

# **ENGAGEMENT OF CONSULTANTS BY EBRD**

**2007**

**Consultancy Services Unit  
March 2008**

## EXECUTIVE SUMMARY

- The total value of the 2,377 consultancy contract awards by the EBRD in 2007 amounted to €136.18 million, showing a marginal increase in value of 0.84% and a 14.44% increase in number in comparison to 2006.
- Technical Cooperation (TC) Funds including Special Funds made available through the EBRD's donor-funded programmes provided funding for 1,239 contracts totalling €54.91 million (40.32% of the value of all contract awards). The value of TC funded contracts was 19.55% less than in 2006. The value of Bank funded contract awards amounted to €81.27 million or 21.66% more than in 2006. There was a large increase in the contracts funded from the EBRD's public sector loan proceeds.
- The majority of TC funded contract awards either had no consultant nationality eligibility restrictions (52.84%) or carried only broad/part nationality restrictions (27.97%). The remaining 19.19% of the value of contracted TC funds were provided by donors on "tied" basis, whereby engagement was restricted to consultants from the TC donor's country.
- 638 contracts with an aggregate value of €103.58 million (76.06% of the value of all awards) were awarded following competitive consultant selection. The share of competitively awarded contracts increased from 70.66% in 2006.
- More than three quarters of the value of contract awards related to the EBRD's operations and various technical assistance programmes promoting transition (€103.84 million or 76.25% of the total value for 2,063 contracts). Contracts for the EBRD's institutional needs, such as financial and risk systems development and staff training, amounted to one quarter of the value of contract awards (€32.34 million or 23.75% for 314 contracts).
- In 2007, British consultants remained at the top of the consultant nationalities' list with €55.18 million and 683 contract awards. German and French consultants were ranked second and third with €9.68 million for 97 contracts and €7.30 million for 57 contracts respectively. Russian consultants retained fourth place with €7.22 million for 165 contracts.
- Consultants from the EBRD's countries of operations won 673 consultancy contracts worth €25.15 million or 18.47% of the total value of contract awards. These figures represent an increase of 40.00% in value and 21.50% in numbers of contract awards to local consultants compared with 2006.

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## 1. Introduction

The Annual Report on Engagement of Consultants provides a summary and analysis of information on consultants engaged by the European Bank for Reconstruction and Development (the “EBRD” or the “Bank”) and its clients/borrowers during 2007, financed either from the Bank’s budget, public sector loan proceeds, Technical Cooperation (“TC”) funds (including Special and Cooperation Funds), and funds from the Nuclear Safety Account (“NSA”).

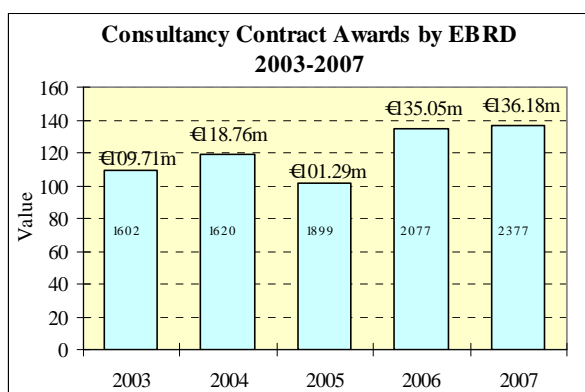
This Report presents an overview of all contract awards as well as an analysis by the EBRD’s departments responsible for engagement of consultants. These include the Consultancy Services Unit (“CSU”), the central unit in the Bank responsible for engagement of consultants, the Office of the General Counsel (“OGC”), responsible for retention of outside counsel, and the “TAM/BAS Team” for individual consultants for the TurnAround Management (“TAM”) Programme and Business Advisory Services (“BAS”) Programme. Consultancy contracts funded from public sector loan proceeds and contracted by the Bank’s borrowers are also reported in the Annual Procurement Review prepared by the Procurement and Purchasing Department (“PPD”).

Addressing the recommendations of the Audit Committee made in April 2007, the Report includes an analysis of contract awards based on tied/untied TC funds, a review of contract awards related to the Bank’s operations and institutional needs, and a more detailed examination of the contracts, including the statistics on multiple awards, by CSU. The tables in the Annex contain various statistical data for all consultancy contracts awarded.

At the request of the Audit Committee, the 2006 Annual Report on Engagement of Consultants was published on the Bank’s website in May 2007. The 2007 Annual Report in this format will also be published on the Bank’s website once it has been reviewed by the Audit Committee. The Bank’s Public Information Policy (“PIP”) is currently being revised to include publication of the Annual Reports on Engagement of Consultants by the EBRD.

## 2. Overall Results of Consultancy Contract Awards

In 2007, the total number and value of consultancy contract awards increased in comparison to 2006. A total of 2,377 contracts were awarded by the EBRD and its clients/borrowers. The total value of contract awards amounted to €36.18 million. The number of contracts was 14.44% higher than in 2006, while an increase in the total value was marginal at 0.84%. The data includes consultancy contract awards by the Bank’s clients/borrowers, either funded by TC grants provided by the Bank or by loan proceeds of public sector operations. In 2007, 102 contract awards by the Bank’s clients amounted to €3.49 million, an increase of 18.60% in numbers and 24.18% in value compared to 2006. The increase was primarily in loan funded consultancy.

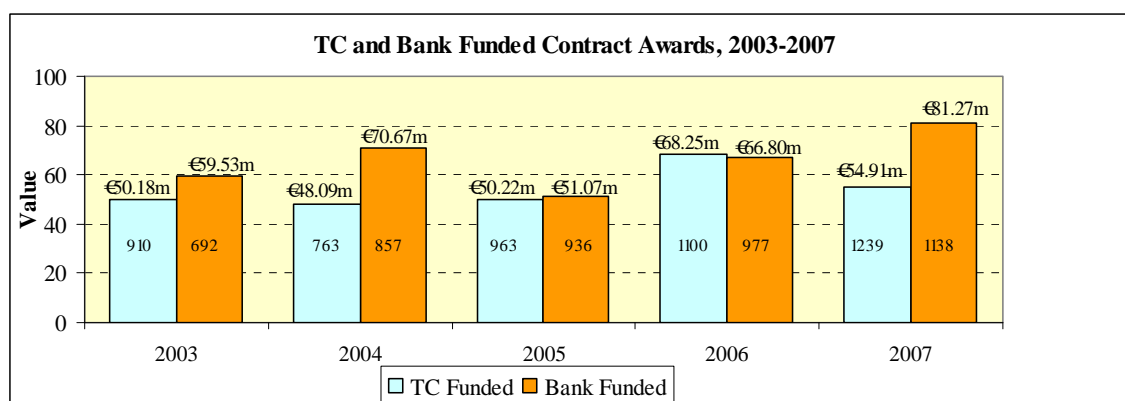


The chart illustrates the values and numbers of consultancy contracts awarded by the EBRD between 2003 and 2007. Since 2003 the value of the contract awards increased by 24.13% with the average contract value decreasing as the number of awards saw a sharper rise of 48.38%. The values and numbers of contract awards by the EBRD in the past five years are also presented in Table 2 of the Annex. The data includes contract extensions, where contracts have been extended in value with additional scope of work.

### 3. Funding Sources

The funding sources of consultancy contracts included various technical cooperation funds, Special Funds, Bank budget and public sector loan proceeds. For the purpose of analysis of the funding sources in this Report, these are broadly grouped as (a) Technical Cooperation (TC) funds, denoting donor funding including Special Funds and funds for the NSA, and (b) Bank funds including the Bank budget and public sector loan proceeds.

The chart below illustrates the consultancy contract awards by the Bank, broadly grouped into TC and Bank funded, between 2003-2007. The data for the Nuclear Safety Department (“NSD”) and public sector loan funded contracts is also set out separately in Table 1 of the Annex.



#### 3.1 Technical Cooperation Funds

In 2007, TC funds made available through the EBRD’s donor-funded programmes financed 1,239 contracts totalling €4.91 million, or 52.12% of the total number and 40.32% of the total value of all contract awards by the EBRD. Whilst there was a decrease in value (19.55%), the number of TC funded contract awards increased by 12.64% compared with 2006 (€68.25 million for 1,100 contracts). They included those for the NSA, TAM/BAS programmes and Special Funds such as the Netherlands Emission Reduction Cooperation and Multi-Lateral Carbon Credit Fund.

The European Union (EU) remained the largest contributor of TC funds, with 430 contracts worth €4.09 million funded through various EU programmes being awarded by CSU and TAM/BAS Programmes, showing a 17.51% decrease in the value of contracted EU funds compared to the previous year (€7.08 million for 378 contracts).

The Early Transition Countries (ETC) Fund<sup>1</sup> financed by multilateral donors including Japan, United Kingdom, the Netherlands, Spain, Sweden, Canada, Finland, Switzerland, Ireland, Luxembourg, Norway and Taipei China remained the second largest donor with 187 contracts totalling €9.42 million. In 2006, ETC provided funding for 201 consultancy contracts including TAM/BAS consultants with an aggregate value of €8.53 million.

The new multi-donor Western Balkans Fund<sup>2</sup> established in November 2006 and supported by 15 donor governments (Austria, Canada, Czech Republic, Finland, Hungary, Ireland, Luxembourg, Netherlands, Norway, Poland, Slovakia, Slovenia, Spain, Sweden, and the United Kingdom) financed 34 contracts with an aggregate value of €0.92 million (there were no contracts awards funded by the Western Balkans Fund in 2006).

<sup>1</sup> The Early Transition Countries Initiative aims to stimulate economic activity in the Bank's eight poorest countries of operations: Armenia, Azerbaijan, Georgia, Kyrgyz Republic, Moldova, Mongolia, Tajikistan and Uzbekistan.

<sup>2</sup> Albania, Bosnia and Herzegovina, FYR Macedonia, Montenegro and Serbia (including Kosovo) benefit from the Western Balkans Fund.

Within the TC funded contract statistics, are included 28 contracts with an aggregate value of €1.07 million financed with funds for the NSD, a 115.39% increase in numbers and a 57.35% increase in value, from 13 NSA contracts totalling €0.68 million awarded in 2006. (See Section 7.1 of the Report.)

A comprehensive review of the donors’ TC funding is prepared by Official Co-financing Unit and published in the Bank’s Annual TC Donor Report.

**3.2 Bank Funds**

The total value of Bank funded contracts awarded by the EBRD amounted to €81.27 million for 1,138 contracts, representing a 21.66% increase in the value of contracts and a 16.48% increase in the number of contracts awarded in 2006 (€66.80 million for 977 contracts). The increase in the Bank funded contract awards was a result of the greater needs for the operational pipeline in the countries of operations, as well as the augmented institutional needs of the Bank.

Contracts financed by the Bank’s funds included 710 contracts totalling €43.27 million issued by CSU, representing an increase of 17.42% in numbers and 21.24% in value of CSU’s Bank funded contract awards compared with 2006 (597 contracts with an aggregate value of €35.69 million).

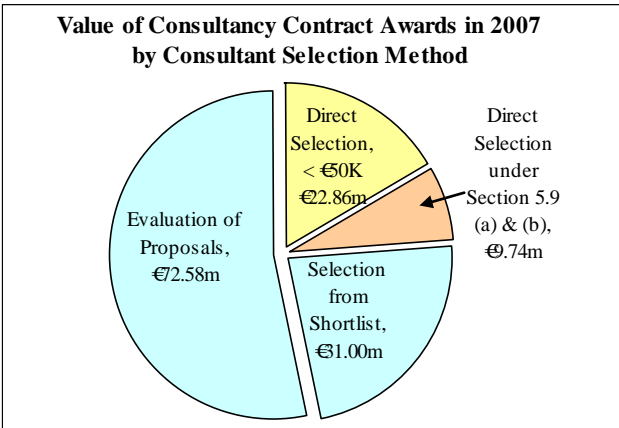
Also included are 392 contracts with a total value of €14.52 million for retention of outside counsel awarded by OGC. Compared with 2006, the number of contract awards by OGC increased by 6.81% from 367, whereas the value decreased by 10.76% (€16.27 million).

36 consultancy contracts funded by loan proceeds of public sector operations with an aggregate value of €23.47 million were awarded by the Bank’s borrowers, showing an increase of 176.92% in numbers and 58.15% in value of contract awards compared with 2006 when there were 13 loan funded contracts amounting to €4.84 million.

The Bank funded contract awards by CSU include 54 contracts with a total value of €1.19 million issued for the BAS/TAM Programmes as part of the approved internalisation of TC costs.

**4. Consultant Selection Methods**

Table 3 of the Annex details the numbers and values of consultancy contracts and extensions by selection method for both TC and Bank funded contracts.



The share of value of contracts awarded by direct selection<sup>3</sup> decreased from 29.34% in 2006 to 23.94% in 2007. Out of 1,739 contracts with an aggregate value of €32.60 million awarded by direct selection, 1,561 contracts worth €22.86 million (16.79% of the value of all contracts) cost less than €50,000 including contract extensions.

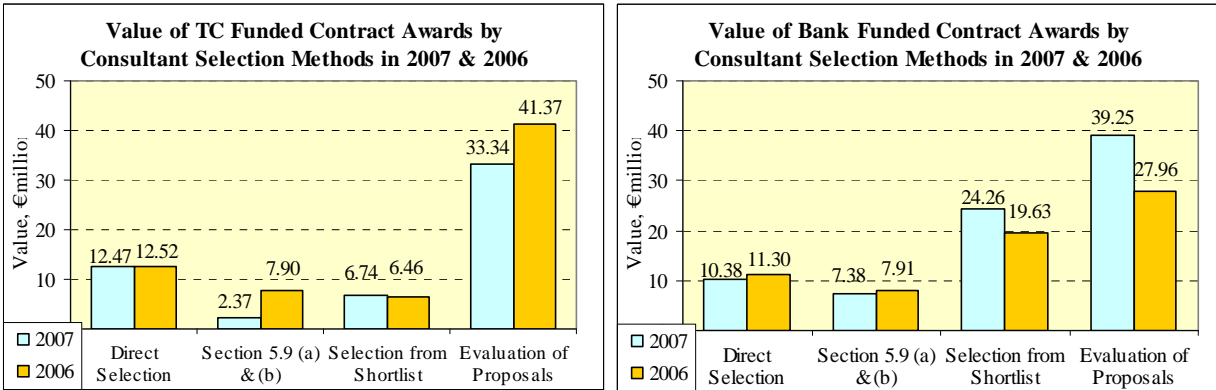
The remaining 178 contracts for €9.74 million (7.15% of the value of all contracts) were either above €50,000 in value, or unforeseen contract extensions

<sup>3</sup> Section 5.3 of the Bank’s Procurement Policies and Rules (“PP&R”) stipulates that “for those contracts estimated to cost less than €50,000 with individuals or firms, a qualified consultant may be selected directly, without the requirement to prepare a shortlist, and a contract negotiated with the selected consultant”.

which brought the aggregate value of an original contract above the threshold for direct selection<sup>4</sup>. Compared with 2006 there was a reduction in the value of such contracts and extensions awarded for reasons of unique experience and expertise and the need for continuity due to involvement in earlier phases of the project (€15.81 million for 115 contracts and extensions).

In 2007, €103.58 million worth of contracts or 76.06% of the value of all contract awards by the Bank were awarded through competitive selection, either selection from a short list or evaluation of proposals<sup>5</sup> (in 2006, €95.42 million or 70.66% were awarded through competitive selection). 476 contracts (including 160 extensions that were foreseen) amounting to €31.00 million were awarded following selection from short list procedure<sup>6</sup>, and 162 contracts (including 33 contract extensions) with an aggregate value of €72.58 million were awarded following formal evaluation of proposals<sup>7</sup>.

The distribution of value of the 2007 contract awards by consultant selection method for TC and Bank funded contracts in comparison with 2006 is presented in the charts below.



In 2007, the value of TC funded contracts awarded under Section 5.9 (a) & (b) of the Bank’s PP&R decreased by two-thirds, largely due to the fact that in 2006 a €3.09 million contract extension for the Russia Small Business Fund 2007-2008 - MSE Credit Advisory Services was awarded directly to IPC GmbH, Germany. The value of the Bank funded contracts awarded through evaluation of proposals included several extensions to contracts competitively awarded in 2006 and, as envisaged, requiring further extensions to continue implementation of major Bank’s projects such as the Risk Management Programme and the Equity Systems Projects.

**4.1 Analysis of Contract Awards Based on Tied/Untied TC Funds**

The Bank’s PP&R require open international competition in selecting consultants. This conditionality applies in so far as it is not inconsistent with the agreements reached with donors of TC funds. The Bank adheres to the eligibility requirements specified in the contribution agreements between the donors of TC funds and the Bank. Eligibility requirements may include nationality restrictions on selection and engagement of consultants to those from the country of donor of TC funds.

<sup>4</sup> Section 5.9 (a) & (b) of the Bank’s PP&R justifies direct selection for contracts estimated to cost €50,000 or more by the consultants’ unique expertise or experience, and/or involvement in the early phases of the project where continuity of the same consultant is necessary or advantageous.  
<sup>5</sup> An evaluation of proposals procedure requires that a procurement notice is published on the Bank’s website (not applicable if competition is carried out among pre-selected firms such as those with framework agreements) and a formal evaluation of proposals of shortlisted firms is carried out by an evaluation committee. Selection from shortlist is a simplified process when only the highest ranked firm on the shortlist is invited to prepare a proposal, thus making consultant selection to the Bank and consultants more economic and efficient.  
<sup>6</sup> For consultancy contracts with firms estimated to cost €50,000 and above, and less than €200,000, and for all contracts costing €50,000 and above with individuals.  
<sup>7</sup> For consultancy contracts with firms estimated to cost €200,000 or more.

TC funds with restrictions on consultant's eligibility to those from donor countries are referred to as "tied". The numbers and values of the 2007 contract awards by donor country of tied TC funds are presented in the table to the right. In total, tied funds financed 150 consultancy contracts with an aggregate value of €10.54 million, or 19.19% of the total value of TC funded contract awards by the Bank. Out of 150, 69 contracts with aggregate value of €0.51 million were issued by the TAM Programme. 16 bilateral donors contributed tied TC funding for contracts awarded last year. Italy was the largest donor of tied TC funds, financing 52 contracts with an aggregate value of €2.15 million through three contribution agreements with the Bank (Central European Initiative, ICF-PSD in Western Balkans, Italian TC Fund).

**2007 Contract Awards funded by Tied TC Funds**

<i>Donor Country</i>	<i>Number</i>	<i>Value, €</i>
Austria	9	778,224
Canada	24	784,326
Denmark	3	2,500
Finland	8	1,102,174
France	3	776,455
Germany	5	650,090
BP*	1	164,050
Ireland	3	41,704
Italy	52	2,147,801
Luxembourg	9	137,630
Netherlands	8	863,434
Norway	1	9,392
Portugal	1	22,040
Spain	5	895,467
Sweden	4	977,622
Switzerland	14	1,183,684
<b>Total</b>	<b>150</b>	<b>10,536,593</b>

\* Institutional Donor

The highest value contract award financed from tied TC funds was funded by Sweden:

- Ukraine Energy Efficiency Programme - Consultancy Services for Supporting the Implementation of the Facility: Project Consultant, *Funding Source*: Sweden (SIDA) – EBRD Technical Cooperation Fund – Phase II, *Contract Value*: €28,190.62, *Winner*: Vattenfall PowerConsultant AB, Sweden.

Tied TC funds normally allow participation of consultants from the Bank's countries of operations, either through subcontracting or association with the lead firm from the donor country, or by allocating a portion of tied TC funds under a contribution agreement to consultants from the countries of operations.

TC funds without nationality eligibility restrictions on consultant participation are referred to "untied" funds. In 2007, untied TC funds financed 612 contracts with an aggregate value of €29.01 million or 52.84% of the total value of TC funded contract awards by the EBRD. Among the larger contributors of untied TC funds were the ETC Fund, Japan, EU (via five separate contribution agreements), the Netherlands, the United Kingdom, Sweden and the United States. The ETC fund financed a total of 187 contracts worth €9.42 million or 17.16% of the total value of all TC funded contracts. Japan, the Netherlands and the United Kingdom were the three highest contributing bilateral donors of untied TC funds with respective aggregate contract values of €4.87 million (185 contracts via one fund), €2.89 million (29 contracts via six funds) and €1.18 million (15 contracts via four funds).

All TC funding provided to the BAS Programme is untied and in 2007 financed 170 contracts with an aggregate value of €2.53 million.

It should be noted that some of the bilateral donors of TC funds (Austria, Canada, Ireland, Italy, Finland, Luxembourg, the Netherlands, Norway, Portugal, Sweden, Switzerland) provided TC assistance on both tied and untied basis through two or more contribution agreements with the Bank.

TC contribution agreements carrying only broad nationality restrictions or those with restrictions applied to a portion of the funds provided (thus including both tied and untied elements) are classified as "semi-untied" funds. In 2007, semi-untied funds were sources of financing for 421 consultancy contracts (including four framework agreements for the Industrial Energy Efficiency Services Programme 2007-2008) with an aggregate contract value of €1.01 million (20.06% of the total value of TC funded contracts). The semi-untied funds provided by the EU financed 408 contracts with a total value of €10.72 million via 14



funding programmes. Other examples of semi-untied TC funds are the Northern Dimension Environmental Partnership Support Fund and Taiwanese TC Fund.

There were further 56 contracts with an aggregate value of €4.34 million financed from Special Funds, including NSA, Multi-Lateral Carbon Credit Fund and four other special funds that were provided on both a tied and untied basis.

## **4.2 Targeted Selection**

For competitively awarded assignments funded by TC funds where the donors of TC funds confirm their decision to provide funding prior to the commencement of the procurement process, economy, efficiency, transparency and donor visibility is ensured by stating the source of TC funding and applicable requirements in the procurement notice inviting expressions of interest.

Competitively awarded assignments, where the consultant selection process is restricted in accordance with the consultant nationality eligibility criteria agreed with the donor of TC funds under the relevant contribution agreement, are referred to as “targeted” selection.

In 2007, 445 contracts were awarded following a new competitive consultant selection process<sup>8</sup>. Of these, 294 were funded from the Bank’s budget or public sector loan proceeds based on open international competition and 151 contracts were financed by TC funds. The 151 contracts funded by TC funds included 26 competitively awarded call-off notices issued under existing framework agreements<sup>9</sup>. The remaining 125 contracts had the following approaches to consultant selection:

- a) 37 contracts including one framework contract worth €7.99 million were awarded as the result of consultant selection processes targeted specifically at consultants from the donor country;
- b) 88 contracts were awarded following consultant selection process which did not target any specific consultant nationality. This number included eight EU funded contracts with a total value of €4.69 million, 73 contracts funded with other TC funds totalling €17.07 million and seven framework agreements with potential value of €2.75 million.

## **5. Consultants Engaged for Operations and Institutional Needs**

### **5.1 Consultancy Contracts in relation to the EBRD’s Operations**

In 2007, out of all consultancy contract awards by the EBRD and its borrowers, 86.79% of the total number (2,063) and 76.25% of the total value (€103.84 million) were either for specific operations or for assistance with implementation of the Bank’s technical assistance programmes promoting transition in the Bank’s countries of operations. These figures include retention of outside counsel – all contract awards by OGC were related to operations.

Among 1,063 contract awards by CSU, 718 contracts totalling €55.53 million were directly linked to 407 operations. These contracts were for a wide range of consultancy services, from project preparation such as project due diligence to project implementation covering assistance to the Bank’s clients, corporate development programmes, procurement assistance etc.

Other contracts to support the Bank’s operational activities were for retention of consultants assisting with implementation of the Bank’s key technical assistance programmes, e.g. Trade Facilitation, Legal Transition, TAM/BAS Programmes. For example, in 2007 as part of the Bank’s Legal Transition Programme, consultants were mobilised to improve the investors’ protection framework in the Kyrgyz Republic and to assist with the implementation of an EU consistent regulatory telecommunication framework in the Republic of Montenegro.

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<sup>8</sup> Excluding contract extensions in budget with additional scope of work

<sup>9</sup> Competition is reported at framework level

Among the Bank's 29 countries of operations, the largest value of contract awards were in Romania with over €20 million worth of contracts, Russia (€16.62 million), and Ukraine (€10.87 million). The share of the value of consultancy contract awards for projects in the ETC region grew from 12.51% in 2006 (€16.89 million for 362 contracts) to 15.27% in 2007 (€20.80 million for 508 contracts).

The highest value contract award was for a project in Romania:

- Romania: Constanta By-pass Project - Detailed Design, Procurement Assistance, and Construction Supervision, *Funding Source*: EBRD's public sector loan proceeds, *Contract Value*: €6,626,450, *Winner*: Hill International S.A., Luxembourg.

In terms of sector distribution, consultancy contract awards in the transport sector had the highest share of the value (24.23%). Contracts in the financial institutions sector had a 16.84% share, followed by the power and energy sector with 14.27%. Contracts in the municipal and environmental infrastructure amounted to 5.61%.

The two highest value contract awards by CSU were for consultancy services in the power and energy sector:

- Slovak Republic: Sustainable Energy Finance Facility Framework, *Funding Source*: Bohunice International Decommissioning Fund, *Contract Value*: €2,121,244, *Winner*: Enviros, S.R.O., Czech Republic.
- Romania: EU/EBRD Energy Efficiency Finance Facility - Project Consultant, *Funding Source*: European Union, *Contract Value*: 1,988,000, *Winner*: Tractebel Project-Managers, Engineers & Consultants SA, Romania.

## 5.2 Consultants Engaged for the Bank's Institutional Needs

In 2007, 314 contracts with a total value €32.34 million were for consultancy assignments related to the Bank's institutional needs (13.21% of the total numbers and 23.75% of the total value of contract awards). These included consultants advising on development of the Bank's financial and risk management systems (15 contracts with a total value of €15.03 million), IT specialists (140 contracts worth €1.37 million), staff training and coaching (33 contracts for €1.46 million), assistance with the Bank's publications, executive search firms for Human Resources, consultants advising on the maintenance of the EBRD Headquarters building and Resident Offices.

25 contracts totalling €0.69 million were for the needs of the Office of Chief Economist, such as assistance with publications and studies. The Evaluation Department performing project, sector, policies and programmes assessments required 24 contracts totalling €0.71 million. The Office of the Chief Compliance Officer retained consultants to carry out anti money laundering training programmes (6 contracts for €0.31 million). Consultants working on policy reviews carried out by the Environmental Department were awarded 10 contracts with a total value €0.24 million. Among other consultants contracted for the Bank's institutional needs were those engaged as internal consultants either for specialised expertise or to supplement human resources requirements.

Though consultants of 27 nationalities were engaged for the Bank's institutional needs, 90.66% of the value of these contracts (€29.32 million for 241 contracts) went to British consultants. Swiss and US consultants were in the second and third places with €0.50 million and €0.37 million of contract awards respectively.

307 contracts amounting to €32.01 million were financed from the Bank budget, the remaining seven contracts for €0.33 were financed by TC funds, including among others the anti money laundering training programmes (Swiss TC fund) and an evaluation of the Japan-Europe Cooperation Fund (Japanese TC fund). Out of 314, 183 contracts were for individual services contracted either directly or through firms. Half of the number of contract awards for the Bank's institutional needs was for internal consultants, i.e. those required to work at the Bank's premises.

## **6. Nationality of Consultants**

### **6.1 Overall Results**

Table 7 of the Annex details the ranking of consultants' nationalities engaged by the Bank in 2007 by value of contract awards, for both TC and Bank funded contracts<sup>10</sup>.

Consultants of 60 nationalities were awarded contracts in 2007. British consultants' share of the total value of consultancy contracts was 40.52% (683 contracts worth €55.18 million). German and French consultants were ranked second and third with a 7.10% share (€9.68 million for 97 contracts) and a 5.36% share (€7.30 million for 57 contracts) respectively. In 2006, British, German and US consultants held the top three positions in the nationality ranking table (€47.68 million, €14.85 million and €8.92 million respectively). Russian consultants retained the fourth place with €7.22 million for 165 contracts (€5.99 million and 169 contracts in 2006).

Consultants' participation in new assignments awarded through competitive selection is presented in Table 10 of the Annex. The table shows the number of expressions of interest by consultant nationality and the resulting contract awards by CSU for open competition, as well as the level of response for contracts awarded following "targeted" selection. For open competition, British, German and US consultants were the most responsive and had the highest number of contract awards; however Armenian, Czech and Kazakh consultants were the most successful in winning contracts (based on the ratio of number of contract awards to number of expressions of interest submitted).

### **6.2 Consultants from the Bank's Countries of Operations**

Local consultants are here defined as consultants from the Bank's countries of operations. The definition of local consultants includes international consulting firms that have established offices and are registered in the Bank's countries of operations, which makes them eligible to submit proposals from the relevant country of operations.

Table 8 of the Annex details the value and number of contract awards by funding source and selection methods of consultants from countries of operations.

The value of 673 consultancy contracts awarded to local consultants by the EBRD in 2007 (28.31% of the total number of all contract awards) amounted to €25.15 million (18.47% of the total value of all contract awards). There was a 40.00% increase in the value of contract awards compared with 2006 (€17.97 million), and the number of contracts increased by 21.50% (from 554 to 673). Two highest value contract awards by CSU were to consultants from the Bank's countries of operations (Enviros, S.R.O., Czech Republic and Tractebel Project-Managers, Engineers & Consultants SA, Romania, as detailed in Section 5.1).

The total number included 294 contracts amounting to €9.26 million awarded by OGC to consultants based in the EBRD countries of operations (63.77% of the total value OGC contract awards). The TAM Programme awarded 13 contracts to local consultants totalling €9,352.

It should be added that the real participation of local consultants is wider than appears from this data, as local consultants are often sub-contracted by the leading firms which are directly engaged by the Bank or its clients/borrowers.

One of the objectives of the Bank in encouraging participation of local consultants is to build capacity in the provision of consulting services in the countries of operations, thereby contributing to transition impact. CSU continues to provide business briefings and workshops in the countries of operations with the objective of encouraging local consultants to participate in Bank's assignments. In 2007, CSU conducted outreach programmes to consultants in Moscow, St Petersburg, Bratislava and Prague.

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<sup>10</sup> Only nationality of the lead firm is recorded

## 7. Analysis of Consultancy Contracts by Contracting Department

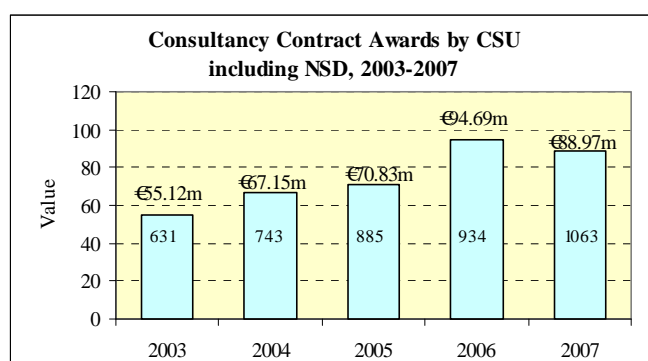
The distribution of the contract awards by the respective departments is presented in the table below.

Department	Value €million		Number of Contracts		% of Total Value	
	2007	2006	2007	2006	2007	2006
CSU	88.97	94.69	1063	934	65.34%	70.11%
Loans	23.47	14.84	36	13	17.23%	10.99%
OGC	14.52	16.27	392	367	10.66%	12.05%
TAM	6.68	6.80	716	614	4.91%	5.04%
BAS	2.53	2.45	170	149	1.86%	1.81%
<b>Total</b>	<b>136.18</b>	<b>135.05</b>	<b>2,377</b>	<b>2,077</b>	<b>100%</b>	<b>100%</b>

### 7.1 Consultancy Contracts Awarded by Consultancy Services Unit

In 2007, CSU was responsible for contracting over 65% of the total value of consultancy contract awards by the EBRD. 1,063 contracts were awarded through CSU with an aggregate value of €88.97 million including contracts for NSD.

This represents an increase of 13.81% in numbers and a decrease of 6.04% in value from the contracts awarded in 2006 (934 and €94.69 million respectively).



The 1,063 contracts awarded by CSU included 807 newly awarded contracts (€59.04 million) and 256 contract extensions (€29.93 million). In 2006, there were 727 newly awarded contracts for €72.90 million and 207 contract extensions worth €21.79 million. A 37.36% increase in the value of contract extensions compared with 2006 was due to continuing needs for implementation of major Bank projects, such as the Risk Management

Programme and the Equity Systems Projects.

In 2007, out of the 807 newly awarded contracts, 368 (€47.47 million) were awarded following a competitive selection process. In 2006 there were 354 contracts totalling €59.63 million awarded following a new competitive selection process.

353 consultancy contracts with an aggregate value of €45.70 million (33.21% and 51.37% of the number and value of CSU contract awards) were funded from TC and Special Funds including NSA. In 2006, there were 324 TC funded contract awards by CSU totalling €58.32 million.

28 contracts with an aggregate value of €1.07 million were for the NSD financed with funds for the NSA. The increase in the NSA contracts was mainly in relation to the Ukraine Chernobyl Shelter Fund. 17 out of 28 NSA contracts were for assignments in Ukraine. Out of the 17 contracts and extensions in Ukraine, 11 were supporting conclusion of the procurement and contract awards for the two Chernobyl projects (new safe confinement and spent fuel storage).

The number and value of Bank funded contracts issued by CSU increased significantly from 597 contracts with a total value of €35.69 million in 2006, to 710 contracts totalling €43.27 million in 2007. This represents a 18.93% increase in number and a 21.24% increase in value of contract awards by CSU. This can be partly explained by the TC internalisation for

retention of the TAM/BAS Programme Directors and Administrative Staff whereby CSU issued 54 Bank funded contracts totalling €1.19 million for the TAM/BAS Programmes.

The tables below present the distribution of TC and Bank funded contract awards by consultant selection methods in 2007 and 2006.

**CSU Contract Awards: Distribution of TC Funded Contracts by Consultant Selection Method**

Consultant Selection Method	2007		2006	
	Value, €	Number	Value, €	Number
Direct Selection	5,625,964	182	10,710,911	155
Selection From Shortlist	6,735,367	74	6,235,222	61
Evaluation of Proposals	33,338,975	97	41,370,270	108
<b>Total</b>	<b>45,700,306</b>	<b>353</b>	<b>58,316,403</b>	<b>324</b>

**CSU Contract Awards: Distribution of Bank Funded Contracts by Consultant Selection Method**

Selection Method	2007		2006	
	Value, €	Number	Value, €	Number
Direct Selection	10,355,054	366	7,487,836	281
Selection From Shortlist	16,909,973	314	15,053,425	280
Evaluation of Proposals	16,003,713	30	13,151,510	36
<b>Total</b>	<b>43,268,740</b>	<b>710</b>	<b>35,692,771</b>	<b>597</b>

In 2007, CSU published 177 procurement notices inviting expression of interest in consultancy assignments on the Bank's website, compared with 117 in 2006 (not all of them result in a contract award in the same year).

The administration of Investment Co-operation Funds has been transferred to the Operation Administration Unit in order to align the disbursement of investment grant with loan proceeds. CSU continues to prepare grant agreements for consultancy funded by Investment Cooperation Funds, however, is no longer responsible for goods and works.

**Multiple Contract Awards**

In 2007, 1,063 consultancy contracts were awarded by CSU to 621 consultants<sup>11</sup> contracted by the Bank and its clients. Out of these, 411 consultants had one contract award and 210 entities had two or more contract awards, including contract extensions with additional scope of work and budget to previous assignments. The 210 entities with multiple contract awards included 114 entities with two contract awards, 29 entities with three contract awards, 21 with four contract awards, and the remaining 46 with five or more contract awards.

Consultants with five or more contract awards were either retained by the Bank under framework agreements for performance of similar or repetitive assignments<sup>12</sup> such as integrity investigations, environmental advisory services, environmental energy audits, and professional employment agencies through which services of various individuals such as IT and personal coaching specialists were contracted.

The table below lists 15 consultants with the highest number of contract awards by the EBRD in 2007 detailed by contract type. The value of these multiple contract awards varies and appears to be not in direct correlation with the number of contract awards.

<sup>11</sup> Regional offices of multinational firms (for example, Cowi a/s Denmark and CowiConsult International Russia) and various consulting arms of multinational groups (such as Poyry Environment, Poyry Energy, Poyry Infra and Poyry Forest Industry) were recorded as separate contracting entities

<sup>12</sup> Both Framework Agreements and Call-off Notices under Framework Agreements are accounted for as separate contract awards, however only Call-Off Notices carry budgetary commitments, Framework Agreements normally have zero value

### 15 Consultants with the highest numbers of contract awards by EBRD in 2007

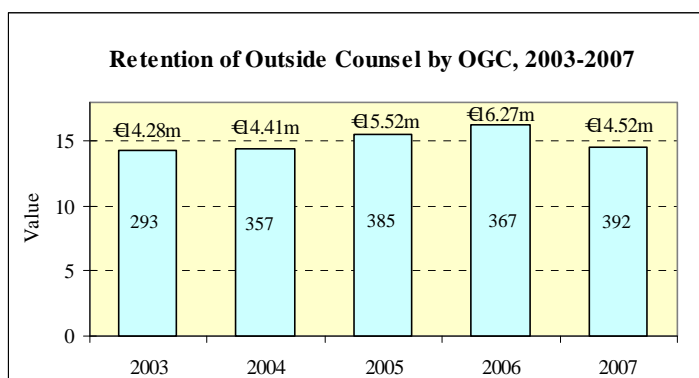
Consultant Name and Nationality	Number of contract awards					Total Value €m
	Standalone Contracts	Framework Agreements	Call-Off Notices	Extensions <sup>13</sup>	Total Number	
The Risk Advisory Group Plc, UK	-	-	30	2	32	0.55
GPW Ltd, UK	-	-	17	5	22	0.44
Diligence International LLC, US	1	-	20	-	21	0.47
De Graaf Resources Ltd, UK	9	-	-	11	20	2.21
Control Risks Group Ltd, UK	-	-	12	1	13	0.16
DAI Europe Ltd, UK	4	1	6	1	12	2.92
D'Appolonia S.p.a., Italy	4	1	5	2	12	0.33
Citrus Partners Ltd, UK	5	-	5	1	11	0.17
MWH S.p.a., Italy	5	1	3	1	10	0.60
Square One Resources Ltd, UK	7	-	-	3	10	0.35
Deloitte MSC Ltd, UK	1	-	-	8	9	9.35
Harvey Nash, UK	3	-	-	6	9	0.77
Shorebank International UK Ltd, UK	6	1	2	-	9	2.30
Ascentia, UK	4	-	-	3	7	0.74
Frankfurt School of Finance & Management, Germany	5	1	-	1	7	1.08

Among multinational firms with combined highest numbers of contract awards by CSU were Ernst & Young and Poyry Group. Nine regional offices of Ernst & Young based in Belgium, Georgia, Greece, France, Malaysia, Poland, Russia, Switzerland and UK (all recorded as separate contracting entities) were awarded a total of 12 contracts amounting to €1.45 million. Various consulting arms of Poyry Group based in Germany, Finland and Switzerland won a total of 13 contracts worth €1.03 million<sup>14</sup>.

The highest number of consultancy contracts/extensions awarded to the same individual in 2007 was four (five individual consultants had four contract awards for provision procurement, legal, engineering, project evaluation and trade finance advisory services under short term contracts and one individual was nominated to represent the Bank on board of directors of several investee companies).

In 2006, among consultants with the highest number of contract awards were The Risk Advisory Group (43 contracts, €0.90 million), members of Deloitte Touche Tohmatsu group (29, €6.84 million), Control Risks Group (23, €0.49 million), KPMG (22, €0.54 million), DAI Europe Ltd (17, €1.70 million), MSB International (10, €0.80 million), IPC GmbH (8, €8.46 million), Shorebank International (7, €2.80 million) and others. There were two individual consultants awarded four contracts each.

## 7.2 Engagement of Outside Counsel



In 2007, 392 contracts with a total value of €4.52 million for retention of outside counsel were awarded by OGC. Compared with 2006, the number of contract awards increased by 6.81%, whereas the value decreased by 10.76%.

Out of 392 contracts, 225 contracts amounting to €5.09 million (35.03% of the total value of OGC contracts) were awarded by direct

selection, and 42 contracts with a total value of €5.16 million (35.51%) were awarded

<sup>13</sup> Extensions in scope of work and budget to either standalone contracts or call-off notices

<sup>14</sup> In addition, not included in CSU data there was one contract award for €0.52 million to Poyry Environment GmbH, Germany by the Bank's client funded from loan proceeds

following evaluation of proposals of short listed firms. A further 125 were extended during the same period, with an aggregate amount of €4.28 million (29.46%).

OGC engaged consultants of 37 nationalities. 294 contracts totalling €9.28 million (63.91% of the total value of OGC contracts) were awarded to consultants based in the Bank’s countries of operations.

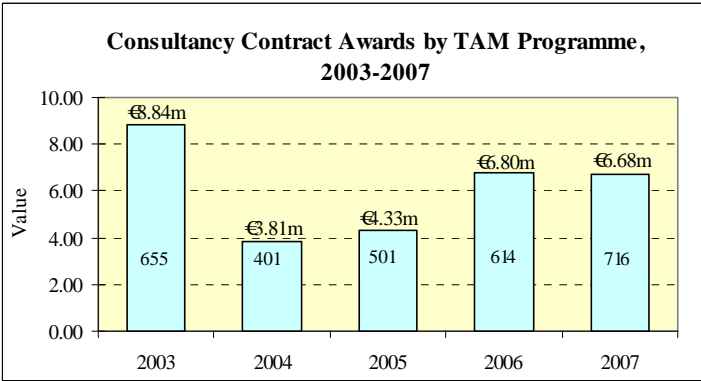
All contract awards by OGC are related to the Bank’s operations with the costs recoverable from the clients as part of transaction costs.

Engagement of outside counsel by OGC is funded from the Bank budget.

There is a permanent procurement notice on the Bank’s website facilitating access by law firms to EBRD by inviting them to register on the OGC database.

**7.3 Contracts awarded by TurnAround Management Programme**

In 2007, the TAM Programme awarded 716 contracts totalling €6.68 million. The average value of consultancy contracts awarded by the TAM Programme was €9,335, a decrease from the average contract value of €11,070 in the previous year.



All contracts awarded by the TAM Programme were TC funded. Among the main contributors of TC Funds were the European Union, Japan, the Western Balkans and ETC Funds. The TAM Programme awarded contracts to consultants of 23 nationalities with the Japanese, Italian and British consultants being the three top ranked nationalities in terms of both numbers and value of contract awards. Although all contracts

awarded by the TAM Programme are recorded as direct selection, the actual contract award process involves assessment of suitability of the advisors registered on the TAM database. Individual consultants can register with the TAM Programme by following instructions included in a permanent procurement notice placed by the TAM Programme on the Bank’s website.

**7.4 Contracts awarded by Business Advisory Services Programme**

In 2007, the BAS Programme awarded 170 consultancy contracts (all TC funded) with a total value of €2.53 million, an increase of 14.09% in numbers and 3.27% in value compared with 2006. The contracts were financed by Japan Technical Cooperation Fund (30.38%), under two funding agreements with the Netherlands (16.34%) and the ETC Fund (15.07%). Other donors of TC funds included Austria, Luxembourg, Switzerland, US, and others. In addition, 11 BAS consultancy contracts were, for the first time, funded by the Bank.

Consultants of 26 different nationalities were engaged by the BAS Programme, including consultants from 18 of the Bank’s countries of operations.

Most consultancy contracts awarded by the BAS Programme were to cover the engagement of “quasi staff” working in the BAS offices in the Bank’s countries of operations. These include Regional/Programme Directors, National Programme Directors, Project Officers and Assistants.

All contracts awarded by the BAS Programme are recorded as direct selection.

## 7.5 Loan Funded Contracts

In 2007, 36 consultancy contracts funded by loan proceeds of public sector operations with a total value of €23.47 million were signed by the Bank's borrowers. The Bank's financing in these operations amounted to 97.92%. 35 contracts were awarded following evaluation of proposals, and one contract for €230,841 was awarded directly pursuant to 5.9(a) of the Bank's PP&R. In 2006, there were 13 loan funded contracts amounting to €14.84 million. The loan funded contracts are also reported in the Annual Procurement Review prepared by PPD.

## 8. Contracting Methods

Table 5 of the Annex summarises the value and number of contract awards by contract type. In 2007 the majority of the consultancy contracts awarded by the Bank were for standalone assignments. 768 standard contract awards by CSU totalling €7.02 million covered a wide range of consultancy services from short term assignments such as project due diligence to long term contracts for lender supervision. Nearly 70% of the standard standalone contracts were new awards and the rest were extensions. Just over half of the standalone contracts (414) were awarded to firms representing over 85% of the value of awards (€58.32 million).

Framework contracts/agreements are used as instruments for retention of consultants for repetitive, similar assignments. Following competitive selection, consultants are awarded framework agreements with broad terms of reference defining the nature and scope of the services that may be required. The consultants are only mobilised as and when the Bank identifies the requirement for a specific assignment and awards a call-off notice (either directly or following evaluation of proposals submitted by consultants with framework agreements) which contains the specific terms of reference and budget for the assignment.

In 2007, the EBRD awarded 35 framework agreements and two framework contracts<sup>15</sup>. The two framework contracts were awarded in the power and energy sector – one for the support to the Regional Sustainable Energy Financing Facilities Framework, and the other for procurement assistance and lender supervision in relation to the HydroOGK modernisation loan in Russia. The 35 framework agreements were for the following consulting services:

- Regional: Industrial Energy Efficiency Services Programme 2007-2008
- Regional: Urban Transport Specialists
- Regional: Water Project Specialists
- Russian Federation: Sustainable Local Transport in Siberia & Russian Far East
- Regional: Western Balkans SME Finance Framework - MSME Credit Advisory Service.

In 2007, 156 call-off notices under existing framework agreements totalling €10.00 million were awarded including 121 following competition amongst consultants with framework agreements. Among others these included 88 call-offs for €0.55 million under the Integrity Investigations framework agreements, nine call-offs totalling €3.17 million awarded under the EU/EBRD SME Finance Lending and Leasing Facilities, ten call-offs for €2.18 million for the Russian Regional Banks Institution Building Programme.

Pre-selected panels of experts<sup>16</sup> allow the users of consultancy services to mobilise experts in various fields, such as board nominees, industry specialists, water and urban transport specialists and institution building experts, at short notice.

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<sup>15</sup> The distinction between a framework agreement and a framework contract is that a framework agreement does not have a committed budget (ceiling on value) when the framework agreement is entered into. For the majority of Bank funded framework facilities there are no upper limits on the value of framework agreements; for framework agreements funded from TC/Special Funds an overall facility amount is referred to during selection processes. The value of framework agreements is reported as zero for both Bank funded and TC funded assignment and values of call-off notices, therefore, depend on the budget for specific assignments as per call-off notices.

<sup>16</sup> Such opportunities are advertised on the Bank's website and an evaluation is carried out to identify qualified and experienced specialists for inclusion in the panels.



The Bank's clients, as beneficiaries of services are able to select, engage and manage consultants in accordance with the Bank's PP&R and donor requirements. This provides for avoidance of conflict of interest for the Bank as the lender and the party managing consultants. It also enables capacity building as most often TC funded assignments are implemented prior to procurement of contracts under loan proceeds, resulting in greater "ownership" of the assignment and thus adding transition impact. CSU is actively involved in overseeing the administrative aspects of client contracting with use of TC funds, including the consultant selection process and prepares the funding agreements for the provision of TC grants to pay for the services rendered pursuant to consultancy contracts.

The contracts awarded by the Bank's clients included 66 contracts amounting to €10.22 million signed pursuant to the grant agreements prepared by CSU, compared with 62 contracts for €1.96 million in 2006, which represents a 6.45% increase in numbers and a 14.55% decrease in value. The number and value of contracts funded from the Bank's loan proceeds of public sector operations and awarded by the Bank's clients directly amounted to 36 contracts totalling €23.47 million.

## **ANNEX - TABLES OF STATISTICS**

- Table 1** Total Value and Number of Consultancy Contract Awards by Contracting Department
- Table 2** Total Value and Number of Consultancy Contract Awards by Funding Source (Technical Cooperation and Bank Funded)
- Table 3** 2007 Consultancy Contract Awards by Consultant Selection Method (Value and Number)
- Table 4** 2007 Consultancy Contract Awards by Country of Operation (Value and Number)
- Table 5** Consultancy Contract Awards by Contract Type
- Table 6** Framework Agreements Awarded in 2007
- Table 7** 2007 Consultancy Contract Awards by Consultant Nationality (Value and Number)
- Table 8** Consultants from EBRD Countries of Operations in 2007 and 2006
- Table 9** 2007 Consultancy Contract Awards by EBRD Department (Value and Number)
- Table 10** Consultants' Participation in Competitive Selection by Bidders' Nationality for Consultancy Contract Awards by CSU in 2007 (Numbers of Expressions of Interest and Contract Awards)

**Table 1 Total Value and Number of Consultancy Contract Awards by Contracting Department**

Department	Value (€m)		Number		% of Total Value	
	2007	2006	2007	2006	2007	2006
Consultancy Services Unit	87.91	94.01	1,035	921	64.55%	69.61%
Nuclear Safety Department*	1.07	0.68	28	13	0.79%	0.50%
Office of the General Counsel	14.52	16.27	392	367	10.66%	12.05%
Turn Around Management	6.68	6.80	716	614	4.91%	5.04%
Business Advisory Services	2.53	2.45	170	149	1.86%	1.81%
Loans **	23.47	14.84	36	13	17.23%	10.99%
<b>Total</b>	<b>136.18</b>	<b>135.05</b>	<b>2,377</b>	<b>2,077</b>	<b>100.00%</b>	<b>100.00%</b>

\* Contracted by CSU

\*\* Contracted by the Bank's borrowers

**Table 2 Total Value and Number of Consultancy Contract Awards by Funding Source (Technical Cooperation and Bank Funded)**

Year	TC Funded Contracts		Bank Funded Contracts		TOTAL (TC and Bank Funded Contracts)			
	Value (€m) (A)	Number (B)	Value (€m) (C)	Number (D)	Value (€m) (A)+(C)	% Yr/Yr Value Increase / Decrease	Number (B)+(D)	% Yr/Yr Number Increase / Decrease
2003	50.18	910	59.53	692	109.71	-14.43%	1,602	1.97%
2004	48.09	763	70.67	857	118.76	8.25%	1,620	1.12%
2005	50.22	963	51.07	936	101.29	-14.71%	1,899	17.22%
2006	68.25	1,100	66.80	977	135.05	33.33%	2,077	9.37%
2007	54.91	1,239	81.27	1,138	136.18	0.84%	2,377	14.44%

**Table 3 2007 Consultancy Contract Awards by Consultant Selection Method (Value and Number)**

Selection Method	Original Contracts / Extensions to Previous Contract	TC Funded Contracts		Bank Funded Contracts		TOTAL (TC and Bank Funded Contracts)			
		Value (€m) (A)	Number (B)	Value (€m) (C)	Number (D)	Value (€m) (A)+(C)	% of Total Value	Number (B)+(D)	% of Total Number
Direct Selection (< EUR 50K)	Original	11,187,362	734	9,900,991	464	21,088,353	15.49%	1,198	50.40%
	Extensions*	1,283,169	306	483,683	57	1,766,853	1.30%	363	15.27%
Direct Selection (> EUR 50K as per Section 5.9 (a) & (b) of the Bank's PP&R)	Original	1,691,063	10	2,152,738	51	3,843,802	2.82%	61	2.57%
	Extensions**	674,101	18	5,224,403	99	5,898,504	4.33%	117	4.92%
Selection from Shortlist	Original	6,590,993	67	15,485,883	249	22,076,877	16.21%	316	13.29%
	Extensions***	144,372	7	8,774,647	153	8,919,020	6.55%	160	6.73%
Evaluation of Proposals	Original	29,637,001	84	24,158,516	45	53,795,517	39.50%	129	5.43%
	Extensions***	3,701,973	13	15,088,296	20	18,790,269	13.80%	33	1.39%
<b>Total</b>		<b>54,910,034</b>	<b>1,239</b>	<b>81,269,157</b>	<b>1,138</b>	<b>136,179,191</b>	<b>100.00%</b>	<b>2,377</b>	<b>100.00%</b>

\* Aggregate value of a previous contract and a contract extension did not exceed € 50K

\*\* Aggregate value of a previous contract and an unforeseen contract extension exceeded € 50K and was justified on the basis of Section 5.9 (a) or (b) of the Bank's PP&R

\*\*\* Foreseen contract extensions to previous contracts awarded by Selection from Shortlist or Evaluation of Proposals

**Table 4 2007 Consultancy Contract Awards by Country of Operation (Value and Number)**

Country of Operation	Contract Value (€)	Number of Contracts	% of Total Value
Romania	20,047,362	78	14.72%
Russian Federation	17,024,636	317	12.50%
Ukraine	11,545,441	130	8.48%
Regional*	8,962,201	215	6.58%
Georgia	6,436,875	107	4.73%
Serbia	4,664,413	309	3.43%
Bulgaria	4,386,733	60	3.22%
Kazakhstan	3,523,350	108	2.59%
Azerbaijan	3,436,730	44	2.52%
Armenia	3,036,405	82	2.23%
Croatia	2,960,960	38	2.17%
Bosnia and Herzegovina	2,913,478	66	2.14%
Slovak Republic	2,685,931	8	1.97%
Kyrgyz Republic	2,334,644	56	1.71%
Tajikistan	2,203,700	46	1.62%
Mongolia	1,673,453	63	1.23%
FYR Macedonia	1,646,928	57	1.21%
Albania	1,339,495	44	0.98%
Belarus	1,157,774	16	0.85%
Uzbekistan	1,144,336	65	0.84%
Poland	894,412	17	0.66%
Montenegro	808,155	47	0.59%
Kosovo	607,816	90	0.45%
Moldova	532,910	45	0.39%
Czech Republic	358,819	5	0.26%
Hungary	137,450	6	0.10%
Macedonia	135,236	8	0.10%
Lithuania	124,125	4	0.09%
Estonia	52,860	2	0.04%
Slovenia	48,196	4	0.04%
Turkmenistan	33,246	2	0.02%
Latvia	29,000	3	0.02%
<b>Total</b>	<b>106,887,070</b>	<b>2,142</b>	<b>78.49%</b>

\* Where more than one country of operations was the beneficiary of the services

\*\* Kosovo is not one of the Bank's countries of operations

EBRD HQ Related Assignments	Contract Value (€)	Number of Contracts	% of Total Value of all Contracts
United Kingdom	29,292,121	235	21.51%

**Table 5 Consultancy Contract Awards by Contract Type**

Contract Type	Value (€m)		Number		% of Total Value	
	2007	2006	2007	2006	2007	2006
CSU Standard Standalone Contracts	67.02	60.47	768	669	49.21%	44.78%
Contracts signed directly by the Bank's borrowers with use of public sector loan proceeds	23.47	14.84	36	13	17.23%	10.99%
Retention of Outside Counsel by OGC	14.53	16.27	392	367	10.67%	12.05%
Grant Agreements with the Bank's Client (Consultancy Contracts are signed by the Bank's Clients)	10.22	12.13	66	73	7.50%	8.98%
Call-Off Notices under Framework Agreements	10.00	13.22	156	153	7.34%	9.79%
BAS / TAM Contracts	9.21	9.25	886	763	6.76%	6.85%
Nuclear Safety	1.07	0.68	28	13	0.79%	0.50%
Framework Contracts	0.49	0.06	2	1	0.36%	0.04%
Multi-lateral Carbon Credit Fund	0.11	8.13	4	3	0.09%	6.02%
Netherlands Emissions Reductions Cooperation Fund	0.05	-	4	-	0.04%	-
Framework Agreements*	-	-	35	22	-	-
<b>Total</b>	<b>136.18</b>	<b>135.05</b>	<b>2,377</b>	<b>2,077</b>	<b>100.00%</b>	<b>100.00%</b>

\* Framework Agreements are recorded as zero value

\*\*The values and numbers of Call-Off Notices under Framework Contracts are not included in the total value of contracts to avoid double counting. In 2007, there were 9 such call-off notices awarded with a total value of €0.41m.

**Table 6 Framework Agreements Awarded in 2007**

Framework Facility Name	Funding Source	Overall Facility Value (€)	Name /Nationality of Consultants awarded Framework Agreements	Duration of Framework Agreements
Regional: Industrial Energy Efficiency Services Programme – 2007 - 2008	Canada, Italy, Netherlands and UK Technical Co-operation Funds	1,750,000	<ul style="list-style-type: none"> <li>• AEA Energy &amp; Environment, UK</li> <li>• D'Appolonia S.P.A., Italy</li> <li>• Haskoning Nederland B.V, the Netherlands</li> <li>• MWH S.P.A., Italy</li> </ul>	1 year
Russian Federation: Framework Sustainable Local Transport in Siberia & Russian Far East	Japan-Europe Co-operation Fund	1,000,000	<ul style="list-style-type: none"> <li>• Corporate Solutions Consulting Ltd, UK</li> <li>• Padeco Ltd, Japan</li> <li>• PKF, UK</li> </ul>	2 years
Regional: Assistance with the EBRD's Water Projects	Bank Budget	As required	<ul style="list-style-type: none"> <li>• Christopher Shugart, US</li> <li>• Clive Harrison, France</li> <li>• Cye Consult, Belgium</li> <li>• Grontmij Carl Bro International, Denmark</li> <li>• James Leigh Hunt, UK</li> <li>• Ramboll Denmark, the Netherlands</li> <li>• Seureca, France</li> <li>• Tim Kingham, UK</li> </ul>	2 years
Regional: Urban Transport Specialists (Public Transport, Roads and Bridges, Traffic Management and Parking)	Bank Budget	As required	<ul style="list-style-type: none"> <li>• Brouwer, Austria</li> <li>• Stefan Enzelberger, Austria (2)</li> <li>• John Snell, UK</li> <li>• SR2 Consulting Gmgh, Switzerland</li> <li>• Charles Murray, UK</li> <li>• Gradimir Stefanovic, UK</li> <li>• Graham Fletcher, UK</li> <li>• IBIS Transport Consultants Ltd, UK</li> <li>• Nils Bruzelius, Sweden</li> <li>• Paul Disney, UK</li> <li>• Poyry Infra (Hannover) GmbH, Germany (2)</li> <li>• Trel Management BV, Netherlands</li> </ul>	2 years
Regional: Western Balkans SME Finance Framework – MSME Credit Advisory Service	To be determined	3,500,000	<ul style="list-style-type: none"> <li>• Carl Bro A/S, Denmark</li> <li>• DAI Europe Ltd, UK</li> <li>• GFA Consulting Group GmbH, Germany</li> <li>• Ernst &amp; Young Southeast Europe, Greece</li> <li>• Frankfurt School of Finance &amp; Management, Germany</li> <li>• Shorebank International, UK</li> </ul>	4 years



**Table 7 2007 Consultancy Contract Awards by Consultant Nationality (Value and Number)**

Ranking	Consultant Nationality	TC Funded Contracts €	% of Total Value of TC Funded Contracts	Bank Funded Contracts €	% of Value of Bank Funded Contracts	Total Value of Contracts (€)	% of Total Value	No. Of Contracts
1.	British	13,214,584	24.07%	41,970,125	51.64%	55,184,708	40.52%	683
2.	German	8,549,165	15.57%	1,125,842	1.39%	9,675,007	7.10%	97
3.	French	1,698,243	3.09%	5,598,922	6.89%	7,297,165	5.36%	57
4.	Russian	1,537,989	2.80%	5,678,747	6.99%	7,216,736	5.30%	165
5.	Luxembourgais	209,080	0.38%	6,638,450	8.17%	6,847,530	5.03%	19
6.	American	1,117,847	2.04%	4,411,563	5.43%	5,529,410	4.06%	42
7.	Italian	3,237,885	5.90%	1,058,248	1.30%	4,296,132	3.15%	165
8.	Romanian	2,166,654	3.95%	1,911,857	2.35%	4,078,511	2.99%	31
9.	Dutch	2,755,516	5.02%	711,901	0.88%	3,467,417	2.55%	53
10.	Swedish	2,777,369	5.06%	66,168	0.08%	2,843,537	2.09%	32
11.	Czech	2,139,359	3.90%	506,580	0.62%	2,645,939	1.95%	10
12.	Finnish	1,874,096	3.41%	436,313	0.54%	2,310,409	1.71%	52
13.	Danish	1,959,932	3.57%	154,793	0.19%	2,114,725	1.55%	92
14.	Croatian	67,404	0.12%	1,643,551	2.02%	1,710,955	1.26%	23
15.	Canadian	1,510,531	2.75%	200,308	0.25%	1,710,839	1.26%	38
16.	Japanese	1,578,219	2.87%	0	0.00%	1,578,219	1.16%	138
17.	Swiss	575,582	1.05%	897,387	1.10%	1,472,969	1.08%	39
18.	Belgian	856,763	1.56%	546,612	0.67%	1,403,375	1.03%	20
19.	Austrian	1,283,941	2.34%	107,336	0.13%	1,391,277	1.02%	74
20.	Kazakh	320,371	0.58%	910,264	1.12%	1,230,635	0.90%	31
21.	Ukrainian	173,321	0.32%	1,046,764	1.29%	1,220,086	0.90%	44
22.	Spanish	1,011,322	1.84%	77,470	0.10%	1,088,792	0.80%	8
23.	Georgian	579,957	1.06%	451,308	0.56%	1,031,265	0.76%	44
24.	Armenian	725,360	1.32%	190,454	0.23%	915,815	0.67%	40
25.	Australian	182,406	0.33%	521,239	0.64%	703,645	0.52%	10
26.	Polish	0	0.00%	685,036	0.84%	685,036	0.50%	19
27.	Bulgarian	42,016	0.08%	622,484	0.77%	664,500	0.49%	26
28.	Kyrgyz	433,396	0.79%	70,307	0.09%	503,703	0.37%	38
29.	Irish	439,057	0.80%	8,000	0.01%	447,057	0.33%	26
30.	Portuguese	50,632	0.09%	376,969	0.46%	427,601	0.31%	6
31.	Uzbek	156,443	0.28%	228,270	0.28%	384,713	0.28%	18
32.	Greek	198,649	0.36%	144,554	0.18%	343,203	0.25%	25
33.	Tajik	108,086	0.20%	212,727	0.26%	320,814	0.24%	17
34.	Azeri	83,512	0.15%	191,675	0.24%	275,187	0.20%	28
35.	Hungarian	0	0.00%	265,702	0.33%	265,702	0.20%	12
36.	Serbian	125,515	0.23%	134,800	0.17%	260,315	0.19%	19
37.	Kosovan	247,565	0.45%	0	0.00%	247,565	0.18%	15
38.	Bosnian	113,843	0.21%	125,257	0.15%	239,100	0.18%	17
39.	Latvia	136,179	0.25%	61,000	0.08%	197,179	0.15%	5
40.	Slovenian	114,951	0.21%	73,939	0.09%	188,890	0.14%	13
41.	Mongolian	126,374	0.23%	58,659	0.07%	185,033	0.14%	9
42.	Moldovan	156,380	0.28%	17,423	0.02%	173,803	0.13%	14
43.	Slovak	23,297	0.04%	133,044	0.16%	156,341	0.11%	5
44.	Macedonian	73,358	0.13%	76,667	0.09%	150,025	0.11%	9
45.	Chinese	0	0.00%	147,182	0.18%	147,182	0.11%	1
46.	Cypriot	0	0.00%	115,741	0.14%	115,741	0.08%	6
47.	South African	0	0.00%	113,817	0.14%	113,817	0.08%	2
48.	Albanian	30,486	0.06%	70,986	0.09%	101,472	0.07%	10
49.	Indian	0	0.00%	96,523	0.12%	96,523	0.07%	1
50.	New Zealander	0	0.00%	89,525	0.11%	89,525	0.07%	1
51.	Turkish	0	0.00%	66,450	0.08%	66,450	0.05%	5
52.	British Virgin Islands	0	0.00%	59,165	0.07%	59,165	0.04%	3
53.	Belarus	0	0.00%	57,626	0.07%	57,626	0.04%	9
54.	Norwegian	14,818	0.03%	40,000	0.05%	54,818	0.04%	3
55.	Taiwanese	45,510	0.08%	0	0.00%	45,510	0.03%	2
56.	Malaysian	41,433	0.08%	0	0.00%	41,433	0.03%	1
57.	Israeli	33,590	0.06%	0	0.00%	33,590	0.02%	1
58.	Lithuanian	0	0.00%	33,425	0.04%	33,425	0.02%	1
59.	Channel Islands	0	0.00%	30,000	0.04%	30,000	0.02%	2
60.	Turkmen	12,050	0.02%	0	0.00%	12,050	0.01%	1
<b>Total</b>		<b>54,910,036</b>	<b>100.00%</b>	<b>81,269,155</b>	<b>100.00%</b>	<b>136,179,191</b>	<b>100.00%</b>	<b>2,377</b>

**Table 8 Consultants from EBRD Countries of Operations in 2007 and 2006**

Country of Operation / Location of contracted consultant	Value of Contract Awards (€) in 2007		Number of Contract Awards in 2007		Total Value of Contracts (€) in 2007 (A)+(B)	Total Number of Contracts in 2007 (C)+(D)	Value of Contracts (€) awarded in 2006	Number of Contracts awarded in 2006
	TC Funded (A)	Bank Funded (B)	Direct Selection (C)	Competitive Procedure (D)				
Albania	30,486	70,986	10	0	101,472	10	108,291	6
Armenia	725,360	190,454	38	2	915,815	40	482,693	22
Azerbaijan	83,512	191,675	27	1	275,187	28	530,652	29
Belarus	-	57,626	9	-	57,626	9	5,800	3
Bosnia & Herzegovina	113,843	125,257	17	0	239,100	17	119,216	5
Bulgaria	42,016	622,484	24	2	664,500	26	232,801	15
Croatia	67,404	1,643,551	19	4	1,710,955	23	415,620	19
Czech Republic	2,139,359	506,580	7	3	2,645,939	10	2,534,140	5
Estonia	-	-	-	-	-	-	39,846	4
Georgia	579,957	451,308	40	4	1,031,265	44	1,257,677	39
Hungary	-	265,702	12	-	265,702	12	203,017	4
Kazakhstan	320,371	910,264	27	4	1,230,635	31	839,423	25
Kosovo*	247,565	-	15	-	247,565	15	99,339	11
Kyrgyz Republic	433,396	70,307	34	4	503,703	38	132,785	15
Latvia	136,179	61,000	5	0	197,179	5	58,268	3
Lithuania	0	33,425	1	0	33,425	1	138,860	7
FYR Macedonia	73,358	76,667	9	0	150,025	9	175,795	13
Moldova	156,380	17,423	13	1	173,803	14	143,406	11
Mongolia	126,374	58,659	6	3	185,033	9	14,145	1
Montenegro	-	-	-	-	-	-	152,587	9
Poland	-	685,036	15	4	685,036	19	811,903	17
Romania	2,166,654	1,911,857	23	8	4,078,511	31	962,658	32
Russian Federation	1,537,989	5,678,747	121	44	7,216,736	165	5,986,502	169
Serbia	125,515	134,800	18	1	260,315	19	230,444	8
Serbia & Montenegro**	-	-	-	-	-	-	247,773	14
Slovak Republic	23,297	133,044	-	-	156,341	5	370,509	10
Slovenia	114,951	73,939	13	-	188,890	13	215,163	6
Tajikistan	108,086	212,727	16	1	320,814	17	63,148	7
Turkmenistan	12,050	-	1	-	12,050	1	52,913	3
Ukraine	173,321	1,046,764	33	11	1,220,086	44	1,216,710	35
Uzbekistan	156,443	228,270	17	1	384,713	18	129,917	7
	<b>9,693,866</b>	<b>15,458,552</b>	<b>575</b>	<b>98</b>	<b>25,152,418</b>	<b>673</b>	<b>17,972,001</b>	<b>554</b>

\* Kosovo is not one of the Bank's countries of operations

\*\* Contracts awarded to Serbia & Montenegro prior to separation in 2006. Post separation contracts are recorded as either Serbia or Montenegro.

**Table 9 2007 Consultancy Contract Awards by EBRD Department\* (Value and Number)**

Department / Team		TC Funded Contracts		Bank Funded Contracts		TOTAL (TC and Bank Funded Contracts)		
		Value (€)	Number	Value (€)	Number	Value (€)	% of the Total Value of Contracts	Number
		(A)	(B)	(C)	(D)	(A)+(C)		(B)+(D)
B a n k i n g	Financial Institutions and Private Equity	18,699,624	51	2,360,775	69	21,060,399	18.69%	120
	South Eastern Europe, Central Asia and the Caucasus	9,396,294	123	1,607,349	49	11,003,644	9.76%	172
	Infrastructure	11,083,216	67	2,526,139	129	13,609,355	12.08%	196
	Energy	1,126,680	12	1,793,148	48	2,919,828	2.59%	60
	BAS / TAM Programmes (Member of SEECA Business Group)	9,209,725	886	1,193,857	54	10,403,582	9.23%	940
	Central Europe, Western Balkans, Telecommunications, Informatics & Media	176,435	10	181,821	7	358,257	0.32%	17
	Russia, Agribusiness and Property & Tourism	904,270	3	1,661,565	49	2,565,835	2.28%	52
	Other/Contingency	1,174,209	32	1,121,686	18	2,295,895	2.04%	50
Finance		0	0	26,476,709	162	26,476,709	23.49%	162
Retention of Outside Counsel (contracts awarded by OGC)		0	0	14,526,475	392	14,526,475	12.89%	392
Office of the General Counsel - (contracts awarded by CSU)		1,710,812	17	394,345	7	2,105,157	1.87%	24
Risk Management, Human Resources and Nuclear Safety		1,112,819	30	1,160,944	31	2,273,763	2.02%	61
Environment, Procurement and Administration		51,314	3	1,152,688	33	1,204,002	1.07%	36
Evaluation Department		67,030	1	647,273	23	714,302	0.63%	24
Office of the Chief Economist		6,703	1	680,638	24	687,341	0.61%	25
Office of the Chief Compliance Officer		190,900	3	122,820	3	313,720	0.28%	6
Communications		0	0	146,099	3	146,099	0.13%	3
Special Advisor		0	0	40,888	1	40,888	0.04%	1
		<b>54,910,032</b>	<b>1,239</b>	<b>57,795,219</b>	<b>1,102</b>	<b>112,705,251</b>	<b>100.00%</b>	<b>2,341</b>

\* By cost centre allocation excluding contracts funded from the EBRD's public sector loan proceeds

**Table 10 Consultants' Participation in Competitive Selection by Bidders' Nationality for Consultancy Contract Awards by CSU in 2007 (Numbers of Expressions of Interest and Contract Awards)**

Country	Open <sup>17</sup> Competition		Targeted <sup>18</sup> Competition	
	Expressed Interest	Contracts Awarded	Expressed Interest	Contracts Awarded
Afghanistan	2	0		
Albania	1	0		
Armenia	6	2		
Australia	11	3		
Austria	31	3	16	2
Azerbaijan	1	0		
Belarus	1	0		
Belgium	8	2		
Bosnia & Herzegovina	3	0		
Bulgaria	4	0		
Canada	36	3	10	3
Croatia	7	1		
Cyprus	6	1		
Czech Republic	7	2		
Denmark	54	7		
Egypt	3	0		
Estonia	1	0		
Finland	22	1	13	5
France	45	5	11	3
Georgia	68	2	2	1
Germany	147	21	18	4
Greece	23	2		
Hungary	9	0		
Iceland	2	0		
India	6	1		
Ireland	17	2		
Italy	48	6	17	4
Japan	2	1		
Jordan	2	0		
Kazakhstan	3	1		
Kosovo	1	0		
Kyrgyz Republic	49	4		
Moldova	6	0		
Mongolia	11	2		
Montserrat	2	0		
Netherlands	52	6	13	3
New Zealand	4	1		
Norway	6	1		
Pakistan	1	0		
Poland	4	0		
Romania	23	1		
Russian Federation	65	10		
Serbia	3	1		
Singapore	1	0		
Slovak Republic	2	0		
Slovenia	3	0		
Spain	19	1	22	5
Sweden	21	4	11	4
Switzerland	15	3	3	3
Tajikistan	1	1		
Turkey	3	0		
Ukraine	8	3		
United Kingdom	616	101		
United States	72	9		
Uzbekistan	4	0		
<b>Total</b>	<b>1,568</b>	<b>214</b>	<b>136</b>	<b>37</b>

*Note: This table includes data relating to new contracts awarded by Consultancy Services Unit following competitive selection process. Contracts awarded pursuant to Direct Selection <50K and Section 5.9 (a) & (b) of the Bank's PP&R, extensions and competitively awarded call-off notices under existing framework agreements are excluded*

<sup>17</sup> Assignments with no nationality eligibility restrictions and those open to the EU member states and the eligible recipient countries

<sup>18</sup> Assignments targeted specifically at consultants from TC donor country