussed). Trade diversion effects of a bilateral agreement should also be investigated.

The choice and contents of the scenarios will be validated by the Commission.

For each of these scenarios, the potential medium and long term effects of market opening should be analysed.

In order to carry out these tasks, the contractors should include in the final report original modelling work. They should apply and, if necessary, adapt the methodology presented in annex 4.

The contractors should take into account any relevant results of previous studies and initiatives, including the International Labour Organisation (ILO) work on decent work indicators and related impact assessments, the OECD work on trade and structural adjustment, and the UNECE-ILO-Eurostat initiative to develop an integrated international quality of employment framework, work by international environmental organisations such as UNEP and Multilateral Environment Agreements (MEAs).

#### **4. 2. Overall Analysis of the Sustainability Impacts arising from the Trade Parts of the EU Association Agreements with Central America and Andean Community (Lot 2 and 3)**

Tasks to be performed for lots 2 and 3 should take note of the Joint Assessments on Regional Integration, the study on "the current situation and future prospects of economic and trade relations between the Andean Community and the European Union" as well as other possible relevant studies which will be made available to the contractors.

These tasks should include the following:

The Trade SIAs will require a baseline scenario outlining what are the likely economic, social and environmental effects in the absence of a bilateral trade agreement between the EU and its respective partners.

This baseline scenario will be based on original modelling (to the extent possible based on up-to-date data and projections, under a modelling framework covering in a robust manner both trade in goods and services and featuring dynamic effects, short and long-term implications, imperfect competition, heterogeneous households, energy issues, etc) to ensure that the main findings of the Trade SIAs are based on robust economic analysis. The analysis should identify a number of policy issues, social groups, sectors and geographical areas which appear to be key in terms of the scale of importance of the impacts expected, and should result in:

(1) The identification of major economic and social implications (including poverty, gender impacts, potential changes in wage and unemployment, adjustment costs) as well as environmental effects. These will serve as baseline of the subsequent analysis. Such baseline scenario / current situation will take into account existing commitments of each country or region under consideration under WTO and to what extent these commitments have been implemented, existing tariff and non-tariff barriers and implications for effective market access, as well as the effects of a successful completion of WTO negotiations under the DDA. In addition, the baseline scenario should integrate specific analysis of those issues where we expect commitments to be negotiated as listed under section 2.1. above.

(2) Given that the EU aims to achieve deep and comprehensive Trade Part of the Association Agreements, the consultant will make clear assumptions about the possible outcome of further market opening as well as regulatory convergence that could result from the negotiations, in order to assess their economic, social and environmental impact

(pollutants, natural resources management, climate change, etc). At least three liberalisation scenarios of likely outcome of negotiations should be defined. The CGE analysis should simulate three possible liberalisation scenarios: (i) a limited liberalisation scenario (wide range liberalization in trade in goods, limited liberalization in trade in services and modest assumptions about other areas); (ii) an intermediate scenario (wide range liberalization in trade in goods, ambitious liberalization in trade in services and modest assumptions about other areas); (iii) an ambitious scenario (similar to the intermediate scenario plus significant results in at least some of the other areas). These three scenarios of likely outcome should be based on the broad negotiating objectives set under section 2.1. In the case of the Andean Community, additional sub-scenarios would take account of a degree of differentiation of commitments among member countries of the CAN. The specification of the scenarios will be validated by the Commission.

(3) For areas mentioned in section 2.1 as being part of the negotiation but that are not appropriately analyzed under the CGE framework, additional econometric and qualitative analysis should be carried out. The consultant should also take into account the interaction between the potential trade agreements and the effective implementation and further ratification of core labour standards (CLS) and multilateral environmental agreements (MEA) and the promotion of the ILO Decent Work Agenda in each country or region under consideration.

(4) Any reports submitted by the consultants should also be accompanied by the original statistical databases, modelling files, and other data inputs that formed the basis for the analysis carried out in the approved reports.

#### **4.3. Sectoral Trade SIAs for the EU-Libya FTA: detailed analysis of specific sectors (Lot 1)**

Based on the Overall Analysis assessment mentioned in point 4.1., the contractors will carry out detailed Trade SIA on the four sectors listed below.

##### General Approach

The sectoral work will include quantitative analysis informed by modelling as well as qualitative assessments of the impacts of potential outcomes in the sectors concerned. Specific issues that might need to be addressed could include dual pricing non-tariff barriers and behind the border measures affecting trade and investment.

The sectoral analysis will include an assessment of the environmental and social impact of possible results of negotiations as well as cross sectoral effects according to the scenarios of liberalisation mentioned above (if the overall analysis is done on the side scenarios for the sectors will have to be described). Regarding the social effects, attention will be paid to employment and wage effects of trade liberalisation and to the MDGs.

This analysis should also identify the specific sectors, products and vulnerable social groups and geographical areas most likely to be affected positively and negatively by the outcome of the negotiations.

##### **Agriculture and Processed Foods**

The analysis will depict the current situation of the sector in Libya, identify potential for development of particular products for the home and export markets, identify constraints and assess the economic, environmental and social impact of the FTA in this respect. Regarding environmental effects, focus will be on agriculture (irrigation schemes) and water issues (water supply and pollution issues).

##### **Fisheries**

The analysis shall assess the economic, environmental and social impact of the FTA between the European Community, its Member States and Libya. To this end, it will depict the current situation of the fishery sector in Libya, including aquaculture (for example tuna caging), focusing on trade potential on both sides, and Libya's and EU Member States' main fishing export interests including the state-of-play of the Libyan fishing and aquaculture industry. Investment potential will be analysed as well.

### **Energy Products/Petrochemicals**

The analysis will depict the current situation of the sector in Libya, identify the potential for investors and development of FDI in the sector, development of high value added activities and job creation, identify constraints and assess the economic, environmental and social impact of the Free Trade Agreement. It should assess such issues as market access for FDI/ foreign services in Libya and vice versa consider the trade and investment potential of Libyan companies in the energy sector of the EU. Considering the priority for the EU to reduce CO2 emissions globally and the considerable potential in renewable energy (wind and solar) and energy efficiency in Libya, the analysis should also assess the effects of possible liberalisation of environmental and/ or energy efficient goods, services and investments. Special attention will be paid to dual pricing of energy goods between domestic and foreign sales and the fiscal and welfare implications of a policy that would seek convergence between both price levels. The implication of a gradual phasing out of implied subsidies from domestic energy pricing for domestic industries will also be examined. Such issues as freedom of transit and third party access to pipelines, pricing policies, competition rules should be analysed as well.

### **Financial Services**

The analysis will depict the current situation of the sector in Libya, identify potential for development of financial services to business and private consumers, the potential for increased FDI, the potential impact on the development of the economy and identify potential bottlenecks for development such as the availability of electronic communication infrastructures or appropriate training of labour force. The analysis should be carried out against the background of on-going financial sector reform initiatives in Libya.



#### **4.4. Sectoral Trade SIAs for the Trade Parts of EU Association Agreements with Central America and Andean Community: detailed analysis of specific sectors (Lots 2 and 3)**

##### General Approach

The sectoral work will include quantitative analysis informed by modelling as well as qualitative assessments of the impacts of potential outcomes in the sectors concerned. Specific issues that might need to be addressed could include non-tariff barriers and behind the border measures affecting trade and investment.

The sectoral analysis will include an assessment of the environmental and social impact of possible results of negotiations as well as cross sectoral effects according to the scenarios of liberalisation mentioned above (if the overall analysis is done on the side scenarios for the sectors will have to be described). Regarding the social effects, attention will be paid to employment and wage effects of trade liberalisation and to the MDGs.

The analysis will assess the economic, environmental and social impact of possible results of negotiations as well as cross sectoral effects according to the scenarios of liberalisation mentioned under section 4.2, adapted as relevant to the specific sector and horizontal measures. This analysis should also identify the specific social groups and geographical areas most likely to be affected positively and negatively by the outcome of the negotiations.

For all cross-cutting issues such as public procurements, establishment/investment, trade facilitation, etc, a detailed characterisation is requested of main sectors involved (main type of goods and services traded or affected in these transversal sectors).

*Disclaimer: below are suggestions for sectors to be verified in the course of the inception phase by the consultant and to be amended/changed as appropriate after the first analysis in coordination with the Commission:*

##### **Agriculture and Processed Agricultural Products**

The analysis will depict the current situation of the sector in CA and CAN, it will identify potential for development of particular products for the home/regional and export markets, identify constraints and assess the economic, environmental and social impact of the Association Agreements in this respect in both the EU and CA and CAN respectively.

The analysis undertaken under the SIAs should be focused on sensitive products, such as tropical and dairy products. In addition, the increased exports from CA and CAN countries of ethanol used for bio-fuels should also be thoroughly considered together with its impact on forestry and more in general on the environment in CA and CAN producing countries.

##### **Industrial products**

The analysis shall assess the economic, environmental and social impact of the Association Agreements between the EC and CA and CAN. To this end, it will depict the current situation of the certain sectors in CA and CAN, focusing on trade potential on both sides, and CA/CAN and EU main export interests. Investment potential in the chosen sectors will be analysed as well.

In this respect, the SIAs for CA and CAN could focus attention on a few industrial sectors, such as textiles, chemicals and machinery/vehicles.

### **Services and other Trade areas under negotiation**

The analysis will depict the current situation of services sectors in CA and CAN, such as Telecoms, Financial services, construction services and distribution services. The analysis shall identify potential for development of these services to business and private consumers, the potential for increased FDI, the potential impact on the development of the economy and identify potential bottlenecks for development such as the availability of electronic communication infrastructures or appropriate training of labour force.

Finally, the SIAs for CA and CAN could also analyse the procurement markets in CA and CAN and the effects that enhanced market access, as well as the implementation of transparency measures could deploy on CA and CAN countries.

### **4. 5. Proposals for Policy Recommendations and Accompanying Measures**

This section applies to all the three lots, in addition to the tasks described from points 4.1 to 4.4, the contractors will be requested to present proposals for policy recommendations. These proposals should cover enhancement and prevention/mitigation measures, i.e. measures needed to reinforce any significant positive and prevent or at least mitigate negative sustainability impacts. Recommendations should be both in terms of the EU's negotiation positions (i.e. directly related to provisions to be included in the FTA, e.g. in relation to trade policy vis-à-vis sensitive sectors) and in terms of non-trade related (accompanying) measures. They may suggest priorities to be given to any specific sectors and specific actions on horizontal issues. The consultant shall consult the Trade SIA Handbook and the Steering Committee (see section 5.3) on draft recommendations prior to their finalisation.

### **4. 6. Consultation process**

This section applies to all the three lots. Consultation is a central part of the Trade SIA work and should start at an early stage of the process. Therefore the contractors will be requested to complement their analysis with inputs from stakeholders.

Consultation in the EU and in the partner countries or regions under consideration is a major challenge which must be met in order for the Trade SIA process to ensure its credibility and legitimacy.

The objectives of the consultation process are:

- a) to ensure a better understanding of the Trade SIA process by society inside and outside Europe;
- b) to disseminate the Trade SIA methodology, process and results inside and outside the EU. Trade SIA results should also be validated and complemented with opinions from experts in order to improve the analytical work and next steps;
- c) to contribute to the identification of priority areas and key issues;
- d) to extend any network of Trade SIA expertise.

The Trade SIA process should actively engage with key stakeholders in business, national administration and within civil society. Stakeholders input and consultation – which should include all relevant players taking into account the specific topics covered by these Trade SIA in both the EU and countries or regions under consideration – are important for ensuring the quality, credibility and legitimacy of the SIA process. The contractors will be asked to ensure timely and targeted consultation activities. In general terms, this will include:

- Presentations of the inception and final reports at public meetings in Brussels.

- Presentations of the interim technical report at local workshop in Libya, Managua, Lima/Bogota respectively for lots 1, 2 and 3.
- Electronic dissemination of the inception, interim technical and final reports, using Experts Network and project website.
- Produce a SIA-Trade Newsletter and distribute in electronic format.
- Participate in international meetings and consultations on impact assessment, and make oral or written presentations on the Trade SIA Trade methodology and work programme.

In particular, the activities required in this area of consultation are:

***A. Creation by the contractors of a SIA website consultation with a feedback function***

This will allow interested parties to provide input and set up a discussion forum to further stimulate the involvement of civil society on the basis of issue papers and reports put on line. The Trade SIA dedicated website should be created not later than the inception report and will remain active after the date of approval of the final reports. As it should be transferred to DG TRADE IT unit, it should be compliant with DG TRADE website and European Commission IT standards.

***B. Electronic documentation***

All reports, public meeting reports and outputs approved by the Commission including the regular updates, the list of consultant networks and publication/documentation sources will be published on the Trade SIA website created by the contractors.

Furthermore, the contractors will be asked to provide feedback to all stakeholders' contributions. They will analyse and publish the inputs received and if relevant, integrate them in the studies. The indication of number of hits should be provided. A link to the main stakeholders web pages involved in the process should be included in the special Trade SIA webpage.

***C. Interviews/meetings and where appropriate questionnaires, with relevant stakeholders in relevant administrations, business and civil society***

***D. Meetings with the Commission***

The contractors will be required to attend meetings in Brussels with Commission officials, including with the SIA Steering Committees (see section 5.3) all along the process. These will include presentations and explanations by the contractors of work completed including the modelling work, further information from the Commission on negotiating developments, and discussions on future work and the specific sectors to be assessed. If required, the consultant should also make available the databases, modelling tools and other quantitative elements that form the basis for their analysis that would enable the verification of results by the Commission. The contractors will be asked to draft detailed minutes for each of these meetings.

Estimated number of meetings for the duration of each Trade SIA contract: 4. This number includes a kick-of meeting to be organised with the contractor and the Commission representatives after the signature of the contract. Additional meetings can be set up on an *ad-hoc* basis if necessary.

***E. Public meetings***

The contractors will be required to participate in public meetings organised by the Commission involving namely representatives of the Member States, the European Parliament and civil society. The contractors will present and explain work completed and provide for the opportunity for interested stakeholders to provide direct input. The consultant will be asked to draft a complete report for each of these meetings.

Estimated number of meeting for the duration of each Trade SIA contract: 2. A first meeting at the time of the draft inception report and a second one at the time of the draft final report. Additional meetings can be set up on an *ad-hoc* basis. These meetings are expected to take place in Brussels and be back to back with meetings of the Steering Committee (see section 5.3).

***F. Local workshops in Libya, Managua, Lima/Bogota respectively for lots 1, 2 and 3***

After the submission and approval of the technical report and according to the proposed timeline presented in item 7 "Timing", the contractors of each of the Trade SIAs under consideration will organise a local workshop in Libya (local conditions permitting), Managua, Lima/Bogota in order to gather the views of interested parties, in particular business, administration and civil society, to validate the preliminary results of the studies carried out so far. An adequate organisation of the local workshop implies its timely preparation from an early stage of the contract, namely the elaboration of the draft programme, list of speakers and participants and the necessary logistical arrangements.

The main purposes of the local workshop are:

- to ensure a better understanding by national representatives, business associations and civil society of the Trade SIA process;
- to promote an interactive dialogue between the different players in order to feed the Trade SIA process with comments from stakeholders on intermediate results obtained so far.

The contractors will organise a full one-day workshop taking into account the following requirements:

(a) Expected date of the workshop

The date of the workshop will be confirmed by the SIA Steering Committees (see section 5.3.) in consultation with the EC delegation in Tunisia for lot 1 and with Central America and Andean Community EC delegations for lots 2 and 3.

(b) Documentation

The contractors will be responsible for preparing the documentation for the workshops. This will include:

- Introductory documentation that summarises the main interim findings of the studies and outlines the inter-active nature of the workshops;
- Special section in the designated SIA website.

(c) Content of the workshop

The contractors will make a proposal for the workshops organisation and content, including the respective programme and list of speakers that should be representative of the different categories of stakeholders. The programme will be finalised in coordination with the Steering Committee (see section 5.3).

(d) Venue

The workshop should take place in Libya, Managua and Lima/Bogota respectively for lots 1, 2 and 3.

The contractors should provide a budget for the renting of the meeting room in their offers and include in their offers the price for other logistics such as catering, overhead projectors, translation and interpretation service, etc.

(e) Participants

The contractors will propose a balanced list of participants including representatives of local business, national administrations and civil society, as well as the draft invitations. The number of participants should not exceed 30 for lot 1 and 40 for lots 2 and 3.

The EC delegations in Tunisia, Central America and Andean Community countries might get actively involved in the selection of participants respectively for lots 1, 2 and 3.

The draft list of participants and the draft invitations will be discussed and approved by the Steering Committee (see section 5.3). Once approved, invitations will be sent by the contractors.

(f) Working languages and interpretation

The working language of the workshops will be English. Arrangement for simultaneous interpretation to/from English/Arabic for lot 1 and to/from English/Spanish for lots 2 and 3 must be provided. Documents relating to the workshops should also be provided in English and the local languages.

(g) Travel and accommodation

The contractors will organise and pay for the travel and accommodation (bed and breakfast) for up to 4 speakers, 2 moderators and for its staff travelling to the workshop.

A budget will be reserved in the contractors' offers for the travel expenses and accommodation (bed and breakfast) of the local non-profit organisations representatives invited to the workshop (maximum 10 participants for lot 1 and 20 participants for lots 2 and 3).

Travel costs and accommodation (bed and breakfast) will be covered according to the Article II.7 of the general conditions of the Service Contract. The contractors will make sure that the fares of travelling to the workshop are the most competitive on the market. Speaker(s)/moderator(s)/staff members required to take a long-haul flight (more than 7 hours) may, with prior approval from the European Commission, be booked for business class travel. It is specified for the avoidance of doubt that no per diem allowance will be paid.

#### *h) Advertising*

The contractors will advertise the workshop among interested stakeholders.

Information relating to the workshop should be published on the consultant's website. The contractors will liaise with the media in order to ensure appropriately targeted coverage of the event. Press releases must be issued before and after the events.

Participants must be made aware that the EU is financing the local workshops. The EU logo must appear on all documents.

The costs of advertising must be included in the budget.

### ***G.     Networking activities***

The consultant should build a network of experts and stakeholders in the different areas of expertise required for each of the Trade SIAs. The network is composed of interested and competent experts and stakeholders. The members of this network should be regularly informed of the development of the Trade SIA and contacted to comment on draft reports.

## **5. Work Organisation**

### **5.1. Team Management**

The length and scope of these Trade SIAs require a strong management structure to follow the whole study, to co-ordinate both the work of the consultant team and the relationship between the consultants and the European Commission, and to ensure that the timetable and milestones of the project are met. The tenderers must clearly outline the proposed management structure in the tender.

## **5.2. Expertise of the team**

The team should include a Team Leader, Senior and Junior experts:

- The team should include a Team Leader (at least 10 years of professional experience), senior experts (at least 8 years of professional experience) and junior experts (at least 2 years of professional experience). The Team Leader should have a background in economics with detailed and proven knowledge of impact assessment.
- Senior & Junior experts (lawyers, economists and modelling experts) should be fully involved in the design of trade scenarios and in the identification of the economic impacts of the trade effect induced by the agreement under scrutiny.

For lot 1, in view of the scarcity of publicly available data on Libya, at least one economist with experience in primary data collection and assembly would be an asset for the team.

- The team should include senior and junior experts in social and environment impact assessment.
- The consultant shall select at least a few local or international experts with prior experience and in depth knowledge of Libya, Central America and Andean Community regions to assist him. The teams for all the three lots should draw from a network of experts that have experience and capacity in the fields of expertise required in particular the three dimensions of sustainable development, so as not to rely essentially on secondary research.

## **5.3. Steering Committee**

The Commission will be set up a Steering Committee prior to the beginning of each of these Trade SIAs contracts to ensure a smooth implementation of the study activities.

The Steering Committees will be composed of the Contractor's Team Leader, representatives of DG Trade and other Directorates General and services of the European Commission. Indicatively four meetings will be held in Brussels for each of the Trade SIAs. Other meetings may be organised through teleconferences as appropriate. The first meeting, called kick-off meeting should take place immediately after the signature of each of the Trade SIA contracts in order to discuss the general approach, planning and the content of draft inception report.

The Steering Committees for all the three lots must be involved with the different steps of the organisation of the studies components and in particular:

- Validation of tasks to be executed
- Discussions and approval of reports
- Validation of the specification of scenarios
- Preparation of the workshop
- Review of recommendations

## **6. DELIVERABLES AND CONTENT**

For each of the three lots, the contractors must produce three reports. The content of these documents is indicated below. Furthermore, the Commission draws the attention of the consultant to a necessity of transparency in all reports which must include all the references, analytical paths needed to understand fully the outcomes and results of the study.

### **Inception Report**

This report will be analysed and discussed with the Trade SIA respective Steering Committees and Civil Society representatives in Brussels. This report should describe how the work will be carried out by including the following:

- An overview of the consultant's proposed approach to the study, including a presentation of the conceptual framework of the sustainability assessment analysis.
- A description of preliminary methodological developments, including consultation activities.
- A review of literature, list of tools and references to be used, list of relevant stakeholders for this study, including contacts in the partner countries.
- A preliminary screening exercise for the key sustainability issues/impacts associated with the trade agreement, based on quantitative and qualitative analysis.
- A preliminary discussion on the overall and sectoral analysis and definition of indicators relevant for this study.
- Outlines of the contents for both the interim technical and final reports
- Indication of timeline for the revised inception report, draft interim technical report and draft final report.
- The report should contain an executive summary.

### **Interim Technical Report**

This will be analysed and discussed with the Steering Committee and will provide the basis for the local workshops in the partner countries (see point 4.6). The report will summarise the work that has been undertaken so far and its principal outcomes. In particular, it will describe:

- Implementation of the methodology: a summary of the process by which the methodology has been implemented.
- Information on communication activities, including number of hits. In particular, this should include:
  - Consultations and dialogue with external experts of civil society: summary of comments and suggestions received (via e-mail, web site comment function, ordinary mail, meetings etc.) and the uses made of these.
  - Development of network of Trade SIA experts: contacts undertaken, information supplied and comments received.
- State of play of study underway, preliminary outcomes on the overall and sectoral analysis.
- The way ahead to complete the final report
- Indication of timeline for the revised interim technical report and draft final report.



- The report should contain an executive summary.

### Final Report

This report will be analysed and discussed with the Steering Committee and Civil Society representatives in Brussels. The final report will entail the following elements:

- The methodology used for the Trade SIA
- The outcomes and results of the assessment
- Proposals of flanking measures and policy recommendations
- Communication actions, networking
- Minutes of the local workshops in partner countries, programme and list of participants
- Conclusions
- References and key sources
- A briefing document of no more than two pages should be envisaged. This should summarise, in very succinct form:
  - the objectives, scope and purpose of the Trade SIA;
  - the main trade measures identified for impact analysis;
  - the liberalisation scenarios considered;
  - other key assumptions and hypotheses;
  - the most significant economic, social and environmental impacts identified;
  - the most important complementary policy measures recommended in order to minimise negative impacts and maximise positive impacts of the trade measures proposed;
  - the sources of evidence, and the qualitative and quantitative evidence-gathering techniques used;
  - details of the consultation process undertaken for the Trade SIA;
  - limitations in the design or the execution of the Trade SIA in meeting the project aims and objectives;
  - suggestions (where relevant) of issues or aspects for further investigation, including *ex post* analysis of the impacts of any agreement reached at the conclusion of negotiations.

## **6.1. GENERAL RULES REGARDING DOCUMENTS AND REPORTS**

- All reports will have to be approved by the European Commission.
- All approved reports should be provided in electronic format, as well as two hard copies.
- For each report the contractors will send a draft to the Commission. The Commission will either inform the contractors that it accepts the draft or send the contractors its comments.

- Within a maximum of 30 calendar days of receiving any such comments, the contractors will send the Commission his final report which will either take account of the comments or put forward alternative points of view.
- Reports should be drafted in such a way as to be accessible to trade and non-trade specialists alike and provide a concise and clear executive summary of the findings.
- All reports, recommendations and files prepared by the consultant under the contract shall be in English. Detailed summaries of each draft and approved reports should be provided in Arabic for lot 1 and in Spanish for lots 2 and 3 (1/10 of the English report). This is particularly relevant for the local workshop in Libya. The costs of translation must be included in the budget.
- All reports must bear the following statement on the inside title page:  
"This report was commissioned and financed by the Commission of the European Communities. The views expressed herein are those of the Consultant, and do not represent an official view of the Commission."
- These reports should also be accompanied by the original statistical databases, model files, and other data inputs that formed the basis for the analysis carried out in the approved reports.

## 6.2. QUALITY ASSESSMENT CRITERIA OF FINAL REPORT

For each of the three lots, the quality of the final report will be assessed by using the quality assessment framework presented in the Annex 5 of the Terms of Reference (adapted from the quality assessment framework included in the *Commission's Guidance on Evaluation*: [http://ec.europa.eu/budget/documents/evaluation\\_en.htm#ext\\_studies](http://ec.europa.eu/budget/documents/evaluation_en.htm#ext_studies)).

## 7. TIMING

Trade SIA findings must be available with sufficient time in advance of the end of any trade agreements in order to inform the decision-making.

The duration of the tasks for all the three lots shall not exceed **eight months**.

The contract will be awarded for the above-mentioned period of time, but may be extended at the sole discretion of the Commission for a further period of 6 months

A proposed timeline in months is the following one:

<b>Deliverables</b>	<b>Month</b>
Draft Inception Report	1
Draft Interim Technical Report	3
Workshop	4
Draft Final Report	6
Final Report	8

The contractors shall propose a timeframe for the phase-work and reports in the tender. It is the contractors' obligation to observe the implementation of the agreed timeframe taking into account the time necessary for consultations with the Commission and civil society.

## **8. BUDGET**

The maximum amount in Euro to be allocated to each to the Trade SIA through the signature of service contracts is:

- **Lot 1:** EUR 200,000
- **Lot 2:** EUR 300,000
- **Lot 3:** EUR 300,000

The tenderer should, however, be aware that the contracts award criteria are based on the economically most advantageous tender.

The price offer of the tender must be complete. The tenderer must not include in the price offer expenses for items that cannot be itemized and specified as requested (see Annex 2); otherwise, his tender will be rendered null and void.

## **9. PAYMENT**

Payment shall be made in Euro (€).

### **Remuneration**

Payment on the specific contract shall be made in 3 instalments on submission to the Commission by the Contractor of duly established invoices:

- First interim payment (30%): payment of 30% of Honoraria<sup>7</sup> upon acceptance by the Commission of the inception report.
- Second interim payment (30%): payment of 30% of Honoraria upon acceptance of the interim technical report.
- Payment of balance of 40% of honoraria upon acceptance of the final report plus the reimbursable expenses.

### **First interim payment**

Requests for first interim payment by the Contractors shall be admissible if accompanied by:

- inception report;
- relevant invoices.

The Commission shall have 45 days from receipt to approve or reject the inception report, and the Contractor shall have 30 days in which to submit additional information or a new report.

Within 30 days of the date on which the report is approved by the Commission, an interim payment corresponding to the relevant invoices shall be made.

### **Second interim payment**

Requests for second interim payment by the Contractor shall be admissible if accompanied by:

- an interim technical report on work progress;
- relevant invoices.

The Commission shall have 45 days from receipt to approve work progress, and the Contractor shall have 30 days in which to submit additional information.

Within 30 days of the date on which additional information is approved by the Commission, an interim payment corresponding to the relevant invoices shall be made.

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<sup>7</sup> Sub total A in quotation form attached in annex 2

### **Payment of the balance**

The request for payment of the balance of the Contractor shall be admissible if accompanied by:

- the final report;
- the relevant invoices;
- statements of reimbursable expenses in accordance with Article II.7 of the model contract.

The Commission shall have 45 days from receipt to approve or reject the final report, and the Contractor shall have 30 days in which to submit additional information or a new report.

Within 30 days of the date on which the report is approved by the Commission, a final payment corresponding to the relevant invoices shall be made.

### **Reimbursements**

Travel, accommodation (bed and breakfast), workshop related costs and other expenses can be invoiced according to the amount agreed in the contract. For the reimbursable costs, payment shall be made following presentation of original receipts as part of the main payment.

It is specified that the Commission may in its absolute discretion withhold all or part of the final payment as long as any of the documents mentioned above in the section on reporting requirements are missing.

## **10 CONTRACTUAL CONDITIONS**

In drawing up his bid, the tenderer should bear in mind the provisions of the standard contract attached to this invitation to tender (see annex 3). This contract will be proposed to the successful tenderer. By submitting an offer, the tenderer accepts the conditions of this contract.

The tenderer must not include in the offer conditions, clauses etc. that are not specified as requested in, or that modify this Terms of Reference. His tender will otherwise be rendered null and void.

Initiation of a tendering procedure imposes no obligation on the Commission to award the contract. Should the invitation to tender cover several items or lots, the Commission reserves the right to award a contract for only some of them. The Commission shall not be liable for any compensation with respect to tenderers whose tenders have not been accepted. Nor shall it be so liable if it decides not to award the contract.

## **11. THE TENDER MUST INCLUDE (SEE ANNEX 1 AND ANNEX 2 FOR THE STANDARD FORMS TO BE USED)**

- Tender submission form and tenderer declaration.
- All the information and documents required by the authorising department for the appraisal of tenders on the basis of the exclusion, selection and award criteria set out at points 13, 14 and 15.
- Description of the methodology and planning of the works, including the delay for delivery of each report and document.
- The details of educational and professional qualifications of the persons providing the services and statement of exclusivity and availability.
- A fixed price: using the quotation form in annex, the contractors will provide a total cost for the honoraria, the reimbursement of travels, accommodation (bed and breakfast) and workshop related costs.
- A duly completed legal entity form<sup>8</sup>.
- A duly completed banking reference form<sup>9</sup>.

Wherever the tenderer is a consortium of firms or groups of service providers with a distinct legal personality, the tender should clarify the legal status of the consortium and specify the role, qualifications and experience of each member or group. The above-mentioned legal entity form and tenderer's declaration should be provided for each member or group.

As already mentioned in point 10, the tenderer must not include in the offer conditions, clauses etc. that are not specified as requested in, or that modify this Terms of Reference. His tender will otherwise be rendered null and void.

## **12. QUOTATION OF PRICES**

Prices must be quoted in EUR (€) using the conversion rates published in the C series of the 'Official Journal of the European Communities' on the day when this invitation to tender was published.

Prices must be fixed amounts that are non-revisable. The offer should also indicate the prices for unit of time (either in EUR per hour, day or month) that are fixed and non-revisable amounts.

Prices should be quoted free of all duties, taxes and other charges, including VAT, as the Communities are exempt from such charges under Articles 3 and 4 of the Protocol on the Privileges and Immunities of the European Communities of 8 April 1965 (OJ No 152, 13 July 1967). Exemption is granted to the Commission by the governments of the Member States, either through refunds upon presentation of documentary evidence or by

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<sup>8</sup> You are not required to submit a legal entity form if you have already submitted such a legal entity form in the context of a contract signed with the European Communities since 01.01.2004 and if the information recorded on this form has remained unaltered since.

<sup>9</sup> You are not required to submit a banking reference form if you have already submitted such a banking reference form in the context of a contract signed with the European Communities since 01.01.2004 and if the information recorded on this form has remained unaltered since.

immediate exemption. The successful tenderer shall be given the necessary instructions by the Commission.

Estimated travel and accommodation (bed and breakfast) expenses must be indicated separately. This estimate should be based on article II.7 of the 'General Conditions' of the Contract (see annex 4) and include any travel required to meet representatives of DG Trade, if applicable. In any event, it should represent the maximum amount of travel and accommodation (bed and breakfast) expenses payable for all the services provided.

By derogation from article II.7 of the General Conditions, any speaker(s)/moderator(s)/staff members required to take a long-haul flight (more than 7 hours) may, with the prior approval from the European Commission, be booked for business class travel. The Consultant will make sure that the fares are the most competitive on the market. It is specified for the avoidance of doubt that no per diem allowance will be paid.

### **13. EXCLUSION CRITERIA**

Tenderers shall be excluded from participation in this procurement procedure if:

- a) they are bankrupt or being wound up, are having their affairs administered by the courts, have entered into an arrangement with creditors, have suspended business activities, are the subject of proceedings concerning those matters, or are in any analogous situation arising from a similar procedure provided for in national legislation or regulations;
- b) they have been convicted of an offence concerning their professional conduct by a judgement which has the force of *res judicata*;
- c) they have been guilty of grave professional misconduct proven by any means which the contracting authority can justify;
- d) they have not fulfilled obligations relating to the payment of social security contributions or the payment of taxes in accordance with the legal provisions of the country in which they are established or with those of the country of the contracting authority or those of the country where the contract is to be performed;
- e) they have been the subject of a judgement which has the force of *res judicata* for fraud, corruption, involvement in a criminal organisation or any other illegal activity detrimental to the Communities' financial interests;
- f) they have been the subject of an administrative penalty for being guilty of misrepresentation in supplying the information required by the contracting authority as a condition of participation in the procurement procedure or failing to supply an information, or being declared to be in serious breach of his obligation under contract covered by the budget

Contracts may not be awarded to tenderers who, during the procurement procedure:

- (a) are subject to a conflict of interest;
- (b) are guilty of misrepresentation in supplying the information required by the contracting authority as a condition of participation in the contract procedure or fail to supply this information;
- (c) find themselves in one of the situations of exclusion, referred to at the beginning of point 11 (letters (a) to (f)).

Tenderers must provide a **declaration on honour** that they are not in one of the above-mentioned situations.

Only the tenderer to whom the contract is to be awarded shall be required to submit, before signing the Contract, evidence confirming his declaration on honour, by providing:

- for points (a), (b) or (e): a recent extract from the judicial record or, failing that, an equivalent document recently issued by a judicial or administrative authority in the country of origin or provenance showing that those requirements are satisfied.
- for point (d), a recent certificate issued by the competent authority of the State concerned.

Where no such documents or certificates are issued in the country concerned, they may be replaced by a sworn or, failing that, a solemn statement made by the interested party before a judicial or administrative authority, a notary or a qualified professional body in his country of origin or provenance.

Depending on the national legislation of the country in which the tenderer or candidate is established, the documents referred to in the above two paragraphs shall relate to legal persons and/or natural persons including, where considered necessary by the contracting authority, company directors or any person with powers of representation, decision-making or control in relation to the candidate or tenderer.

Wherever the tenderer is a consortium of firms or groups of service providers, the above-mentioned information must be provided for each member or group. However, if such evidence confirming the declaration on honour has already been submitted to the Commission for the purpose of another procurement procedure, and provided that the issuing date of the documents does not exceed one year and that they are still valid, the tenderer to whom the Contract is to be awarded is allowed to send a copy of the relevant documentation together with a declaration on honour that no changes in his situation have occurred.



#### 14. SELECTION CRITERIA – MINIMUM QUALIFICATIONS REQUIRED

The following information, concerning the service provider's own position and the information and formalities necessary for an appraisal of the minimum economic, financial and technical standards required of him, should be supplied:

(1) Details of **educational and professional qualifications** of the proposed experts providing the services (detailed CV's have to be included for this contract). This should clearly indicate their expertise in economic analysis and experience in environmental and social impact assessments.

(2) The team should include a Team Leader (at least 10 years of professional experience), senior experts (at least 8 years of professional experience) and junior experts (at least 2 years of professional experience):

- The Team Leader should have at least 10 years of international professional experience. He/she should have a background in economics with detailed and proven knowledge of impact assessments.
- The team should include Senior & Junior trade experts (lawyers, economists and modelling experts) who should be fully involved in the design of trade scenarios and in the identification of the economic impacts of the trade effect induced by the agreement under scrutiny. At least one economist should have prior experience of working in Libya for lot 1 and in Central America and Andean Community countries for lot 2 and 3.
- The team should include senior and junior experts in social and environment impact assessments.
- The consultant shall select an adequate team of experts with an in depth knowledge of the partner country or region to assist them. The team should draw from a network of experts that have experience and capacity in the fields of expertise required in particular the three dimensions of sustainable development, so as not to rely essentially on secondary research.

(3) A list of the principal related projects that were carried out under the applicant's direct responsibility during the past 3 years proving merit and experience in impact assessment.

(4) Evidence of the tenderer's **technical capacity** to perform the tasks involved in this contract notice. The team must therefore include substantial expertise and professional experience in each of the following areas:

- a) Economic and trade analysis and trade modelling.
- b) International trade negotiations, including the relevant policy areas (trade in goods trade in services, trade rules).
- c) Sustainability issues and technical capacity to carry out economic, social and environmental impact assessments, including impacts on employment, decent work, gender and poverty at the general and sector specific level.
- d) Economic, social and environmental conditions in the EU 27 and in the countries or the regions under consideration.
- e) Networking activities with stakeholders and country representatives in Libya for lot 1 and in Central America and Andean Community countries or regions for lots 2 and 3 and EU Member States.

(5) Evidence of the tenderer's **financial and economic capacity** to perform the tasks involved in this contract notice.

For this purpose all tenderers must provide a full set of financial statements (comprising at least a balance sheet and profit and loss account) for the last two financial years (or the

annual budget of the last two years in the case of semi-public or non-profit organisations), where the tenderer is required by law to produce such statements.

Where the relevant company law requires these financial statements to be audited, the auditors' statement should be included.

Where the tenderer is not required to produce full financial statements, other documents establishing financial capacity should be submitted (e.g. internal reports, management accounts, appropriate bankers' statements, evidence of professional risk indemnity insurance etc.).

The Commission will conclude a contract following this tender with a single legal counterpart. Where the tenderer that will complete the contract represents a consortium of firms or groups of service providers, the above mentioned financial information must be provided for each member or group.

Where the tenderer wishes to sub-contract or otherwise rely on the capacities of other entities, it must in that case prove that it will have at its disposal the resources necessary for performance of the contract, for example by producing an undertaking on the part of those entities to place those resources at its disposal.

Where the successful tenderer is an individual, a partnership of individuals, or a sole trader, it will be expected to demonstrate that continuity of service can be guaranteed. The Commission will consider, *inter alia*, the risk to successful project completion that would be occasioned by the death or resignation of one or more of the individuals involved.

*Only those proposals which meet all the Selection Criteria will be carried forward for assessment under the Award Criteria.*

## **15. AWARD CRITERIA FOR THE CHOICE OF THE CONTRACTORS**

The contract will be awarded to the “economically most advantageous tender”. Criteria to be applied are:

- Price - 20% (estimated according to the provisions of Annex 2 to Terms of Reference), and
- Quality - 80% - in terms of technical quality of the offer including:

The quality of the offer will be given a weight of 100 points corresponding to the sum of the following scores:

- 1 For all three lots, coherence of the proposed team, in particular the variety and the range of skills at its disposal. For lot 1, the availability of data collection and policy analysis experience in Libya. For all lots, the total amount of time that will be put into the project by the team while differentiating between amounts of time allocated to the Team Leader, senior and junior experts (maximum 45 points).
- 2 For all three lots, clear description of organisation of work so as to deliver in time credible, coherent and reliable data and comprehensive information meeting the criteria defined in the contract and proposed methodology for the economic, social and environmental analysis (maximum 40 points). For lot 1, proposed methodology for data collection in Libya taking into account the particular situation of that country.

- 3 Reliability and appropriateness of local contacts in Libya for lot 1 and in Central America and Andean Community countries for lots 2 and 3, and in the EU 27 (maximum 10 points).
- 4 For all three lots, clear description of arrangements put in place for management of the project and co-ordination of the team (maximum 5 points).

The evaluation board will compare the offers based on this score, it being clear that the Commission cannot be required to accept an offer the quality of which does not reach the minimum standard of 65 points.

The sum of the price and quality criteria will result in a numerical score.

#### **Formula for the award criterion**

$$S = 4/5 Q' + 1/5 P'$$

where

S is the score of the offer

Q' is the relative quality score of the offer

P' is the relative price score of the offer

and

$$Q' = 100 * Q / Q_{\max}$$

with Q ..... the total quality score of the offer

Q<sub>max</sub>..... the highest quality score among all offers

and

$$P' = 100 * P_{\min} / P$$

with P ..... the price of the offer

P<sub>min</sub>..... the lowest price among all offers

#### **Enclosures of the Terms of Reference:**

- Annex 1:** Tender submission form including tenderer's declaration, statement of exclusivity and availability, banking references form and legal entities form
- Annex 2:** Quotation forms for unit prices
- Annex 3:** Model of contract, which will be proposed to the selected contractors
- Annex 4:** Trade SIA Methodology
- Annex 5:** Assessment criteria

**ANNEX 1**

**TENDER SUBMISSION FORM  
TENDERER'S DECLARATION(S)  
STATEMENT OF EXCLUSIVITY AND AVAILABILITY  
BANKING REFERENCES FORM  
LEGAL ENTITIES FORM**

(preferably on headed notepaper of the tenderer)

## **TENDER SUBMISSION FORM**

**To be completed by the authorised signatory of the tenderer**  
**One signed original and two copies** of this form and each of the documents mentioned in it must be supplied.

**Contract to [...]**

**Publication reference:**

---

### **1 SUBMITTED by**

<b>Tenderer name</b> *	
---------------------------	--

\* In the case of a consortium, insert the agreed name of the consortium

### **2 STATEMENT**

I, the undersigned, being the authorised signatory of the above tenderer (including all consortium partners, in the case of a consortium), hereby declare that we have examined and accept without reserve or restriction the entire contents of the tender dossier for the tender procedure referred to above.

We offer to provide the services requested in the tender dossier on the basis of the following documents, which comprise our technical and financial offer, which is submitted in a sealed envelope:

- ☐ Tenderer's declaration (see below) and all documents as specified in the tender specifications (including one from every consortium partner, in the case of a consortium)
- ☐ Statements of exclusivity and availability signed by each of the key experts
- ☐ Description of the organisation & methodology
- ☐ Key experts (comprising a list of the key experts and their CVs)
- ☐ Unit prices quote, using the model in Annex 2 of the Terms of Reference

*[If applicable:* We undertake to guarantee the eligibility of the sub-contractor(s) for the parts of the services for which we have stated our intention to sub-contract in the Organisation and Methodology.]

This tender is subject to acceptance within the validity period stipulated in the “Invitation to tender”.

Signed on behalf of the tenderer.

<b>Name</b>	
<b>Signature</b>	
<b>Date</b>	

(preferably on headed notepaper of the tenderer)

**TENDERER'S DECLARATION(S)**

**To be completed and signed by the tenderer  
(including one from each consortium partner, in the case of a consortium).**

**Contract to [...]**

**Publication reference:**

---

In response to your letter of invitation to tender for the above contract, we hereby declare that we:

- nominate the following person to act on our behalf for the purposes of this tender and any subsequent contract based on it:

<b>Name</b>	
<b>Position</b>	
<b>Organisation</b>	

- reconfirm (and will produce the correspondent certificates if we are awarded the contract) that we are not in any of the situations excluding us from participating in contracts, as set out in point 15 of the Terms of Reference,
- agree to abide by the highest ethical standards and, in particular, declare that we do not have any potential conflict of interest in connection with the contract; a conflict of interest could arise in particular as a result of economic interests, political or national affinities, family or emotional ties, or any other relevant connection or shared interest;
- will inform the contracting authority, without delay, of any situation considered a conflict of interest or which could give rise to a conflict of interest;
- will inform the Commission immediately if there is any change in the above circumstances at any stage during the tender procedure or during the implementation of the contract;
- have not made and will not make any offer of any type whatsoever from which an advantage can be derived under the contract;
- have not granted and will not grant, have not sought and will not seek, have not attempted and will not attempt to obtain, and have not accepted and will not accept any advantage, financial or in kind, to or from any party whatsoever, constituting an illegal practice or involving corruption, either directly or indirectly, as an incentive or reward relating to award of the contract; and
- fully recognise and accept that any inaccurate or incomplete information deliberately provided in this tender may result in our exclusion from this and other contracts funded by the European Communities.

<Signature of authorised representative of the tenderer>

< **Name and position of authorised representative of the tenderer** >

## **STATEMENT OF EXCLUSIVITY AND AVAILABILITY<sup>10</sup>**

I, the undersigned, hereby declare that I agree to participate exclusively with the tenderer < tenderer name > in the above-mentioned service tender procedure. I further declare that I am able and willing to work for the position for which my CV has been included in the event that this tender is successful.

*(The tenderer should select one of the two options underneath and delete the other one)*

- [I confirm that I am not engaged in another EC-funded project or contract, in a position for which my services are required beyond the expected starting date of my services under this tender.]
  
- [I confirm that I am engaged in the following EC-funded project(s) or contract(s), in a position for which my services are required beyond the expected starting date of my services under this tender.

Title + reference of the project(s) + DG concerned (if applicable): .....

Nevertheless, I confirm that this other engagement will not impair my availability to carry out the tasks for which my CV has been included in this tender.

Furthermore, I declare that there will be not, by reason of my involvement in both this project under tender and the other aforementioned EC project(s), be any double-financing of time spent or work carried out under any of these projects.

I also confirm that my involved in other EC-funded projects as well as in the project currently tendered will present me with no conflict of interest and will not prevent, or tend to prevent, me from carrying out my tasks under any of the EC-funded contracts with due impartiality.]

<b>Name</b>	
<b>Signature</b>	
<b>Date</b>	

---

<sup>10</sup> To be completed by all key experts

## **BANKING REFERENCES FORM AND LEGAL ENTITY FORM**

Please **complete and sign**:

- the banking references form.
- the form providing details on the “legal entity”: select either the public entity form, the private entity form or the form for individuals

You are not required to submit a legal entity form or a banking reference form if you have already submitted these forms in the context of a contract signed with the European Communities since 01.01.2004 and if the information recorded on these forms has remained unaltered since.



## FINANCIAL IDENTIFICATION

### ACCOUNT HOLDER

NAME																																									
ADDRESS																																									
TOWN/CITY																					POSTCODE																				
COUNTRY											VAT NUMBER																														
CONTACT PERSON																																									
TELEPHONE																FAX																									
E - MAIL																																									

### BANK

BANK NAME																																								
BRANCH ADDRESS																																								
TOWN/CITY																					POSTCODE																			
COUNTRY																																								
ACCOUNT NUMBER																																								
IBAN *																																								

REMARKS :

**BANK STAMP + SIGNATURE of BANK REPRESENTATIVE**

(Both Obligatory)

**DATE + SIGNATURE of ACCOUNT HOLDER :**

(Obligatory)

\* IBAN mandatory for : Belgium, Bulgaria, Denmark, Spain, Greece, Hungary, Italy, Latvia, Lithuania, Luxembourg, Norway, Netherlands, Poland, Czech republic, Romania, Slovenia, Sweden, Switzerland.

## LEGAL ENTITY FORM

other languages available on [http://europa.eu.int/comm/budget/execution/legal\\_entities\\_fr.htm](http://europa.eu.int/comm/budget/execution/legal_entities_fr.htm)

### PUBLIC ENTITIES

**(established by law, resolution, decree or decision)**

TYPE OF ENTITY (LEGAL FORM)	<div></div>																																						
NAME(S)	<div></div>																																						
	<div></div>																																						
	<div></div>																																						
	<div></div>																																						
ABBREVIATION	<div></div>																																						
OFFICIAL ADDRESS	<div></div>																																						
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	<div></div>																																						
POSTAL CODE	<div></div>								P.O. BOX								<div></div>																						
CITY	<div></div>																																						
COUNTRY	<div></div>																																						
VAT	<div></div>																																						
PLACE OF REGISTRATION	<div></div>																																						
DATE OF REGISTRATION	<div></div> D D		<div></div> M M		<div></div> Y Y Y Y																																		
REGISTRATION NR	<div></div>																																						
PHONE	<div></div>													FAX													<div></div>												
E-MAIL	<div></div>																																						
CONTACT PERSON	<div></div>																																						

**PLEASE SEND US THIS "LEGAL ENTITY" FORM ACCOMPANIED BY THE FOLLOWING:**

- \* A COPY OF THE RESOLUTION, LAW, DECREE OR DECISION ESTABLISHING THIS LEGAL ENTITY**
- \* IF NOT AVAILABLE: A COPY OF ANY OTHER OFFICIAL DOCUMENT WHICH PROVES THE ESTABLISHMENT OF THIS LEGAL ENTITY**

DATE:
NAME AND FUNCTION OF THE AUTHORISED REPRESENTATIVE
SIGNATURE

STAMP
-------

## LEGAL ENTITY FORM

other languages available on [http://europa.eu.int/comm/budget/execution/legal\\_entities\\_fr.htm](http://europa.eu.int/comm/budget/execution/legal_entities_fr.htm)

## PRIVATE ENTITIES

TYPE OF ENTITY (LEGAL FORM)																																
NAME(S)																																
ABBREVIATION																																
ADDRESS OF THE HEAD OFFICE																																
POSTAL CODE									P.O. BOX																							
CITY																																
COUNTRY																																
VAT																																
PLACE OF REGISTRATION																																
DATE OF REGISTRATION																																
	D	D	M	M	Y	Y	Y	Y																								
REGISTRATION NR																																
PHONE																FAX																
E-MAIL																																
CONTACT PERSON																																

**PLEASE SEND US THIS "LEGAL ENTITY" FORM ACCOMPANIED BY THE FOLLOWING:**

**\* A COPY OF ANY OFFICIAL DOCUMENT (FOR EXAMPLE: REGISTRATION OFFICE, THE MONITOR, ..... ) WHICH SPECIFIES THE NAME AND LEGAL FORM OF THE LEGAL ENTITY, THE ADDRESS OF THE HEAD OFFICE AND THE REGISTRATION NUMBER.**

**\* A COPY OF THE OFFICIAL VAT CERTIFICATE IF YOUR COMPANY HAS A VAT NUMBER AND IF IT DOES NOT SHOW ON THE OFFICIAL DOCUMENT MENTIONED ABOVE.**

DATE:

NAME AND FUNCTION OF THE AUTHORISED REPRESENTATIVE
--

SIGNATURE

## LEGAL ENTITY FORM

other languages available on [http://europa.eu.int/comm/budget/execution/legal\\_entities\\_fr.htm](http://europa.eu.int/comm/budget/execution/legal_entities_fr.htm)  
This information is to be stored in the Commission's accounting records for use in its payment procedures.  
Commission staff carrying out such procedures will be able to consult it for this purpose.

### INDIVIDUAL

TITLE	<input type="text"/>																																								
NAME	<input type="text"/>																																								
FIRST NAME	<input type="text"/>																																								
(NAME 2)	<input type="text"/>																																								
(NAME 3)	<input type="text"/>																																								
OFFICIAL ADDRESS	<input type="text"/>																																								
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POSTAL CODE	<input type="text"/>										P.O. BOX	<input type="text"/>																													
TOWN/ CITY	<input type="text"/>																																								
COUNTRY	<input type="text"/>																																								
VAT NR	<input type="text"/>																																								
IDENTITY CARD NUMBER	<input type="text"/>										O	<input type="text"/>																													
PASSPORT NUMBER	<input type="text"/>										O	<input type="text"/>																													
DATE OF BIRTH	<input type="text"/>		<input type="text"/>		<input type="text"/>		<input type="text"/>		<input type="text"/>		<input type="text"/>		<input type="text"/>		<input type="text"/>		PLACE OF BIRTH	<input type="text"/>																							
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PHONE	<input type="text"/>																				FAX	<input type="text"/>																			
E-MAIL	<input type="text"/>																																								

**PLEASE SEND US THIS "LEGAL ENTITY" FORM DULY COMPLETED AND ACCOMPANIED BY A CLEAR COPY OF THE IDENTITY CARD OR PASSPORT**

DATE:

SIGNATURE

## **ANNEX 2:**

### **QUOTATION FORMS FOR UNIT PRICES**

***Tenderers are required to quote a rate for all of the tasks***

**Lot 1: Trade SIA relating to the negotiation of a FTA between the European Community, its Member States and Libya**

<b>COSTS</b>	<b>Rates per Unit (Euro)</b>	<b>Number of Units</b>	<b>TOTAL (EUR)</b>
<b>A. UNIT RATES</b>			
<u><b>Honoraria:</b></u>			
- TEAM LEADER .....	.....	.....	.....
- SENIOR EXPERT <sup>11</sup> .....	.....	.....	.....
- JUNIOR EXPERT <sup>12</sup> .....	.....	.....	.....
<b>Sub Total A</b>	.....	.....	.....
<b>B. REIMBURSABLE</b>	.....	.....	.....
<u><b>B1. Travel costs for project staff</b></u>	.....	.....	.....
<u>For project staff (i.e. for meeting in Brussels and workshop in Libya)</u>	.....	.....	.....
- Travel		.....	
- Accommodation (bed and breakfast)			
<u><b>B2. Travel costs for workshop</b></u>			
<u>For up to 4 speakers/2 moderators to a Workshop in Libya:</u>	.....	.....	.....
- Travel			
- Accommodation (bed and breakfast)			
<u>For participants to a Workshop in Libya (max. 10 pers. from non profit organisations)</u>	.....	.....	.....
- Travel	.....	.....	.....
- Accommodation (bed and breakfast)	.....	.....	.....
<u><b>B3. Workshop costs for max 30 participants</b></u>	.....	.....	.....
- Preparatory work (documentation, including the translation of the documents related to the workshop)	.....	.....	.....
- Logistics:	.....	.....	.....
- Meeting room	.....	.....	.....
- Catering: lunch, coffees and drinks	.....	.....	.....
- Equipment (IT tools, folders, pens, etc.)	.....	.....	.....
- Interpretation English ↔ Arabic	...		.....
- Hostesses			
<u><b>B4. Other expenses</b></u>	.....	.....	.....
-Advertising (Website and press releases)	.....	.....	.....
-Translation of the summaries of the all reports (draft and revised final versions) into the local official language	.....	.....	.....
<b>Sub Total B</b>			
<b>Total estimated cost of the contract (A+B)</b>			

**LISTING OF OTHER COSTS WILL RENDER THE TENDER INADMISSIBLE**

<sup>11</sup> See point 5.2 (expertise of the team) in the Terms of Reference

<sup>12</sup> See point 5.2 (expertise of the team) in the Terms of Reference.

**Lot 2: Trade SIA relating to the negotiation of a Trade Part of the Association Agreement between the European Community, its Member States and the Central American Republics of Costa Rica, El Salvador, Guatemala, Honduras, Nicaragua and Panama**

COSTS	Rates per Unit (Euro)	Number of Units	TOTAL (EUR)
<b>A. UNIT RATES</b>			
<u>Honoraria:</u>			
- TEAM LEADER .....	.....	.....	.....
- SENIOR EXPERT <sup>13</sup> .....	.....	.....	.....
- JUNIOR EXPERT <sup>14</sup> .....	.....	.....	.....
<b>Sub Total A</b>	.....	.....	.....
<b>B. REIMBURSABLE</b>	.....	.....	.....
<b><u>B1. Travel costs for project staff</u></b>	.....	.....	.....
<u>For project staff (i.e. for meeting in Brussels and workshop in Managua)</u>	.....	.....	.....
- Travel			
- Accommodation (bed and breakfast)			
<b><u>B.2. Travel costs for workshop</u></b>			
<u>For up to 4 speakers/2 moderators to a Workshop in Managua:</u>	.....	.....	.....
- Travel			
- Accommodation (bed and breakfast)			
<u>For participants to a Workshop in Managua (max. 10 pers. from non profit organisations)</u>	.....	.....	.....
- Travel	.....	.....	.....
- Accommodation (bed and breakfast)	.....	.....	.....
<b><u>B3. Workshop costs for max40 participants</u></b>	.....	.....	.....
- Preparatory work (documentation, including the translation of the documents related to the workshop)	.....	.....	.....
- Logistics:	.....	.....	.....
- Meeting room	.....	.....	.....
- Catering: lunch, coffees and drinks	.....	.....	.....
- Equipment (IT tools, folders, pens, etc.)	.....	.....	.....
- Interpretation English ↔ Arabic	...		.....
- Hostesses			
<b><u>B4. Other expenses</u></b>	.....	.....	.....
-Advertising (Website and press releases)	.....	.....	.....
-Translation of the summaries of the all reports (draft and revised final versions) into the local official language	.....	.....	.....
<b>Sub Total B</b>			
<b>Total estimated cost of the contract (A+B)</b>			

**LISTING OF OTHER COSTS WILL RENDER THE TENDER INADMISSIBLE**

**Lot 3: Trade SIA relating to the negotiation of a Trade Part of the Association Agreement between the European Community, its Member States and Andean Community and its Member Countries**

<sup>13</sup> See point 5.2 (expertise of the team) in the Terms of Reference.

<sup>14</sup> See point 5.2 (expertise of the team) in the Terms of Reference.

COSTS	Rates per Unit (Euro)	Number of Units	TOTAL (EUR)
<b>A. UNIT RATES</b>			
<b><u>Honoraria:</u></b>			
- TEAM LEADER .....	.....	.....	.....
- SENIOR EXPERT <sup>15</sup> .....	.....	.....	.....
- JUNIOR EXPERT <sup>16</sup> .....	.....	.....	.....
<b>Sub Total A</b>	.....	.....	.....
<b>B. REIMBURSABLE</b>	.....	.....	.....
<b><u>B1. Travel costs for project staff</u></b>	.....	.....	.....
For project staff (i.e. for meeting in Brussels and workshop in <u>Lima/Bogota</u> )	.....	.....	.....
- Travel			
- Accommodation (bed and breakfast)			
<b><u>B.2. Travel costs for workshop</u></b>			
For up to 4 speakers/2 moderators to a Workshop in Lima/Bogota:	.....	.....	.....
- Travel			
- Accommodation (bed and breakfast)			
For participants to a Workshop in Lima/Bogota (max. 10 pers. from non profit organisations)	.....	.....	.....
- Travel	.....	.....	.....
- Accommodation (bed and breakfast)	.....	.....	.....
<b><u>B3. Workshop costs for max 40 participants</u></b>	.....	.....	.....
- Preparatory work (documentation, including the translation of the documents related to the workshop)	.....	.....	.....
- Logistics:	.....	.....	.....
- Meeting room	.....	.....	.....
- Catering: lunch, coffees and drinks	.....	.....	.....
- Equipment (IT tools, folders, pens, etc.)	.....	.....	.....
- Interpretation English ↔ Arabic	...		.....
- Hostesses			
<b><u>B4. Other expenses</u></b>	.....	.....	.....
-Advertising (Website and press releases)	.....	.....	.....
-Translation of the summaries of the all reports (draft and revised final versions) into the local official language	.....	.....	.....
<b>Sub Total B</b>			
<b>Total estimated cost of the contract (A+B)</b>			

### **LISTING OF OTHER COSTS WILL RENDER THE TENDER INADMISSIBLE**

## **ANNEX 3:**

## **MODEL OF CONTRACT, WHICH WILL BE PROPOSED TO THE SELECTED CONTRACTORS**

<sup>15</sup> See point 5.2 (expertise of the team) in the Terms of Reference.





**EUROPEAN COMMISSION**  
**DG TRADE**

**Directorate C – Sustainable development, Bilateral Trade Relations**

## **SERVICE CONTRACT**

**CONTRACT NUMBER Trade08/C.1/.../Lot .....**

The European Community (hereinafter referred to as "the Community"), represented by the Commission of the European Communities (hereinafter referred to as "the Commission"), which is represented for the purposes of the signature of this contract by Mr Ignacio Garcia Bercero, Director, DG Trade, Directorate C,

of the one part,

and

[official name in full]

[official legal form]

[statutory registration number]

[official address in full]

[VAT registration number]

(hereinafter referred to as "the Contractor"), [represented for the purposes of the signature of this contract by [name in full and function,]]

of the other part,

HAVE AGREED

The **Special Conditions** and the **General Conditions** below and the following Annexes:

**Annex I** – Tender Specifications (Invitation to Tender No Trade08/C1/C14 & C15)

**Annex II** – Contractor's Tender (No ..... of .....)

Which form an integral part of this contract (hereinafter referred to as "the Contract").

The terms set out in the Special Conditions shall take precedence over those in the other parts of the Contract. The terms set out in the General Conditions shall take precedence over those in the Annexes. The terms set out in the Tender Specifications (Annex I) shall take precedence over those in the Tender (Annex II).

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<sup>16</sup> See point 5.2 (expertise of the team) in the Terms of Reference

Subject to the above, the several instruments forming part of the Contract are to be taken as mutually explanatory. Ambiguities or discrepancies within or between such parts shall be explained or rectified by a written instruction issued by the Commission, subject to the rights of the Contractor under Article I.7 should he dispute any such instruction.

## **I – SPECIAL CONDITIONS**

### **ARTICLE I.1 - SUBJECT**

- I.1.1.** The subject of the Contract is to conduct Trade SIA on .....
- I.1.2.** The Contractor shall execute the tasks assigned to him in accordance with the Tender Specifications annexed to the Contract (Annex I).

### **ARTICLE I.2 - DURATION**

- I.2.1.** The Contract shall enter into force on the date on which it is signed by the last contracting party.
- I.2.2.** Execution of the tasks may under no circumstances begin before the date on which the Contract enters into force.
- I.2.3.** The duration of the tasks shall not exceed 8 months. This period and all other periods specified in the Contract are calculated in calendar days. Execution of the tasks shall start from date of entry into force of the Contract. The period of execution of the tasks may be extended up to 6 months only with the express written agreement of the parties before such period elapses.

The Commission is not obliged to react to any request for extension of the duration of the tasks received less than 60 days before expiry of the period of execution or with less than one third of the period of execution left to run, whichever period is the shorter.

### **ARTICLE I.3 – CONTRACT PRICE**

- I.3.1.** The maximum total amount to be paid by the Commission under the Contract shall be EUR [amount in figures and in words] covering all tasks executed.
- I.3.2.** In addition to the total amount specified in Article I.3.1, travel and accommodation (bed and breakfast), and workshop costs and other expenses shall be reimbursed in accordance with Article II.7 up to a maximum amount of EUR [amount in figures and in words].

By derogation from Art II.7, any speaker, moderator or staff members required to take a long-haul flight (more than 7 hours) may, with prior approval from the European Commission, be booked for business class travel.

The detailed remuneration of the Contractor for carrying out the duties as described in the Technical specifications is indicated in the table hereinafter:

**Lot 1: Trade SIA relating to the negotiation of a FTA between the European Community, its Member States and Libya**

<b>COSTS</b>	<b>Rates per Unit (Euro)</b>	<b>Number of Units</b>	<b>TOTAL (EUR)</b>
<b>A. UNIT RATES</b>			
<u><b>Honoraria:</b></u>			
- TEAM LEADER .....	.....	.....	.....
- SENIOR EXPERT.....	.....	.....	.....
- JUNIOR EXPERT.....	.....	.....	.....
<b>Sub Total A</b>	.....	.....	.....
<b>B. REIMBURSABLE</b>	.....	.....	.....
<u><b>B1. Travel costs for project staff</b></u>	.....	.....	.....
<u>For project staff (i.e. for meeting in Brussels and workshop in Libya)</u>	.....	.....	.....
- Travel		.....	
- Accommodation (bed and breakfast)			
<u><b>B2. Travel costs for workshop</b></u>			
<u>For up to 4 speakers/2 moderators to a Workshop in Libya:</u>	.....	.....	.....
- Travel			
- Accommodation (bed and breakfast)			
<u>For participants to a Workshop in Libya (max. 10 pers. from non profit organisations)</u>	.....	.....	.....
- Travel	.....	.....	.....
- Accommodation (bed and breakfast)	.....	.....	.....
<u><b>B3. Workshop costs for max 30 participants</b></u>	.....	.....	.....
- Preparatory work (documentation, including the translation of the documents related to the workshop)	.....	.....	.....
- Logistics:	.....	.....	.....
- Meeting room	.....	.....	.....
- Catering: lunch, coffees and drinks	.....	.....	.....
- Equipment (IT tools, folders, pens, etc.)	.....	.....	.....
- Interpretation English ↔ Arabic	...		.....
- Hostesses			
<u><b>B4. Other expenses</b></u>	.....	.....	.....
-Advertising (Website and press releases)	.....	.....	.....
-Translation of the summaries of the all reports (draft and revised final versions) into the local official language	.....	.....	.....
<b>Sub Total B</b>			
<b>Total estimated cost of the contract (A+B)</b>			

**Lot 2: Trade SIA relating to the negotiation of a Trade Part of the Association Agreement between the European Community, its Member States and the Central American Republics of Costa Rica, El Salvador, Guatemala, Honduras, Nicaragua and Panama**

<b>COSTS</b>	<b>Rates per Unit (Euro)</b>	<b>Number of Units</b>	<b>TOTAL (EUR)</b>
<b>A. UNIT RATES</b>			
<u><b>Honoraria:</b></u>			
- TEAM LEADER .....	.....	.....	.....
- SENIOR EXPERT .....	.....	.....	.....
- JUNIOR EXPERT .....	.....	.....	.....
<b>Sub Total A</b>	.....	.....	.....
<b>B. REIMBURSABLE</b>	.....	.....	.....
<b><u>B1. Travel costs for project staff</u></b>	.....	.....	.....
<u>For project staff (i.e. for meeting in Brussels and workshop in Managua)</u>	.....	.....	.....
- Travel		.....	
- Accommodation (bed and breakfast)			
<b><u>B.2. Travel costs for workshop</u></b>			
<u>For up to 4 speakers/2 moderators to a Workshop in Managua:</u>	.....	.....	.....
- Travel			
- Accommodation (bed and breakfast)			
<u>For participants to a Workshop in Managua (max. 10 pers. from non profit organisations)</u>	.....	.....	.....
- Travel	.....	.....	.....
- Accommodation (bed and breakfast)	.....	.....	.....
<b><u>B3. Workshop costs for max40 participants</u></b>	.....	.....	.....
- Preparatory work (documentation, including the translation of the documents related to the workshop)	.....	.....	.....
- Logistics:	.....	.....	.....
- Meeting room	.....	.....	.....
- Catering: lunch, coffees and drinks	.....	.....	.....
- Equipment (IT tools, folders, pens, etc.)	.....	.....	.....
- Interpretation English ↔ Arabic	...		.....
- Hostesses			
<b><u>B4. Other expenses</u></b>	.....	.....	.....
-Advertising (Website and press releases)	.....	.....	.....
-Translation of the summaries of the all reports (draft and revised final versions) into the local official language	.....	.....	.....
<b>Sub Total B</b>			
<b>Total estimated cost of the contract (A+B)</b>			

**Lot 3: Trade SIA relating to the negotiation of a Trade Part of the Association Agreement between the European Community, its Member States and Andean Community and its Member Countries**

<b>COSTS</b>	<b>Rates per Unit (Euro)</b>	<b>Number of Units</b>	<b>TOTAL (EUR)</b>
<b>A. UNIT RATES</b>			
<u><b>Honoraria:</b></u>			
- TEAM LEADER .....	.....	.....	.....
- SENIOR EXPERT.....	.....	.....	.....
- JUNIOR EXPERT.....	.....	.....	.....
<b>Sub Total A</b>	.....	.....	.....
<b>B. REIMBURSABLE</b>	.....	.....	.....
<u><b>B1. Travel costs for project staff</b></u>	.....	.....	.....
<u>For project staff (i.e. for meeting in Brussels and workshop in Lima/Bogota)</u>	.....	.....	.....
- Travel			
- Accommodation (bed and breakfast)			
<u><b>B.2. Travel costs for workshop</b></u>			
<u>For up to 4 speakers/2 moderators to a Workshop in Lima/Bogota:</u>	.....	.....	.....
- Travel			
- Accommodation (bed and breakfast)			
<u>For participants to a Workshop in Lima/Bogota (max. 10 pers. from non profit organisations)</u>	.....	.....	.....
- Travel	.....	.....	.....
- Accommodation (bed and breakfast)	.....	.....	.....
<u><b>B3. Workshop costs for max 40 participants</b></u>	.....	.....	.....
- Preparatory work (documentation, including the translation of the documents related to the workshop)	.....	.....	.....
- Logistics:	.....	.....	.....
- Meeting room	.....	.....	.....
- Catering: lunch, coffees and drinks	.....	.....	.....
- Equipment (IT tools, folders, pens, etc.)	.....	.....	.....
- Interpretation English ↔ Arabic	...		.....
- Hostesses			
<u><b>B4. Other expenses</b></u>	.....	.....	.....
-Advertising (Website and press releases)	.....	.....	.....
-Translation of the summaries of the all reports (draft and revised final versions) into the local official language	.....	.....	.....
<b>Sub Total B</b>			
<b>Total estimated cost of the contract (A+B)</b>			

## **ARTICLE I.4 – PAYMENT PERIODS AND FORMALITIES**

Payments under the Contract shall be made in accordance with Article II.4. Payments shall be executed only if the Contractor has fulfilled all his contractual obligations by the date on which the invoice is submitted. Payment requests may not be made if payments for previous periods have not been executed as a result of default or negligence on the part of the Contractor.

### **I.4.1 First Interim Payment:**

Requests for first interim payment by the Contractor shall be admissible if accompanied by:

- an inception report in accordance with the instructions laid down in Annex I
- the relevant invoices

provided the report has been approved by the Commission.

The Commission shall have forty-five days from receipt to approve or reject the report, and the Contractor shall have thirty days in which to submit additional information or a new report.

Within thirty days of the date on which the report is approved by the Commission, an interim payment equal to 30% of the total amount referred to in Article I.3.1 shall be made.

### **I.4.2 Second Interim Payment**

Requests for second interim payment by the Contractor shall be admissible if accompanied by:

- an interim technical report in accordance with the instructions laid down in Annex I
- the relevant invoices

provided the report has been approved by the Commission.

The Commission shall have forty-five days from receipt to approve or reject the report, and the Contractor shall have thirty days in which to submit additional information or a new report.

Within thirty days of the date on which the report is approved by the Commission, an interim payment equal to 30% of the total amount referred to in Article I.3.1 shall be made.

### **I.4.3. Payment of the balance**

The request for payment of the balance of the Contractor shall be admissible if accompanied by

- the final technical report in accordance with the instructions laid down in Annex I
- the relevant invoices
- statements of reimbursable expenses in accordance with Article II.7

provided the report has been approved by the Commission.

The Commission shall have forty-five days from receipt to approve or reject the report, and the Contractor shall have thirty days in which to submit additional information or a new report.

Within thirty days of the date on which the report is approved by the Commission, payment of the balance equal to 40% of the total amount referred to in Article I.3.1 shall be made.

The balance of the reimbursable expenses shall be paid upon production of the original supporting documents, including receipts and used tickets, up to the maximum amount indicated in Article I.3.2.

*[For Contractors established in Belgium, the provisions of the Contract constitute a request for VAT exemption No 450, provided the Contractor includes the following statement in his invoice(s): “Exonération de la TVA, article 42, paragraphe 3.3 du code de la TVA” or an equivalent statement in the Dutch or German language.]*

*[For Contractors established in Italy, the provisions of the Contract constitute a request for VAT exemption, provided the Contractor includes the following statement in his invoice(s): “Operazione non imponibile ai sensi dell’articolo 72, comma 3) paragrafo 3 del D.P.R. n. 633 del 26/10/1972 come modificato da ultimo dal D.L. n. 323 del 20/06/1996 convertito in Legge n. 425 dell’8/8/1996”.]*

## **ARTICLE I.5 – BANK ACCOUNT**

Payments shall be made to the Contractor’s bank account denominated in euro, identified as follows:

Name of bank: [complete]  
Address of branch in full: [complete]  
Exact designation of account holder: [complete]  
Full account number including codes: [complete]  
[IBAN<sup>17</sup> code: [complete]]

## **ARTICLE I.6 – GENERAL ADMINISTRATIVE PROVISIONS**

The requests for payment have to be sent to the following address:

European Commission  
Directorate-General for Trade  
Unit A.1 Accounting Officer  
CHAR 07/03  
B - 1049 Brussels

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<sup>17</sup> BIC code for countries with no IBAN code.



Any communication relating to the Contract shall be made in writing and shall bear the Contract number. Ordinary mail shall be deemed to have been received by the Commission on the date on which it is registered by the department responsible indicated below. Communications shall be sent to the following addresses:

Commission:

European Commission  
Directorate-General TRADE  
For the attention of Ms Ditte Juul-Joergensen  
Directorate C - Unit C.1  
200 rue de la Loi  
1049 Brussels

Contractor:

Mr/Mrs/Ms [complete]  
[Function]  
[*Company name*]  
[Official address in full]

**ARTICLE I.7– APPLICABLE LAW AND SETTLEMENT OF DISPUTES**

- I.7.1.** The Contract shall be governed by Community law which shall be complemented, where necessary, by the national substantive law of Belgium, as provided by the internal rules for the implementation of the budget.
- I.7.2.** Any dispute between the parties resulting from the interpretation or application of the Contract which cannot be settled amicably shall be brought before the courts of Brussels.

**ARTICLE I.8 – DATA PROTECTION**

Any personal data included in the Contract shall be processed pursuant to Regulation (EC) No 45/2001 on the protection of individuals with regard to the processing of personal data by the Community institutions and bodies and on the free movement of such data. It shall be processed solely for the purposes of the performance, management and follow-up of the Contract by Ms Ditte Juul-Joergensen, Head of Unit C.1, DG Trade, without prejudice to possible transmission to the bodies charged with a monitoring or inspection task in conformity with Community law. The Contractor shall have the right of access to his personal data and the right to rectify any such data that is inaccurate or incomplete. Should the Contractor have any queries concerning the processing of his personal data, he shall address them to Ms Ditte Juul-Joergensen, Head of Unit C.1, DG Trade. The Contractor shall have right of recourse at any time to the European Data Protection Supervisor.

## **II – GENERAL CONDITIONS**

### **ARTICLE II.1 – PERFORMANCE OF THE CONTRACT**

- II.1.1.** The Contractor shall perform the Contract to the highest professional standards. The Contractor shall have sole responsibility for complying with any legal obligations incumbent on him, notably those resulting from employment, tax and social legislation.
- II.1.2.** The Contractor shall have sole responsibility for taking the necessary steps to obtain any permit or licence required for performance of the Contract under the laws and regulations in force at the place where the tasks assigned to him are to be executed.
- II.1.3.** Without prejudice to Article II.3 any reference made to the Contractor's staff in the Contract shall relate exclusively to individuals involved in the performance of the Contract.
- II.1.4.** The Contractor must ensure that any staffs performing the Contract has the professional qualifications and experience required for the execution of the tasks assigned to him.
- II.1.5.** The Contractor shall neither represent the Commission nor behave in any way that would give such an impression. The Contractor shall inform third parties that he does not belong to the European public service.
- II.1.6.** The Contractor shall have sole responsibility for the staff who executes the tasks assigned to him.

The Contractor shall make provision for the following employment or service relationships with his staff:

- staff executing the tasks assigned to the Contractor may not be given orders direct by the Commission;
  - the Commission may not under any circumstances be considered to be the staff's employer and the said staff shall undertake not to invoke in respect of the Commission any right arising from the contractual relationship between the Commission and the Contractor.
- II.1.7.** In the event of disruption resulting from the action of a member of the Contractor's staff working on Commission premises or in the event of the expertise of a member of the Contractor's staff failing to correspond to the profile required by the Contract, the Contractor shall replace him without delay. The Commission shall have the right to request the replacement of any such member of staff, stating its reasons for so doing. Replacement staff must have the necessary qualifications and be capable of performing the Contract under the same contractual conditions. The Contractor shall be responsible for any delay in the execution of the tasks assigned to him resulting from the replacement of staff in accordance with this Article.

- II.1.8.** Should any unforeseen event, action or omission directly or indirectly hamper execution of the tasks, either partially or totally, the Contractor shall immediately and on his own initiative record it and report it to the Commission. The report shall include a description of the problem and an indication of the date on which it started and of the remedial action taken by the Contractor to ensure full compliance with his obligations under the Contract. In such event the Contractor shall give priority to solving the problem rather than determining liability.
- II.1.9.** Should the Contractor fail to perform his obligations under the Contract in accordance with the provisions laid down therein, the Commission may - without prejudice to its right to terminate the Contract - reduce or recover payments in proportion to the scale of the failure. In addition, the Commission may impose penalties or liquidated damages provided for in Article II.16.

## **ARTICLE II.2 – LIABILITY**

- II.2.1.** The Commission shall not be liable for damage sustained by the Contractor in performance of the Contract except in the event of wilful misconduct or gross negligence on the part of the Commission.
- II.2.2.** The Contractor shall be liable for any loss or damage caused by himself in performance of the Contract, including in the event of subcontracting under Article II.13. The Commission shall not be liable for any act or default on the part of the Contractor in performance of the Contract.
- II.2.3.** The Contractor shall provide compensation in the event of any action, claim or proceeding brought against the Commission by a third party as a result of damage caused by the Contractor in performance of the Contract.
- II.2.4.** In the event of any action brought by a third party against the Commission in connection with performance of the Contract, the Contractor shall assist the Commission. Expenditure incurred by the Contractor to this end may be borne by the Commission.
- II.2.5.** The Contractor shall take out insurance against risks and damage relating to performance of the Contract if required by the relevant applicable legislation. He shall take out supplementary insurance as reasonably required by standard practice in the industry. A copy of all the relevant insurance contracts shall be sent to the Commission should it so request.

## **ARTICLE II.3 - CONFLICT OF INTERESTS**

- II.3.1.** The Contractor shall take all necessary measures to prevent any situation that could compromise the impartial and objective performance of the Contract. Such conflict of interests could arise in particular as a result of economic interest, political or national affinity, family or emotional ties, or any other relevant connection or shared interest. Any conflict of interests which could arise during performance of the Contract must be notified to the Commission in writing without delay. In the event of such conflict, the Contractor shall immediately take all necessary steps to resolve it.

The Commission reserves the right to verify that such measures are adequate and may require additional measures to be taken, if necessary, within a time limit which it shall set. The Contractor shall ensure that his staff, board and directors are not placed in a situation which could give rise to conflict of interests. Without prejudice to Article II.1 the Contractor shall replace, immediately and without compensation from the Commission, any member of his staff exposed to such a situation.

**II.3.2.** The Contractor shall abstain from any contact likely to compromise his independence.

**II.3.3.** The Contractor declares:

- that he has not made and will not make any offer of any type whatsoever from which an advantage can be derived under the Contract,
- that he has not granted and will not grant, has not sought and will not seek, has not attempted and will not attempt to obtain, and has not accepted and will not accept, any advantage, financial or in kind, to or from any party whatsoever, where such advantage constitutes an illegal practice or involves corruption, either directly or indirectly, inasmuch as it is an incentive or reward relating to performance of the Contract.

**II.3.4.** The Contractor shall pass on all the relevant obligations in writing to his staff, board, and directors as well as to third parties involved in performance of the Contract. A copy of the instructions given and the undertakings made in this respect shall be sent to the Commission should it so request.

## **ARTICLE II.4 – PAYMENTS**

**II.4.1.** Pre-financing:

Where required by Article I.4.1, the Contractor shall provide a financial guarantee in the form of a bank guarantee or equivalent supplied by a bank or an authorised financial institution (guarantor) equal to the amount indicated in the same Article to cover pre-financing under the Contract. Such guarantee may be replaced by a joint and several guarantee by a third party.

The guarantor shall pay to the Commission at its request an amount corresponding to payments made by it to the Contractor which have not yet been covered by equivalent work on his part.

The guarantor shall stand as first-call guarantor and shall not require the Commission to have recourse against the principal debtor (the Contractor).

The guarantee shall specify that it enters into force at the latest on the date on which the Contractor receives the pre-financing. The Commission shall release the guarantor from its obligations as soon as the Contractor has demonstrated that any pre-financing has been covered by equivalent work. The guarantee shall be retained until the pre-financing has been deducted from interim payments or payment of the balance to the Contractor. It shall be released the following month. The cost of providing such guarantee shall be borne by the Contractor.

**II.4.2.** Interim payment:

At the end of each of the periods indicated in Annex I the Contractor shall submit to the Commission a formal request for payment accompanied by those of the following documents which are provided for in the Special Conditions:

- an initial or interim technical report on work progress in accordance with the instructions laid down in Annex I;
- the relevant invoices indicating the reference number of the Contract to which they refer;
- statements of reimbursable expenses in accordance with Article II.7.

If the report is a condition for payment, on receipt the Commission shall have the period of time indicated in the Special Conditions in which:

- to approve it, with or without comments or reservations, or suspend such period and request additional information; or
- to reject it and request a new report.

If the Commission does not react within this period, the report shall be deemed to have been approved. Approval of the report does not imply recognition either of its regularity or of the authenticity, completeness or correctness of the declarations or information enclosed.

Where the Commission requests a new report because the one previously submitted has been rejected, this shall be submitted within the period of time indicated in the Special Conditions. The new report shall likewise be subject to the above provisions.

#### **II.4.3. Payment of the balance:**

Within sixty days of completion of the tasks referred to in Annex I the Contractor shall submit to the Commission a formal request for payment accompanied by those of the following documents which are provided for in the Special Conditions:

- a final technical report in accordance with the instructions laid down in Annex I;
- the relevant invoices indicating the reference number of the Contract to which they refer;
- statements of reimbursable expenses in accordance with Article II.7.

If the report is a condition for payment, on receipt the Commission shall have the period of time indicated in the Special Conditions in which:

- to approve it, with or without comments or reservations, or suspend such period and request additional information; or
- to reject it and request a new report.

If the Commission does not react within this period, the report shall be deemed to have been approved. Approval of the report does not imply recognition either of its regularity or of the authenticity, completeness or correctness of the declarations and information enclosed.

Where the Commission requests a new report because the one previously submitted has been rejected, this shall be submitted within the period of time indicated in the Special Conditions. The new report shall likewise be subject to the above provisions.

## **ARTICLE II.5 – GENERAL PROVISIONS CONCERNING PAYMENTS**

- II.5.1.** Payments shall be deemed to have been made on the date on which the Commission's account is debited.
- II.5.2.** The payment periods referred to in Article I.4 may be suspended by the Commission at any time if it informs the Contractor that his payment request is not admissible, either because the amount is not due or because the necessary supporting documents have not been properly produced. In case of doubt on the eligibility of the expenditure indicated in the payment request, the Commission may suspend the time limit for payment for the purpose of further verification, including an on-the-spot check, in order to ascertain, prior to payment, that the expenditure is eligible.
- The Commission shall notify the Contractor accordingly by registered letter with acknowledgment of receipt or equivalent. Suspension shall take effect from the date of dispatch of the letter. The remainder of the period referred to in Article I.4 shall begin to run again once the suspension has been lifted.
- II.5.3.** In the event of late payment the Contractor may claim interest within two months of receiving the payment. Interest shall be calculated at the rate applied by the European Central Bank to its most recent main refinancing operations (*“the reference rate”*) plus seven percentage points (*“the margin”*). The reference rate in force on the first day of the month in which the payment is due shall apply. Such interest rate is published in the C series of the Official Journal of the European Union. Interest shall be payable for the period elapsing from the calendar day following expiry of the time limit for payment up to the day of payment. Suspension of payment by the Commission may not be deemed to constitute late payment.

## **ARTICLE II.6 – RECOVERY**

- II.6.1.** If total payments made exceed the amount actually due under the Contract or if recovery is justified in accordance with the terms of the Contract, the Contractor shall reimburse the appropriate amount in euro on receipt of the debit note, in the manner and within the time limits set by the Commission.
- II.6.2.** In the event of failure to pay by the deadline specified in the request for reimbursement, the sum due shall bear interest at the rate indicated in Article II.5.3. Interest shall be payable from the calendar day following the due date up to the calendar day on which the debt is repaid in full.
- II.6.3.** The Commission may, after informing the Contractor, recover amounts established as certain, of a fixed amount and due by offsetting, in cases where the Contractor also has a claim on the Communities that is certain, of a fixed amount and due. The Commission may also claim against the guarantee, where provided for.

## **ARTICLE II.7 - REIMBURSEMENTS**

- II.7.1.** Where provided by the Special Conditions or by Annex I, the Commission shall reimburse the expenses which are directly connected with execution of the tasks

on production of original supporting documents, including receipts and used tickets.

**II.7.2.** Travel and subsistence expenses shall be reimbursed, where appropriate, on the basis of the shortest itinerary.

**II.7.3.** Travel expenses shall be reimbursed as follows:

- a) travel by air shall be reimbursed up to the maximum cost of an economy class ticket at the time of the reservation;
- b) travel by boat or rail shall be reimbursed up to the maximum cost of a first class ticket;
- c) travel by car shall be reimbursed at the rate of one first class rail ticket for the same journey and on the same day;
- d) travel outside Community territory shall be reimbursed under the general conditions stated above provided the Commission has given its prior written agreement.

**II.7.4.** Subsistence expenses shall be reimbursed on the basis of a daily allowance as follows:

- a) for journeys of less than 200 km (return trip) no subsistence allowance shall be payable;
- b) daily subsistence allowance shall be payable only on receipt of a supporting document proving that the person concerned was present at the place of destination;
- c) daily subsistence allowance shall take the form of a flat-rate payment to cover all subsistence expenses, including accommodation, meals, local transport, insurance and sundries;
- d) daily subsistence allowance, where applicable, shall be reimbursed at the rate specified in Article I.3.3.

**II.7.5.** The cost of shipment of equipment or unaccompanied luggage shall be reimbursed provided the Commission has given prior written authorisation.

## **ARTICLE II.8 – OWNERSHIP OF THE RESULTS - INTELLECTUAL AND INDUSTRIAL PROPERTY**

Any results or rights thereon, including copyright and other intellectual or industrial property rights, obtained in performance of the Contract, shall be owned solely by the Community, which may use, publish, assign or transfer them as it sees fit, without geographical or other limitation, except where industrial or intellectual property rights exist prior to the Contract being entered into.

## **ARTICLE II.9 – CONFIDENTIALITY**

**II.9.1.** The Contractor undertakes to treat in the strictest confidence and not make use of or divulge to third parties any information or documents which are linked to performance of the Contract. The Contractor shall continue to be bound by this undertaking after completion of the tasks.

**II.9.2.** The Contractor shall obtain from each member of his staff, board and directors an undertaking that they will respect the confidentiality of any information which is linked, directly or indirectly, to execution of the tasks and that they will not divulge to third parties or use for their own benefit or that of any third party any document or information not available publicly, even after completion of the tasks.

## **ARTICLE II.10 - USE, DISTRIBUTION AND PUBLICATION OF INFORMATION**

**II.10.1.** The Contractor shall authorise the Commission to process, use, distribute and publish, for whatever purpose, by whatever means and on whatever medium, any data contained in or relating to the Contract, in particular the identity of the Contractor, the subject matter, the duration, the amount paid and the reports. Where personal data is concerned, Article I.8 shall apply.

**II.10.2.** Unless otherwise provided by the Special Conditions, the Commission shall not be required to distribute or publish documents or information supplied in performance of the Contract. If it decides not to publish the documents or information supplied, the Contractor may not have them distributed or published elsewhere without prior written authorisation from the Commission.

**II.10.3.** Any distribution or publication of information relating to the Contract by the Contractor shall require prior written authorisation from the Commission and shall mention the amount paid by the Community. It shall state that the opinions expressed are those of the Contractor only and do not represent the Commission's official position.

**II.10.4.** The use of information obtained by the Contractor in the course of the Contract for purposes other than its performance shall be forbidden, unless the Commission has specifically given prior written authorisation to the contrary.

## **ARTICLE II. 11 – TAXATION**

**II.11.1.** The Contractor shall have sole responsibility for compliance with the tax laws which apply to him. Failure to comply shall make the relevant invoices invalid.

**II.11.2.** The Contractor recognises that the Commission is, as a rule, exempt from all taxes and duties, including value added tax (VAT), pursuant to the provisions of Articles 3 and 4 of the Protocol on the Privileges and Immunities of the European Communities.

**II.11.3.** The Contractor shall accordingly complete the necessary formalities with the relevant authorities to ensure that the goods and services required for performance of the Contract are exempt from taxes and duties, including VAT.



- II.11.4.** Invoices presented by the Contractor shall indicate his place of taxation for VAT purposes and shall specify separately the amounts not including VAT and the amounts including VAT.

## **ARTICLE II.12 – FORCE MAJEURE**

- II.12.1.** Force majeure shall mean any unforeseeable and exceptional situation or event beyond the control of the contracting parties which prevents either of them from performing any of their obligations under the Contract, was not due to error or negligence on their part or on the part of a subcontractor, and could not have been avoided by the exercise of due diligence. Defects in equipment or material or delays in making it available, labour disputes, strikes or financial problems cannot be invoked as force majeure unless they stem directly from a relevant case of force majeure.
- II.12.2.** Without prejudice to the provisions of Article II.1.8, if either contracting party is faced with force majeure, it shall notify the other party without delay by registered letter with acknowledgment of receipt or equivalent, stating the nature, likely duration and foreseeable effects.
- II.12.3.** Neither contracting party shall be held in breach of its contractual obligations if it has been prevented from performing them by force majeure. Where the Contractor is unable to perform his contractual obligations owing to force majeure, he shall have the right to remuneration only for tasks actually executed.
- II.12.4.** The contracting parties shall take the necessary measures to reduce damage to a minimum.

## **ARTICLE II.13 – SUBCONTRACTING**

- II.13.1.** The Contractor shall not subcontract without prior written authorisation from the Commission nor cause the Contract to be performed in fact by third parties.
- II.13.2.** Even where the Commission authorises the Contractor to subcontract to third parties, he shall none the less remain bound by his obligations to the Commission under the Contract and shall bear exclusive liability for proper performance of the Contract.
- II.13.3.** The Contractor shall make sure that the subcontract does not affect rights and guarantees to which the Commission is entitled by virtue of the Contract, notably Article II.17.

## **ARTICLE II.14 – ASSIGNMENT**

- II.14.1.** The Contractor shall not assign the rights and obligations arising from the Contract, in whole or in part, without prior written authorisation from the Commission.

**II.14.2.** In the absence of the authorisation referred to in 1 above, or in the event of failure to observe the terms thereof, assignment by the Contractor shall not be enforceable against and shall have no effect on the Commission.

## **ARTICLE II.15 – TERMINATION BY THE COMMISSION**

**II.15.1.** The Commission may terminate the Contract in the following circumstances:

- (a) where the Contractor is being wound up, is having his affairs administered by the courts, has entered into an arrangement with creditors, has suspended business activities, is the subject of proceedings concerning those matters, or is in any analogous situation arising from a similar procedure provided for in national legislation or regulations;
- (b) where the Contractor has been convicted of an offence concerning his professional conduct by a judgment which has the force of *res judicata*;
- (c) where the Contractor has been guilty of grave professional misconduct proven by any means which the contracting authority can justify;
- (d) where the Contractor has not fulfilled obligations relating to the payment of social security contributions or the payment of taxes in accordance with the legal provisions of the country in which he is established or with those of the country applicable to the Contract or those of the country where the Contract is to be performed;
- (e) where the Commission seriously suspects the Contractor of fraud, corruption, involvement in a criminal organisation or any other illegal activity detrimental to the Communities' financial interests;
- (f) where the Contractor is in breach of his obligations under Article II.3;
- (g) where the Contractor was guilty of misrepresentation in supplying the information required by the Commission as a condition of participation in the Contract procedure or failed to supply this information;
- (h) where a change in the Contractor's legal, financial, technical or organisational situation could, in the Commission's opinion, have a significant effect on the performance of the Contract;
- (i) where execution of the tasks has not actually commenced within three months<sup>18</sup> of the date foreseen, and the new date proposed, if any, is considered unacceptable by the Commission;
- (j) where the Contractor is unable, through his own fault, to obtain any permit or licence required for performance of the Contract;
- (k) where the Contractor, after receiving formal notice in writing to comply, specifying the nature of the alleged failure, and after being given the opportunity to remedy the failure within a reasonable period following receipt of the formal notice, remains in serious breach of his contractual obligations.

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<sup>18</sup> This period can be modified in the Special Conditions depending on the nature of the contract.

**II.15.2.** In case of force majeure, notified in accordance with Article II.12, either contracting party may terminate the Contract, where performance thereof cannot be ensured for a period corresponding to at least to one fifth of the period laid down in Article I.2.3.

**II.15.3.** Prior to termination under point e), h) or k), the Contractor shall be given the opportunity to submit his observations.

Termination shall take effect on the date on which a registered letter with acknowledgment of receipt terminating the Contract is received by the Contractor, or on any other date indicated in the letter of termination.

**II.15.4.** Consequences of termination:

In the event of the Commission terminating the Contract in accordance with this Article and without prejudice to any other measures provided for in the Contract, the Contractor shall waive any claim for consequential damages, including any loss of anticipated profits for uncompleted work. On receipt of the letter terminating the Contract, the Contractor shall take all appropriate measures to minimise costs, prevent damage, and cancel or reduce his commitments. He shall draw up the documents required by the Special Conditions for the tasks executed up to the date on which termination takes effect, within a period not exceeding sixty days from that date.

The Commission may claim compensation for any damage suffered and recover any sums paid to the Contractor under the Contract.

On termination the Commission may engage any other contractor to complete the services. The Commission shall be entitled to claim from the Contractor all extra costs incurred in making well and completing the services, without prejudice to any other rights or guarantees it has under the Contract.

## **ARTICLE II.16 – LIQUIDATED DAMAGES**

Should the Contractor fail to perform his obligations under the Contract within the time limits set by the Contract, then, without prejudice to the Contractor's actual or potential liability incurred in relation to the Contract or to the Commission's right to terminate the Contract, the Commission may decide to impose liquidated damages of 0.2%<sup>19</sup> of the amount specified in Article I.3.1 per calendar day of delay. The Contractor may submit arguments against this decision within thirty days of notification by registered letter with acknowledgement of receipt or equivalent. In the absence of reaction on his part or of written withdrawal by the Commission within thirty days of the receipt of such arguments, the decision imposing the liquidated damages shall become enforceable. These liquidated damages shall not be imposed where there is provision for interest for late completion. The Commission and the Contractor expressly acknowledge and agree that any sums payable under this Article are in the nature of liquidated damages and not penalties, and represent a reasonable estimate of fair compensation for the losses that may be reasonably anticipated from such failure to perform obligations.

## **ARTICLE II.17 – CHECKS AND AUDITS**

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<sup>19</sup> The daily rate for liquidated damages may be modified in the Special Conditions where the subject of the contract so justifies.

- II.17.1.** Pursuant to Article 142 of the Financial Regulation applicable to the general budget of the European Communities, the European Court of Auditors shall be empowered to audit the documents held by the natural or legal persons receiving payments from the budget of the European Communities from signature of the Contract up to five years after payment of the balance.
- II.17.2.** The Commission or an outside body of its choice shall have the same rights as the European Court of Auditors for the purpose of checks and audits limited to compliance with contractual obligations from signature of the Contract up to five years after payment of the balance.
- II.17.3.** In addition, the European Anti Fraud Office may carry out on-the-spot checks and inspections in accordance with Council Regulation (Euratom, EC) No 2185/96 and Parliament and Council Regulation (EC) No 1073/1999 from signature of the Contract up to five years after payment of the balance.

#### **ARTICLE II.18 – AMENDMENTS**

Any amendment to the Contract shall be the subject of a written agreement concluded by the contracting parties. An oral agreement shall not be binding on the contracting parties.

## **ARTICLE II.19 – SUSPENSION OF THE CONTRACT**

Without prejudice to the Commission's right to terminate the Contract, the Commission may at any time and for any reason suspend execution of the tasks under the Contract or any part thereof. Suspension shall take effect on the day the Contractor receives notification by registered letter with acknowledgment of receipt or equivalent, or at a later date where the notification so provides. The Commission may at any time following suspension give notice to the Contractor to resume the work suspended. The Contractor shall not be entitled to claim compensation on account of suspension of the Contract or of part thereof.

### **SIGNATURES**

For the Contractor,  
[*Company name*/forename/surname/function]

For the Commission,  
Ignacio Garcia Bercero, Director

signature: \_\_\_\_\_

signature: \_\_\_\_\_

Done at ....., [date]

Done at Brussels, [date]

In duplicate in English.

**ANNEX I OF CONTRACT NUMBER Trade08/C1/.../....**

**Tender Specifications**

**ANNEX II OF CONTRACT NUMBER Trade08/C1/...../..../**

**Contractor's tender**

## **ANNEX 4 :**

### **METHODOLOGY FOR IMPLEMENTING THE TRADE SIAS (SHORT OVERVIEW)**



**The contractors can adapt the TRADE SIA methodology should it be deemed necessary**

***Use and further develop a specific methodological framework for the Trade SIA***

In carrying out the various phases of the project, the contractors should base its work on the existing Trade SIA Methodology. A comprehensive description of the Trade SIA methodology is available in DG Trade's Trade SIA Handbook at:

[http://europa.eu.int/comm/trade/issues/global/sia/studies\\_meth.htm#handbook](http://europa.eu.int/comm/trade/issues/global/sia/studies_meth.htm#handbook)

The contractors will have to clearly indicate the analytical and quantitative tools which will be used. A trade context analysis should be undertaken including an update of the Trade SIA analysis previously carried out by DG Trade. The latest findings and developments from related research and other sources should be used.

A detailed literature review of existing results and the outcomes of past studies should be used as the basis for work as appropriate. The Communication on Impact Assessment and related guidelines (COM (2002) 276) as well as DG Trade's SIA Handbook<sup>20</sup> will also provide guidance on how economic, social and environmental impacts should be assessed.

Attention should be paid to building a coherent and rigorous assessment framework, in particular in areas where the existing framework needs to be strengthened. This will inevitably lead to the reduction in the scope of the work finally carried out by focussing on specific sectors, social groups and potentially affected geographical areas. The choice of sectors, social groups and areas must be rational and justified. Further reduction in the scope of the analysis should be made following consultations and should aim at prioritising key issues and potentially affected geographical areas.

Each reduction in scope of the analysis must be done on the basis of a clearly explained and rational approach including:

- 1) An analytical and rational assessment phase using relevant assessment tools and including quantitative analysis and modelling. This assessment should identify a limited number of issues, social groups and geographical areas which appear to be key in terms of the scale or importance of the impacts expected.
- 2) Confirmation of the relevance of these key issues in potentially affected geographical areas through the consultation of stakeholders and trading partners.

Regarding the effects on the EU, this analysis should include general assessments at the level of the EU 27 and the regional level (in particular for the weakest regions of the enlarged EU). More detailed assessments should be made for geographical areas that will be most affected by the sustainability impacts in the selected sectors.

Evaluate the sustainability impacts of EU-Libya FTA, Trade Parts of the EU Association Agreements with Central America and Andean Community. The analyses should produce detailed descriptions of the effects of the agreements on sustainability (economic, social and environmental context) in the EU 27 and in the countries and regions under consideration. They should identify areas on which increased trade or

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<sup>20</sup> DG Trade's SIA handbook is available on DG Trade's web site at [http://ec.europa.eu/trade/issues/global/sia/studies\\_meth.htm#handbook](http://ec.europa.eu/trade/issues/global/sia/studies_meth.htm#handbook).

investment activities are likely to have an impact, both positive and/or negative. The assessments should provide analyses in the EU 27 and countries and regions under consideration at an aggregate level as well as of specific regions that are key or most representative of the impacts expected.

#### **Analytical tools and method:**

Trade SIAs are based on the analysis of causal chains which identify the significant cause-effect link between a proposed change in trade policy and its social, environmental and economic impacts. This analysis should as far as possible combine qualitative and quantitative approaches, use sustainability indicators and be based on the principle of proportionate analysis. Quantitative assessments are expected whenever modelling tools and results are available. The analysis should be based on a detailed and comprehensive description of the trade and investment context underlying the future agreement's implementation and of trade measures to be included in the agreement. In particular, it should include an analysis of:

- The trade flows (goods, services (with modes/sectors features), investment flows, and public procurement).
- The existing tariff and non-tariff barriers.
- The existing investment barriers.
- The sensitivity of sectors involved, including services and rules issues.
- A detailed characterisation of each trade and investment measure to be negotiated.
- A description of the market conditions.

## **ANNEX 5.**

### **QUALITY ASSESSMENT FRAMEWORK<sup>21</sup>**

**Title of the study (Trade SIA) ...**

- Draft final report...
- Final report .....

**DG/Unit .....**

- Official(s) managing the Trade SIA

**Evaluator/contractor .....**

**Assessment carried out by<sup>(\*)</sup>:**

- Steering group .....
- Evaluation Function.....
- Other (please specify).....

(\*) Multiple crosses possible

**Date of the Quality Assessment .....**

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<sup>21</sup> Refer to the ['Guide on Scoring the Criteria' for how to assess each criterion.](#)

## **(1) RELEVANCE**

*Does the Trade SIA respond to information needs – in particular, those set out in the terms of reference?*

SCORING	Abysmal	Very poor	Poor	Average	Good	Very good	Excellent

Arguments for scoring:

If relevant: **Contextual** (such as deficient terms of references) and **contractual constraints** (such as lack of time, insufficient resources)

## **(2) APPROPRIATE DESIGN**

*Is the design of the Trade SIA adequate for obtaining the results needed to answer the research questions?*

SCORING	Abysmal	Very poor	Poor	Average	Good	Very good	Excellent

Arguments for scoring:

If relevant: **Contextual** (such as deficient terms of references) and **contractual constraints** (such as lack of time, insufficient resources)

## **(3) PARTICIPATION AND CONSULTATION**

*Has the Trade SIA undertaken inclusive, participatory consultation; delivered useful information and results to stakeholders; and involved relevant international expertise?*

SCORING	Abysmal	Very poor	Poor	Average	Good	Very good	Excellent

Arguments for scoring:

If relevant: **Contextual** (such as deficient terms of references) and **contractual constraints** (such as lack of time, insufficient resources)

## **(4) MAINSTREAMING OF SUSTAINABILITY**

*Does the Trade SIA succeed in integrating consideration for sustainability into the key trade and other issues that emerge in the underlying negotiating agenda?*

SCORING	Abysmal	Very poor	Poor	Average	Good	Very good	Excellent

### Arguments for scoring:

If relevant: **Contextual** (such as deficient terms of references) and **contractual constraints** (such as lack of time, insufficient resources)

## **(5) RELIABLE DATA**

*Are the data and evidence collected adequate for their intended use, and has their reliability been ascertained?*

SCORING	Abysmal	Very poor	Poor	Average	Good	Very good	Excellent

**Arguments for scoring:**

If relevant: **Contextual** (such as deficient terms of references) and **contractual constraints** (such as lack of time, insufficient resources)

## **(6) SOUND ANALYSIS**

*Are the data and evidence analysed systematically in order to answer the research questions and meet other information needs in a valid manner?*

SCORING	Abysmal	Very poor	Poor	Average	Good	Very good	Excellent

**Arguments for scoring:**

If relevant: **Contextual** (such as deficient terms of references) and **contractual constraints** (such as lack of time, insufficient resources)

## **(7) CREDIBLE FINDINGS**

*Do findings follow reasonably from, and are they justified by, an analysis and interpretation of data/information based on pre-established judgement criteria?*

SCORING	Abysmal	Very poor	Poor	Average	Good	Very good	Excellent

**Arguments for scoring:**

If relevant: **Contextual** (such as deficient terms of references) and **contractual constraints** (such as lack of time, insufficient resources)

## **(8) VALID CONCLUSIONS**

*Are conclusions unbiased and fully based on the findings?*

SCORING	Abysmal	Very poor	Poor	Average	Good	Very good	Excellent

### Arguments for scoring:

If relevant: **Contextual** (such as deficient terms of references) and **contractual constraints** (such as lack of time, insufficient resources)

## **(9) HELPFUL RECOMMENDATIONS**

*Are the areas highlighted for improvements coherent with the conclusions? Are the suggested options realistic and impartial?*

SCORING	Abysmal	Very poor	Poor	Average	Good	Very good	Excellent

**Arguments for scoring:**

If relevant: **Contextual** (such as deficient terms of references) and **contractual constraints** (such as lack of time, insufficient resources)

## **(10) CLARITY**

*Is the report well structured, balanced and written in an understandable manner?*

SCORING	Abysmal	Very poor	Poor	Average	Good	Very good	Excellent

**Arguments for scoring:**

If relevant: **Contextual** (such as deficient terms of references) and **contractual constraints** (such as lack of time, insufficient resources)

## **OVERALL ASSESSMENT** **OF THE FINAL REPORT**

**Is the overall quality of the report adequate, in particular:**

- Does the study fulfil contractual conditions?
- Are the findings and conclusions of the report reliable, and are there any specific limitations to their validity and completeness?
- Is the information in the report potentially useful for designing or improving interventions, setting priorities, and allocating resources?

**Given the contextual and contractual constraints encountered:**

- What lessons can be learned from the process which delivered this Trade SIA report?



# GUIDE ON SCORING THE CRITERIA

This list of indicators aims at helping to score each criterion and it can also assist in the process of developing the argumentation underpinning the score.

The indicators may be adapted according to the specificities of each evaluation and some indicators may be omitted and others added when appropriate.

The indicators are, roughly speaking, presented in order of importance (i.e., those at the start of the list are crucial even for a moderate score while the concurrent accomplishment of those at the end of the list may suggest a higher score).

## 1. - RELEVANCE

*Does the Trade SIA respond to information needs – in particular, those set out in the terms of reference?*

This criterion concerns how well the Trade SIA responds to the terms of reference.

- The Trade SIA deals with and responds to the research questions identified in the terms of reference
- A justification is provided for any research question that has not been answered
- The scope covers the requested scenarios, periods of time, geographical areas, sectors, target groups, trade issues, parts of budget, regulations, etc
- Limitations in scope are discussed and justified
- Effects on other policies, programmes, groups, areas etc are considered
- The Trade SIA broadens the scope or enlightens the approaches during the negotiating cycle
- The Trade SIA adds value to existing policy knowledge
- Other

## 2. - APPROPRIATE DESIGN

*Is the design of the Trade SIA adequate for obtaining the results needed to answer the research questions identified in the terms of reference?*

This criterion concerns the inception phase. The inception phase operationalises and possibly complements the terms of reference. In some cases, because of unforeseen events, it may also relate to a subsequent reorientation of parts of the study project.

- The rationale of the intervention, cause-effect relations, outcomes, policy context, stakeholder interests, etc have been studied and taken into account in the design of the Trade SIA
- The research method chosen is coherent with the needs expressed in the terms of reference, and with requests and instructions given to the contractors
- The Trade SIA is designed and planned so as to focus on the key issues of sustainable development and to properly differentiate between static, dynamic and long term cumulative effects
- The method is clearly and adequately described in sufficient detail that its quality can be judged, and that in principle the assessment could be re-performed.
- Information sources and analysis tools are adequate for answering the research questions
- Judgement criteria to help answer the research questions are pre-defined
- Weaknesses of the research method chosen are pointed out along with potential

risks

- Other methodological alternatives are considered; their pros and cons are explained
- Ethical issues are properly considered (confidentiality of sources of information, potential harm or difficulty caused by participation of stakeholders, etc)
- Other

### **3. – PARTICIPATION AND CONSULTATION**

*Has the Trade SIA undertaken inclusive, participatory consultation; delivered useful information and results to stakeholders; and involved relevant international expertise?*

This criterion recognises the particular importance of consultation in the Trade SIA process; and considers how well the present study responds to DG Trade's own commitments in respect of participation and consultation within Trade SIAs.

- The Trade SIA has informed and involved the diverse stakeholders and government bodies throughout the decision-making process
- The Trade SIA has ensured that all key stakeholders' perspectives have been identified, understood and taken into account; and that the empirical evidence for effects identified by stakeholders has been critically examined
- Information about the Trade SIA has been made as accessible as possible – in terms of quality, style, quantity, format, local needs, etc. – and particular attention has been paid to the needs of non-specialists
- Participative processes have been adapted to local social and political contexts
- The research design has been validated with experts or relevant stakeholders if appropriate (eg, experts on related policies, specific expertise in impact assessment, etc.)
- The Trade SIA develops alternative scenarios, visions and options for trade policy in a participative way
- The Trade SIA has ensured a thorough and balanced consultation of stakeholders both in the EU and in the EU's negotiating counterparties
- The consultation procedure has provided well-prepared, concise reports and a clear, transparent process for gathering and integrating feedback
- The contractors have sought and obtained advice and input from relevant international organisations and/or from individuals with recognised expertise in areas or issues that are relevant to the research questions
- Other

### **4. – MAINSTREAMING OF SUSTAINABILITY**

*Does the Trade SIA succeed in integrating consideration for sustainability into the key trade and other issues that emerge in the underlying negotiating agenda?*

This criterion concerns the contribution made by the present study towards placing sustainability at the heart of trade policy-making.

- Seeks to integrate the concept of sustainability at an early stage into the objectives and results of trade policy
- Facilitates the identification of alternative more sustainable development options and proposals
- Identifies opportunities and limitations that the environment imposes on the development of trade policy

- Includes the concepts of precaution and continuous improvement – in particular, during the implementation of agreements (*ex post* monitoring)
- Documents and justifies how sustainability issues are considered in the decision-making process
- Other

## **5. - RELIABLE DATA**

*Are the data and evidence collected adequate for their intended use, and has their reliability been ascertained?*

This criterion concerns the relevance and correctness of both primary and secondary data.

- Available information and sources are well identified
- The Trade SIA makes explicit the data sources used, the assumptions and approximations made, and their level of uncertainty
- Relevant literature and previous studies have been sufficiently reviewed
- Existing monitoring systems were used
- Data and information are free of error; data gathered are appropriate and sufficient
- The data collection rationale is explained; and it is coherent with the design of the study
- The amount of qualitative information and quantitative data is balanced and appropriate for a valid and reliable analysis
- The tools and means used to collect and process data (e.g. surveys, case studies, expert groups, etc...) were: selected in relation to criteria specified in the inception phase; appropriate and sufficient for answering the research questions; used appropriately so as to guarantee the reliability and validity of results
- Limitations in the effectiveness of data collection (missing coverage, non-participation or non-attendance of selected cases) are discussed and explained.
- Correcting measures have been taken to avoid any potential bias arising from such limitations; or if not, the report discusses the implications for the study evidence and effectiveness
- Other

## **6. - SOUND ANALYSIS**

*Are the data and evidence analysed systematically in order to answer the research questions and meet other information needs in a valid manner?*

This criterion refers to the correct interpretation of data and to the adequacy of the research method applied.

- The Trade SIA deals with the interplay between economic, social and environmental aspects
- The Trade SIA takes into consideration connections with various sectoral policies and with local, regional, national and international factors
- There is a clear, solid and coherent deductive analysis (e.g. controlled comparison, experimental research, inferential statistics, etc...)
- The analysis is well focused on the most relevant cause/effect relations and

influences underlying the intervention logic, and alternative explanations have been considered

- The analysis uses appropriate quantitative or qualitative techniques, suitable to the context of the assessment
- Cross checking of findings has taken place. The analysis relies on two or more independent lines of evidence
- Explanatory arguments are explicitly (or implicitly) presented
- The context (historical, socio-economic, etc...) is well taken into account in the analysis
- The limitations of the analysis, and exceptions to the general explanations, or contradictory evidence, are identified, discussed and presented in a transparent manner
- Other

## **7. - CREDIBLE FINDINGS**

*Do findings follow reasonably from, and are they justified by, an analysis and interpretation of data/information based on pre-established judgement criteria?*

This criterion concerns the coherence of the findings with the preceding analysis and data.

- Judgements are based on transparent criteria
- Findings are supported by evidence and reinforced by sound analysis and/or plausible interpretation
- Generalisations or extrapolations, when made, are justified (e.g., through the sampling or selection of cases)
- Findings corroborate existing knowledge; differences from or contradictions with existing practice and received wisdom are highlighted and explained
- Provides robust, reliable and useful information for sound development decisions and, where practicable, quantitative information
- Main findings are replicable
- Limitations on validity are pointed out; trade-offs between internal and external validity are identified and discussed
- Results of the analysis reflect an acceptable compromise of the perceptions of stakeholders and those derived from observed or estimated facts and figures
- Other

## **8. - VALID CONCLUSIONS**

*Are conclusions unbiased and fully based on the findings?*

This criterion concerns the extent to which conclusions flow logically from the findings, and are based on impartial judgement.

- Conclusions are properly addressed to the research questions and other information needs
- Conclusions are coherently and logically substantiated by findings of the assessment
- There are no relevant conclusions missing on the basis of the evidence presented
- Conclusions are tailor-made for the characteristics of the decision-making

process in question

- Conclusions are interpreted in relation to the policy context
- Conclusions are free of personal or partisan considerations; the potential influence of the values and interests of the research team on the research method and outcome is openly discussed
- Conclusions are presented and related in an orderly fashion (categorised, ranked, prioritised, sequenced)
- Controversial issues are presented in a fair and balanced manner
- Other

## **9. - HELPFUL RECOMMENDATIONS**

*Are the areas highlighted for improvements coherent with the conclusions? Are the suggested options realistic and impartial?*

This criterion concerns the soundness and realism of the recommendations.

- Recommendations stem logically from conclusions
- Plausible options for improvements are identified
- Recommendations covers all relevant main conclusions
- They are realistic, impartial, and potentially useful
- Provides enough information on the real impacts of implementing a strategic decision to judge whether the decision-making should be modified
- Relations among recommendations are taken into account (e.g. priority ranking, sequencing, etc)
- Recommendations provide certain guidance for action planning
- Ensures that the results of the assessment will be available early enough to influence the decision-making process and inspire future decisions
- Recommendations are integrated into existing processes for the formulation and implementation of policies, plans and programmes
- Where feasible, the cost of recommendations is estimated
- The Trade SIA provides a context for lower levels of decision (eg, specific projects such as technical assistance, targeted capacity building)
- The Trade SIA defines criteria for establishing environmentally and socially acceptable limits to changes in environmental quality
- The Trade SIA evaluates the effectiveness of mitigating measures and the capacity of the existing policy-making and regulatory framework to respond to predicted changes
- Other

## **10. - CLARITY**

*Is the report well structured, balanced, and written in an understandable manner?*

This criterion concerns the clarity of the presentation and the appropriateness of the content of the Trade SIA.

- The content of the report describes the policy being evaluated, its context, the purpose of the Trade SIA, contextual limitations, method, findings, etc in a neat and well structured manner
- The report is well structured and signposted in order to guide and facilitate reading
- Key messages are summarised and highlighted
- There is a clearly linked and presented sequence between data, interpretation and conclusions
- The report includes a relevant and concise executive summary, which includes the main conclusions and recommendations in a balanced and impartial manner
- Specialised concepts are used only when necessary and if used, are clearly defined
- Tables, graphs, and similar presentational tools are used to facilitate understanding; they are well commented with narrative text
- the length of the report (excluding appendices) is proportionate (good balance of

descriptive and analytical information)

- Detailed information and technical analysis are left for the appendix; information overload is avoided in the report
- The report provides a proper focus of truly relevant issues
- Written style and presentation is adapted for the various relevant target readers; the consultant show awareness of potentially different needs and interests
- Other

## **OVERALL ASSESSMENT OF THE REPORT**

The overall assessment of the Trade SIA is not a self-standing criterion. Instead, it summarises key elements and consequences of the ten preceding criteria. Moreover, the overall assessment needs to consider the concerns of the potential users of each specific Trade SIA:

- Does the Trade SIA fulfil contractual conditions? (*certain internal users*);
- Are the findings and conclusions reliable, and are there any specific limitations to their validity and completeness? (*most internal and external users*);
- Notwithstanding intrinsic weaknesses, is the information in the report – or parts of it – a useful input for designing or improving interventions, setting priorities, and allocating resources? (*certain internal users*).