

ENGAGEMENT OF CONSULTANTS BY EBRD

2008

Consultancy Services Unit
Consultancy and Corporate Procurement Department
March 2009

EXECUTIVE SUMMARY

- In 2008 the EBRD and its clients awarded 2,434 consultancy contracts with a total value of €120.22 million. The number of contract awards increased by 2.40% and the value decreased by 11.72% in comparison to the previous year.
- Technical Cooperation (TC) Funds including Special Funds made available through the EBRD's donor-funded programmes provided funding for 1,331 contracts totalling €65.91 million. There was a 20.03% increase in the value of TC funded contract compared with 2007 (€4.91 million for 1,239 contracts). Included in the 2008 TC funded contract awards are 123 contracts totalling €6.81 million funded from the Shareholder Special Fund established by the EBRD with its net income.
- The Bank's budget financed 1,087 consultancy contracts with a total value of €41.38 million showing a 28.41% decrease in value of contracts funded from the Bank's budget compared with 2007 (€7.80 million for 1,102 contracts).
- Consultancy contracts funded from the loan proceeds in public sector operations and awarded by the Bank's clients amounted to €2.93 million for 16 contracts. There was a decrease in the value and number of loan funded consultancy from the previous year (€3.47 million for 36 contracts).
- The majority of contracted TC funds including Shareholder Special Fund either had no consultant nationality eligibility restrictions (68.47%) or carried broad/part nationality restrictions (17.01%). The remaining 14.52% were provided by donors on "tied" basis, whereby engagement was restricted to consultants from the TC donor's country. In 2007, the value of contracted TC funds provided on "tied" basis was €0.54 million or 19.19% of the value of TC funded contract awards.
- 70.52% of the value of all contract awards by the Bank were awarded through competitive selection compared with 76.06% in 2007.
- The majority of all contract awards were related to the EBRD's operations and various technical assistance programmes promoting transition (88.40% of the total value of all contract awards). Contracts for the EBRD's institutional needs, such as IT systems development and maintenance, and staff training, amounted to 11.60% of the value of contract awards.
- The British consultants' share of contract awards decreased from 40.52% in 2007 (€5.18 million) to 30.09% in 2008 (€6.17 million). Russian and German consultants were ranked second and third with a 9.63% share (€1.57 million) and a 8.85% share (€0.64 million) respectively.
- Consultants from the EBRD's countries of operations won 624 consultancy contracts worth €33.41 million, compared with 673 contracts worth €25.15 million in 2007. The share of the value of contract awards to local consultants increased from 18.47% in 2007 to 27.79% in 2008.

Abbreviations

BAS	Business Advisory Services
CAR	Consultant Assignment Reporting
CCDP	Consultancy and Corporate Procurement Department
CSU	Consultancy Services Unit
ETC	Early Transition Countries
FI	Financial Institution
FIDIC	International Federation of Consulting Engineers
MCCF	Multilateral Carbon Credit Fund
MDB	Multilateral Development Bank
MSE	Micro and Small Enterprises
NSA	Nuclear Safety Account
NSD	Nuclear Safety Department
OGC	Office of the General Counsel
PCC	Procurement and Contracting Committee
PIP	Public Information Policy
PP&R	Procurement Policies and Rules
SME	Small and Medium Enterprise
SSF	Shareholder Special Fund
TAM	TurnAround Management Programme
TC	Technical Cooperation
TC Com	Technical Cooperation Committee

Table of Contents

1. Introduction	1
2. Overall results of consultancy contract awards.....	1
3. Funding sources.....	2
4. Consultant selection methods.....	4
5. Consultants engaged for operations and institutional needs	8
6. Nationality of consultants.....	9
7. Analysis of consultancy contracts by contracting department	10
8. Contracting methods	14
9. Performance of consultants.....	15

Annex – Tables of Statistics

1. Introduction

The Annual Report on Engagement of Consultants by EBRD (the “Report”) aims to provide an overview and analysis of consultancy contract awards by the European Bank for Reconstruction and Development (the “EBRD” or the “Bank”) and its clients during 2008.

The Report has been prepared by the Consultancy Services Unit (“CSU”) which, as a result of the organisational restructuring merging Consultancy Services and Purchasing Units in April 2008, now functions as part of the Consultancy and Corporate Procurement Department (“CCPD”). CSU remains the central unit in the Bank with overall responsibility for compliance with respect to engagement of consultants. For the purpose of the Report CSU has consolidated the figures of consultancy contract awards by CSU and other departments within the Bank with authority to contract consultants for their specific needs. These are the Office of the General Counsel (“OGC”), responsible for retention of outside counsel, and the “TAM/BAS Team”, responsible for engagement of 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 have also been included in the consolidated figures¹.

The Report has been structured to provide an overview of all consultancy contract awards and their funding sources (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”)); consultant selection methods used; the main areas of the Bank’s activities which required the use of consultants; nationality of consultants; brief analysis of contract awards by contracting department; contracting methods and performance of consultants.

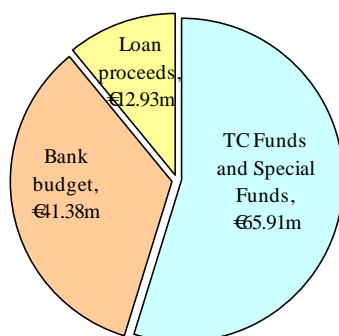
The Report has been prepared for review by the Executive Committee and the Audit Committee of the Bank. Upon their consideration and approval it is intended that, in accordance with the amended Bank’s Public Information Policy (“PIP”) which provides for publication of Annual Reports on Engagement of Consultants on the Bank’s website², the Report will be placed in the public domain.

2. Overall Results of Consultancy Contract Awards

In 2008, the Bank and its clients awarded 2,434 consultancy contracts with a total value of €120.22 million. This represents a 2.40% increase in number and a 11.72% decrease in value of contract awards compared to the previous year (2,377 contracts totalling €136.18 million).

The overall results of consultancy contract awards include contracts awarded by the Bank using its own budget and various grant funds, including TC, Special funds and NSA, managed by the Bank. Also included are consultancy contracts funded by loan proceeds in public sector operations awarded by the Bank’s clients.

Value of 2008 Consultancy Contract Awards



The value and number of contract awards for contracts funded by TC funds, the Bank’s budget and public sector loan proceeds for the past five years are presented in Table 2 of the Annex.

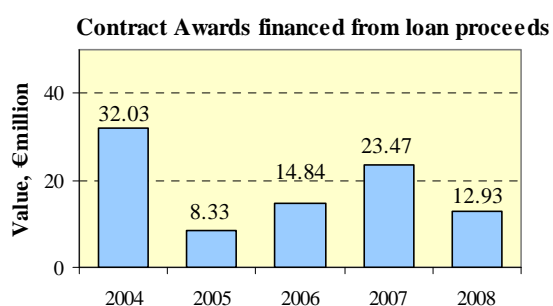
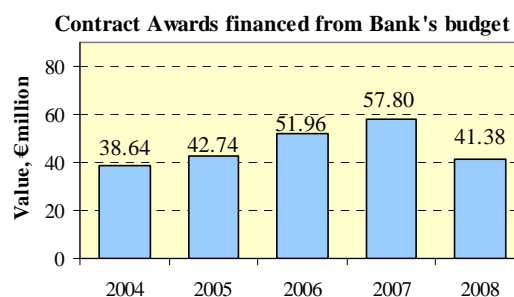
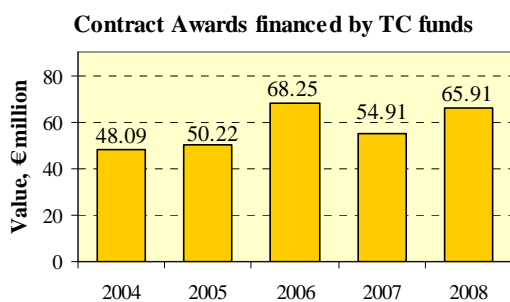
The data includes contract extensions, where contracts have been extended in value with additional scope of work.

¹ These contract awards are also reported in the Annual Procurement Review prepared by the Procurement Department

² September 2008, Section 4.3.3

3. Funding Sources

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



The charts illustrate the consultancy contract awards by the Bank, grouped into TC funded, Bank funded and loan funded, between 2004-2008. The data for the Nuclear Safety Department (“NSD”) is included in TC funded contracts awards and also set out separately in Table 1 of the Annex.

3.1 Technical Cooperation Funds

In 2008 both the value and number of TC funded contract awards increased compared to the previous year. In 2008, TC funds made available through the EBRD's donor-funded programmes financed 1,331 contracts totalling €65.91 million (54.68% of the total number and 54.82% of the total value of all contract awards by the EBRD). This represents a 20.03% increase in value and a 7.43% increase in number of TC funded contract awards compared to 2007 (€54.91 million for 1,239 contracts). The TC funded contracts include those for the NSA, TAM/BAS programmes and Special Funds such as the Shareholder Special Fund and Multi-lateral Carbon Credit Fund (“MCCF”).

TC funds were provided by bilateral and multilateral donors through more than 80 different TC contribution agreements.

The European Union (EU) through various programmes provided funding for 414 contracts with an aggregate value of €10.70 million. For comparison, in 2007 the EU funded consultancy contract awards amounted to €14.09 million for 430 contracts, and in 2006 to €17.08 million for 378 contracts.

The EBRD Shareholder Special Fund (“SSF”), which was established in April 2008 with the Bank's net income to complement TC funds provided by other donors and became operational in July 2008, financed 123 contracts totalling €6.81 million. Included in the contract awards funded by the SSF were 23 contracts for €4.25 million by CSU, 62 contracts for €1.72 million by the TAM Programme and 38 contracts for €0.84 million by the BAS Programme. Out of 23 contract awards by CSU, nine were for projects co-financed with other donors of TC funds.

Among multi-donor funds, the Early Transition Countries (“ETC”) Fund and Western Balkans Fund were the largest sources of funding.

The ETC Fund³ financed by Japan, United Kingdom, the Netherlands, Spain, Sweden, Canada, Finland, Switzerland, Ireland, Luxembourg, Norway and Taipei China provided funding for 137 contracts with a total value of €10.48 million (in 2007 the number and value of ETC funded contracts amounted to 187 and €9.42 million).

The Western Balkans Fund⁴ established in November 2006 and supported by 15 donor governments (Austria, Canada, Czech Republic, Finland, Hungary, Ireland, Luxembourg, Netherlands, Norway, Poland, Slovak Republic, Slovenia, Spain, Sweden, and the United Kingdom) financed 69 contracts with an aggregate value of €6.16 million (in 2007 there were 34 contract awards totalling €0.92 million funded by the Western Balkans Fund).

10 Bilateral Donors with the highest contracted values in 2008

22 donor countries provided TC financing for consultancy contracts funded through various bilateral contribution agreements.

The table on the right lists the largest ten contributors of bilateral TC donor funds.

Donor Country	Value, €	Number
Japan	5,694,907	169
Italy	2,780,501	69
Canada	2,563,140	60
Netherlands	2,543,436	37
Germany	2,508,659	4
Sweden	1,860,405	11
UK	1,434,040	18
Switzerland	1,361,279	16
Spain	1,201,205	8
Austria	885,901	18

Within the TC funded contract statistics, are included 8 contracts with an aggregate value of €0.27 million financed with funds for the NSD, a 71.43% decrease in numbers and a 74.77% decrease in value, from 28 NSA contracts totalling €1.07 million awarded in 2007.

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

3.2 Bank’s Budget

In 2008, the number and value of contract awards financed from the Bank’s budget amounted to 1,087 contracts and €41.38 million (44.66% of the total number and 34.42% of the total value of all contract awards by the EBRD and its clients). Compared to the previous year, both the number and value of contract awards funded from the Bank’s budget decreased by 1.36% and 28.41% respectively (in 2007 there were 1,102 contract awards for €57.80 million financed from the Bank’s budget).

GBP weakness against the Euro contributed to the decrease in the reported value of the Bank funded contract awards expressed in Euros, as approximately 60% of the number of Bank funded contract awards by CSU were in GBP and the applicable GBP to Euro exchange rates changed from £1=€1.34 for 2007 data and £1=€1.08 for 2008 data⁵.

Contracts financed by the Bank’s budget included 741 contracts totalling €26.72 million awarded by CSU and 346 contracts with a total value of €14.66 million for retention of outside counsel awarded by OGC. Out of 741 contract awards by CSU, 469 contracts for €13.54 million were in relation to the Bank’s operations, and 272 contracts worth €13.18 million were for consultancy assignments related to the Bank’s institutional needs (see Section 5.2). The Bank funded contract awards by CSU include 38 contracts totalling €0.43 million issued for the BAS/TAM Programmes as part of the approved internalisation of TC costs.

³ The ETC countries include Armenia, Azerbaijan, Georgia, Kyrgyz Republic, Moldova, Mongolia, Tajikistan and Uzbekistan

⁴ Albania, Bosnia and Herzegovina, FYR Macedonia, Montenegro and Serbia (including Kosovo) benefit from the Western Balkans Fund

⁵ January exchange rate is used to report on the contract awards in the previous year

3.3 Loan Proceeds in Public Sector Operations

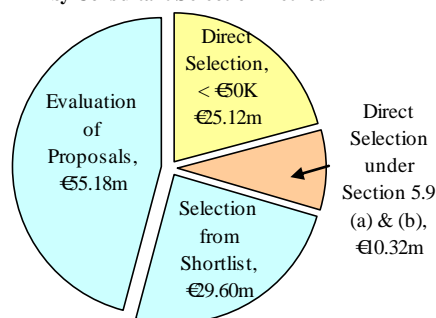
In 2008, there were 16 consultancy contracts with an aggregate value of €12.93 million funded by loan proceeds of public sector operations and awarded by the Bank's borrowers directly. The Bank's portion of financing in these operations amounted to €7.72 million or 59.69%. In 2007, there were 36 consultancy contract totalling €23.47 million funded by loan proceeds in public sector operations with the Bank's financing amounting to 97.92%.

4. Consultant Selection Methods

Table 3 of the Annex details the numbers and values of consultancy contracts and extensions by consultant selection method (direct selection, selection from shortlist and evaluation of proposals) for both TC and Bank funded contracts.

The share of value of contracts awarded by direct selection remained below 30% as in the previous years. In 2008, 29.48% of the value of all consultancy contracts were awarded by direct selection⁶ compared to 23.94% in 2007 and 29.34% in 2006.

Value of Consultancy Contract Awards in 2008
by Consultant Selection Method



Out of 1,809 contracts with an aggregate value of €35.44 million awarded by direct selection, 1,645 contracts worth €25.12 million (20.90% of the value of all contracts) cost less than €50,000 including any relevant contract extensions. The remaining 164 contracts for €0.32 million (8.58% of the value of all contracts) were either above €50,000 in value, or unforeseen contract extensions which brought the aggregate value of an original contract above the threshold for direct selection and awarded under Section 5.9 (a) or (b) of the Bank's PP&R⁷. Compared with 2007 there was an increase in the value of 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 (in 2007, there were 178 such contracts and extensions totalling €9.74 million or 7.15% of the value of all contract awards).

In 2008, 625 contracts with a total value of €4.79 million (70.52% of the value of all contract awards by the Bank) were awarded through competitive selection, either selection from a short list or evaluation of proposals⁸. In 2007, there were 638 contracts totalling €103.58 million (76.06% of the value of all contracts) awarded through competitive selection.

Compared with 2007, the share of the value of competitively awarded consultancy contracts decreased due to:

- (i) a number of large value contracts and extensions awarded directly under Section 5.9 (a) & (b) of the Bank's PP&R in relation to various TC programmes requiring continuity. An example is a contract for the Judicial Capacity Building (Phase III) in Kyrgyz Republic awarded directly to IDLO (€294,470 funded from the SSF). In 2006 IDLO successfully implemented Phase II of the Judicial Capacity Building Programme in Kyrgyzstan. All

⁶ 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".

⁷ 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.

⁸ 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.

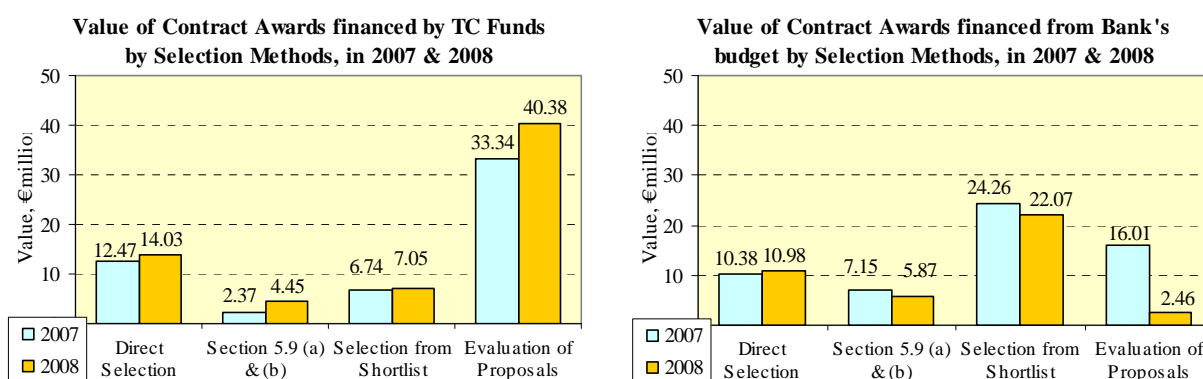
TC funded assignments that were awarded under Section 5.9 (a) & (b) of the Bank's PP&R were reviewed and approved by the Bank's TC Committee on a case by case basis.

- (ii) a decrease in competitive selection for contracts funded from the Bank's budget, partly due to lower value contract awards as the number of Bank funded contracts decreased by 1.36% whereas the value decreased by 28.41%, and partly due to a reduction in competitively awarded contracts for specific projects in relation the Bank's institutional needs.

Among competitively awarded consultancy contracts were 495 contracts amounting to €9.60 million (including 161 foreseen extensions) awarded through simplified selection from short list procedure which is used to select firms for contracts estimated to cost €50,000 and above, and less than €200,000, and for all contracts costing €50,000 and above with individuals. Among contract awards by CSU, more than half of all contracts awarded through selection from shortlist were for individual services which is the most competitive process for selecting individual consultants. The average values of original contracts awarded through selection from shortlist procedure excluding extensions amounted to €4,827 for firms and €4,355 for individuals. The average values of contract extensions were €4,332 for firms and €3,424 for individuals.

Further 130 contracts (including 42 contract extensions) with an aggregate value of €5.19 million were awarded following formal evaluation of proposals used for consultancy contracts with firms estimated to cost €200,000 or more.

The distribution of value of the 2008 contract awards by consultant selection method for contracts funded by TC funds and the Bank's budget (excluding loan proceeds) in comparison with 2007 is presented in the charts below.



The two significant variations between 2007 and 2008 were in the increase of value of contracts awarded under Section 5.9 (a) & (b) of the Bank's PP&R for TC funded assignments, and in the decrease of value of contracts awarded through evaluation of proposals for assignments funded from the Bank's budget.

In 2008, the value of TC funded contracts awarded under Section 5.9 (a) & (b) of the Bank's PP&R increased from €2.37 million to €4.45 million. There were 40 TC funded contracts/extensions awarded under Section 5.9 (a) & (b) in 2008 (compared with 28 in 2007). The highest value contract extension under Section 5.9 (b) was for the MSE Credit Advisory Services in Azerbaijan for a total of €0.85 million funded through the SSF and ETC Fund awarded to Sparkassenstiftung Für International Kooperation, Germany. CRC Sogema, Canada were awarded a contract extension for the Assistance with Implementation of Business Plan to Komercijalna Banka in Serbia (€0.55 million funded from the SSF and Western Balkans Fund). TA Consult of Russia were directly selected as the Micro Enterprise Credit Advisers 2008-2010 for the MSE/SME Finance Framework in Belarus (€0.50 million, SSF).

The value of contracts and extensions funded from the Bank's budget and awarded through evaluation of proposals decreased from €16.01 million for 30 contracts in 2007 to €2.46 million for 18 contracts in 2008. This was mainly due to a number of major Bank's projects being implemented in 2007 (including the Risk Management Programme, the Equity Systems Projects, and the Implementation of SAP solutions), whereas in 2008 these projects were either completed or required smaller extensions.

For consultancy contracts financed by loan proceeds of public sector operations the evaluation of proposals procedure remained predominant, with 99.02% (2007) and 95.44% (2008) of the value of loan funded contracts awarded following formal evaluation of proposals (see Section 7.5 and Table 3 of the Annex).

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.

TC funds with restrictions on consultant's eligibility to those from donor countries are referred to as "tied". The numbers and values of the 2008 contract awards financed by tied TC funds by donor country are presented in the table below.

2008 & 2007 Contract Awards funded by Tied TC Funds

Donor Country	Value, €		Number	
	2008	2007	2008	2007
Italy	2,753,517	2,147,801	64	52
Netherlands	1,208,396	863,434	12	8
Spain	1,201,205	895,467	8	5
Switzerland	977,178	1,183,684	7	14
Canada	917,388	784,326	42	24
Sweden	828,290	977,622	4	4
Austria	603,065	778,224	5	9
Germany	508,659	650,090	3	5
USA	163,608	-	1	-
Czech Republic	147,270	-	5	-
Finland	77,897	1,102,174	6	8
Norway	65,000	9,392	1	1
Belgium	46,160	-	2	-
Greece	30,544	-	2	-
Ireland	22,740	41,704	3	3
Denmark	19,952	2,500	2	3
Portugal	2,898	22,040	1	1
France	-	776,455	-	3
BP*	-	164,050	-	1
Luxembourg	-	137,630	-	9
Total	9,573,767	10,536,593	168	150

*Commercial Donor

In total, tied funds financed 168 consultancy contracts with an aggregate value of €9.57 million, or 14.52% of the total value of TC funded contract awards by the Bank. Out of 168, 85 contracts with aggregate value of €0.96 million were issued by the TAM Programme. 17 bilateral donors contributed tied TC funding for contracts awarded last year.

Italy was the largest donor of tied TC funds, financing 64 contracts with an aggregate value of €2.75 million through four contribution agreements with the Bank (Central European Initiative, ICF-PSD in Western Balkans, Albanian Water Resources Study Fund, Italian TC Fund).

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

- Albania: Pre-Feasibility Study on Water Resources in Southern Albania, *Funding Source*: Italy (IT03) – EBRD Italian TC Fund Albania Water Resources Study, *Contract Value*: €92,020, *Winner*: C Lotti & Associati, Italy.

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 as “**untied**” funds. In 2008, untied TC funds financed 593 contracts with an aggregate value of €8.32 million or 58.14% of the total value of TC funded contract awards by the EBRD. Among the larger contributors of untied TC funds were the ETC Fund, the Western Balkans Fund, Canada, Germany, Japan, EU (via nine separate contribution agreements), the Netherlands, Sweden and the United Kingdom. The ETC fund financed a total of 137 contracts worth €10.48 million or 15.90% of the total value of all TC funded contracts. Japan, Germany and Canada were the three highest contributing bilateral donors of untied TC funds with respective aggregate contract values of €5.69 million (169 contracts via two funds), €2.00 million (one contract via one fund) and €1.65 million (18 contracts via one fund). All TC funding provided to the BAS Programme is untied and in 2008 financed 121 contracts with an aggregate value of €2.62 million.

It should be noted that many of the bilateral donors of TC funds (Austria, Canada, Germany, Italy, the Netherlands, Norway, Sweden, Switzerland and the USA) 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 2008, semi-untied funds were sources of financing for 434 consultancy contracts with an aggregate contract value of €8.21 million (12.46% of the total value of TC funded contracts). The semi-untied funds provided by the EU financed 390 contracts with a total value of €4.86 million via eight funding programmes. Other examples of semi-untied TC funds are the Northern Dimension Environmental Partnership Support Fund and Taiwanese TC Fund.

The new EBRD Shareholder Special Fund, which is untied, financed 123 contracts with an aggregate value of €6.81 million.

Other Special Funds (NSA, MCCF and Kozoloduy International Decommissioning Support Fund) financed the remaining 13 contracts with an aggregate value of €3.00 million and 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 2008, 145 TC funded contracts with a total value of €37.45 million were awarded following a new competitive consultant selection process⁹. These included 13 competitively

⁹ Excluding contract extensions in budget with additional scope of work

awarded call-off notices (€2.89 million) under existing framework agreements¹⁰. The remaining 132 contracts for €34.56 million had the following approaches to consultant selection:

- a) 32 contracts worth €9.96 million were awarded as the result of consultant selection processes targeted specifically at consultants from the donor country;
- b) 100 contracts with a total value of €7.60 million were awarded following consultant selection process which did not target any specific consultant nationality. This number included 13 EU funded contracts with a total value of €6.93 million, 80 contracts funded with other TC funds totalling €20.67 million and seven framework agreements with potential value of €0.85 million.

5. Consultants Engaged for Operations and Institutional Needs

5.1 Consultancy Contracts in relation to the EBRD's Operations

In 2008, out of all consultancy contract awards by the EBRD and its borrowers, 88.46% of the total number (2,153) and 88.40% of the total value (€106.27 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 1,322 contracts for €65.14 million financed by TC funds, 16 contracts for €2.93 million funded by loan proceeds in public sector operations, and 815 contracts for €28.20 million funded from the Bank's budget including retention of outside counsel by OGC.

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.

Among the Bank's 30 countries of operations, the largest value of contract awards for operational needs were in Russian Federation with €17.34 million worth of contracts, followed by Croatia (€9.89 million), and Ukraine (€8.86 million).

In terms of sector distribution, consultancy contract awards to support in the municipal infrastructure sector had the highest share of the value (€13.84 million), followed by financial institutions/bank lending and SME (€10.20 million each), and power and energy sector (€7.15 million).

5.2 Consultants Engaged for the Bank's Institutional Needs

In 2008, 281 contracts with a total value of €13.95 million were for consultancy assignments related to the Bank's institutional needs (11.54% of the total numbers and 11.60% of the total value of contract awards). These contracts included, among others, consultants advising on EBRD business continuity and crisis management, IT specialists, staff training and coaching, executive search firms for Human Resources, assistance with the Bank's publications, consultants advising on the maintenance of the EBRD Headquarters building and Resident Offices. Also included within contracts for the Bank's institutional needs are those awarded to internal consultants either for provision of specialised expertise or to supplement human resources requirements.

Contract awards to IT consultants amounted to €8.14 million for 125 contracts. The Office of the Chief Economist required 35 contracts totalling €1.90 million for various studies and assistance with publications. The Evaluation Department performing project, sector, policies and programmes assessments required 16 contracts totalling €0.24 million. The Office of the

¹⁰ Competition is reported at framework level

Chief Compliance Officer engaged consultants for the Independent Recourse Mechanism Review and Anti-Money Laundering Training Programme (7 contracts for €0.29 million).

The Bank's budget financed 272 contracts totalling €13.18 million of all contracts for the Bank's institutional needs. The remaining 9 contracts for €0.77 were financed from TC funds (for example, the Western Balkans Fund financed Impact Evaluation Study in Bosnia and Herzegovina, and Canadian and Taiwanese Funds contributed to financing the Business Environment and Enterprise Performance Survey). 205 contracts for €9.40 million out of the 281 contracts for the Bank's institutional needs were awarded to the British consultants.

6. Nationality of Consultants

6.1 Overall Results

Table 7 of the Annex details the ranking of consultants' nationalities engaged by the Bank in 2008 by value of contract awards, for TC funded, Bank budget and loan funded contracts¹¹.

Consultants of 64 nationalities were awarded contracts in 2008, compared to 60 nationalities in 2007.

British consultants remained on the top of the consultant nationality ranking table with €6.17 million for 729 contracts. The share of the contracted value awarded to British consultants decreased from 40.52% in 2007 (€5.18 million for 683 contracts) to 30.09% in 2008. British consultants' expertise ranged from information technology (108 contracts worth €7.05 million for the Bank's IT systems upgrade and maintenance were to British nationals), to financial, accounting, legal and engineering expertise across all sectors including financial institutions, SMEs, power and energy, and transport. OGC awarded 79 contracts for €3.86 million to UK based outside counsel. Out of 851 contract awards by the TAM Programme 137 contracts for €1.41 million went to British consultants.

Russian consultants improved their ranking by moving into second place with €1.57 million for 134 contracts (a 9.63% share of the total value of contract awards). In 2007 Russian consultants were ranked fourth with €7.22 million for 165 contracts.

German consultants were in third place with a 8.85% share of the total value of contract awards. Though the German consultants' ranking was one place below that of 2007, the total value of contract awards to German consultants actually increased from €9.68 million (97 contracts) in 2007 to €10.64 million (94 contracts) in 2008.

Croatian consultants were in fourth place with €6.70 million for 18 contracts. This ranking was largely due to the highest single value contract for €6.32 million funded by public sector loan proceeds, awarded to Institut Gradevinarstva Hrvatske, Croatia for Project Management, Design of Part of the Works, Procurement of Works and Supervision of Works on Zagreb Holding Water and Sewer Investment Project. In 2007 Croatian consultants were ranked fourteenth with €1.71 million for 23 contracts.

French consultants which were ranked third in 2007 (€7.30 million for 57 contracts) moved to the fifth place in 2008 (€5.45 million for 43 contracts).

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 Russian consultants were the most responsive and had the highest number of contract awards.

¹¹ Only nationality of the lead firm is recorded

6.2 Consultants from the Bank’s Countries of Operations

Table 8 of the Annex details the value and number of contract awards (for TC and Bank funded contracts) and selection methods of consultants from countries of operations.

In 2008, local consultants¹² were awarded 27.79% of the value of all contract awards, showing an increase compared with 2007, when the local consultants’ share amounted to 18.47% of the value of all contract awards.

The value of 624 consultancy contracts awarded to local consultants by the EBRD in 2008 amounted to €3.41 million. This represents a 32.84% increase in the value of contract awards from 2007 (€25.15 million), and the number of contracts decreased by 7.28% (from 624 to 673). This increase is partly attributed to the highest single value loan funded contract award for €6.32 million awarded to a Croatian consultant as detailed in Section 6.1.

Local consultants were also more successful than the previous year in winning competitively awarded contracts: the number of contract awarded to local consultants through competitive selection procedure increased from 98 in 2007 to 129 in 2008.

The total number included 248 contracts amounting to €10.20 million awarded by OGC to consultants based in the EBRD countries of operations (69.52% of the total value OGC contract awards). The TAM Programme awarded 19 contracts totalling €2,081 to local consultants. Among consultancy contracts funded by public sector loan proceeds, 6 contracts for €3.09 million were awarded to local consultants.

It should be noted 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 2008, CSU conducted outreach programmes to local consultants in Czech Republic, Serbia, Slovak Republic and Turkey in order to facilitate their participation in the Bank’s consultancy assignments and to increase local capacity.

7. Analysis of Consultancy Contracts by Contracting Department

The distribution of the contract awards by each respective department for the past two years is presented in Table 1 of the Annex.

7.1 Consultancy Contracts Awarded by Consultancy Services Unit



In 2008, CSU was responsible for contracting over 67.98% of the total value of consultancy contract awards by the EBRD. 1,100 contracts were awarded through CSU with an aggregate value of €1.72 million including contracts for NSD.

¹² 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.

Compared to the previous year there was a decrease in the value of contracts awarded by CSU (8.15%), and an increase in the number of contract awards (3.48%).

The 1,100 contracts awarded by CSU included 824 newly awarded contracts (€60.19 million) and 276 contract extensions (€21.53 million). In 2007, there were 807 newly awarded contracts for €9.04 million and 256 contract extensions worth €29.93 million. Out of the 824 newly awarded contracts, 372 (€47.60 million) were awarded following a competitive selection process. In 2007 there were 368 contracts totalling €47.47 million awarded following a new competitive selection process.

TC and Special funds including NSA financed 359 consultancy contracts and extensions with an aggregate value of €55.00 million (32.64% of the number and 67.30% of the value of CSU contract awards). In 2007, there were 353 TC funded contract awards by CSU totalling €45.70 million.

Included in the TC funded contracts are eight contracts with an aggregate value of €0.27 million for the NSD financed with funds for the NSA. In 2007, there were 28 contracts totalling €1.07 million for the NSD.

The number and value of Bank funded contracts issued by CSU in 2008 amounted 741 contracts and €26.72 million, or 67.36% of the total number and 32.70% of the total value of CSU's contract awards. This represents a 4.37% increase in number and a 38.25% decrease in value compared with 2007 (710 contracts with a total value of €43.27).

The tables below present the distribution of TC and Bank funded contract awards by consultant selection methods in 2008 and 2007.

CSU Contract Awards: TC Funds

Consultant Selection Method	Value, €		Number	
	2008	2007	2008	2007
Direct Selection	7,566,320	5,625,964	178	182
Selection From Shortlist	7,053,672	6,735,367	77	74
Evaluation of Proposals	40,382,607	33,338,975	104	97
Total	55,002,599	45,700,306	359	353

CSU Contract Awards: Bank's budget

Consultant Selection Method	Value, €		Number	
	2008	2007	2008	2007
Direct Selection	9,886,756	10,355,054	382	366
Selection From Shortlist	14,363,443	16,909,973	341	314
Evaluation of Proposals	2,466,434	16,003,713	18	30
Total	26,716,633	43,268,740	741	710

There was a sharp decrease in the value of Bank funded contracts awarded through evaluation of proposals. As mentioned in Section 4 (page 5) this was due to a number of major Bank's projects being implemented in 2007 (including the Risk Management Programme, the Equity systems Projects, and the Implementation of SAP solutions), whereas in 2008 these projects were either completed or required smaller extensions.

In 2008, CSU published 147 procurement notices inviting expression of interest in consultancy assignments on the Bank's website, compared with 177 in 2007 (not all of them resulted in a contract award in the same year).

CSU continued to prepare grant agreements for consultancy funded by Investment Cooperation Funds.

Multiple Contract Awards

In 2008, 1,100 consultancy contracts were awarded by CSU to 606 consultants¹³ contracted by the Bank and its clients. Out of these, 440 consultants had one contract award and 166 entities had two or more contract awards, including contract extensions with additional scope of work and budget to previous assignments. The 166 entities with multiple contract awards included 98 entities with two contract awards, 26 entities with three contract awards, 14 with four contract awards, and the remaining 28 with five or more contract awards.

Consultants with five or more contract awards were mostly retained by the Bank under framework agreements for performance of similar or repetitive assignments¹⁴ 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 10 consultants with the highest number of contract awards by the EBRD in 2008 detailed by contract type.

10 Consultants with the highest numbers of contract awards by EBRD in 2008

Consultant Name, Nationality	Number of contract awards				Total Number	Total Value €m
	Standalone Contracts	Framework Agreements	Call-Off Notices	Extensions ¹⁵		
1. The Risk Advisory Group Plc, UK	1	-	37	6	44	0.66
2. Diligence International LLC, UK	-	-	31	3	34	0.48
3. Control Risks Group Ltd, UK	-	-	20	6	26	0.25
4. MWH S.P.A, Italy	8	2	13	1	24	1.12
5. GPW Ltd, UK	-	-	18	1	19	0.30
6. Square One Resources Ltd, UK	4	-	-	14	18	1.17
7. DAI Europe Ltd, UK	2	-	4	10	16	4.73
8. Haskoning Nederland B.V., Netherlands	6	-	5	3	14	0.84
9. Shorebank International, UK	3	-	2	8	13	4.80
10. D'Appolonia S.p.a., Italy	2	1	7	2	12	0.40

Among the ten top ranked consultants with the highest numbers of contract awards in 2008 were four firms engaged by the Bank under framework agreements for integrity investigation services (1, 2, 3 & 5), two firms engaged under several framework agreements for SME Finance and Financial Institutions Capacity Building (7 & 9), two firms engaged to perform energy audits (4 & 10) and one HR agency supplying IT specialists (6). Haskoning Nederland B.V. (8) were engaged under a framework agreement for provision of the services under the Regional Industrial Energy Efficiency Programme 2007-2008.

In 2007, the Risk Advisory Group Plc also had the highest number of contract awards (32) totaling €0.55 million, followed by GPW Ltd (22 contract awards for €0.44 million), Diligence International LLC (21 contract awards for €0.47 million). Other firms that also were among the top 10 consultants with the highest numbers of contract awards in 2007 were DAI Europe Ltd, Control Risks Group Ltd, MWH S.p.a., D'Appolonia S.p.a. and Square One Resources Ltd.

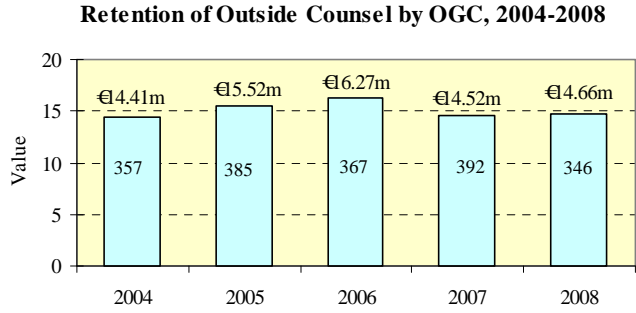
Among individual consultants, the highest number of contracts/extensions awarded to the same individual in 2008 was four: two individual consultants were retained to represent the EBRD on board of directors of several investee companies and for provision of short term project / policy advisory services. In 2007, there were five individual consultants with four contract awards.

¹³ Either individuals or firms. Regional offices of multinational firms (for example, ERM Eurasia Ltd Russia and ERM Europe Ltd UK) and various consulting arms of multinational groups (such as Poyry Environment, Poyry Energy and Poyry Infra) were recorded as separate contracting entities.

¹⁴ 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 Extensions in scope of work and budget to either standalone contracts or call-off notices

7.2 Contracts awarded by OGC



In 2008, OGC awarded 346 contracts with a total value of €4.66 million for retention of outside counsel. Compared with 2007, the number of contract awards decreased by 11.73%, whereas the value increased by 0.96%.

Out of 346, 273 contracts with a total value of €6.96 million were awarded by direct selection from the OGC

database of registered law firms. The remaining 73 contracts totalling €7.71 million were awarded following competitive selection.

41.52% of the value of all consultancy contract awards by OGC were for the projects in Russian Federation (€6.09 million for 93 contracts), followed by 9.47% related to the projects in Ukraine (€1.39 million for 40 contracts), and 7.91% for projects in Kazakhstan (€1.16 million for 24 contracts).

In terms of nationality, law firms based in Russian Federation had the largest share of the value of contract awards (€3.30 million, 74 contracts), followed by UK (€3.86 million, 79 contracts) and Ukraine (€1.31 million, 38 contracts).

Engagement of outside counsel, by OGC for operations, is funded from the Bank’s budget. The costs are mainly recoverable from the clients as part of transaction costs.

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 2008, the TAM Programme awarded 851 contracts totalling €3.30 million. This represents a 18.85% increase in the number and a 24.25% in the value of contract awards by the TAM Programme compared with the previous year.



All contracts awarded by the TAM Programme were TC funded. Among the main contributors of TC Funds were EU, SSF and Japan.

British, Japanese and Italian consultants had the highest value of contract awards by the TAM Programme with €1.41million, €1.40 million and €1.02 millions of contracts respectively.

Although all contracts awarded by the TAM Programme were recorded as direct selection, the actual contract award process involved 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 2008, the BAS Programme awarded 121 consultancy contracts (all TC funded) with a total value of €2.61 million, a decrease of 28.82% in numbers and an increase of 3.56% in value compared with 2007. The main contributors to TC funds that financed contracts by the BAS Programme were SSF, Japan and Netherlands. Russian, Kazakh and British consultants had the highest value of contract awards (€0.37 million, €0.27 million and €0.23 million respectively).

Most consultancy contracts awarded by the BAS Programme were to cover the engagement of individual consultants as “quasi programme 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 were recorded as direct selection.

7.5 Loan Funded Contracts

In 2008, 16 consultancy contracts funded by loan proceeds of public sector operations with a total value of €12.93 million were signed by the Bank’s borrowers. 8 contracts for €12.34 million were awarded following evaluation of proposals, four contracts for €0.48 were awarded following selection from shortlist, and four contracts for €0.11 million were awarded directly. In 2007, there were 36 consultancy contracts funded by loan proceeds of public sector operations with a total value of €23.47 million. The loan funded contracts are also reported in the Annual Procurement Review prepared by Procurement Department.

8. Contracting Methods

Table 5 of the Annex summarises the value and number of contract awards by contract type.

774 contracts worth €56.55 million (or 47.04% of value of all contract awards) were awarded as CSU stand alone standard contracts with the Bank as the contracting party.

Grant agreements with the Bank’s clients, whereby the consultancy contracts are signed by the Bank’s clients, are important instruments in the provision of TC assistance. 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. In 2008, there were 89 contracts totalling €17.45 million (or 14.52% of the value of all contract awards) awarded as grant agreements signed with the Bank’s clients, compared with 66 contracts for €10.22 million in 2007. 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 for payment for the services rendered pursuant to consultancy contracts.

The number and value of contracts funded from the Bank’s loan proceeds of public sector operations and contracted by the Bank’s clients directly amounted to 16 contracts totalling €12.93 million (10.76% of the value of all contract awards).

Framework contracts/agreements are used by the Bank 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 2008, the EBRD awarded 27 framework agreements and one framework contract¹⁶. The framework contract was for the Public Private Partnership (PPP) Advisor for Transport Projects in the Western Balkans, awarded to Atkins International Ltd, UK for the duration of 18 months (framework contract value €248,500).

The 27 framework agreements were for the following consulting services:

- Regional: Pool of Experts - Solid Waste Projects
- Regional: Pool of Experts - EBRD Housing Projects
- Regional: Monitoring Consultant to Assist EBRD's Environment and Sustainability Department
- Regional: Improving Energy Efficiency in Public Buildings Advisory Services
- Regional: Thermal Power Plants, Rehabilitation & Efficiency Improvement: Technical Audits/Projects Review
- Regional: Energy Audits Programme Framework Agreements (Extension)
- Regional: Environmental Training of EBRD's Financial Intermediaries
- Regional: Insurance Advisory Services.

Table 6 of the Annex details the framework facilities values and lists the consultants awarded framework agreements.

In 2008, there were 200 call-off notices totalling €7.12 million awarded under existing framework agreements, out of which 153 were awarded following competition amongst consultants with framework agreements.

Pre-selected panels of experts¹⁷ 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.

9. Performance of Consultants

The Bank maintains a Consultant Assignment Reporting (“CAR”) system which is designed as a tool for reporting on TC and Bank funded consultancy assignments. CAR is a database containing information provided by operation leaders throughout the Bank on consultants’ performance. OCU is responsible for maintaining the CAR TC Funded Module which generates reports for the donors of TC funds, and CSU oversees completion of CAR reports for consultancy contracts funded from the Bank’s budget.

For Bank funded consultancy assignments contracted in 2007 and 2008 and completed during the same period, 38% of the operation leaders that completed CAR reports rated performance of consultants engaged in relation to their projects as “excellent” and 47% rated their consultant performance as “good”. Further 9% chose “satisfactory” rating, and only 6% rated the services provided as “marginal” or “unsatisfactory”. 88% of the operation leaders completing CAR reports would recommend consultants retained in relation to their projects for other similar assignments.

¹⁶ 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.

¹⁷ 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.

In 2008, the Bank's Evaluation Department performed a special study assessing project completion reports prepared by operation leaders for TC projects between September 2006 and October 2007. The study concluded that the quality of services delivered by consultants in relation to the Bank's TC operations was generally very good. The study noted that "the consultant performance was a substantial parameter for the 'fulfilment of objectives' and the 'overall rating' of a project".

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 Funds, Bank Budget and Loan Funded)
- Table 3** 2008 Consultancy Contract Awards by Consultant Selection Method (Value and Number)
- Table 4** 2008 Consultancy Contract Awards by Country of Operations (Value and Number)
- Table 5** Consultancy Contract Awards by Contract Type
- Table 6** Framework Agreements Awarded in 2008
- Table 7** 2008 Consultancy Contract Awards by Consultant Nationality (Value and Number)
- Table 8** Consultants from EBRD Countries of Operations in 2008 and 2007
- Table 9** 2008 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 2008 (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	
	2008	2007	2008	2007	2008	2007
Consultancy Services Unit	81.45	87.91	1092	1,035	67.75%	64.55%
Nuclear Safety Department*	0.27	1.07	8	28	0.23%	0.79%
Office of the General Counsel	14.66	14.52	346	392	12.19%	10.66%
Turn Around Management	8.30	6.68	851	716	6.90%	4.91%
Business Advisory Services	2.61	2.53	121	170	2.17%	1.86%
Loans **	12.93	23.47	16	36	10.76%	17.23%
Total	120.22	136.18	2,434	2,377	100.00%	100.00%

* Contracted by CSU

** Contracted by the Bank's borrowers

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

Year	TC Funded		Bank Budget		Loan Funded		TOTAL			
	Value (€m) (A)	Number (B)	Value (€m) (C)	Number (D)	Value (€m) (E)	Number (F)	Value (€m) (A)+(C)+(E)	% Yr/Yr Value Increase /Decrease	Number (B)+(D)+(F)	% Yr/Yr Number Increase / Decrease
2004	48.09	763	38.64	834	32.03	23	118.76	8.25%	1,620	1.12%
2005	50.22	963	42.74	925	8.33	11	101.29	-14.71%	1,899	17.22%
2006	68.25	1,100	51.96	964	14.84	13	135.05	33.33%	2,077	9.37%
2007	54.91	1,239	57.80	1,102	23.47	36	136.18	0.84%	2,377	14.44%
2008	65.91	1,331	41.38	1,087	12.93	16	120.22	-11.72%	2,434	2.40%

Table 3 2008 Consultancy Contract Awards by Consultant Selection Method (Value and Number)

Selection Method	Original Contracts / Extensions to Previous Contract	TC Funded		Bank Budget		Loan Funded		TOTAL (TC, Bank Budget and Loan Funded Contracts)			
		Value (€m) (A)	Number (B)	Value (€m) (C)	Number (D)	Value (€m) (E)	Number (F)	Value (€m) (A)+(C)+(E)	% of Total Value	Number (B)+(D)+(F)	% of Total Number
Direct Selection (< EUR 50K)	Original	12,102,564	701	10,543,456	477	112,254	4	22,758,274	18.93%	1182	48.56%
	Extensions*	1,926,869	409	430,096	54	0	0	2,356,965	1.96%	463	19.02%
Direct Selection (> EUR 50K as per Section 5.9 (a) & (b) of the Bank's PP&R)	Original	2,417,567	18	1,419,446	21	0	0	3,837,013	3.19%	39	1.60%
	Extensions**	2,031,349	22	4,452,578	103	0	0	6,483,927	5.39%	125	5.14%
Selection from Shortlist	Original	6,987,670	72	14,823,018	258	479,016	4	22,289,704	18.54%	334	13.72%
	Extensions***	66,002	5	7,247,733	156	0	0	7,313,735	6.08%	161	6.61%
Evaluation of Proposals	Original	30,460,789	73	1,233,813	7	12,335,637	8	44,030,239	36.62%	88	3.62%
	Extensions***	9,921,818	31	1,232,621	11	0	0	11,154,439	9.28%	42	1.73%
Total		65,914,628	1331	41,382,761	1,087	12,926,907	16	120,224,296	100%	2434	100%

* 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 2008 Consultancy Contract Awards by Country of Operations (Value and Number)

Country of Operations	Contract Value (€)	Number of Contracts	% of Total Value
Russian Federation	17,468,416	287	14.53%
Regional*	12,441,755	203	10.35%
Croatia	9,890,670	52	8.23%
Ukraine	8,858,967	164	7.37%
Bulgaria	6,696,196	51	5.57%
Romania	6,625,797	57	5.51%
Kazakhstan	6,411,278	114	5.33%
Mongolia	5,806,776	137	4.83%
Serbia**	4,945,968	396	4.11%
Tajikistan	3,908,869	64	3.25%
Albania	3,575,006	54	2.97%
Armenia	3,076,084	72	2.56%
Bosnia	2,907,486	73	2.42%
Azerbaijan	2,653,385	56	2.21%
Moldova	2,352,281	65	1.96%
Belarus	2,313,663	18	1.92%
Poland	1,914,349	26	1.59%
Montenegro	1,881,945	79	1.57%
Kyrgyz Republic	1,859,282	59	1.55%
Georgia	1,721,623	65	1.43%
Uzbekistan	594,027	46	0.49%
FYR Macedonia	593,664	47	0.49%
Czech Republic	330,173	6	0.27%
Turkmenistan	309,849	7	0.26%
Slovenia	180,597	3	0.15%
Estonia	119,844	4	0.10%
Hungary	115,584	3	0.10%
Slovakia	105,885	4	0.09%
Latvia	80,647	3	0.07%
Turkey	39,418	2	0.03%
Total	109,779,484	2,217	91.31%

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

** including Kosovo

EBRD HQ Related Assignments	Contract Value (€)	Number of Contracts	% of Total Value of all Contracts
United Kingdom	10,444,812	217	8.69%

Table 5 Consultancy Contract Awards by Contract Type

Contract Type	Value (€m)		Number		% of Total Value	
	2008	2007	2008	2007	2008	2007
CSU Standard Standalone Contracts	56.55	67.02	774	768	46.85%	49.21%
Contracts signed directly by the Bank's borrowers with use of public sector loan proceeds	12.93	23.47	16	36	10.71%	17.23%
Retention of Outside Counsel by OGC	14.66	14.53	346	392	12.15%	10.67%
Grant Agreements with the Bank's Client (Consultancy Contracts are signed by the Bank's Clients)	17.45	10.22	89	66	14.46%	7.50%
Call-Off Notices under Framework Agreements*	7.12	10.00	200	156	5.90%	7.34%
Call-Off Notices under Framework Contracts**	0.47	0.41	8	9	0.39%	0.30%
BAS / TAM Contracts	10.91	9.21	972	886	9.04%	6.76%
Nuclear Safety	0.27	1.07	8	28	0.22%	0.79%
Framework Contracts	0.25	0.49	1	2	0.21%	0.36%
Multi-lateral Carbon Credit Fund	0.08	0.11	1	4	0.07%	0.09%
Netherlands Emissions Reductions Cooperation Fund	-	0.05	-	4	-	0.04%
Framework Agreements*	-	-	27	35	-	-
Total	120.69	136.58	2442	2386	100.00%	100.00%

* 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 2008, there were 8 such call-off notices awarded with a total value of €0.47m.

Table 6 Framework Agreements Awarded in 2008

Framework Facility Name	Funding Source	Overall Facility Value	Name /Nationality of Consultants awarded Framework Agreements	Duration of Framework Agreements
Regional: Pool of Experts - Solid Waste Projects	Bank Budget	As required	<ul style="list-style-type: none"> • Ampthill Consulting Engineers, UK • Gerard Simonis, Netherlands • Grontmij Carl Bro, Denmark • IHS BV, Netherlands • Parsons Brinckerhoff Ltd, UK • Ramboll, Denmark • Rovers Consulting Business, Netherlands • Sweco International AB, Sweden • Swedish Export Credit Corporation (SEK), Sweden 	2 years
Regional: Pool of Experts - EBRD Housing Projects	Bank Budget	As required	<ul style="list-style-type: none"> • Grontmij Carl Bro AS, Denmark • ENSI Energy Saving International AS, Norway • ESD Bulgaria OOD, Bulgaria • PRC Bouwcentrum International, Netherlands 	2 years
Regional: Monitoring Consultant to Assist EBRD's Environment and Sustainability Department	Bank Budget	As required	<ul style="list-style-type: none"> • Citrus Partners LLP, UK 	1 year
Regional: Improving Energy Efficiency in Public Buildings Advisory Services	Czech Republic ODA and Global Environmental Facility II Technical Cooperation Funds	€198,000	<ul style="list-style-type: none"> • Econoler International, Canada • Enviros, S.R.O., Czech Republic • Seven - Stredisko Pro Efektivni Vyuzivani Energie, Czech Republic • Seven, the Energy Efficiency Center, Czech Republic • The Institute For Urban Economics, Russia 	1 year
Regional: Thermal Power Plants, Rehabilitation & Efficiency Improvement: Technical Audits/Projects Review	EBRD-DFID Sustainable Energy Initiative Fund and Shareholder Special Fund	€650,000	<ul style="list-style-type: none"> • MWH S.p.a., Italy • Vattenfall Europe Powerconsult GmbH, Germany 	2 years
Regional: Energy Audits Programme	Central European Initiative Fund (Italy)	€250,000	<ul style="list-style-type: none"> • D'Appolonia S.p.a., Italy • MWH S.p.a., Italy 	1 year
Regional: Environmental Training of EBRD's Financial Intermediaries	Bank Budget	£500,000	<ul style="list-style-type: none"> • FI Konsult S.R.O., Czech Republic • Halcrow Group Ltd, UK • Pricewaterhousecoopers LLP, UK 	1 year
Regional: Insurance Advisory Services	Bank Budget	As required	<ul style="list-style-type: none"> • Willis Ltd, Project Finance, UK 	3 years

Table 7 2008 Consultancy Contract Awards by Consultant Nationality (Value and Number)

Ranking	Consultant Nationality	TC Funds, €	% of Total Value of TC Funded Contracts	Bank Budget, €	% of Value of Bank Funded Contracts	Loan Funds, €	Total Value of Contracts (€)	% of Total Value	Number of Contracts
1.	British	16,288,731	24.71%	19,005,267	45.93%	877,172	36,171,170	30.09%	729
2.	Russian	4,895,307	7.43%	6,678,735	16.14%	0	11,574,042	9.63%	134
3.	German	9,905,219	15.03%	737,303	1.78%	0	10,642,522	8.85%	94
4.	Croatian	31,382	0.05%	356,399	0.86%	6,316,100	6,703,881	5.58%	18
5.	French	1,773,254	2.69%	327,270	0.79%	3,352,590	5,453,113	4.54%	43
6.	Italian	4,509,524	6.84%	447,703	1.08%	0	4,957,227	4.12%	206
7.	American	3,130,368	4.75%	1,012,965	2.45%	499,695	4,643,028	3.86%	38
8.	Dutch	3,047,694	4.62%	814,932	1.97%	0	3,862,625	3.21%	69
9.	Romanian	1,240,132	1.88%	557,540	1.35%	1,290,080	3,087,752	2.57%	30
10.	Swedish	2,516,534	3.82%	48,000	0.12%	0	2,564,534	2.13%	35
11.	Canadian	2,167,184	3.29%	12,403	0.03%	0	2,179,587	1.81%	71
12.	Ukrainian	38,285	0.06%	2,069,981	5.00%	0	2,108,266	1.75%	55
13.	Belgian	710,338	1.08%	1,327,945	3.21%	0	2,038,283	1.70%	35
14.	Austrian	1,758,877	2.67%	272,970	0.66%	0	2,031,847	1.69%	58
15.	Swiss	1,686,782	2.56%	156,651	0.38%	112,254	1,955,687	1.63%	23
16.	Polish	416,170	0.63%	1,406,933	3.40%	0	1,823,103	1.52%	31
17.	Irish	1,734,337	2.63%	7,316	0.02%	0	1,741,653	1.45%	48
18.	Danish	1,546,566	2.35%	189,300	0.46%	0	1,735,866	1.44%	74
19.	Spanish	1,481,110	2.25%	0	0.00%	0	1,481,110	1.23%	11
20.	Japanese	1,396,195	2.12%	0	0.00%	0	1,396,195	1.16%	128
21.	Kazakh	293,406	0.45%	1,062,289	2.57%	0	1,355,695	1.13%	31
22.	Finnish	819,353	1.24%	315,725	0.76%	0	1,135,078	0.94%	45
23.	Serbian*	628,943	0.70%	222,118	0.54%	175,000	1,026,061	0.85%	37
24.	Bulgarian	88,258	0.13%	630,392	1.52%	0	718,650	0.60%	26
25.	Czech	220,024	0.33%	493,540	1.19%	0	713,564	0.59%	18
26.	Australian	81,510	0.12%	606,152	1.46%	0	687,662	0.57%	15
27.	Armenian	320,307	0.49%	289,458	0.70%	0	609,765	0.51%	32
28.	Bosnian	361,939	0.55%	51,120	0.12%	182,247	595,306	0.50%	16
29.	Georgian	152,935	0.23%	317,713	0.77%	0	470,648	0.39%	27
30.	Hungarian	89,943	0.14%	222,380	0.54%	121,769	434,092	0.36%	8
31.	Greek	209,310	0.32%	170,787	0.41%	0	380,097	0.32%	16
32.	Tajik	228,224	0.35%	113,445	0.27%	0	341,669	0.28%	20
33.	Mongolian	115,853	0.18%	217,348	0.53%	0	333,201	0.28%	20
34.	Luxembourgeois	331,780	0.50%	0	0.00%	0	331,780	0.28%	27
35.	Uzbek	265,573	0.40%	43,993	0.11%	0	309,566	0.26%	21
36.	International**	294,470	0.44%	0	0.00%	0	294,470	0.24%	1
37.	New Zealander	88,766	0.13%	127,639	0.31%	0	216,405	0.18%	3
38.	Albanian	109,452	0.17%	92,875	0.22%	0	202,327	0.17%	12
39.	Azeri	67,326	0.10%	133,969	0.32%	0	201,295	0.17%	22
40.	South African	0	0.00%	176,746	0.43%	0	176,746	0.15%	2
41.	Moldovan	109,420	0.17%	64,978	0.16%	0	174,398	0.15%	18
42.	Cypriot	0	0.00%	155,135	0.37%	0	155,135	0.13%	8
43.	Taiwanese	152,376	0.23%	1	0.00%	0	152,377	0.13%	9
44.	Lithuanian	49,500	0.08%	91,990	0.22%	0	141,490	0.12%	6
45.	Macedonian	109,215	0.17%	16,559	0.04%	0	125,774	0.10%	7
46.	Kyrgyz	85,309	0.13%	40,075	0.10%	0	125,384	0.10%	15
47.	Norwegian	113,618	0.17%	4,651	0.01%	0	118,269	0.10%	4
48.	Zimbabwean	0	0.00%	75,581	0.18%	0	75,581	0.06%	3
49.	Portuguese	71,102	0.11%	0	0.00%	0	71,102	0.06%	4
50.	Slovenian	63,599	0.10%	0	0.00%	0	63,599	0.05%	6

* including Kosovo

** IDLO is an International Organisation based in Italy

Table 7 (cont.) 2008 Consultancy Contract Awards by Consultant Nationality (Value and Number)

Ranking	Consultant Nationality	TC Funds, €	% of Total Value of TC Funded Contracts	Bank Budget, €	% of Value of Bank Funded Contracts	Loan Funds, €	Total Value of Contracts (€)	% of Total Value	No. Of Contracts
51.	Slovak	0	0.00%	50,259	0.12%	0	50,259	0.04%	2
52.	South Korean	50,000	0.08%	0	0.00%	0	50,000	0.04%	1
53.	Montenegrin	48,478	0.07%	0	0.00%	0	48,478	0.04%	5
54.	Indian	0	0.00%	36,019	0.09%	0	36,019	0.03%	2
55.	Turkish	0	0.00%	32,958	0.08%	0	32,958	0.03%	2
56.	Turkmen	20,650	0.03%	8,000	0.02%	0	28,650	0.02%	2
57.	Icelandic	0	0.00%	28,500	0.07%	0	28,500	0.02%	2
58.	Chinese	0	0.00%	15,200	0.04%	0	15,200	0.01%	1
59.	Channel Islands	0	0.00%	12,243	0.03%	0	12,243	0.01%	2
60.	Estonian	0	0.00%	10,800	0.03%	0	10,800	0.01%	2
61.	Malaysian	0	0.00%	10,000	0.02%	0	10,000	0.01%	1
62.	British Virgin Islands	0	0.00%	4,757	0.01%	0	4,757	0.00%	1
63.	Seychelles	0	0.00%	4,757	0.01%	0	4,757	0.00%	1
64.	Belarusian	0	0.00%	3,000	0.01%	0	3,000	0.00%	1
Total		65,814,628	100%	41,382,765	100%	12,926,907	120,224,296	100%	2,434

Table 8 Consultants from EBRD Countries of Operations in 2008 and 2007

Country of Operations / Location of contracted consultant	Value of Contract Awards (€ in 2008)			Number of Contract Awards in 2008		Total Value of Contracts (€ in 2008 (A)+(B)+(C)	Total Number of Contracts in 2008 (D)+(E)	Value of Contracts (€ awarded in 2007	Number of Contracts awarded in 2007
	TC Funds (A)	Bank Budget (B)	Loan Funds (C)	Direct Selection (D)	Competitive Procedure (E)				
Russian Federation	4,895,307	6,678,735	0	88	46	11,574,042	134	7,216,736	165
Croatia	31,382	356,399	6,316,100	16	2	6,703,881	18	1,710,955	23
Romania	1,240,132	557,540	1,290,080	25	5	3,087,752	30	4,078,511	31
Ukraine	38,285	2,069,981	0	40	15	2,108,266	55	1,220,086	44
Poland	416,170	1,406,933	0	21	10	1,823,103	31	685,036	19
Kazakhstan	293,406	1,062,289	0	24	7	1,355,695	31	1,230,635	31
Serbia*	628,943	222,118	175,000	35	2	1,026,061	37	507,880	34
Bulgaria	88,258	630,392	0	16	10	718,650	26	664,500	26
Czech Republic	220,024	493,540	0	7	11	713,564	18	2,645,939	10
Armenia	320,307	289,458	0	22	0	609,765	32	915,815	40
Bosnia	361,939	51,120	182,247	13	3	595,306	16	239,100	17
Georgia	152,935	317,713	0	23	4	470,648	27	1,031,265	44
Hungary	89,943	222,380	121,769	5	3	434,092	8	265,702	12
Tajikistan	228,224	113,445	0	19	1	341,669	20	320,814	17
Mongolia	115,853	217,348	0	17	3	333,201	20	185,033	9
Uzbekistan	265,573	43,993	0	21	0	309,566	21	384,713	18
Albania	109,452	92,875	0	30	2	202,327	12	101,472	10
Azerbaijan	67,326	133,969	0	12	0	201,295	22	275,187	28
Moldova	109,420	64,978	0	15	3	174,398	18	173,803	14
Lithuania	49,500	91,990	0	6	0	141,490	6	33,425	1
FYR Macedonia	109,215	16,559	0	7	0	125,774	7	150,025	9
Kyrgyz Republic	85,309	40,075	0	14	1	125,384	15	503,703	38
Slovenia	63,599	0	0	6	0	63,599	6	188,890	13
Slovak Republic	0	50,259	0	2	0	50,259	2	156,341	5
Montenegro	48,478	0	0	5	0	48,478	5	0	0
Turkey	0	32,958	0	1	1	32,958	2	0	0
Turkmenistan	20,650	8,000	0	2	0	28,650	2	12,050	1
Estonia	0	10,800	0	2	0	10,800	2	0	0
Belarus	0	3,000	0	1	0	3,000	1	57,626	9
Latvia	0	0	0	0	0	0	0	197,179	5
	10,049,630	15,278,847	8,085,196	495	129	33,413,673	624	25,152,421	673

* including Kosovo

Table 9 2008 Consultancy Contract Awards by EBRD Department* (Value and Number)

Department / Team		TC Funds		Bank Budget		TOTAL (TC Funds and Bank Budget)		
		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	29,012,812	109	2,136,766	70	31,149,578	29.03%	179
	South Eastern Europe, Central Asia and the Caucasus	1,123,615	55	1,619,625	81	2,743,239	2.56%	136
	Infrastructure	14,565,445	65	3,983,332	138	18,548,777	17.29%	203
	Energy and Natural Resources	1,925,112	12	1,687,543	56	3,612,655	3.37%	68
	BAS / TAM Programmes (Member of SEECA Business Group)	10,912,029	972	0	0	10,912,029	10.17%	972
	Central Europe, Western Balkans, Telecommunications, Informatics & Media	797,140	20	874,556	21	1,671,696	1.56%	41
	Russia, Agribusiness and Property & Tourism	283,796	5	2,189,028	66	2,472,824	2.30%	71
	Other/Contingency	2,387,387	52	1,297,501	31	3,684,889	3.43%	83
Finance		0	0	8,292,129	131	8,292,129	7.73%	131
Retention of Outside Counsel (contracts awarded by OGC)		0	0	14,666,128	346	14,666,128	13.67%	346
Office of the General Counsel - (contracts awarded by CSU)		2,762,603	20	460,700	13	3,223,303	3.00%	33
Risk Management, Human Resources and Nuclear Safety		270,593	8	1,231,264	47	1,501,857	1.40%	55
Environment, Procurement and Administration		1,108,444	4	751,535	28	1,859,979	1.73%	32
Evaluation Department		0	0	241,802	16	241,802	0.23%	16
Office of the Chief Economist		497,402	7	1,400,609	28	1,898,011	1.77%	35
Office of the Compliance Officer		20,000	1	266,850	6	286,850	0.27%	7
Communications		0	0	125,262	4	125,262	0.12%	4
Internal Audit		248,250	1	158,131	5	406,381	3.38%	6
		65,914,628	1331	41,382,761	1087	107,297,389	100.00%	2418

* By cost centre allocation excluding contracts funded from public sector loan proceeds

Table 10 Consultants' Participation in Competitive Selection by Bidders' Nationality for Consultancy Contract Awards by CSU in 2008 (Numbers of Expressions of Interest and Contract Awards)

Country	Open ¹⁸ Competition		Targeted ¹⁹ Competition	
	Expressed Interest	Contracts Awarded	Expressed Interest	Contracts Awarded
Albania	2	0		
Armenia	11	2		
Australia	5	4		
Austria	23	5	13	3
Azerbaijan	2	0		
Bangladesh	4	0		
Belgium	13	3		
Bosnia & Herzegovina	12	1		
Brazil	1	0		
Bulgaria	13	4		
Canada	24	2	10	2
Colombia	1	0		
Croatia	13	0		
Cyprus	2	0		
Czech Republic	13	5	1	1
Denmark	54	6		
Finland	22	1		
France	50	5		
FYR Macedonia	2	0		
Georgia	3	1		
Germany	91	13	9	3
Greece	15	1		
Hungary	8	2		
India	19	0		
Ireland	15	3		
Italy	56	8	35	4
Japan	5	0		
Kazakhstan	3	0		
Kenya	1	0		
Korea	1	0		
Kyrgyz Republic	13	1		
Mauritius	1	0		
Moldova	13	3		
Mongolia	21	3		
Nepal	1	0		
Netherlands	47	13	17	5
New Zealand	2	1		
Norway	5	2		
Philippines	1	0		
Poland	36	8		
Romania	38	1		
Russian Federation	66	17		
Serbia (including Kosovo)	11	1		
Slovak Republic	5	0		
Slovenia	3	0		
South Africa	4	2		
Spain	38	1	66	8
Sweden	23	5	10	4
Switzerland	21	5	9	2
Taiwan, Ro.O.C.	2	1		
Tajikistan	14	1		
Turkey	5	0		
Ukraine	17	4		
United Arab Emirates	2	0		
United Kingdom	577	65		
United States	63	10		
Uzbekistan	2	0		
Zimbabwe	1	1		
Total	1516	211	170	32

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

¹⁸ Assignments with no nationality eligibility restrictions and those open to the EU member states and the eligible recipient countries

¹⁹ Assignments targeted specifically at consultants from TC donor country

