



Framework contract for support to the European Environment Agency on environmental-economic activities 2004-2008

Technical specifications

1. Background

The European Environment Agency (EEA) has as its main duty to produce objective, reliable and comparable information for those concerned with framing, implementing and further developing European environmental and sustainable development policy, and for the wider European public.

The legal basis for EEA's activities is Council Regulation No 1210/90 on the establishment of the EEA and EIONET. The regulation stipulates that information needs to be collected in order to "achieve the aims of environmental protection and improvement laid down by the Treaty and by successive Community action programmes on the environment, as well as of sustainable development." This includes "to stimulate the development of methods of assessing the cost of damage to the environment and the costs of environmental preventive, protection and restoration policies" (Art. 2.viii).

EEA's products already contain and make use of environmentally related economic (background) information. Examples include information on and assessments of past and future trends of economic activities as main driving forces of environmental problems (macro-economic developments, transport, energy and agriculture), the cost and co-benefits of alternative policy packages, economic instruments of environmental policy; the costs of damage from environmental disruption, as well as relevant indicators for several issues.

A more structured approach is now called for, under the EEA Strategy 2004-2008, which will increasingly place work on environmental pressures, quality and sensitivity in the context of sustainable development. Hence the EEA seeks support in further developing three areas of work on environmental economics:

1. At the strategic level: support on programming of activities across the EEA for the period 2005-2008, and on assessing and reporting on progress with integrating environmental and economic concerns in the context of environmental policy integration and sustainable development.
2. At the operational level: support on gathering information and data on environmental economics, conducting environmental-economic analyses and assessments and on reporting and communication of the results to a wide range of clients.
3. Support on networking and communication activities of EEA, in particular to the network of environmental economists being established by EEA in co-operation with the European Commission.

The EEA was established in 1994. It began work on the environment-economic interface early in its existence with, amongst others, the publication of the first report on environmental taxation in 1996¹. The report was updated and extended in 2000². Furthermore, EEA joined OECD in extending the database for environmental taxes to many European countries, and in building a new database for all other economic instruments of environmental policy and natural resource management³.

An early activity of EEA regards identifying links between driving forces and environmental pressures, state and impacts (as conceptualised in the DPSIR-framework⁴). Such (empirical) links have been applied in the context of prospective analysis. Economic development at the macro and sector levels have been coupled with various environmental pressures in modelling and scenario exercises e.g. for the *Turn of the century* report⁵.

Sector and environment reporting has been well developed for transport and energy, and is currently under development for agriculture and tourism. Such sector reports contain environmental and economic indicators describing general sector developments (supply and demand of services, costs and prices) and environmental issues (pressures, state, impacts as consequence of the activities)⁶.

Related ongoing work regards formulating indicators for external costs and internalisation in transport⁷ and energy, in the framework of sector and environment reporting.

A list of publications relevant to the above and other activities can be found in Annex 1.

It is the intention with this framework contract to progress substantially the breadth and depth of environment economics analysis produced by EEA to support its clients

2. Purpose and content of the contract

To place a framework contract with a consultant for support on environmental-economic issues for two years, renewable twice for a period of one year, its maximum duration being limited to four years. Actual tasks, their timing and terms of payment will be agreed in discussion with the responsible EEA Project manager and be subject of specific agreements.

3. Tasks

The work could include the following tasks:

1. Support at the strategic level:
 - a. Programming of work: To assist in framing a programme of environmental-economic work for EEA for the period 2005-2008 taking account of needs across the EEA and, in particular, interlinkages with the European Commission's activities

¹ EEA (1996) Environmental taxes: implementation and environmental effectiveness, Environmental issues series no. 1

² EEA (2000) Environmental taxes: recent developments in tools for integration - Environmental issues series no 18.

³ <http://www1.oecd.org/scripts/env/ecoInst/index.htm>

⁴ Driving forces – Pressures – State – Impact - Responses

⁵ <http://reports.eea.eu.int/92-9157-202-0/en>

⁶ E.g. TERM 2002 report

(http://reports.eea.eu.int/environmental_issue_report_2002_24/en/tab_summary_RLR)

⁷ EEA (forthcoming) Transport's price signals

- b. Undertaking environmental-economic analyses from the point of view of sustainable development and environmental policy integration. This will include economic issues relevant to strategic policy frameworks (the Lisbon process, the EU Sustainable Development Strategy, the 6th Environmental Action Programme, the Cardiff sectoral integration process) and initiatives (such as the Environmental Technology Action Plan; linking employment and environment, etc.).
2. Support at the operational level:
- a. Support to implementation of the 2005-2008 programme across EEA, e.g. for environmental-economic aspects of individual sectors (such as transport, energy, agriculture), specific (market-based) instruments, and environmental media. This will require support on problem identification and fact-finding, methods, analysis and assessment. The areas to be addressed may include:
 - 1. External effects and policies for internalisation (market-based and other instruments);
 - 2. Costs and benefits of policies, measures, specific technologies and innovations;
 - 3. Economic sectors/activities (primarily transport, energy and agriculture) as environmentally-relevant actors;
 - 4. Economic-environmental modelling, accounting and statistics, environmental expenditures;
 - 5. Economic and social value of ecological goods and services;
 - 6. Scenarios and prospective analysis in the medium and long term;
 - 7. Impact assessment methodologies and valuation techniques;
 - 8. Environment, competition, innovation and employment issues;
 - 9. Economic aspects of (extended) Impact Assessments
 - b. The contractor will assist EEA staff by delivering written contributions, including e.g. project notes, briefings, assessment reports and chapters in EEA main reports.
 - c. The contractor will also assist EEA on communication of main messages to main clients through web content development, development of presentations and attendance at key policy events alongside EEA staff.
3. Support on networking and communication:
- a. Support to operating a high-level network of environmental economists in cooperation with the European Commission and where EEA will provide secretariat function.
 - b. Help to identify or establish and operate other relevant networks to facilitate consultation with relevant government bodies and connect to relevant research activities and networks.

- c. Assistance in organising meetings and workshops in order to discuss plans, projects and results.
- d. Advising EEA on opportunities to influence future research activities under EU Framework Programmes 6 and 7 on environmental-economic analysis and methods that are relevant to future policy needs in the context of sustainable development and environmental policy integration.

4. Required expertise

The area of expected support in terms of content will cover a wide range of environmental-economic issues as indicated above. The contractor should be familiar with these issues of environmental-economic analysis and relevant policies.

Given the broad area of work, it is encouraged to form consortia of various consultants with complementary experience, including environmental economists, policy analysts and statisticians.

In terms of geographical coverage, all EEA member countries are included. Moreover, experience from elsewhere should be taken into account, where appropriate. For example, EEA will contribute to a pan-European assessment report in 2007 that will embrace Western Balkan countries as well as the 12 Eastern Europe, Caucasus and Central Asian countries formerly of the Soviet Union, for which support may be required.

5. Location and organisation of the work

The contractor will have to work closely with the EEA staff. The main part of work can be executed from the contractor's offices, with regular contacts with the relevant EEA Project manager. Periods of intra-muros work (long term and short term) at the EEA may be required.

The working language is English. The contractor must use EEA's software format: MS Office 2000.

6. Prices

The contractor will be expected to offer the services at daily rates (in euro per day) according to the levels of expertise and experience offered (i.e. senior and junior contractor). Travel and subsistence expenses likely to be incurred in the course of execution of the contract (for short term missions to EEA and elsewhere) are to be excluded from these daily rates and indicated separately.

Travel and subsistence costs for *short-term* missions to EEA or elsewhere shall be agreed under the specific agreements, and shall be reimbursed in accordance with the rules and conditions relating to the payment of missions expenses in force at the Agency (Annex VII).

In addition, daily rates have to be given for *long-term* periods of intra-muros work at the EEA's premises in Copenhagen (more than 14 consecutive days). These need to specify the daily fees and travel/subsistence costs (as calculated by the contractor) separately.

The tenderer is requested to provide information on daily fees as specified above in the following format:

| Price information to be included in the tender | | | | |
|--|--|------------------------|--|-------------------|
| | Extra-muros work, missions & short term intra-muros work (< 2 weeks) | | Long term intra-muros work (> 2 weeks) | |
| | Junior consultant | Senior consultant | Junior consultant | Senior consultant |
| Daily fee (EUR/day) excluding travel | | | | |
| Travel/subsistence costs (EUR/day) | According to EEA rules | According to EEA rules | | |

In drawing up the bid, the tenderer should bear in mind the provisions of the General Terms and Conditions applicable to contracts awarded by the EEA and of the draft framework contract and specific agreement.

7. Selection criteria

Legal position

- Identification sheet (Annex III) duly filled out and signed;
- Copy of inscription in trade register, where applicable;
- Copy of inscription in VAT register.

Economic and financial capacity

Evidence of economic and financial capacity may be furnished by one or more of the following documents:

- Appropriate statements from banks or evidence of professional risk indemnity insurance;
- The presentation of balance sheets or extracts from balance sheets for at least the last two years for which accounts have been closed, where publication of the balance sheet is required under the company law of the country in which the economic operation is established;
- A statement of overall turnover and turnover concerning the services covered by the contract during a period which may be no more than the last three financial years.

Exclusion criteria

The tenderer shall provide an auto-declaration, preferably made on oath before a judicial or administrative authority, a notary or a competent professional or trade body by a person competent to do so on behalf of the tenderer, which states that none of the grounds for exclusion apply to the tenderer (See Annex VIII).

Technical capacity

- A list of comparable services and projects performed over recent years;
- Detailed CVs of the tenderer, in particular those of the person or persons responsible for providing the services. Tenders from consortiums of firms or groups of service providers shall specify the role, qualifications and experience of each member or group;

- Information on the tenderer's working languages and proof of the tenderer's ability to submit edited reports in English;
- An indication of the proportion of the contract, which the tenderer may intend to subcontract.

Tenders will lapse: 9 months after the final date for receipt of tenders.

8. Award criteria

The contract will be awarded to the tenderer whose offer is the economically most advantageous taking into account the following criteria (with the maximum number of points achievable for each criterion) and the daily fee for senior consultants.

1. Proven experience with providing support to clients in terms of the three levels described under point 3. Please include in the tender a written statement on relevant approaches that have been taken for client-support, illustrated with references to the outcomes that have been delivered and whether they have had any influence on policy processes and events (maximum 30 points)
2. Proven experience with applied environmental-economic policy (EU and Member States) relevant analysis, at least with regard to the nine areas described under point 3.2.a. Please provide (bookmarks of) references (if available on Internet) and any indications of the effectiveness of the outcomes on policy decisions (maximum 25 points)
3. Solid knowledge of the main (EU-wide) research, empirical findings and data and information sources, as proven by e.g. membership of research networks, papers delivered to conferences, etc. (maximum 25 points)
4. Ability to write about environmental-economic subjects in English and in a non-technical language (maximum 20 points)

Provided that a minimum of 70 points is achieved, the most advantageous offer is the offer that receives the highest score when the total number of points awarded is divided by the value of the daily fees for senior consultants for extra-muros work.