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Natural Gas
Interconnector
Greece - Bulgaria

TERMS OF REFERENCE

for a public procurement with a scope:

“Selection of a Consultant for Environmental and Social monitoring of the IGB Project for compliance with the standards of the European Investment Bank”

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Definitions and abbreviations

Client	ICGB AD (Project Company)
Environmental and Social Consultant /Consultant /	The Participant that will be awarded as Environmental and Social Consultant with the Decision of the Client and with which the Public Procurement Contract will be executed
IGB Project	Gas Pipeline Interconnector Greece – Bulgaria Project
Project Documents	All relevant permits, approvals, certificates, appraisals, assessments, regulatory documents which are already issued or might be issued or are required to be issued for the IGB Project realization.
IESC	Independent Environment and Social Consultant
EIB	European Investment Bank
GIIP	Good Industrial International Practices
COD	Commercial Operation Date
EIA Permit for the Bulgarian Territory	The permit obtained by ICGB AD No1-1/2013 issued by the Bulgarian Ministry of Environment and Waters
EIA Permit for the Greek Territory	Environmental Terms Approval decision Α.Π. οik 171379 issued on 29.10.2013 by the competent Greek authority
Technical Design	The Design for the construction of the IGB Pipeline as approved with the Construction permit for the Bulgarian section of the IGB Pipeline as well as its amendments, if any.
FEED	Front-end engineering design in relation to the Greek Section of the IGB pipeline
Construction Permit	The Construction permit No PC-48 dated 12.09.2017 issued by the Bulgarian Ministry of Regional Development and Public Works.

Installation Permit	Decision No 671/2019 issued by the Greece's Regulatory Authority for Energy by virtue of which ICGB AD is granted an Independent Natural Gas System (INGS) Permit for the territory of the Hellenic Republic.
Main Project Parties	The Parties referred as such under the Main Project Contracts which are the Work (EPC) Contract, the Line Pipe Supply contract, the Construction Supervision Contract, the Owner's engineer Contract as well as other contracts that may assign Works or Services in relation with the design, construction or commissioning of the IGB pipeline.
Project affected people (PAP)	Individuals or group of individuals identified and defined as affected people in the Livelihood restoration plan or the Stakeholder Engagement Strategy and Country Stakeholder Engagement Plans as affected by the IGB Project.
Tie-in agreement	The agreement between ICGB and each of the neighboring Transmission system operators where the terms and the conditions for the physical connection of the IGB pipeline with the neighboring gas transmission system are agreed.
Project Standards	Project standards shall mean the Relevant standards as listed in section 2.3 as well as the Technical Design for the Bulgarian territory, the FEED for the Greek territory, the IGB Project relevant permits, approvals, permissions and similar as well as their amendments and updates.
Spatial Development Act	The Bulgarian Spatial Development Act published in the Bulgarian State Gazette issue 1/2001 last amended issue 62/2019 r.

1. Information about IGB Project

1.1. General

The project for gas interconnector Greece-Bulgaria (IGB Project) is a project for a new gas transmission pipeline between the Hellenic Republic and the Republic of Bulgaria. The role of the IGB Project is to improve the security of supply and to provide diversification of gas sources and routes for Bulgaria and the SEE region. IGB is included in the list of Projects of Common Interest and included as a flagship project in the CESEC (Central and South-East European Gas Connections) initiative.

The IGB Project is developed by a Project Company – ICGB AD which has the following corporate structure:

Figure 1 – ICGB AD Corporate structure



The IGB Project envisages the gas pipeline to connect the national gas transmission systems of Republic of Greece (in the region of Komotini) and Republic of Bulgaria (in the region of Zagora village, Stara Zagora municipality), ownership respectively of DESFA S.A. and „Bulgartransgaz” EAD as well as with the Trans Adriatic pipeline on the territory of Greece.. The negotiations for development and execution of the Interconnection Agreement are in progress.

The total length of the gas pipeline route is about 182 km. Its length on the territory of Bulgaria is about 151 km and operational pressure 7,5 MPa and diameter DN800. The point where the gas pipeline crosses the border between Greece and Bulgaria is about 1,2 km to the north-east of Makaza border check

point. The connection of the gas interconnector with the gas ring of Bulgaria will be done to the south of the village of Malko Kadievo, Stara Zagora municipality. The gas pipeline will be laid underground at a depth of min 0.8 m in the Bulgarian territory and a depth of min 1.0 m in the Greek territory.

The gas pipeline shall cross the regions of Haskovo, Kardzhali and Stara Zagora as on Bulgarian territory it shall affect the territory of 9 (nine) municipalities and on the territory of Greece – Komotini district. .

1.2. Technical Design and permitting.

1.2.1. The IGB Project has obtained positive EIA decisions by the competent authorities on Bulgarian and Greek territory in connection with implementation of the ecological legislation. The construction route has been designed on Bulgarian and Greek territory and it has been approved by the bodies in both countries - an Installation Act decision has been obtained on Greek territory and on Bulgarian territory a Detailed Spatial Plan - parcel plan of the site has been approved and has become effective.

1.2.2. A Technical Design for Bulgarian territory and FEED for Greek territory have been developed, all engineering studies for the IGB Project have also been conducted, approval of authorities responsible for approval of the IGB Project as well as of third parties affected by construction of the gas pipeline has been obtained. For Greek territory FEED has been prepared in accordance with the Greek regulation for high-pressure gas pipelines, for Bulgarian territory the Technical Design for the IGB Project has been prepared in accordance with the regulations for engineering of high-pressure gas pipelines and the Spatial Development Act on the territory of the Republic of Bulgaria. The Technical Design is approved by the Ministry of regional development and public works and a Construction permit №48 dated 12.09.2017, promulgated SG 76/2017, was issued for the IGB Project which is effective. An Installation Permit for Greece has been obtained early February 2019 and an ASFA license (INGS- Independent Natural Gas System license) was issued to the IGB Project by the Greek competent authorities in July 2019.

1.3. Key Milestones

- The project has been declared a "project of national importance" and "National project" in accordance with Decisions of the Council of Ministers of the Republic of Bulgaria No. 615 / 14.07.2009 respectively № 452 / 07.06.2012, as well as under Law 4001/2011 of the legislation of the Hellenic Republic. In November 2013 ICGB AD completed all Environmental Impact Assessment procedures in the territories of Bulgaria and Greece in accordance with applicable national and EU laws
- The final investment decision for the IGB Project was signed by the shareholders on December 10th 2015
- In December 2016 the second phase of the Market Test was completed with 5 binding offers submitted. Based on that ICGB AD has executed Advance Reservation Capacity Agreements with the shippers which Agreements have been substituted by Gas Transportation Agreements concluded on the 10th of October 2019.

- On September 12th 2017 IGB Project received construction permit on Bulgarian territory
- On August 8th 2018 the IGB Project has completed a procedure for "temporary exemption" from the obligation for regulated access (exemption) within the meaning of Art. 36 of Directive 2009/73 before the national regulatory authorities in Bulgaria and Greece, respectively EWRC and RAE for which a joint exemption decision by the Bulgarian and Greek regulators has been issued
 - On the 8th of November 2018 the EC issued a decision for compatible state aid in accordance with the Guidelines on State aid for environmental protection and energy 2014-2020;
 - On December 21st 2018 ICGB AD signed a contract for direct grant awarding EUR 39 million for the IGB Project from the Operational Program "Innovation and Competitiveness" 2014-2020
 - On February 7th 2019 IGB Project was granted an Installation Permit on the territory of the Hellenic Republic
 - In March 2019 ICGB AD successfully completed the procedure for selection of Owner's Engineer for the IGB Project
 - On April 3rd 2019 the European Commission officially approved the allocation of EUR 39 million for the construction of the IGB Project
 - On April 24th 2019 ICGB AD selected a contractor for Construction Supervision for the construction of the IGB Project on the territory of Bulgaria, according to local legislation
 - In May 2019 ICGB AD finalized the public procurement for the line pipes manufacture and supply for construction of the IGB Project
 - ICGB AD successfully completed the public procurement for design, procurement and construction (EPC) of the IGB Project on May 14th 2019
 - On May 22nd 2019 the groundbreaking ceremony was held near the Bulgarian-Greek border in the presence of the Prime Minister of Bulgaria and the Prime Minister of Greece
 - On July 18th 2019 the IGB Project was granted a license for Independent Natural Gas System, receiving the right to begin construction on Greek territory;
 - On October 10, 2019 the Loan Agreements between BEH and the EIB and between BEH and ICGB, a shareholder agreement that stipulates the financing framework for the project financing and the shareholders' equity were signed.
 - Tie -in agreements with the neighboring Gas transmission system operators – TAP, DESFA and Bulgartransgaz are signed.
 - By the end of October, the shareholders of BEH and IGI Poseidon have made equity contributions that provide the co-financing of the project to the shareholders for the total amount of BGN 82 927 180 (or EUR 42.4 million), which increased the capital of ICGB AD

1.4. Financial information

The IGB Project has the following financial structure:

- **Up to EUR 45 million approved grant from the European Energy Program for Recovery.**

The European Energy Program for Recovery was approved in 2010, with the eligibility for absorption expiring on 31.12.2018. ICGB AD has applied for an extension of the eligibility for absorption of funds. The

request was granted and on 20.10.2018 a formal decision was received from the EC, extending the deadline to 31.12.2021.

- **EUR 39 million in grants under the Operational Program Innovation and Competitiveness (OPIC) 2014-2020 provided by the European Structural and Investment Funds (ESIF).**

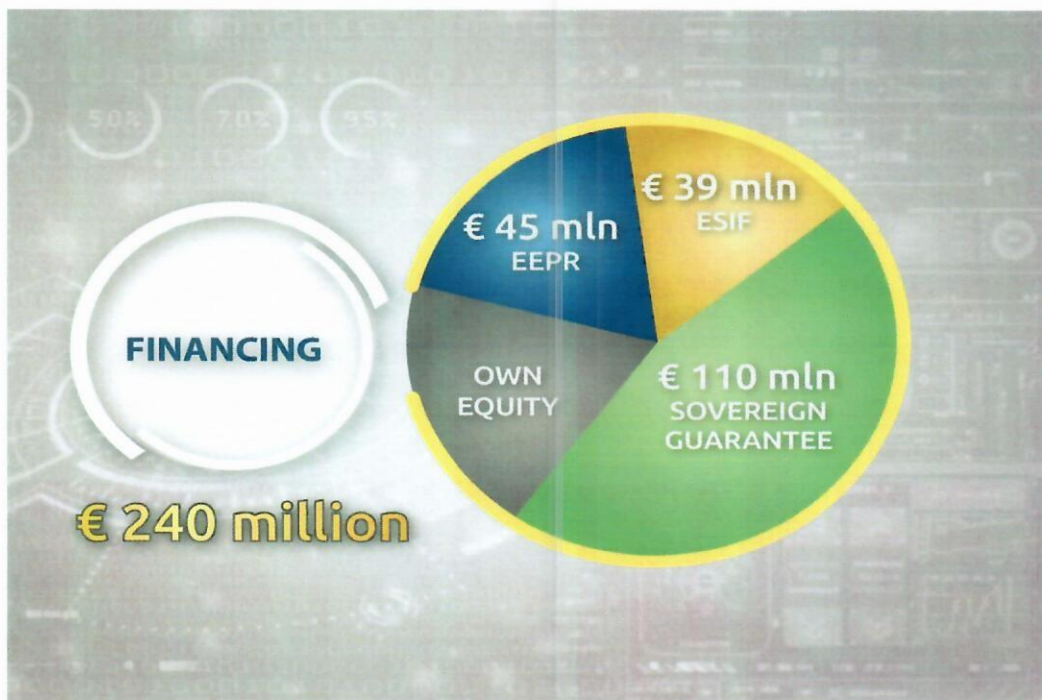
On December 21st 2018, an Administrative agreement for the direct grant of financial support for the IGB Project "Construction of the Project Greece-Bulgaria interconnection", amounting to EUR 39 million has been signed.

- **Long-term loan from the European Investment Bank (EIB) secured by the State Guarantee for the IGB Project in the amount of EUR 110 million (BGN 215 million).**

In addition, in order to ensure the predictability of the investment of the shareholders of ICGB AD, on the 10th of October an Intergovernmental Agreement between the Republic of Bulgaria and the Hellenic Republic for establishment of a tax regime for the IGB Project.

Entering into force of the Intergovernmental Agreement shall happen after ratification by the Parliaments of the Hellenic Republic and the Republic of Bulgaria.

Figure 2 – IGB Project Financial Structure



2. Scope of Services

2.1. IGB Project Commitments in respect with the financing

Based on the financial structure, the Bulgarian shareholder conducted negotiation with the European Investment Bank (EIB) and reached an agreement (Financing Agreement) for a government guaranteed loan amounting to EUR 109.9 million solely for the purpose of which the loan will be guaranteed by the issuance of a state guarantee by the Bulgarian state in favor of BEH to finance part of the IGB Project.

The Bulgarian shareholder will utilize the resources under Financing Agreement to the Project company by virtue of an on-lending agreement (the "On-lending Agreement") stipulated between BEH and ICGB, which repeats the conditions of the Finance agreement.

The financing of the On-Lending Agreement triggers the necessity the IGB Project to follow the applicable standards of the International Financial Institutions.

As part of the pre-conditions for utilization of the first tranche, the On-Lending Agreement requires the Project Company to develop Framework Environmental and Social Management System for the IGB Project as a whole and to implement:

- Framework Environmental and Social Management Plan for Bulgarian and Greek sections, which will include the following sub-plans:
 - E&S Compliance Assurance Plan
 - Biodiversity Action Plan/ Biodiversity Management Plan
 - Erosion Control and Reinstatement Management Plan
 - Watercourse Crossing Management Plan
 - Waste Management Plan
 - Ecological Management Plan
 - Cultural Heritage Management Plan
 - Social Impact Management Plan
 - E&S Compliance Assurance Plan
- Biorestitution plans
- Critical habitat assessment for the Greek section
- Biodiversity Offset Strategy with respect to the Greek section of the IGB Project
- Stakeholder Engagement Strategy and Country Stakeholder Engagement Plans
- Project-level grievance mechanism for both the Greek and Bulgarian sections
- Land Acquisition/easement rights plan for Greece
- Livelihood restoration plan
- Health and safety management plan and system

referred hereinafter as Project Commitments. The Project commitments will be developed by the Project company /directly or through different consultants/ and will be submitted to the Consultant.

2.2. Role of the Independent Environmental and Social Consultant

For the purposes to follow up, IGB Project compliance with the Project Commitments as part of the condition of the On-Lending Agreement for the utilization of the resources, ICGB AD is expected to recruit an Independent Environmental and Social Assessment Consultant who will be assigned, to conduct monitoring of the IGB Project on quarterly intervals during construction and annually during operation, to ensure that the IGB Project will be monitored against Project Commitments made in the respective national Environmental and Social Impact Assessment (ESIA) and various management plans as listed in item 2.1. and against the conditions set out in the On lending agreement;

Given the scale and complexity of the IGB Project, a variety of challenges are foreseen leading to inherent environmental and social risks during construction and operation of the pipeline. In this respect the Consultant shall advise the Project Company against these risks and monitor the IGB Project's compliance with Good industrial practices and the Environmental, Social and Health & Safety requirements of the Project Standards including but not limited to:

- The contents of the National EIAs and associated management plans and conditions for the IGB Project;
- Local Environmental, Health, Safety and Social (EHSS) laws and regulations;
- Applicable EU Environment Directives as transposed into the local legislation and enforced by the respective EIA permits for the Bulgarian and Greek territories.
- International Law including Health, Safety, Environment and Security (HSES) conventions and treaties ratified by Greece / Bulgaria and applicable to the IGB Project, in particular the Espoo Convention on EIA in a Transboundary Context;
- EIB Environmental and Social Principles and Standards (2013).

Considering the fact that the IGB Project is in a very advanced stage, it is expected that all Project Commitments shall be implemented taking into consideration that the prevailing part of the activities are to great extent finalised. For the Greek territory the establishment of the easement right is forthcoming.

2.3. Relevant standards

- EIB ENVIRONMENTAL AND SOCIAL STANDARDS (Version 10.0 of 08/10/2018)
- The IFC Performance Standards (2012);
- The Equator Principles (2013);
- The WBG/IFC EHS Guidelines¹
- HSSE Standards and Policies (i.e. ISO14001, OHSAS18001)

¹ https://www.ifc.org/wps/wcm/connect/topics_ext_content/ifc_external_corporate_site/sustainability-at-ifc/policies-standards/ehs-guidelines

2.4. Description of tasks and deliverables

TASK 1	FAMILIARIZATION WITH THE IGB PROJECT	ACTIVITIES	DELIVERABLES
	The Consultant shall get an overview of the IGB Project documentation and shall get acquainted with the status quo of the implementation of the IGB Project Commitments till the date of award of the Contract.	<ul style="list-style-type: none"> - Kick-off meeting with the attendance of the Consultant's core team; - Desk Study Detail review of the Project Documents, permits, plans and others; - Development of Execution Plan and - Drafting of Site visit plan. 	<ul style="list-style-type: none"> • Minutes of meeting; • Site Monitoring Priority List draft, as an output from the desk-based review; • Plan for execution of the services; • Site visits plan.
TASK 2	PROJECT MONITORING	ACTIVITIES	DELIVERABLES
	Monitoring of the IGB Project's compliance with the E&S Requirements during IGB Project implementation, Project Commitments, including implementation of the IGB Project's-specific Environment & Social management systems (ESMS) and IGB Project Environment & Social management plans (ESMPs).	<p>TASK 2.1.- Monitoring Preparation – includes planning of each site visit, which includes the locations, facilities, activities and processes to be monitored, and any required meetings with IGB Project personnel, regulatory authorities, community members and other IGB Project Affected People (PAP)</p> <p>TASK 2.2 - Monitoring Visit - monitoring visits to assess E&S performance at the site the Consultant shall coordinate site visits with representatives of the lender(s) if required. The site visit includes inspection of the IGB Project site, measurement and sampling if required, meetings and interviews with Client's representatives and stakeholders, regulatory bodies, NGOs, community representatives and PAP as appropriate.</p>	<ul style="list-style-type: none"> - Site Monitoring Plan; - Site monitoring Priority List - final. <ul style="list-style-type: none"> - List of supplementary documents to support preparation of the Site Monitoring Visit Report; - Draft Site Monitoring Visit Report
TASK 3	REPORTING AND RECOMMENDATIONS	ACTIVITIES	DELIVERABLES
		<p>TASK 3.1. – drafting of the Site Visits reports</p> <p>TASKS 3.2. – communication with the Project Company and commenting session on factual accuracy.</p>	<p>Draft site visit report; presentation</p> <p>Table of comments</p>

		This phase considers the possibility for the Client to provide factual accuracy comments on each IESC Monitoring Report	
		TASK 3.3. - The Consultant takes consideration of the comments, including discussion over any points of clarification with the Client and/or any additional information provided by the Client as necessary. A final report will be prepared upon receipt and review of the comments/clarifications.	Final site visit report
TASK 4	CLOSE OUT OF THE SERVICES FOR THE CONSTRUCTION PERIOD	ACTIVITIES	DELIVERABLES
		Preparation of Final Report summarizing all activities performed – the aim of this tasks is to summarize the results of the Services during the Construction Period; The Final report shall serve as well as ground for a final payment.	Final Report; Close out presentation
TASK 5	VISITS DURING OPERATION – PHASE 2	ACTIVITIES	DELIVERABLES
		Annual site visits during operation of the IGB Pipeline	Follow up report after each visit

2.5. Requirements on the planning and the reporting

2.5.1. Plan for execution of the Services

The Consultant shall prepare a Plan for execution of the services which shall include:

- Knowledge of the IGB Project;
- Update of the schedule for the activities;
- Risks identification in the context of the Scope of the services;
- Allocation of personnel and resources;
- Expected involvement of Main Project Parties.

2.5.2. Site Monitoring Plan and Site Monitoring Priority List

The Consultant shall prepare a Monitoring Plan to the Client, outlining their requirements for the monitoring in terms of:

- aspects that will need to be monitored

- locations to be visited
- documents required prior to the visit
- personnel required for site interviews
- supplementary documents and activities required as part of the site visits.

This Monitoring Plan is required eight weeks prior to the site visit, and the Client will provide requested data two weeks before the visit. It is recognized that additional data and additional locations may arise later, but the IESC is requested to provide substantially complete monitoring plans four weeks prior to the visit.

In the Site monitoring Priority List, the Consultant shall prioritize the sites depending of the risks identified where the Site visits shall be mandatorily conducted. The Site monitoring Priority List shall be accompanied with a proper justification. It is recognized that it is not possible to visit all sections of the route on every monitoring trip, and therefore, the visits should be prioritized based on Consultant's experience and expertise. The IESC is required to provide adequate allocation of staff to cover all technical aspects during the visits.

It is noted that the Greek EIA Study provides for an Environmental Management and Monitoring System for the Greek section. The relevant Chapter of the EIA Study, describing briefly some main aspects of this system is herewith attached (Appendix 1).

After the Contract signing, the following documents will be transmitted to the selected Bidder:

- the approved ESIA Studies for the Bulgarian and Greek sections (respectively in Bulgarian & English language and in Greek & English language),
- the relevant Environmental Terms Approval Decisions (in Bulgarian for the Bulgarian section and in Greek for the Greek section),
- the Bio restoration plan, Critical habitat assessment and Biodiversity Offset Strategy for the Greek section (in English language)

2.5.3 Site Visits Reports

The Consultant shall prepare a Draft Site Visit Report – required in English and in a format agreed with the Lenders and the Project Company, including:

- Executive Summary – to include a table of key Environmental, social and cultural heritage (ESCH) and Occupational H&S aspects, describing compliance with and/or deviation from the Applicable Standards and degree of severity / significance
- Statement on works undertaken
- The present status of any previous non-compliance, key issue or recommended action that was identified in the last site visit report
- Any new actual or potential significant issues (e.g. ESCH non-compliances) history and description of issue, relevant standard, magnitude of issue, actions taken, follow up, adequacy of response
- Discussion of adequacy of Project's Company and Contractor's ESCH resources (overall commitment, number and qualification of personnel, equipment and financial resources)
- Corrective actions, if required, to ensure the project compliance with Applicable Standards

- Regulatory advice, where current or future environmental and social issues may have significant impacts on the project

2.6. Tasks and Time Schedule of services

2.6.1. Overall duration of the Services

The Public Procurement contract shall be executed in two phases:

- Phase 1 - During Construction – for the period of Construction as per the EPC contract, which is defined as a minimum of 18 months but not earlier than the COD;
- Phase 2 – During first years of operation of the IGB Pipeline within the duration of the contract.

The indicative number of the site visits is determined to 10 (ten) for the overall duration of the implementation of the procurement, where 6 site visits shall be conducted during construction and 4 - during operation – one per year considering the overall duration of public procurement contract being 5 years.

2.6.2. Indicative Time Schedule for Phase 1

	TASK 1	ACTIVITIES	TIME SCHEDULE
Phase 1		- Kick-off meeting	• Week 1 as of commencement of Services
		- Desk study and Detail review of the Project Documents (Final Documentation Package)	• Week 2 - 3
		- Development of Execution Plan	• Week 4
		- Site visit plan and Site Monitoring Priority List	• End of first month as of the date of Commencement of Services
	TASK 2	ACTIVITIES	TIME SCHEDULE
		TASK 2.1.- Site Monitoring Plan	Eight working weeks prior to first visit
		TASK 2.2 – Site Monitoring Visits	- Minimum 6 quarterly visits during the period of construction, or more in case the construction period is longer than 18 months; - List of supplementary documents to support preparation of the Site Monitoring Visit Report – three working days prior to each visit.
	TASK 3	ACTIVITIES	TIME SCHEDULE

		TASK 3.1. – drafting of the Site Visits reports	Draft report – 10 working days after the date on which the site visit is ended;
		TASKS 3.2. – comments from Client and Lender(s)	10 working days upon receipt of the draft Site Visit report
		TASK 3.3. - final Site Visit report	Final site visit report - required within 5 working days of receiving Lender’s and Client ’s final comments on the draft report.
	TASK 4	ACTIVITIES	TIME SCHEDULE
		Final report for finalization of Phase 1 – Services during Construction.	10 working days of the Finalization of the construction process – issuance of the Taking over certificate
Phase 2	TASK 5	Annual visits – during operation	Annual visits on the site– one for each year of the rest of the duration of the services (Phase 2) taking into account the overall duration of the services under the Procurement Contract

The Time Schedule shall be updated and finally approved after conclusion of the Public Procurement Contract.

2.6.3. Consultant’s Project Team

The IESC shall be an established company employing or subcontracting project staff with demonstrable experience in the disciplines of environmental management, cultural heritage, biodiversity, socioeconomic impacts assessments, post construction landscape restoration, and livelihood compensation planning as applied to international gas pipeline projects funded by EIB.

The Consultant shall be well acquainted with the typical content and structure of the documents listed in section 2.1 above that are subject of the scope of service.

It is recommended for the IESC’s staff to have experience in the countries crossed by the Client’s pipeline, namely Greece and Bulgaria. To this end, in the performance of the services, the Consultant shall provide two additional experts with knowledge and competences under local law in Bulgaria and Greece, and knowledge of the requirements of the competent authorities with functions in the field of environmental protection and biodiversity

The Consultant shall demonstrate and sustain a relevant Core Team, a Project Coordinator and additional experts, all of them having experience on large project finance deals with a diverse lender group, having pertinent practical experience. All experts shall be fluent in English. Changes in the Core team and the

Project coordinator shall be preliminary approved by the Client, provided that the new member (s) meets the respective Selection Criteria that has been required in the Procurement Procedure and no grounds for exclusion occur for them.

Appendix 1 - EIA Study for the Greek section (extract)



6 Template № 5 – Technical offer

A completed version of template № 5 is provided below. This should be read in conjunction with the supplementary information provided in Section 6.1.

Template № 5

TECHNICAL OFFER

For participation in an open procedure on award of public procurement with the following subject matter:

"Selection of a consultant for Environmental and social monitoring of the IGB project for compliance with standards of the European investment bank"

by RSK Environment Ltd,

(Name of the participant)

with ~~UIC/BULSTAT~~ UK Company House Number SC115530, with ~~seat and~~ registered address 65 Sussex Street, Glasgow, Scotland, G41 1DX represented by

Dr. Carolyn Young.

(full name)

in my capacity of Managing Director, International Projects Group

(it has to be stated the position and/or the capacity, in which the person has the right to represent)

DEAR LADIES AND GENTLEMEN,

Herewith we would like to present our technical offer for implementation of the public procurement, announced by you:

1. OFFER FOR IMPLEMENTATION OF THE PUBLIC PROCUREMENT:

1.1. After getting familiar with all documents and forms from the documentation for public procurement, the receipt of which I hereby confirm, I certify and confirm that the participant, represented by me, meets the requirements and conditions in the public procurement documentation. I agree with the conditions, established by You and I accept them with no objections.

1.2. I declare that we shall implement the public procurement in accordance with all legal requirements for this type of activity as well as in accordance with the requirements of the Contracting authority, specified in the Technical specification, the announcement and the documentation for participation in the public procurement.

1.3. In case we are determined for contractor of the public procurement we will implement the services as follows

Please refer to Section 6.1 of this proposal document submitted by RSK Environment Ltd for a description of how the services will be implemented.



2. I declare that upon development of the tender are observed the obligations, related to taxes and social security contributions, environment protection, employment protection and labor conditions protection. I am aware of the liability under art. 313 of the Criminal code for stating false data.

3. I present the following statement The proposal submitted by RSK Environment Ltd meets all the requirements set out in the Terms of Reference. Please refer to Section 6.1 of this proposal document submitted by RSK Environment Ltd for a description of how the services will be implemented.

Date 20th January 2020
Name of the participant RSK Environment Ltd
Full name of the participant's representative Dr. Carolyn Young
Capacity/Position of the participant's representative Managing Director,
International Projects
Group
Signature and stamp _____

Carolyn Young



RSK Environment Ltd
Spring Lodge
172 Chester Road
Helsby
Cheshire
WA6 0AR

6.1 Methodology for implementation of the services

The information in this section describes our proposed approach to the services. It should be read in conjunction with Template № 5.

We propose to undertake work in accordance with the five tasks described in Section 2.4 of the Terms of Reference. Sections 6.1.1 - 6.1.5 provide more detail about our approach to each of those tasks.

6.1.1 Task 1 - Familiarisation with the IGB Project

On contract award our team will undertake all the activities necessary to become familiar with the status of the IGB project, and the project commitments which have been made.

Specifically:

- our team leader, expert ecologist, expert in social assessment and our national Bulgarian and Greek specialist) will plan for and attend a kick-off meeting to be held by skype for business (or similar) which allows for all participants to speak and share documents on screen). An agenda will be agreed prior to the meeting, however it is expected that it will include:
 - introduction to our team
 - understanding the roles of the ICGB team
 - confirmation of communication protocols
 - formally requesting all relevant documentation

- reviewing the project timeframe
- a desk study of relevant project documents will be undertaken with all our nominated team contributing through review of documents relevant to their speciality
- our team leader will lead preparation of a draft execution plan and site visit plan which prioritises activities or locations considered by our expert team to provide the greatest risks to ICGB. High risks may include:
 - locations at which specific activities will occur (for example construction camps, pipe-yards, active work sites, waste disposal sites, borrow pits, transport hubs, local roads being used for project transport etc)
 - environmentally sensitive areas including protected sites, known locations of protected species, water crossings, bio-restoration or off-setting sites etc
 - socially sensitive areas, or areas in which significant concerns were previously raised by local communities or NGOs during consultation activities
 - locations at which there is active rehabilitation following construction activities underway
 - any location or topic which is identified through review of previous project grievances or complaints
 - any community or environmental investment projects

The deliverables from task 1 will be:

- minutes of the kick-off meeting (draft and final version)
- a list of priority sites to be visited during the monitoring visits, noting the reasons for the prioritisation of each site
- a services execution plan
- a site visit plan.

6.1.2 Task 2 - Project Monitoring

6.1.2.1 Task 2.1 - Monitoring preparation

Each monitoring visit will be conducted in compliance with ISO19011 "Guidelines on quality and / or environmental management systems auditing" and will include the steps described in sections 6.1.2.1 and 6.1.2.2.

In preparation for each monitoring visit our team will:

- agree with ICGB the date and duration of the monitoring visit
- agree scope of the monitoring visit and any issues of concern
- request relevant documentation to be provided at least two weeks prior to the visit
- review relevant documentation, including project activity update, new grievance records, and previous audit findings
- identify any meetings required and agree persons (IGB project personnel, regulatory authorities, community members NGOs or other IGB Project Affected People) to be interviewed, with ICGB to arrange meeting venues and refreshments as required
- agree logistics, including locations, facilities, activities, processes to be monitored and transport arrangements with ICGB, with ICGB to provide the in-country transport required to facilitate the visit



- prepare and agree with ICGB a monitoring visit plan based on scope of visit and documents reviewed.

The deliverables from task 2.1 will be:

- site monitoring plan
- a final priority list for site monitoring.

6.1.2.2 Task 2.2 - Monitoring visits

As defined in the Terms of Reference, our team will undertake a series of six quarterly monitoring visits during the construction phase.

Each monitoring visit will be conducted by three specialists chosen from our nominated team, and will be of four working days in duration (inclusive of the opening and closing meetings). The selection of the team to undertake each visit will be made and agreed with ICGB following review of relevant documentation during audit preparation (Section 6.1.2.1), however it will always include our nominated team leader, with the other two team members most likely to be drawn from the expert ecologist, expert in social assessment or our national Bulgarian and Greek specialists. We expect that a relevantly qualified client representative will "host" the audit, and that the host will arrange for all relevant disciplines to be represented by ICBG at the initial opening meeting. Additionally, where it is appropriate for representatives of the lender(s), to accompany our team they would be welcome to do so.

Each of the six monitoring visits is expected to include:

- Opening meeting (office based)
 - introduce the monitoring visit team
 - explain scope and objectives of the monitoring visit
 - confirm logistics, and review health and safety plan
 - confirm date and time of close-out meeting
 - review of findings from last audit (where appropriate), and review whether previous findings have been closed out
- Undertake monitoring visit in accordance with the agreed visit plan (field based – including local office visits as required)
 - complete site visits to physically inspect agreed locations
 - interview managers and employees to find evidence of compliance with project commitments
 - review documents in use on the project to provide evidence of compliance with project commitments
 - note any non-compliance(s) found and keep a copy of evidence found
 - communicate all non-compliances to ICGB representatives and ask for any further evidence that may provide evidence of compliance
- Close-out meeting (office based)
 - provide a list of initial findings with evidence found (expected to include a brief PowerPoint presentation including photographs as appropriate)
 - discuss findings with company representatives and reach a consensus of findings



- discuss possible corrective actions to close out each finding
- provide a list of documents required to enable provisional findings to be closed out
- explain timescales for production of a draft report and comments to be sent back to the RSK team
- thank those who have been involved for their assistance during the monitoring visit.

The deliverables from task 2.2 will be:

- completed monitoring visit (six quarterly visits during the construction phase)
- a list of supplementary documents required to support the preparation of the monitoring site visit report (provided at the end of the site visit)
- PowerPoint presentation of initial findings plus supporting photographs and evidence.

Reporting is described in section 6.1.3.

6.1.3 Task 3.1-3.3 – Reporting and Recommendations

We will provide a draft monitoring report within 10 days of completing the monitoring visit. Following receipt of tabulated, collated comments from ICGB and the lenders representatives (where appropriate), a final monitoring report will be provided within five working days, along with a response to each comment. All reports will be in the English language.

Unless otherwise agreed, the format and content of the monitoring visit reports will be as proposed by ICGB in section 2.5.3 of the Terms of Reference. When reporting a non-compliance or deviation from the applicable standards or project commitments, each finding of the monitoring visit will be categorised to assist ICGB understand the significance and potential implications of the findings. Examples of good practice will also be reported.

The deliverables from task 3.1, 3.2 and 3.3 will be:

- submission of a draft monitoring visit report (for each visit)
- submission of the final monitoring visit report, prepared following receipt of comments from, and communication with ICGB.

6.1.4 Task 4 – Close out of the services for the construction period

Following submission of the final construction phase monitoring visit report, a draft close out report for the construction phase will be prepared in the English language.

The report will summarise the findings of the 6 monitoring visits undertaken during the construction phase.

The deliverables from task 4 will be:

- a final report to summarise the activities and findings of all audits undertaken during phase 1 (construction period)



6.1.5 Task 5 – Visits during operation (Phase 2)

Four annual monitoring visits will be undertaken by our team during the operational phase of the project.

The approach, methodology and reporting adopted for the construction phase activities will be unchanged, and will be as described for the construction phase monitoring visits in sections 6.1.1 - 6.1.3 with the exception that recognising there will be a lower level of activity along the pipeline right of way, each monitoring visit will be reduced from four to three working days in duration (inclusive of the opening and closing meetings).

The deliverables from task 5 will be:

- submission of a draft and final monitoring visit report (for each of the four annual monitoring visits during the operation of the IGB).

6.1.6 Optional Task – Two additional audit visits

As required by the scope of works, our proposal includes an offer to undertake two additional monitoring visits during the operational phase if required by ICGB.

The audits will be conducted in the same manner as the audits described in Section 6.1.5 as part of the fixed scope of work, and will be priced as per the unit cost per operational phase monitoring visit shown in Template № 6 – Price offer. (Section 7).

Table 3.1: Summary of proposed team demonstrating that the general and specific requirements are met

	Position	Name	General and Specific requirements (Qualifications and Experience)
1	Team leader and Project Coordinator	Katrina Cooper	<p><u>General requirements (qualifications):</u> BA (1st Class Hons) Geography, MSc Landscape Ecology, Design and Maintenance. Memberships include Chartered Institute of Ecology and Environmental Management (CIEEM), and environmental auditor with the Environmental Auditors Registration Association (EARA).</p> <p><u>Specific requirements and experience:</u> Katrina is a director and environmental planner with 27 years' experience of environmental and social impact assessment (ESIA), public and stakeholder consultations, and environmental management systems (EMS). She has been the lead environmental and social project manager for many major energy project ESIA's, in the UK and internationally, many to International Finance Institution (IFI) standards. Katrina was the environmental lead author for the ESIA, to IFI standards, of a 400 km pipeline in Azerbaijan and for the original screening studies for BP. She has also project managed various addendum ESIA's and technical notes for BP to the ESIA's for the SCPX gas pipeline project in both Georgia and Azerbaijan, covering various subsequent project design changes. Whilst working on the Trans-Adriatic Pipeline (TAP), Katrina completed a cumulative impact assessment including up- and downstream projects as part of the supplementary lender information package being prepared for lender finance. Katrina has been involved in numerous oil and gas audits during her career.</p>
2	Expert: Ecologist	Corin Simmonds	<p><u>General requirements (qualifications):</u> BSc (1st Class Hons) Environmental Science; MSc Environmental Technology (Ecological Management). Corin is a Full member of the Institute of Ecology and Environmental Management and a Chartered Ecologist.</p> <p><u>Specific requirements and experience:</u> Corin is an associate director with over 20 years' experience in the environmental sector predominantly working on terrestrial ecology in the UK and internationally. She is a strong all-round ecologist with expertise in protected species surveys and habitat creation and management in addition to extensive experience in project management. Corin has contributed to the successful delivery of several high-profile oil and gas projects, including terrestrial ecology elements for the East African crude oil pipeline ESIA, a gas expansion project ESIA in Kurdistan and undertaking environmental due diligence for the EBRD for energy projects in Albania. Corin has also worked on the TAP project. Corin is experienced in working to lender standards and has skills in environmental impact assessment, biodiversity offsetting, critical habitat assessment and baseline survey reports.</p>
3	Expert: Social assessment	Corinne Kennedy	<p><u>General requirements (qualifications):</u> BA Natural Sciences and MSc Environmental Technology (Global Environmental Change and Policy).</p> <p><u>Specific requirements and experience:</u> Corinne is a technical director with 20 years' experience in social performance, predominantly working in the extractives sector in developed and emerging economies. She</p>



	Position	Name	General and Specific requirements (Qualifications and Experience)
			has significant experience managing the social impacts and risks of pipeline projects during pre-construction, construction and operations phases, including TAP, the Queensland Curtis LNG Pipeline and the Baku Tbilisi Ceyhan Pipeline. Corinne has broad technical expertise, including social, health and human rights impact assessments, social management plans and systems, grievance systems, land access, resettlement programmes and social investment plans. Corinne has recently led the RSK social team is assessing impacts of the expansion of a gas treatment facility in Kurdistan, and prior to this worked for TAP AG where she developed a risk-based strategy, plan and management system for social investment, and established a governance, assurance and audit programme. Corinne has also worked with the TAP country teams to engage international financing institutions, community leaders, government and NGOs. As part of her role she incorporated EBRD performance requirements, international best practice and the commitments from the TAP ESIA's.
4	Expert: Interaction with local authorities and communities	Zhanar Zhakeyeva	<p><u>General requirements (qualifications):</u> BSc in International Law; MSc (Merit) in Social Policy and Development.</p> <p><u>Specific requirements and experience:</u> Zhanar is a social impact assessment and social development specialist with 16 years' experience working in the resource industry and international development agencies. She has worked on projects in Kazakhstan, Albania, Greece, Italy, Lebanon and Kurdistan. Zhanar has experience in social performance management and stakeholder engagement, obtained working for major oil and gas and pipeline companies. Her recent pipeline related experience includes the TAP, where Zhanar worked for three and a half years as TAP social performance and grievance management advisor providing functional support to in-country teams of social field monitors and grievance coordinators. In her role with TAP, Zhanar provided direct social compliance contribution into international lenders' due diligence process, which was part of funding application by the Project. More recently, Zhanar has worked as part of the stakeholder engagement team on several ESIA projects involving offshore gas exploration activities in Lebanon and gas field expansion in Kurdistan.</p>
5	Expert: Waste management	Andrew Ive	<p><u>General requirements (qualifications):</u> BSc Science and Technology, NEBOSH General Certificate in Health and Safety and NEBOSH Specialist Diploma in Environmental Management.</p> <p>Memberships include Chartered Waste Manager with CIWM, Chartered Environmentalist with SocEnv, and full member & lead auditor with IEMA.</p> <p><u>Specific requirements and experience:</u> Andy has over 40 years' oil and gas experience around the world in various disciplines and more specifically 18 years' experience in environmental management, emergency planning and waste management for oil and gas facilities internationally. Andy has undertaken a waste audit of the TAP facilities in Albania and Greece to establish compliance with EBRD and EU standards on waste management. He has also developed the waste strategy document for the SCPX project, and waste management plans for TAQA in Kurdistan.</p>



	Position	Name	General and Specific requirements (Qualifications and Experience)
6	Expert: Biologist / biodiversity	Nikki O'Donnell	<p><u>General requirements (qualifications):</u> BSc (Hons) Environmental Biology and French; MSc Environmental Science. Professional memberships include Certified Environmental Practitioner – Impact Assessment Specialisation; Member of the Environment Institute of Australia and New Zealand; and a Member of the International Association of Impact Assessment.</p> <p><u>Specific requirements and experience:</u> Nikki is a biodiversity specialist and technical director with 20 years' experience working in the resource industry, government and environmental consultancy. She has worked on projects in Albania, Algeria, Australia, Azerbaijan, Côte d'Ivoire, Greece, Italy, Kenya, Mauritania, the Philippines, Sudan, Tanzania, Uganda and the UK. Nikki has managed numerous ESIA's for complex infrastructure projects, including oil, gas and water pipelines, and in doing so has successfully obtained environmental approvals under a range of legislation. Her recent experience includes her role as RSK's biodiversity lead for the post-ESIA biodiversity studies on the TAP project; these were undertaken to meet the combined requirements of the EBRD, EIB and IFC. Nikki is currently the project manager for two separate biodiversity due diligence projects in Albania working directly for the EBRD, and as such has a very good understanding of the Bank's Performance Requirements. Nikki has also had a long involvement in the BTC and SCP gas pipeline projects in Azerbaijan; she contributed to development of these project ESIA's, was seconded to the construction contractor as the on-site Environmental Manager for 18 months and has more recently lead their Biorestitution Monitoring Programme.</p>
7	Expert: Cultural heritage protection	Dave Maynard	<p><u>General requirements (qualifications):</u> BA (Hons) Prehistory and Archaeology; Certificate in Practical Archaeology</p> <p><u>Specific requirements and experience:</u> David is an archaeologist with over 25 years' experience and has extensive experience of managing all archaeological and cultural heritage aspects of large-scale infrastructure, oil and gas projects and pipelines in both the UK and internationally. He has prepared the archaeological and cultural heritage parts of ESIA's and managed archaeological surveys and excavations using a variety of in-country archaeological subcontractors and local archaeological institutions. This has entailed the analysis of LIDAR data to assist with site identification, together with other GIS based remote sensing using satellite data. David has extensive experience of acting as the client's archaeological adviser and of liaison and consultation with local archaeological institutions. David has been cultural heritage lead on many oil and gas pipeline projects in the UK, Europe, the Caucasus and East Africa, including the BTC, SCP and SCPX pipeline projects, TAP and EACOP. The majority of these have been to IFC and EBRD standards. His UK experience of large diameter cross country gas pipeline projects is extensive, having worked on over 20 such projects during his career.</p>
8	Expert: Health, safety and labour conditions	John Jinks	<p><u>General requirements (qualifications):</u> NEBOSH International Diploma in Occupational Health and Safety qualified (Degree equivalent); Certificate in Supervisory Management (NVQ 4 – Degree equivalent). John holds the NEBOSH Construction Certificate; NEBOSH General Certificate; Certificate in Supervisory Management; and Certificate in Personnel Practice.</p>



	Position	Name	General and Specific requirements (Qualifications and Experience)
			<p><u>Specific requirements and experience:</u> John is a highly skilled health and safety specialist who has worked within the UK, mainland Europe, North Africa and the Middle East. Throughout his career he has gained significant experience in working with large, multi-cultural workforces in various countries, and has developed a personal understanding of working with and encompassing cultural differences within the workplace. John has developed his specialist experience across multiple sectors including construction, demolitions, and oil and gas. His oil and gas experience includes roles as a health and safety manager/advisor in projects for pipeline construction, offshore drill pad construction, and refinery upgrades. For example, John held a role as health and safety advisor, responsible for providing health and safety management to client works on the Trans Adriatic Pipeline (TAP) project (this project realises the environmental and social standards of international financial institutes). John recently held a role as health and safety manager for an Albanian project involving an infrastructure upgrade of access roads, bridges and culverts in remote areas prior to TAP pipeline construction.</p> <p>John has experience of developing and monitoring health and safety plans. He has worked with and is aware of the requirements in the following IFI standards, requirements and guidelines: IFC General Environmental, Health, and Safety (EHS) Guidelines, IFC Sector Specific Environmental, Health, and Safety (EHS) Guidelines – Gas Distribution Systems; EBRD Performance Requirement (PR 4) - Health and Safety and IFC Performance Standard 2 – Labour and Working Conditions.</p>
9	Greek expert	Kelly Papapavlou (Exergia)	<p><u>General requirements (qualifications):</u> BSc Biology; MSc Ecology</p> <p><u>Specific experience:</u> Kelly has 21 years of experience in environmental consultancy in Greece. Kelly has knowledge of Greek fauna and flora, permitting requirements and Greek legislation. She has worked on many large multidisciplinary projects in Greece and internationally. She has been involved in four major pipeline projects: TAP since 2010, the IGI (Interconnector Greece-Italy) since 2004, the Burgas – Alexandroupolis crude oil pipeline since 2006 and the EASTMED Poseidon project in 2015, providing input into the feasibility study for this project. She has worked extensively on issues of 92/43 EE and 2000/60 EE Directives and in 2015 she participated in the Orthoptera Species expert team assessing Greek and European Turkey species under the IUCN standards. Since 2018 she has been involved in the TAP project as the Biodiversity Expert in compliance with biodiversity performance requirements of the EBRD, EIB and the IFC.</p>
10	Bulgarian expert	Mariam Bozhilova (GeoMarine Ltd)	<p><u>General requirements (qualifications):</u> MSc in Ecology, PhD in Botany.</p> <p><u>Specific requirements and experience:</u> Mariam has 10 years of experience in the preparation of ESIA's and Appropriate Assessment Reports, the planning and execution of environmental and biodiversity field studies, environmental monitoring and environmental management. She has considerable knowledge of Bulgarian and European environmental legislation, environmental and social standards of the International Financial Institutions and the requirements of the Bulgarian competent authorities. Specifically, Mariam was Environmental Manager for the South Stream Offshore Gas Pipeline and participated in the planning,</p>



	Position	Name	General and Specific requirements (Qualifications and Experience)
			organisation, execution, and control of the environmental monitoring activities and results, both for marine and terrestrial biodiversity of the onshore and offshore environment during preconstruction and construction phases of the project. At GeoMarine Ltd, Mariam's responsibilities include: the coordination of biodiversity field studies, analysis and reporting of the results; writing and reviewing environmental Impact assessment chapters, related to marine and terrestrial biodiversity, protected territories, Natura 2000 sites etc. and the writing and review of Appropriate Assessment reports for Natura 2000 sites as per the Habitats Directive and Birds Directive.

PRICE OFFER

For participation in an open procedure on award of public procurement with the following subject matter:

"Selection of a consultant for Environmental and social monitoring of the IGB project for compliance with standards of the European investment bank"

by RSK Environment Ltd,

(Name of the participant)

with ~~UIC/BULSTAT~~ UK Company House Number SC115530, with ~~seat and~~ registered address 65 Sussex Street, Glasgow, Scotland, G41 1DX, represented by Dr . Carolyn Young

(full name)

in my capacity of Managing Director, (International Projects Group)

(it has to be stated the position and/or the capacity, in which the person has the right to represent)

DEAR LADIES AND GENTLEMEN,

We offer to implement the public procurement under the following price conditions:

1. Total price for implementation of Phase 1: EUR 254,145.00 *(in words: Two hundred and fifty four thousand, one hundred and forty five euro and no cents)* exclusive VAT and nett of any withholding tax, or EUR *(in words: :)* inclusive VAT...).

Note: In the price for implementation of the public procurement shall be specified the price for the services during the construction – Stage 1 according to the terms of reference, which shall be formed as a final total price, including all costs for the implementation.

2. Total price for the services in Phase 2 according to the terms of reference:

Price for a single visit EUR 33,506.00 *(in words: Thirty three thousand, five hundred and six euro and no cents)* exclusive VAT and nett of any withholding tax, or EUR *(in words.....)* inclusive VAT...)

Note: the price for implementation of the service in Stage 2 shall be formed as a single price for organizing an on-the-spot visit, with included all required experts, as the price should cover all costs for the visit.

3. Total price for the Six quarterly audits during the construction phase, and four annual audits during the operational phase): EUR 388,167.00 *(in words: Three hundred and eighty eight thousand, one hundred and sixty seven euro and no cents)* exclusive VAT and nett of any withholding tax, or EUR *(in words:)* inclusive VAT...).

Note: the Participant shall offer total price for implementation of services in Phase 1 and Phase 2 in full volume, considering the scope and the indicative number as indicated in Terms of Reference and the information of the forecast value of the Procurement.

4. The price offered by us shall include all costs for the whole, precise, qualitative and timely implementation of the public procurement, in accordance with the norms and legal acts,

effective in Republic of Bulgaria. The prices are specified in EUR

5. I hereby declare that the price, offered by us, is determined in full accordance with the conditions from the documentation for participation in the public procurement and includes all costs on implementation of the subject of the public procurement and etc., needed for the qualitative implementation of the contract, including remunerations of the team, social security contributions and etc., related to the implementation of the public procurement, as well as fees, profits, insurances and all other relevant costs for realization of the activity.

6. On condition that we are selected for contractor of the public procurement, the payments have to be made in Euro BGN into the following bank account:

IBAN: GB98 NWBK 6072 1048 1023 85

Bank code: NWBKGB2L

Bank: National Westminster Bank

6. We shall undertake the commitment if our tender is accepted and if we are determined for contractor, to implement the services according to the terms and conditions, envisaged in the contract.

Till development of the official contract, this tender together with the confirmation by You on award of the contract shall form a binding agreement between both parties.

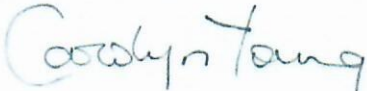
We are aware that if a participant includes elements from its price offer outside the respective envelope, it shall be excluded from participation in the procedure.

I am aware of the liability under art. 313 of the Criminal code for stating false data.

Note:

The Participants should develop their offers in observing the maximum value of the budget, provided by the contracting authority. Participant, which has offered a price, higher than the estimated value of the public procurement under the lot, for which is submitted the present document, shall be excluded from participation in the procedure.

The offered price should be in positive integers rounded till the second number after the decimal point and should include all costs, related to the qualitative implementation of the public procurement under the respective lot, in the described type and scope, according to the Technical specification.

Date	20/January/2020
Name of the participant	RSK Environment Ltd
Full name of the participant's representative	Carolyn Young
Capacity/Position of the participant's representative	Managing Director, International Projects Group
Signature and stamp	



RSK Environment Ltd
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