



Food and Agriculture Organization
of the United Nations

INVITATION TO SUBMIT A PROPOSAL

for the provision of:

National Demand-Side Climate Change Mitigation Plan and Socio-Economic
Impact Assessment

ISSUED ON: June 04, 2025

CLOSING DATE: June 28, 2025

23:59 hrs Tehran Time

Project: GCP/IRA/069/GCR

*Strengthening Iran's access to Green Climate Fund (GCF) with national ownership,
knowledge-based policies and sound technologies- GCF Readiness II*

**FAO Representation in
The Islamic Republic of Iran**



The Food and Agriculture Organization of the United Nations (“FAO” or “Organization”) is an intergovernmental organization with more than 196 member nations. Since its inception, FAO has worked to alleviate poverty and hunger by promoting agricultural development, improved nutrition and the pursuit of food security - defined as the access of all people at all times to the food they need for an active and healthy life.

Further and more detailed information on FAO can be found on the internet site <https://www.fao.org>

This invitation is for the provision of non-commercial services under the FAO rules that govern Letters of Agreement (hereinafter referred to as “Agreement” or “LoA”). Under these rules only non-profit, intergovernmental, and governmental organisations are eligible to sign LoAs with FAO.

In order to be eligible to be awarded an LoA, an entity must:

- be a governmental, inter-governmental (e.g. other United Nations agency), non-governmental, or other not-for-profit entity that is legally registered as such;
- have satisfactory financial and management capacity to implement the required services;
- not be sanctioned (debarred or suspended) by U.N. system entities;
- agree to abide by the UN Supplier Code of Conduct;
- accept the FAO’s General Terms and Conditions for LoAs;
- must have taken all necessary corrective actions in case the entity had received allegations of sexual exploitation and abuse



1. Background

FAO is a trusted partner of the Government of I.R. Iran in accessing the Green Climate Fund (GCF) and is an Accredited Entity to the GCF. The first ever GCF Readiness project of I.R Iran (USD 300,000) was implemented during 2020-2022 with FAO as the Delivery Partner. FAO supported the I.R. Iran GCF National Designated Authority (NDA) – the Department of Environment (DOE) – in securing the second Readiness project for implementation during June 2024 - August 2026, being initiated in close collaboration with the NDA and DOE representing the government of the I.R. Iran. The project aims to achieve the following outputs:

- Strengthened national coordination through enhanced National Climate Change Working Group (NCCWG)- the highest decision-making body on climate change, coordination mechanisms between the NDA, focal points for UNFCCC and other climate funds, and engagement of the private sectors, stakeholders and communities;
- Strategy and procedures for direct access to GCF developed and support provided for accreditation of potential DAEs;
- Updated GCF Country Programme with defined strategy for direct access and project pipeline, selected through rigorous consultation, screening and validation process.
- Developed concept notes for priority project ideas;
- A national supply-side GHG mitigation plan aligned with national policies and energy outlook that will provide a scientific basis for prioritizing investments;
- A national demand-side GHG mitigation plan along with the socio-economic evaluation of the mitigation policies and plans;
- Updated Technology Need Assessment (TNA) for priority sectors and Technology Action Plan (TAP) with a cost-benefit analysis of technologies and measures to address barriers and build capacities for accelerating the development and transfer of prioritized technologies;
- A National Climate Change Knowledge Hub (NCKKH) established to help raise public awareness, disseminate technical knowledge and best practices, and support further stakeholder engagement.

2. Holistic National Climate Change Mitigation Planning

This project, in close integration with the complementary project (Annex II) on identification of the priority mitigation actions in the energy supply sector and evaluation of cross-border socioeconomic impacts of global response measures to climate change on Iran, will fulfill the planned activities anticipated in the GCF Readiness Phase II of Iran depicted in [Figure 1](#).

These activities will delve deep into understanding the economic repercussions of global response measures on Iran. This will encompass a broad spectrum, from cross-border economic impacts to sector-specific analyses, ensuring a holistic understanding of potential challenges and opportunities.

READINESS II – STUDIES AND MODELLING EFFORTS

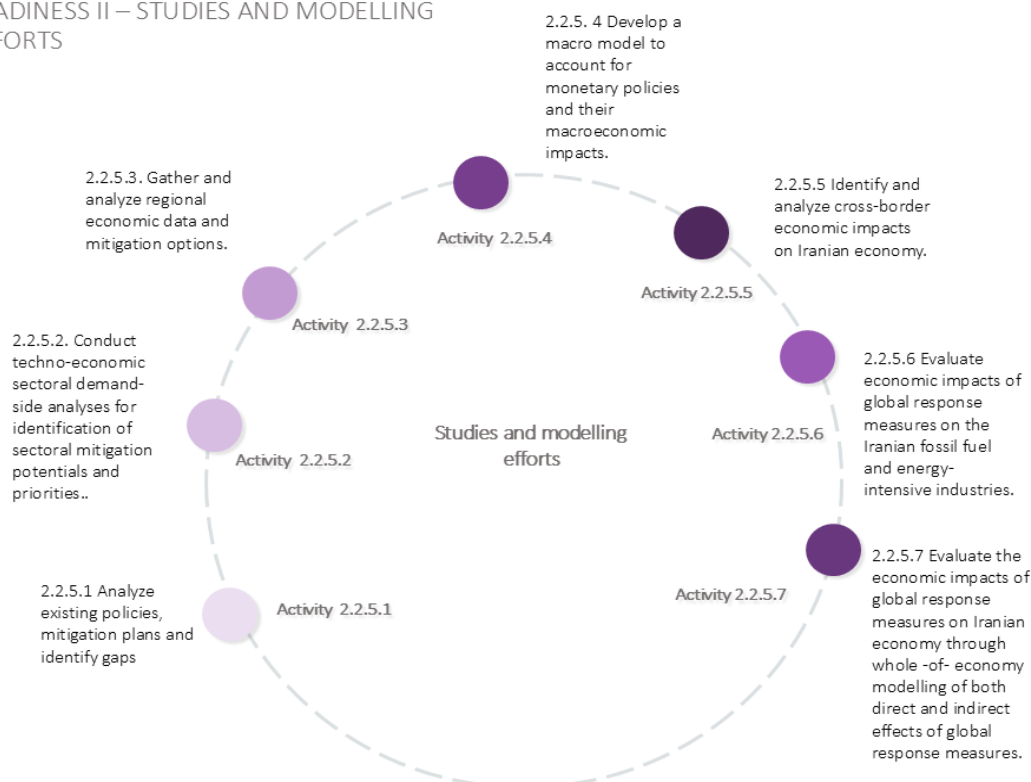


Figure 1 Interconnections among the required outputs of the climate change mitigation planning and socio-economic studies

For a holistic national mitigation action planning, it is important to consider the interconnections among the required analyses as shown in Figure 1:

- **Interconnected Economic Systems:** The diagram highlights the dynamic interplay between the economic system and response measures, illustrating how factors such as investment funds, interest rates, and energy export revenues influence energy demand. As shown in [Figure 2](#), these factors also influence energy supply. This is the interconnection between economy and energy supply sector. As energy supply is not the focus of this study, it can be mentioned that these factors affect the supply sector and must be passed to the parallel study to maintain consistency. By integrating economic modeling into the demand-side climate change mitigation ToR, these relationships can be better understood and effective mitigation strategies that are closely aligned with economic realities can be designed.
- **Global Context and External Influences:** The linkage with the 'Rest of the World' as shown in [Figure 2](#) emphasizes the importance of international energy prices, sanctions, and global response measures. Recognizing these external factors justifies the shift towards a national focus, simplifying the analysis and ensuring that the strategies are relevant in a global context. As international energy price forecasts and possible energy export sanctions are covered in the other parallel study (Annex II), only socio-economic response measures are assessed in this TOR. International energy price forecasts and potential energy export sanctions influence national income and key economic drivers that, in turn, affect energy demand. These factors will be considered in the current TOR. For consistency, the scenarios related to international energy prices and sanctions should align across both TORs.

- **Energy Demand and Supply¹:** The diagram clearly shows how energy demand is driven by various demand drivers and the marginal cost of energy. By relocating specific tasks related to energy demand analysis into the other parallel study (Annex II), the effects of different mitigation measures on overall energy use can be assessed which ensures the investment plans are based on a comprehensive understanding of energy dynamics.

The activities anticipated in this study and the complementary project aim to create a more coherent framework that aligns economic analysis with effective climate action planning, thereby enhancing the overall effectiveness and relevance of the project outcomes.

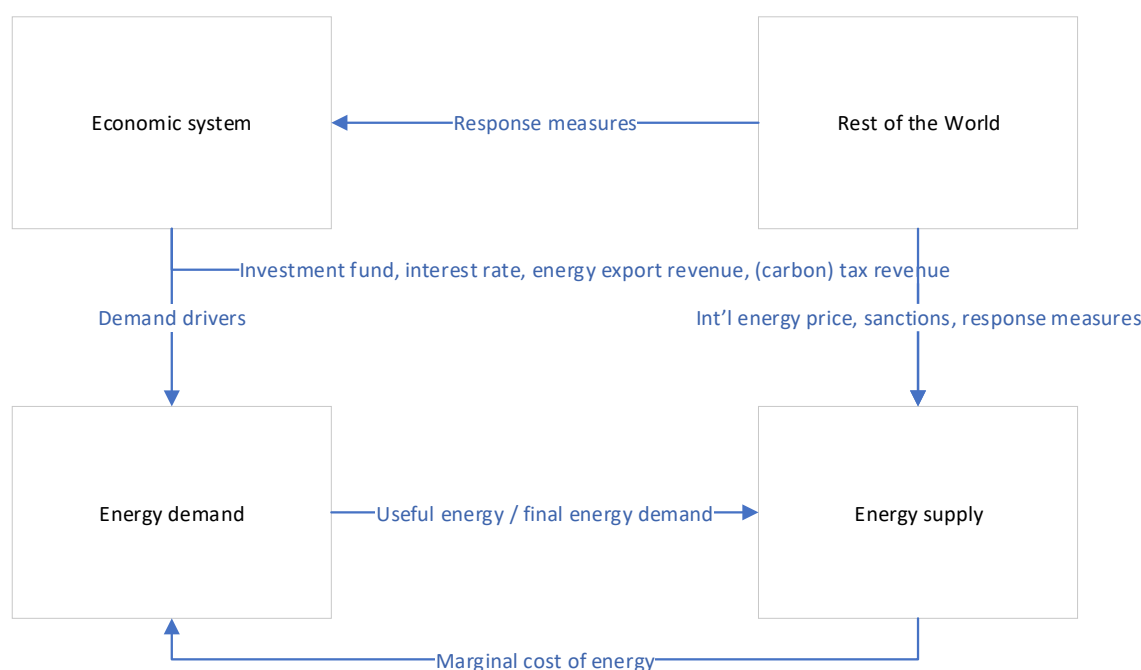


Figure 2 External Factors that Influence Energy Supply and Demand in Iran

3. Objective

Under the GCF Readiness and Preparatory Support II program, Iran aims to develop a national climate change mitigation plan that focuses on energy supply and demand strategies, alongside conducting socio-economic studies to evaluate the effects of these mitigation policies and plans. The national climate change demand-side and socio-economic response plan will focus on identifying key energy demand sectors, developing strategies for emissions reduction, and ensuring alignment with national policies and other relevant environmental and economic frameworks. The most energy-intensive sectors in Iran are electricity and heat producers, transportation, industry, and residential use, which together account for nearly 87% of the country's energy demand. Other sectors, including

¹ Energy Supply Sector in this ToR means 1) Electricity Generation and Transmission. 2) Oil & Gas Generation and Transmission.

Energy Demand Sector in this ToR means the most consuming, emitting sectors including 1) Built environment, 2) Transportation



agriculture/forestry, as well as commercial and public services, make up 7.5% and other sectors accounts for 5.6% of the energy demand¹.

Alongside this, it is crucial to evaluate the impacts of climate change mitigation policies and plans on Iran's economy and its associated social dimensions. These measures include challenges such as declining profit margins for energy-intensive industries due to the implementation of GHG mitigation plans in Iran including for example green building implementation, sustainable transport systems, waste management practices etc.

Such economic pressures can have significant ripple effects, including job losses and reduced public spending in affected sectors, leading to broader social implications. Once these impacts are thoroughly assessed, it becomes essential to devise and prioritize actionable strategies to mitigate these challenges, enhance the resilience of the national economy, and adapt to evolving global economic and environmental policies. This proactive planning is vital to safeguarding Iran's economic stability and ensuring its capacity to navigate future climate-related scenarios effectively.

4. Services required

The service provider responsible for National Demand-Side Climate Change Mitigation Plan and Socio-Economic Impact Assessment will be tasked with the following activities:

4.1. Review of Current National Demand-Side Climate Change Policies, Emissions Profile, Barriers, and Opportunities

This includes the following items:

- Review existing national demand-side climate policies, strategies, and frameworks as well as the sectoral policies and development plans for priority mitigation sectors. The review should include detailed investigation of all upstream laws and policies as well as technical evaluations for prioritization of low-carbon development programs which are developed by corresponding governmental bodies and research institutes. This should include, but not be limited to:
 - National low-carbon economic development of Iran developed by the Department of Environment,
 - National Energy Outlook developed by the Ministry of Petroleum,
 - National Energy Plan developed by the Ministry of Energy,
 - National Strategic Climate Change Program developed by the Department of Environment.
- Conduct an analysis to identify existing gaps and weaknesses in Iran's national mitigation action planning, including policy, institutional, financial, and technical barriers, current opportunities, and provide recommendations to address these gaps for effective implementation of climate mitigation strategies.
- Analyze the country's current greenhouse gas emissions profile, identifying the largest sources of emissions by sector in the demand sector (e.g., transportation, agriculture, land use change, waste, forestry). Assess the effectiveness of existing mitigation measures, including any current emissions reduction targets.

¹ <https://www.iea.org/countries/iran/emissions>



- Assess the quality and robustness of monitoring, reporting and verification (MRV) mechanisms associated with these mitigation measures, in line with international guidelines.

4.2. Stakeholder Engagement and Consultation

This includes the following items:

- Conduct consultations with key stakeholders, including government agencies, marginalized and vulnerable groups, civil society organizations, research institutions, and private sector representatives.
- Organize focus groups or workshops to gather input on demand-side mitigation priorities and their socio-economic impacts.
- The consultant must present the results of this work to the project's NCCWG and secure their approval as much as possible.
- The consultant is required to hold at least 6 consultative workshops or meetings with associated governmental agencies and incorporate their minutes of meetings into the report.

4.3. Gathering and Analyzing National Economic Data and Mitigation Options

This activity will involve collecting and meticulously analyzing national economic data. The insights derived will help in understanding the broader economic landscape, potential mitigation options, and their implications for the Iranian economy. This includes the following activities:

- Define national boundaries and select key economic indicators
- Collect national economic, energy, and emissions data
- Analyze national economic structures and emission profiles
- Identify and assess mitigation options
- Evaluate economic feasibility and co-benefits of mitigation measures
- Compare mitigation potential
- Develop national mitigation profiles and policy recommendations

4.4. Conduct Techno-Economic Sectoral Demand-Side Analyses for Identification of Sectoral Mitigation Potentials and Priorities

A detailed techno-economic analysis will be conducted across various sectors. The goal is to uncover potential areas for mitigation, determine the feasibility of proposed measures, and prioritize actions based on their impact and viability. This is a part of the development of the National Climate Change Mitigation Plan (NCCMP) for key energy demand sectors. The consultant should identify and develop the potential climate change mitigation plans in the following sectors:

- Built environment, including residential, commercial, and industrial
- Transportation

This includes the following actions:

- Identify potential mitigation plans for the specified sectors, considering short-term (2 years), medium-term (10 years), and long-term (more than 20 years, e.g., NZE targets) approaches, including clear, measurable emission reduction targets, timelines, and milestones.



- Investigate the technical feasibility of the plans with estimated costs, benefits, and feasibility assessments, and assess their cost-effectiveness. Set clear targets and timelines for high-priority actions.
- Analyze how forecasted domestic and international energy prices affect key economic indicators such as GDP, employment, and inflation, examining both direct, indirect, and induced effects on the overall economy and energy demand.
- Assess the economic impacts of proposed mitigation strategies, focusing on employment, industry competitiveness, and sectoral composition in GDP.
- Take into account the co-benefits of the mitigation plans, including job creation and economic opportunities.
- Recommend institutional arrangements to ensure effective implementation of the NCCMP. This includes determining the lead agency responsible for implementing the plan, along with other associated stakeholders, in the following sectors: Built environment, and Transportation.
- Estimate the total budget required for each suggested plan across the three-time frames (2 years, 10 years, and 30 years).
- Propose the policy/regulatory framework to implement the suggested mitigation plans including the national planning framework, incentives and disincentives policies, tax reductions mechanisms, and etc.
- Develop an implementation plan for executing the mitigation plan, outlining responsible parties, stakeholders, yearly plans, budget allocation, institutional arrangements, and governance structures for managing and tracking progress.

4.5. Develop a Macro Model to Account for Monetary Policies and Their Macroeconomic Impacts

A sophisticated macroeconomic modelling will be carried out to simulate and evaluate the socio-economic impacts of various mitigation policies on the Iranian economy, providing policymakers with a tool to forecast and plan for various scenarios. This activity includes the following tasks:

- Define model scope, structure, and key variables (e.g., GDP, inflation, employment, investment, interest rates)
- Collect and compile relevant macroeconomic and monetary policy data
- Select an appropriate modelling framework (e.g., CGE, System Dynamics, or macro-econometric model) tailored to Iran's economic structure
- Develop and calibrate the model using historical and current data
- Integrate monetary policy mechanisms and climate mitigation scenarios into the model
- Run simulations to assess macroeconomic impacts of selected mitigation policies
- Performing sensitivity and robustness checks
- Presenting results and policy recommendations to stakeholders

4.6. Conduct a Socioeconomic Impact Assessment of National Mitigation Policies in the Energy Demand and Supply Sectors Using Macroeconomic Modeling

This activity aims to evaluate the short- and long-term socioeconomic effects of demand-side mitigation policies proposed by this plan in Iran's energy system. Using a calibrated macroeconomic



model the analysis will quantify impacts on GDP, employment, income distribution, sectoral output, inflation, and public finance under various policy scenarios. This activity includes:

- Review and classify national mitigation policies across energy demand sectors
- Define socio-economic indicators to be assessed (e.g., GDP, employment, income, investment, sectoral output)
- Adapt or extend the macroeconomic model to incorporate energy demand and supply-side dynamics
- Parameterize policy scenarios including carbon pricing, energy subsidies reform, renewable energy investment, and energy efficiency measures
- Simulate policy scenarios and compare outcomes to baseline (business-as-usual) projections
- Assess direct and indirect socio-economic impacts of national mitigation priorities at the national and sectoral levels
- Evaluate distributional effects across income groups, regions, and vulnerable sectors
- Conduct sensitivity analyses to test the robustness of results
- Draft a comprehensive policy brief summarizing findings, trade-offs, and recommendations for decision-makers

5. Key Performance Indicators

Main Category	Desired outputs	Key performance indicators per output	Timeline for the delivery of the outputs (refer to the project timeline in Appendix D)
Baseline study	National low-carbon economic development of Iran was reviewed, and the results were reflected in the baseline study	No. of reports, strategies and documents reviewed	
	National Energy Outlook developed by the Ministry of Petroleum, was reviewed, and the results were reflected in the baseline study		
	National Energy Plan developed by the Ministry of Energy, was reviewed, and the results were reflected in the baseline study		
	National Strategic Climate Change Program developed by the Department of Environment, was reviewed, and the results were reflected in the baseline study		
Operational working groups	Key stakeholders are identified and operational	No. of key stakeholders	
	Focus groups for identification of mitigation priorities are organized and operated		
	6 consultative workshops with associated stakeholders are held and their MoMs are developed	No. of workshops/ Technical meetings	
Demand-side mitigation plan	Demand-side mitigation plans are identified and recorded	No. suggested plans in each sector with cost-benefit analysis	
	The mitigation plans are assessed according to their cost, benefits and feasibility		



Main Category	Desired outputs	Key performance indicators per output	Timeline for the delivery of the outputs (refer to the project timeline in Appendix D)
	Co-benefits of the mitigation plans are identified and recorded	Number of co-benefits identified	
	Institutional arrangements of the mitigation plans are proposed	A well-defined institutional arrangement	
	National demand-side implementation plan is developed		
Macro model for monetary policies	Model scope, structure and key variables are defined, calibrated, and the monetary policies are compiled	No. of key variables of the model	
	Simulation models are run using historical data	A simulation model	
	Sensitivity analysis is performed	A sensitivity analysis	
Socio-economic impact assessment	The socio-economic indicators of the mitigation plans are identified	No. socio-economic indicators	
	Policy scenarios are parametrized	No. policy scenarios	
	A comprehensive policy brief is developed summarizing trade-offs and recommendations	A comprehensive policy brief	

6. Procedures and Conditions

FAO hereby invites you to submit a Proposal in connection with the above-described services. Your Proposal should be based on the requirements included herewith; it is subject to the following procedures and conditions which you deemed to have accepted by submitting a Proposal.

In submitting your Proposal, you are supposed to have considered all aspects relevant to the performance of the proposed Agreement and to have obtained all necessary information and data as to risks, contingencies and other circumstances which may influence or affect your Proposal;

It is understood that all documents, calculations, etc. which may form part of your Proposal will become the property of FAO, who will not be required to return them to your organisation;

FAO may decide to make a partial award or no award at all should it consider that the results of this invitation for Proposal and/or any other related circumstance so require;

FAO shall have no obligation to purchase any minimum quantities of goods or services from your organisation, and shall have no limitation on its right to obtain goods or services of the same kind, quality and quantity as described in this Proposal from any other source at any time;

All costs incurred to prepare your Proposal have to be borne by you; FAO will not be liable to reimburse any or all of such cost;

FAO reserves the right to publish the details of awards, including the Service Provider's name and country, total value of the Agreement and a brief description of the services.

FAO has a zero-tolerance approach to fraud, and it prohibits any entities from engaging in corrupt, fraudulent, collusive, coercive, unethical and obstructive practices when participating in procurement activities. As provided by the Vendor Sanctions Procedures



(http://www.fao.org/fileadmin/user_upload/procurement/docs/FAO_Vendors_Sanctions_Policy_-_Procedures.pdf), if the Organization determines that an entity has engaged in such conduct, it will impose sanctions and may share information on sanctioned entities with other Intergovernmental or UN Organizations;

An entity and its affiliates, agents and subcontractors should not be suspended, debarred, or otherwise identified as ineligible by any Intergovernmental or UN Organization, including any organization within the World Bank Group or any multi-lateral development bank, or by the institutions and bodies of economic integration organizations (e.g., the European Union). You are therefore required to disclose to the Organization whether your organisation, or any of your affiliates, agents or subcontractors, is subject to any sanction or temporary suspension imposed by any such organization or National Authority at any time during the three years prior to the Agreement or at any time throughout the execution of the Agreement. You acknowledge that a breach of this provision will entitle FAO to terminate its Agreement with your organisation, without any liability for termination charges or any other liability of any kind of FAO, and that material misrepresentations on your status constitute a fraudulent practice;

Bidders must certify that their organisation is not associated, directly or indirectly, with entities or individuals (i) that are associated with terrorism, as in the list maintained by the Security Council Committee established pursuant to its Resolutions 1267 (1999) and 1989 (2011), or (ii) that are the subject of sanctions or other enforcement measures promulgated by the United Nations Security Council. Selected bidders also agree to undertake all reasonable efforts to ensure that none of the funds received from FAO under the awarded Agreement are used to provide support to individuals or entities associated with terrorism or that are the subject of Security Council sanctions. This provision must be included in any subcontracts, sub-agreements or assignments entered into under the awarded Agreement. The Bidder acknowledges and agrees that this provision is an essential term of the awarded Agreement and any breach of these obligations and warranties shall entitle FAO to terminate the Agreement immediately upon notice to the Service Provider, without any liability for termination charges or any liability of any kind of FAO;

Bidders must certify that their organisation and/or subcontractors are not associated, directly or indirectly, with the consultant or any other entity who prepared the terms of reference or other bidding documents for this tender;

Please note that Bidders who use an independent consultant to assist in the preparation of Proposals may risk engaging in unacceptable practices if the same consultant assists another Bidder to prepare a Proposal for the same tender. Bidders are reminded that they are fully responsible for the conduct of any consultant who may be used to prepare Proposals for FAO tenders and they should take all measures to ensure that any independent consultant engaged to assist in the preparation of a Proposal for an FAO tender has not and will not be involved in the preparation of a Proposal for another Bidder for the same tender process.

Bidders are kindly requested to disclose to the best of their knowledge whether their organisation has any personal or professional relationships with FAO. The disclosure shall include all relevant details and should include, but not be limited to:

- ANY current or past employment relationship with FAO of your organisation's representatives and employees;
- ANY current or past relationship with any FAO staff member (family members, spouses, etc.) of your organisation's representatives and employees.



7. Closing Date

Your Proposal should be submitted by email in **PDF formats** to the FAO email account - FAOIR-RFP@FAO.org - not later than the date and time indicated on the first page of this notice.

We would appreciate your acknowledging receipt of this invitation and indicating your intention as to whether or not you will submit a Proposal by email to FAOIR-RFP@FAO.org

8. Communications Concerning this Proposal

All communications concerning this Proposal should be submitted uniquely through the following channel of communication: **email to FAOIR-RFP@FAO.org**

If your Proposal is submitted by email, it should be in **pdf format**.

If you do not receive a response from FAO within 90 calendar days from the closing date you should consider that your proposal has been unsuccessful.

The Proposal should consist of two parts: a **Technical Part** and **Financial Part** which should be prepared as follows:

The Technical Part should include:

- a. The description and number of years of experience in the field of the required services and the area of intervention as applicable;
- b. The proposed methods and processes suitable and feasible to achieve the outputs mentioned above within the required timeline (to be described in [Appendix A](#) "Workplan") and in conformity with the performance indicators;
- c. The description of the reports, documents and other outputs to be provided during and after implementation of the required services;
- d. Brief description of the current national demand-side climate change mitigation policies, barriers, and opportunities;
- e. Brief description of the methodology that will be applied for stakeholder's engagement, qualitative and quantitative data gathering, statistical data analysis, and focus group discussion;
- f. Brief description of the model that will be applied for the national climate change mitigation policy analysis in the demand sector, including for example Low Emissions Analysis Platform (LEAP), SINAI Technologies etc.
- g. Brief description of a macro model that will be applied for the monetary policy analysis and their macroeconomic impacts
- h. Brief description of the socioeconomic impact assessment tools that will be applied for the evaluation of the national CC mitigation policies on the energy demand sector
- i. A brief description of the organization's background in working with government agencies, civil society organizations, and the private sector.
- j. The list of key personnels and their CVs and Qualifications ([Appendix C](#))
- k. A brief description of the resources and financial and operational capacity of the organization
- l. An in-depth work plan with details including the proposed activities, budget and procedures
- m. The full name, address, fax and/or email address and telephone numbers of your organisation (association, institute, etc.) and contact persons, and business registration certificate
- n. The banking details (name and address of bank, branch name and branch code, account number, IBAN number).

Please note that FAO will make the relevant LoA payments to the bank account indicated by the selected Service Provider. The bank account holder's name must be the name of Service Provider.



Financial Part

A detailed cost estimate (i.e. a budget in accordance with [Appendix B](#)) based on a workplan including all the costs for the delivery of the required services / implementation of the Agreement. The budget should be broken down by the inputs that are required to carry out the activities, avoiding the use of activity-based lumpsums. Budget items and the corresponding objective units of measurement should be well defined and should be calculated by multiplying the quantity (i.e. the number of units) by the unit cost (i.e. the estimated cost per unit).

All assumptions should be documented. The financial part should specify clearly the currency used (the local currency in which the majority of the expenses will be incurred, i.e. **Iranian Rials - IRR**).

Please submit the Financial Proposal in PDF format and in Microsoft Excel as two separate attachments.

Proposals will only be considered if they contain all of the above information and documents and observe the provisions of the enclosed agreement (see Annex I).

9. Evaluation

The Proposals received will be evaluated by applying the mandatory requirements and the qualitative evaluation criteria indicated below. The Pass/Fail methodology will be used for the mandatory requirements, whilst the qualitative evaluation criteria will be rated.

FAO reserves the right to consider and disqualify organisations based on documented prior poor performance, including but not limited to poor quality of services provided, late delivery and unsatisfactory performance. FAO also reserves the right to have further discussions/negotiations with the Bidder prior to issuance of an Agreement.

10. Mandatory Minimum Requirements

Your Proposal will only be considered if the Proposal and your organisation meet the following minimum requirements:

Mandatory Requirements	Required Supporting Evidence
Legal status of your Organization in the Islamic Republic of Iran to demonstrate the eligibility to sign Letters of Agreement with FAO, including the registration certificate	Required documentation: Applicants are required to provide evidence of the legal status of Organization in the Islamic Republic of Iran, including the registration certificate
An explicit written acceptance of the terms and conditions applicable to FAO Letters of Agreement as laid out in the LoA template in Annex I	Required documentation: Bidders must submit a letter in their letterhead in which they accept the terms and conditions applicable to FAO Letters of Agreement as laid out in the LoA template in Annex I
Hands-on experience and track record in demand-side climate change studies and sustainable development, especially those associated with the built environment, and transportation.	Eligible bidders must have at least 2 years of relevant experience in climate change mitigation focusing on the built environment and transportation. Required documentation: list of previous projects which clearly indicates the subject, outcomes, name of the employer, year of completion, etc.
Experience in developing macroeconomic modeling or similar analytical and modeling skills	Eligible bidders must have at least 2 years of relevant experience in macroeconomic modeling or similar analytical and modeling skills.



Mandatory Requirements	Required Supporting Evidence
	Required documentation: list of previous projects which clearly indicates the subject, outcomes, name of the employer, year of completion, etc.
Proven ability to work with government agencies, civil society organizations, and the private sector.	To qualify as bidders, applicants must have a minimum of three years of relevant experience working with governmental agencies and/or civil societies. This experience may be demonstrated through agreements, joint research studies, and similar documentation. Required documentation includes a list of previous projects. This list should clearly detail the project subject, outcomes, name of the employer, and year of completion.
Only Proposals that include both the Technical Proposal and Financial Proposal, submitted as separate attachments and containing all the requested information and documents will only be considered- please ensure all outputs , mentioned in section 2 “Services Required” are fully reflected in your Financial Proposal	Required documentation: Applicants are required to provide completed Technical and Financial Proposals submitted as two separate attachments and saved in PDF format and please also attach the Financial Proposal in both PDF and Excel format

These qualities ensure that a service provider can effectively lead and support the development and implementation of demand-side climate change mitigation plan and socio-economic impact assessment, addressing the complexities of climate change and fostering a collaborative approach among all stakeholders involved.

11. Weighted Evaluation Criteria

Your Proposal will be further evaluated based on the following criteria and relevant weights listed in the table below:

	Criteria	Maximum Obtainable score
A	Understanding of the local context and project interventions	
A.1	Brief description of the national demand-side climate change mitigation policies, barriers, and opportunities	5
A.2	Brief description of national and international climate change frameworks, and mechanisms	
B	Proposed Methodology	
B.1	Technical quality of the proposed model that will be applied for the national climate change mitigation policy analysis in the demand sector	15
B.2	Technical quality of the proposed macro model that will be applied for the monetary policy analysis and their macroeconomic impacts	10
B.3	Technical quality of the proposed methodology for socioeconomic impact assessment that will be applied for the evaluation of the national CC mitigation policies on energy demand sector	10



	Criteria	Maximum Obtainable score
C	Relevant Operational Experience	
C.1	Experience in stakeholder engagement, qualitative and quantitative data gathering, statistical data analysis, and focus group discussion	<u>5</u>
C.2	Proven ability to work with government agencies, civil society organizations, and private sector	<u>5</u>
D	Financial and operational capacity of the organization	
D.1	Qualifications of the key personnel proposed	<u>10</u>
D.2	Adequacy of resources and financial and operational capacity of the organization	<u>5</u>
D.3	Depth of detail of proposed budget and workplan	<u>5</u>
D.4	Conformity and feasibility of proposed schedule with Project Timeline (Appendix D)	
	Total Technical criteria	70 out of 100
	Financial Proposal*	30 out of 100
	Total score (technical + financial)	100

Technical Proposals will be evaluated first and ranked according to the above criteria. Please note that the Technical Proposal will comprise 70% of the overall evaluation.

* Points for the financial offers will be calculated according to the following formula:

$$\text{Points} = (A/B) * 30$$

Example:

Bidder A's price is the lowest at [\$10.00]. Bidder A receives 30 points

Bidder B's price is [\$20.00]. Offer B receives $[(\$10.00/\$20.00) * 30 = 15 \text{ points}]$

Bidder C's price is [\$25.00]. Offer C receives $[(\$10.00/\$25.00) * 30 = 12 \text{ points}]$

Please note that for the financial offer, Bidders must stay within the range of 20,000,000,000 to 25,000,000,000 Iranian Rials – IRR.

Total score calculation: Technical Score (70 points) + Financial Score (30 points)

I take this opportunity of expressing my appreciation of your interest in assisting FAO in its implementation of this undertaking.

Yours sincerely,

Farrukh Toirov,

04.06.2025

FAO Representative of the Islamic Republic of Iran

APPENDIX A: Workplan

[illegible]

The Technical Part should include:

- The description and number of years of experience in the field of the required services and the area of intervention as applicable;
- The proposed methods and processes suitable and feasible to achieve the outputs mentioned above within the required timeline (to be described in [Appendix A](#) “Workplan”) and in conformity with the performance indicators;
- The description of the reports, documents and other outputs to be provided during and after implementation of the required services;
- Brief description of the current national demand-side climate change mitigation policies, barriers, and opportunities;
- Brief description of the methodology that will be applied for stakeholder’s engagement, qualitative and quantitative data gathering, statistical data analysis, and focus group discussion;
- Brief description of the model that will be applied for the national climate change mitigation policy analysis in the demand sector, including for example Low Emissions Analysis Platform (LEAP), SINAI Technologies etc.
- Brief description of a macro model that will be applied for the monetary policy analysis and their macroeconomic impacts
- Brief description of the socioeconomic impact assessment tools that will be applied for the evaluation of the national CC mitigation policies on the energy demand sector
- A brief description of the organization s’s background in working with government agencies, civil society organizations, and the private sector.
- The list of key personnels and their CVs and Qualifications
- A brief description of the resources and financial and operational capacity of the organization
- An in-depth work plan with details including the proposed activities, budget and procedures
- The full name, address, fax and/or email address and telephone numbers of your organisation (association, institute, etc.) and contact persons;
- The banking details (name and address of bank, branch name and branch code, account number, IBAN number).

APPENDIX B: Budget

SPECIFY CURRENCY:					
Cat. No.	Items Description (ITEMISE IN DETAIL)	Unit of measurement	Qty (no. of units)	Unit Cost	Total Cost
1	HUMAN RESOURCE INPUTS (Staff time and consultants...)				
1.1					
1.2					
1.3					
...					
2	EXPENDABLE EQUIPMENT ANCILARY TO SERVICES				
2.1					
2.2					
2.3					
...					
3	TRAVEL (Flights, inland travel...)				
3.1					
3.2					
...					
4	ACCOMMODATION (board and lodging costs...)				
4.1					
4.2					
4.3					
5	GENERAL OPERATING AND MAINTENANCE EXPENSES				
5.1					
5.2					
5.3					
6	-----OTHER CATEGORY (Specify)-----				
6.1					
6.2					
6.3					
...					
	TOTAL COSTS				

APPENDIX C: Description of competencies and CVs of key personnel

(please include the CVs of the relevant key staff as an appendix to your proposal)

APPENDIX D: Project Timeline

The assignment will be carried out over a period of 12 months, with the following key milestones:

Activity	Timeframe (Month)											
	1	2	3	4	5	6	7	8	9	10	11	12
Reviewing of current national demand-Side climate change policies, emissions profile, barriers, and opportunities												
Establishment of the project focus group and identification of key stakeholders												
Gathering and analyzing national economic data and mitigation options												
Conducting techno-economic sectoral demand-side analyses for the identification of sectoral mitigation potentials and priorities												
Obtaining approval of the demand-side CC mitigation plan and submission of the first report												
Investigating the technical feasibility of the plans with estimated costs, benefits, and feasibility assessments, and assessing their cost-effectiveness												
Proposing the policy/regulatory framework to implement the suggested mitigation plans including the national planning framework												
Developing an implementation plan for executing the mitigation plan, outlining responsible parties, stakeholders, yearly plans, budget allocation, institutional arrangements												
Obtaining approval for the cost-benefit analysis and implementation plan, along with submitting the second report.												
Developing a macro model to account for monetary policies and their macroeconomic impacts												
Obtaining approval for the cost-benefit analysis and implementation plan, along with submitting the third report.												
Conducting a socioeconomic impact assessment of national mitigation policies in the energy demand and supply sectors using macroeconomic modeling												
Obtaining approval for the socio-economic impact assessment, and submitting of the final report												

ANNEX I: LoA Template

FOOD AND AGRICULTURE ORGANIZATION OF THE UNITED NATIONS

Viale delle Terme di Caracalla, 00153 Rome,
Italy

Fax: +39 0657053152

Tel: +39 0657051

www.fao.org

FAO Budget Code: [REDACTED]

Your Ref.: [REDACTED]

GRMS Supplier Number: [REDACTED]

PO Number: [REDACTED]

FAO Project Symbol: [REDACTED]

Other Reference:

LETTER OF AGREEMENT

between

the Food and Agriculture Organization of the United Nations

and

[Complete legal name of the institution]

[Full official address]

for provision of

[Brief title of services]

TABLE OF CONTENTS

Letter of Agreement.....	Page 1
General Terms and Conditions for Letters of Agreement.....	Annex A
Terms of Reference and Payment Provisions.....	Annex B
Special Conditions and Derogations; Additional Provisions.....	Annex C

This Letter of Agreement (hereinafter the “LoA” or the “Agreement”) is made between the Food and Agriculture Organization of the United Nations (hereinafter referred to as “FAO”) and [complete legal name of the Service Provider] ([also operating as insert name in language of the LoA if different from legal name,] hereinafter referred to as the “Service Provider”).

FAO and the Service Provider (hereinafter collectively referred to as the “Parties”), in consideration of the mutual covenants and agreements contained herein, hereby agree as follows:

1. Scope of Services

The Service Provider will provide certain services (the “Services”) described in detail in Annex B in support of the [name of project or programme of work and brief description].

2. Definitions

For the purposes of this Agreement, if not otherwise defined herein, the definitions listed in Annex A shall apply.

3. Compensation

To enable the Service Provider to provide the Services, FAO will pay the Service Provider a total amount not exceeding [specify currency and amount in numbers (write out amount and currency type in words)], which represents FAO’s maximum financial liability under this Agreement (“Maximum Financial Liability”). Payments shall be made in accordance with the payment provisions set forth in Annex B.

4. Designation of the FAO LoA Manager

Mr./Ms. [....., title, address, phone, email] is designated the officer responsible for the management of this Agreement (“LoA Manager”) on behalf of FAO.

5. Entry into Force and Term

The Agreement will enter into force upon the later of [enter date and year] and the date both Parties have signed the agreement (the “Effective Date”). Services shall be provided until [enter date and year] (the “Services End Date”), unless terminated earlier in accordance with the provisions below, or extended by mutual, written agreement (the period between the Effective Date and the Services End Date, is hereinafter referred to as the “Operational Period”). Following the Operational Period there will be an additional period of 30 calendar days during which the Service Provider shall complete and submit to FAO the Final Report (the “Closure Period”). The Agreement shall terminate at the end of the Closure Period.

6. Purpose of the LoA

a. The purpose for which the funds provided by FAO under this Agreement shall be used is the following: [describe briefly the purpose].

b. The Service Provider will produce, achieve or deliver the following outputs: [provide summary list of the outputs expected].

A detailed description of the Services, including technical and operational requirements, budget, work plan and timeframe, performance indicators and means of verification, as well as inputs to be provided free-of-charge by the Parties, if any, are set out in detail in Annex B.

7. Notices and Communications

All notices and other binding communications shall be in English, Spanish or French and shall be deemed to have been validly given (a) when delivered in person, (b) upon receipt after dispatch by registered or certified mail or international courier service, (c) upon confirmation of receipt by facsimile transmission or by email, in each case addressed as follows:

if to FAO:

[insert name and title from paragraph 4above] _____
[address] _____
[fax/email] _____

if to the Service Provider:

[name/title] _____
[address] _____
[fax/email] _____

or to such other address as either Party may from time to time specify in writing to the other Party.

8. Terms and Conditions; Interpretation of the Contract

This Agreement is subject to the General Terms and Conditions for Letters of Agreement attached hereto as Annex A. The provisions of such Annex shall control the interpretation of this Agreement and in no way shall be deemed to have been derogated by the contents of this LoA or any other Annexes, unless otherwise expressly stated under Annex C of this LoA, entitled “Special Conditions and Derogations.”

9. Annexes, Appendices, Schedules; Integration

The Annexes, Appendices and Schedules to this Agreement constitute an integral part of this Agreement and together constitute a single binding contractual instrument.

10. Entire Agreement; No Prior Agreement

This Agreement constitutes the entire agreement between the Parties and terminates and supersedes any and all prior agreements and understandings (whether written or oral) between the Parties with respect to the subject matter of this Agreement.

Signed on behalf of the Food and Agriculture Organization of the United Nations:

Name and title of FAO Officer: _____

Signature: _____

Date: _____

Signed on behalf of *[full name of the Service Provider]*:

Name and title of the authorized signatory for Service Provider: _____

Signature: _____

Date: _____

The Parties agree that electronic signature of the agreement using the Adobe-Acrobat tool shall be treated as valid and legally binding. The Parties further agree that the agreement may be concluded electronically via email exchange of such electronically signed copies or scanned versions of the agreement signed in hard copy and that the signed copies exchanged in this manner shall be treated as originals.

ANNEX A TO LETTER OF AGREEMENT: GENERAL TERMS AND CONDITIONS FOR LETTERS OF AGREEMENT

Article I. DEFINITIONS

Section 1.01 Agreement: As defined in the preamble to the LoA, the agreement between the Parties hereto.

Section 1.02 Closure Period: As defined in the LoA in paragraph 5, the additional period of time granted to the Service Provider to prepare and submit to FAO the Final Report.

Section 1.03 Confidential Information: As defined in this Annex A, Section 13.01, below.

Section 1.04 Credit Event: Any sudden and tangible (negative) change in the Service Provider's credit standing or decline in credit rating or other event that brings into question the Service Provider's ability to repay its debt.

Section 1.05 Effective Date: As defined in the LoA in paragraph 5, the date this Agreement enters into force.

Section 1.06 Executing Institution: An Executing Institution can be any of the following institutions selected to provide Services to, or on behalf of, FAO under the provisions of Manual Section 507: i) a United Nations or other Intergovernmental organization; ii) a national or local government body; iii) an Eligible Entity with whom FAO has established by means of a Memorandum of Understanding an official partnership agreement with a partnership objective relevant to the purpose and the activities of this Agreement. For purposes of this Agreement, (i) the Executing Institution shall be the entity named in the preamble to the LoA and (ii) the terms Service Provider and Executing Institution are used interchangeably.

Section 1.07 FAO: Food and Agriculture Organization of the United Nations.

Section 1.08 Final Report: As defined in this Annex A, Section 9.01, below.

Section 1.09 Financial Period: , The period from the Effective Date at the outset of the Operational Period to the end of the Closure Period[referred to in the LoA in paragraph 5].

Section 1.10 Force Majeure: As defined in this Annex A, Section 17.03, below.

Section 1.11 Intergovernmental: An organization established by a treaty or charter, and which is made up of sovereign nations.

Section 1.12 Key Personnel: Any persons whose names are set forth on Annex B, Appendix 2, if any.

Section 1.13 LoA: Specifically, this Letter of Agreement. Generally, a contractual instrument used to obtain Services from a Service Provider in accordance with FAO's policies, regulations and procedures described in detail in Section 507 of the Administrative Manual.

Section 1.14 LoA Manager: The person named in paragraph 4 of the LoA, or such other person as has duly been appointed by FAO to replace such person.

Section 1.15 Manual Section 507: FAO's Administrative Manual for letters of agreement

Section 1.16 Maximum Financial Liability: As defined in the LoA in paragraph 3, the amount representing FAO's maximum financial liability under this Agreement.

Section 1.17 Miscellaneous Income: As defined in this Annex A, Section 8.02, below.

Section 1.18 Operational Period: As defined in the LoA in paragraph 5, the period between the Effective Date and the Services End Date.

Section 1.19 Party or Parties: As defined in the preamble to the LoA, each of FAO and the Service Provider shall be a Party under this Agreement and collectively shall be referred to as the Parties.

Section 1.20 Returnable Items: As defined in this Annex A, Section 8.01, below.

Section 1.21 Service Provider: The entity named in the preamble to the LoA, selected to provide Services to, or on behalf of, FAO under the provisions of FAO Manual Section 507. In specific circumstances the Service Provider may be referred to in the LoA as the Executing Institution. For the purpose of this Agreement, the terms Service Provider and Executing Institution are used interchangeably.

Section 1.22 Services: Those services defined in the LoA in paragraph 1 and more fully described in Annex B of this Agreement. For purposes of any LoA with an Executing Institution the terms Services and Activities are used interchangeably.

Section 1.23 Services End Date: As defined in the LoA in paragraph 5, the date the Operational Period ends.

Section 1.24 Termination Event: As defined in this Annex A, Section 18.01.

Section 1.25 VAT: Value Added Tax.

Article II. LEGAL STATUS OF THE PARTIES

Section 2.01 Pursuant, inter alia, to the FAO Constitution and the Convention on the Privileges and Immunities of the Specialized Agencies, FAO has full juridical personality and enjoys such privileges and immunities as are necessary for the independent fulfilment of its purposes.

Section 2.02 Nothing contained in this Agreement or in any document or arrangement relating thereto shall be construed as conferring any privileges or immunities of FAO on the Service Provider, its personnel or any other persons providing the Services on its behalf.

Section 2.03 The Service Provider shall be registered as a governmental, Intergovernmental (e.g. other United Nations organization), non-governmental or other not-for-profit entity. It shall have independent legal status vis-à-vis FAO, and it shall be fully responsible, in particular, for the acts and omissions of its personnel, agents and other representatives.

Section 2.04 None of the officials, representatives, employees, or subcontractors of either of the Parties shall, by virtue of this Agreement, be considered in any respect as being an employee or agent of the other Party and nothing contained in this Agreement or in any document or arrangement relating thereto shall be construed as establishing or creating between the Parties the relationship of employer and employee or of principal and agent. The personnel assigned by the Service Provider to provide the Services shall not be considered in any respect as being employees or agents of FAO.

Article III. RESPONSIBILITY FOR EMPLOYEES; KEY PERSONNEL

Section 3.01 The Service Provider will be responsible for all activities related to the provision of the Services and the acts or omissions of all employees, agents (including subcontractors) and other representatives providing the Services on its behalf.

Section 3.02 FAO will not be held responsible for any accident, illness, loss or damage that may occur during the provision of the Services or any claims, demands, suits or judgements arising therefrom, including for any injury to the Service Provider's employees, agents (including subcontractors) or other representatives or to third parties, or any loss of, damage to, or destruction of property of third parties, arising out of or connected to the Service Provider's work or performance under this Agreement. Consequently, FAO will not entertain any request or accept any claim for indemnities resulting from such occurrence.

Section 3.03 Upon FAO's request, the names of the persons selected by the Service Provider to provide Services hereunder shall be set forth on Appendix 2 to Annex B (such persons shall be deemed "Key Personnel"). FAO may also require that detailed personal history statements for Key Personnel be furnished to FAO. During the Operational Period, the Service Provider shall not substitute any Key Personnel without FAO's prior authorization. In the event a substitution becomes necessary, the Service Provider shall offer for FAO's consideration only persons having equal or comparable experience and skills to the Key Personnel being substituted. After a substitution has been approved by FAO, Appendix 2 shall be revised to reflect the substitution and the new individual shall be considered Key Personnel.

Section 3.04 The Service Provider shall be responsible for the professional and technical competence of the Key Personnel under this Agreement and will select reliable and competent individuals who will be able to effectively perform the obligations under this Agreement and who, while doing so, will respect the local laws and customs and conform to a high standard of moral and ethical conduct.

Section 3.05 FAO may request that the Service Provider replace any personnel, including Key Personnel, who, in the opinion of FAO, have not met appropriate standards of conduct or who are not performing as required under this Agreement.

Article IV. INSURANCE

Section 4.01 The Service Provider shall make and thereafter maintain, in compliance with national legislation, or as otherwise required by FAO, provision for adequate insurance to cover such risks as damage to property and injuries to persons affected by the performance of this Agreement, as well as third party liability claims.

Section 4.02 The Service Provider acknowledges and agrees that FAO accepts no responsibility for providing life, health, accident, travel or any other insurance coverage which may be necessary or

desirable in respect of any personnel performing Services for the Service Provider in connection with this Agreement.

Section 4.03 Unless otherwise provided in this Agreement, prior to commencement of performance of any other obligations hereunder, and subject to any limits set forth hereunder, the Service Provider shall take out and shall maintain for the entire Financial Period:

- a) insurance reasonably adequate to deal with losses against travel related risks for all travelers whose travel costs are funded under this Agreement, or ensure that travelers have undertaken such insurance themselves at own initiative and cost;
- b) to the extent required by national legislation and local law where Services are being performed, all risks insurance to cover damage to property as a result of the performance of this Agreement, including any equipment or vehicles, or other transportation means, whether or not owned by the Service Provider, used during or in connection with the performance of this Agreement;
- c) to the extent required by national legislation and local law where Services are being performed, workers' compensation insurance, or its equivalent, or employer's liability insurance, or its equivalent, with respect to the Service Provider's personnel sufficient to cover all claims for injury, death and disability, or any other benefits required to be paid by law, in connection with the performance of the Agreement and particularly in view of the limitation of liability provisions of Section 3.02; and
- d) such other insurance as may be agreed upon in writing between FAO and the Service Provider.

Article V. FAO RIGHTS OF ACCESS

Section 5.01 FAO's LoA Manager or authorized agents shall be granted access to all documentation and sites related to the Services, including during implementation of field activities and after the Operational Period, for review and audit purposes. The Service Provider agrees to comply without delay with any request by FAO that it submit evidence of expenses.

Article VI. SUBCONTRACTING; ASSIGNMENT

Section 6.01 In the event the Service Provider requires the services of subcontractors to perform any obligations under this Agreement, except as may be provided in this Agreement, the Service Provider shall obtain the prior written authorization of FAO. FAO shall be entitled, in its sole discretion, to review the qualifications of subcontractors and to reject any proposed subcontractor that FAO reasonably considers is not qualified to perform obligations under the Agreement.

Section 6.02 The Service Provider shall have the sole and full responsibility for the performance of its obligations under this Agreement. Any subcontracting arrangement shall in no way relieve the Service Provider of its responsibility to deliver the Services in accordance with this Agreement.

Section 6.03 Subcontracts of the Services or procurement of the items set forth in the Annex shall be carried out in conformity with the Service Provider's own procurement rules and procedures. The Service Provider confirms that its procurement rules and procedures, and their implementation, ensure that the procurement process is transparent and consistent with generally-accepted principles governing public sector procurement to obtain best value for money.

Section 6.04 The Service Provider will ensure that any agreement with any subcontractor requires such subcontractor (i) to maintain appropriate records to satisfy the requirements of Section 9.02 for a period of five years after the Financial Period, or such longer period as has been notified to the Service Provider, and (ii) to provide FAO access to all documentation and sites related to the Services, including during implementation of field activities and after the Financial Period, for review and audit purposes.

Section 6.05 The terms of any subcontract shall be subject to, and shall be construed in a manner that is fully in accordance with, all of the terms and conditions of this Agreement.

Article VII. REIMBURSEABLE AMOUNTS: PERMITTED AND INELIGIBLE EXPENDITURES

Section 7.01 FAO will cover or reimburse eligible direct costs incurred in connection with implementation of the Services that:

- a) are specifically agreed and recorded in the Budget;

- b) are necessary for carrying out the Services, directly attributable to such activities, and have been charged in proportion to their actual use;
- c) are incurred during the Operational Period, with the exception of costs related to any audit of the Final Report;
- d) are actually incurred by the Service Provider, i.e. they represent real expenditure definitively and genuinely borne by the Service Provider;
- e) are recorded using historical cost;
- f) are reasonable, justified, identifiable and backed by supporting documents; and
- g) have not been claimed, reimbursed or budgeted for funding from any other source other than FAO pursuant to this Agreement.

Section 7.02 FAO will not cover or reimburse costs outside the scope of this Agreement, including but not limited to, the following costs:

- a) bonuses or other exceptional remuneration other than ordinary salary;
- b) purchase cost of equipment and assets unless such asset or equipment is specifically purchased for the execution of activities under the Agreement and ownership is transferred to a beneficiary designated by FAO or, in the absence of such designation, remains with the Service Provider;
- c) duties, taxes and charges, including VAT, that are recoverable or deductible by the Service Provider;
- d) debts and debt service charges;
- e) provision for losses, debts or potential future liabilities;
- f) banking charges incurred in connection with the transfer of funds from FAO;
- g) costs incurred after the Operational Period, other than those permitted pursuant to Section 7.01(b), or after notification by FAO to the Service Provider to suspend activities under the Agreement or that the Agreement is being terminated, with the exception of such costs as are expressly agreed to by FAO;
- h) the purchase of land or buildings;
- i) interest owed by the Service Provider to any third party; and
- j) currency exchange losses.

Section 7.03 FAO shall not pay interest or other charges to the Service Provider for late payment by FAO.

Article VIII. RETURN OF UNEXPENDED FUNDS AND ASSETS; FAO'S RIGHT TO WITHHOLD, OFFSET OR RECOVER CERTAIN FUNDS AND ASSETS

Section 8.01 Upon termination of the LoA, the Service Provider shall return to FAO any unexpended funds budgeted and paid by FAO under this Agreement, any non-expendable assets that were procured by FAO and used by the Service Provider in executing the Services under this Agreement (other than those that were explicitly transferred to the Service Provider pursuant to transfer of ownership form), or the value thereof if the return of such assets is impracticable, as well as any inputs which have not, at the time of such termination, been distributed to the Beneficiaries (collectively, the "Returnable Items"). Returnable Items shall also include any Miscellaneous Income (as defined below) which was not authorized to be used, if any.

Section 8.02 "Miscellaneous Income" shall consist of, inter alia, proceeds or receivables from the sale of any item or other asset provided under this Agreement, as well as any bank interest earned or accrued on funds remitted by FAO and which have been deposited or temporarily placed in an interest-bearing account. For LoAs with a Maximum Financial Liability of \$200,000 or greater, the Service Provider shall record all Miscellaneous Income as credit against funds receivable from FAO. The Service Provider shall not use Miscellaneous Income during the Operational Period except in the event FAO has granted express authorization to use Miscellaneous Income for the Services. Upon termination of the LoA, the Service Provider shall, in accordance with Section 8.01 credit such unused Miscellaneous Income to FAO in its Final Report.

Section 8.03 FAO reserves the right to withhold, offset or recover from the Service Provider an amount equal to the value of:

- a) any expenditure found ineligible under criteria provided in this Agreement, including expenditures that are not included or properly reflected in any financial report or supported by appropriate documentation, as required by this Agreement;
- b) any Returnable Items; and
- c) any expenditure made by the Service Provider (or payment made by FAO) as a result of any irregularity or corrupt, fraudulent, collusive, coercive, unethical and/or obstructive practice, as defined in this Agreement, by the Service Provider, any successors or assigns, employees, agents or representatives, or such other amount as is determined by FAO to be equitable under the circumstances.

Section 8.04 FAO shall formally notify the Service Provider of its intention to withhold, offset or recover any such sums, specifying the amount and the reasons therefore and inviting the Service Provider to provide additional documentation in connection with the disqualified expenditure or Returnable Items within 30 days from the date of receipt of the notice. After examination of any additional documentation submitted by the Service Provider or if the Service Provider does not submit any additional documentation by the stated deadline, FAO will formally notify the Service Provider of its decision to withhold or offset other amounts payable to the Service Provider under this or any other agreement, and/or to proceed with a recovery of the disqualified expenditure or Returnable Items. Where FAO selects to proceed with a recovery, it shall also provide the Service Provider with a final deadline for repayment to FAO.

Article IX. REPORTING AND RECORD MAINTENANCE REQUIREMENTS

Section 9.01 The Service Provider shall submit to the LoA Manager the Reports listed in Annex B on the dates set forth therein, including a final report consisting of a narrative report and a financial report, with supporting documentation as required by this Agreement, within 30 days following the Services End Date (the “Final Report”). The Final Report must be sufficiently detailed to allow certification of deliverables and of expenditures, including spot checks on representative or risk-based transactions. The Final Report shall be signed and certified as to its correctness by a duly designated representative of the Service Provider (e.g. executive officer, chief financial officer, chief accountant or similar).

Section 9.02 The Service Provider shall keep accurate financial records and maintain supporting documentation showing the utilization of inputs and funds under this Agreement and any other documentation related to the Services for a period of five years following the Financial Period, or such longer period as has been notified by FAO, during which period FAO, or a person designated by FAO, or the relevant auditing authority (e.g. national audit office) shall have the right, at any time, to conduct reviews and/or audits relating to any aspect of this Agreement. The Service Provider shall provide its full and timely cooperation with any such review or audit. Full and timely cooperation shall include, but not be limited to, making available to respond to questions employees or agents with knowledge of the Agreement and granting to FAO or other designated persons or relevant authority, access at reasonable times and conditions to the Service Provider’s premises or other sites where documentation related to this Agreement is kept or activities related to this Agreement are carried out. This obligation will survive the expiration or termination of this Agreement.

Section 9.03 In addition to the requirements set forth in Section 9.01, the Final Report for LoAs having a Maximum Financial Liability of \$200,000 or greater shall also be signed by an independent third party auditor. Such auditor’s fees may be included in the LoA budget and reimbursed to the Service Provider.

Section 9.04 If the Service Provider fails to submit the Final Report specified in Section 9.01 above within 30 calendar days following the Services End Date, FAO shall, after notice to the Service Provider, be under no further obligation to make payment to the Service Provider under this Agreement.

Article X. MAXIMUM FINANCIAL LIABILITY

Section 10.01 This Agreement is a cost reimbursable contract, and FAO shall pay only costs actually incurred pursuant to the budget set forth in Annex B. Funds provided by FAO under this Agreement are to be used by the Service Provider exclusively for the provision of the Services in accordance with the terms of this Agreement. Neither the Service Provider nor its personnel nor any other persons

providing the Services on its behalf, will incur on behalf of FAO any additional commitment or expense exceeding the Maximum Financial Liability.

Article XI. USE OF NAME, EMBLEM OR OFFICIAL SEAL

Section 11.01 FAO does not, through this Agreement, endorse or recommend any commercial products, processes or services. The Service Provider may, in any information disseminated to the press, internal stakeholders or beneficiaries of the Services, including in any related publicity material, official notices, external communications, reports or publications about the Services, acknowledge the contributions of FAO. Any such acknowledgment should also provide a disclaimer that FAO's contributions should not be considered as an endorsement of the Service Provider's products, processes or services, or, in connection with a report or publication, its views, unless FAO has explicitly authorized the relevant text. The Service Provider may also refer to this Agreement and to FAO's funding thereof in any financial or other report that the Service Provider is required to issue in order to comply with reporting requirements set by national law or its own internal statutes and regulations. No further use of the FAO name shall be permitted unless expressly authorized by FAO in writing.

Section 11.02 FAO may, in certain cases, direct the Service Provider to use the FAO logo in connection with outputs described in this Agreement. Other than when directly required by FAO, FAO's logo may not be used by the Service Provider without the prior approval of FAO. Any requests for approval shall be directed to the LoA Manager named in this Agreement copying the email address "logo@fao.org". All use of the FAO logo shall be carried out in accordance with FAO logo policy, which, together with the appropriate FAO logo electronic files, will be provided upon request by the LoA Manager.

Section 11.03 FAO reserves the right to request that the Service Provider limit use of its name and logo at any time, including when publicity under this provision could put the staff of the Parties at risk.

Article XII. COPYRIGHT, PATENTS AND OTHER PROPRIETARY RIGHTS

Section 12.01 Any intellectual property rights including copyright, of material such as publications, software and designs, made available by the Parties to be used in implementing activities under this Agreement will remain with the originating Party. All intellectual property rights, including copyright, in the outputs produced under this Agreement are vested in FAO, including, without any limitations, the right to use, publish, translate, sell or distribute, privately or publicly, any item or part thereof. FAO hereby grants to the Service Provider a non-exclusive royalty-free license to use, publish and distribute the outputs delivered under this Agreement for non-commercial purposes, provided that FAO is acknowledged as the source and copyright owner.

Article XIII. CONFIDENTIALITY

Section 13.01 Neither the Service Provider nor its personnel will communicate to any other person or entity any "Confidential Information" disclosed to it by FAO nor will they use this information for private or corporate advantage. For purposes of this provision, Confidential Information is information (a) that has been provided by FAO and marked or flagged as confidential or (b) that is not available to the general public at the time of such disclosure (and which does not otherwise become available to the public through any dissemination or breach by the Service Provider).

Section 13.02 The Service Provider may disclose Confidential Information to the extent required by law, subject to and without any waiver of the privileges and immunities of FAO, provided that the Service Provider gives FAO sufficient prior notice of a request for the disclosure in order to allow FAO a reasonable opportunity to take protective measures or such other action as may be appropriate before any such disclosure is made.

Section 13.03 To comply with disclosure requirements and enhance transparency, FAO reserves the right to release and/or publish the following information about this Agreement: (i) the name and nationality of the Service Provider; (ii) a brief description and location of the Services provided; and (iii) the amount of this Agreement. FAO may also disclose information about this Agreement or the Service Provider to the extent required by the FAO Constitution or consistent with or pursuant to resolutions or regulations of the Conference of FAO. The Service Provider specifically consents to the release and/or publication of the foregoing information. FAO will not release or publish information that has been marked or flagged as confidential.

Section 13.04 This Article will survive the expiration or termination of this Agreement.

Article XIV. REQUIRED DISCLOSURE

Section 14.01 The Service Provider agrees that it will notify FAO immediately of any of the following events:

- a) events or circumstances which are likely to affect significantly or delay the implementation of the LoA activities or the Service Provider's ability to deliver the Services;
- b) bankruptcy, insolvency, receivership or winding up or other Credit Event by or affecting the Service Provider or its controlling entity;
- c) use of FAO's name other than as expressly permitted pursuant to Section 11.01;
- d) changes in Key Personnel, as per Section 3.03;
- e) any conflict or problem arising in relation to national authorities, as per Section 23.02; and
- f) any other circumstances which could reasonably affect FAO's decision to award the LoA or the Service Provider's ability to comply with the requirements of this Agreement.

Section 14.02 The Service Provider agrees that it will notify FAO immediately of any knowledge of any plans to change its name, legal status or direct or indirect controlling entity, which in any event shall be no less than five (5) days prior to any such change.

Article XV. TAX EXEMPTION

Section 15.01 FAO enjoys certain privileges and immunities which include exemption from payment of sales taxes such as VAT, customs duties and importation restrictions. The Service Provider may not charge any tax to FAO for the provision of its Services but may request the reimbursement of the full value, including tax of items procured for the provision of the Services, if FAO agrees the recovery of such tax from the relevant fiscal authorities is exceptionally onerous or impossible.

Article XVI. ESSENTIAL TERMS

Section 16.01 The Service Provider acknowledges and agrees that each of the provisions of this Article constitutes an essential term of this Agreement and that any breach of any of these provisions shall entitle FAO to terminate this Agreement immediately upon notice to the Service Provider, without any liability for termination charges or any other liability of any kind.

Section 16.02 SOURCE OF INSTRUCTIONS. The Service Provider shall neither seek nor accept instructions from any authority external to FAO in connection with the performance of the Services. Should any authority external to FAO seek to issue any instructions concerning or impose any restrictions on the Service Provider's performance under the Agreement, the Service Provider shall promptly notify FAO and provide all reasonable assistance required by FAO in order to help resolve the matter. The Service Provider shall not take any action in respect of the performance of its obligations under the Agreement that may adversely affect the interests of FAO, and the Service Provider shall perform the Services with the fullest regard to the interests of the FAO.

Section 16.03 CODE OF CONDUCT, CONFLICT OF INTEREST AND VENDOR SANCTIONS. The Service Provider shall observe the highest standard of ethics in providing the Services and agrees to adhere to the United Nations Supplier Code of Conduct, which can be viewed at <https://www.un.org/Depts/ptd/about-us/un-supplier-code-conduct> .

The Service Provider shall take all reasonable precautions to avoid any conflict of interest in the implementation of the Services. The Service Provider agrees that it shall inform FAO without delay of any situation constituting or likely to entail a conflict of interest, including any FAO personnel or first degree relatives of FAO personnel having a financial interest or employment relationship of any kind in the Service Provider's activities. The Service Provider warrants that no official, staff member or representative of FAO, or any family member of any such person, derives any benefit from this Agreement.

The Service Provider confirms that it has not engaged in, nor will engage in, any corrupt, fraudulent, collusive, coercive, unethical or obstructive practices in entering into or implementing this Agreement. If FAO determines that the Service Provider has engaged in such practices, it may impose sanctions, including termination of the Agreement, as provided by FAO's Sanctions Procedures (http://www.fao.org/fileadmin/user_upload/procurement/docs/FAO_Vendors_Sanctions_Policy_-

[Procedures.pdf](#)). In addition, information on sanctioned Service Providers and other third parties may be shared with other Intergovernmental or United Nations organizations. This provision must be included in all subcontracts, sub-agreements or assignments entered into by the Service Provider under this Agreement.

For the purpose of this Agreement, the following terms shall have the following meanings:

- a) “*Fraudulent practice*” is any act or omission, including misrepresentation, that knowingly or recklessly misleads, or attempts to mislead, a party to obtain, financial and/or other benefit and/or to avoid an obligation;
- b) “*Coercive practice*” is impairing or harming, or threatening to impair or harm, directly or indirectly, any party or the property of the party to influence improperly the actions of a party;
- c) “*Collusive practice*” is an arrangement between two or more parties designed to achieve an improper purpose, including to influence improperly the actions of another party;
- d) “*Corrupt practice*” is the offering, giving, receiving or soliciting, directly or indirectly, of anything of value whether tangible or intangible to improperly influence the actions of another party;
- e) “*Unethical practice*” is an act or omission contrary to the conflict of interest, gifts and hospitality or post-employment **FAO** policy: (<http://www.fao.org/unfao/procurement/codeconduitethique/en/>), as well as any provisions or other published requirements of doing business with FAO, including the United Nations Supplier Code of Conduct; and
- f) “*Obstructive practice*” is an act or omission by the Service Provider or its affiliates, successors or assigns that may prevent or hinder the work of the Investigation Unit of the FAO Office of the Inspector General.

In order to enter into an agreement with FAO, the Service Provider represents that neither it, nor any of its agents or authorized subcontractors, has been suspended, debarred or otherwise identified as ineligible by any other United Nations Organization or Organization within the World Bank Group, nor is it listed on the United Nations Security Council Consolidated List and that neither it, nor any of its agents or authorized subcontractors is subject to any sanction or temporary suspension imposed by any such organization. The Service Provider is therefore required to disclose to FAO whether itself, or any of its affiliates or agents, is, has been or becomes subject to any such sanction or measure at any time during the three years prior to this Agreement and at any time throughout the execution of this Agreement. The Service Provider recognizes that a misrepresentation under this provision will entitle FAO to terminate its Agreement with the Service Provider immediately upon notice to the Service Provider, without any liability for termination charges or any other liability of any kind of FAO and that material misrepresentations on its status constitute a fraudulent practice.

In accordance with the United Nations Supplier Code of Conduct, Service Providers are expected to refrain from offering employment to any FAO staff for a period of one year following their separation from FAO.

Section 16.04 LABOR. The Service Provider shall:

- a) respect the prohibition of forced or compulsory labor in all its forms;
- b) respect the freely exercised right of workers, without distinction, to organize, to further and defend their interest as well as the protection of those workers who exercise their right to organize;
- c) ensure equality of opportunity and treatment in respect of employment and occupation; and
- d) ensure fair and reasonable conditions of safety, health and welfare.

The Service Provider represents and warrants that neither it, its parent entities (if any), nor any of the Service Provider’s subsidiary or affiliated entities (if any) is engaged in any practice inconsistent with the rights set forth in the Convention on the Rights of the Child, <http://www.unhcr.org/protection/children/50f941fe9/united-nations-convention-rights-child-crc.html> including Article 32 thereof, which inter alia, requires that a child shall be protected from performing any work that is likely to be hazardous or to interfere with the child’s education, or to be harmful to the child’s health or physical, mental, spiritual, moral or social development.

Section 16.05 TERRORISM. The Service Provider agrees to undertake all reasonable efforts to ensure that none of the funds received from FAO under this Agreement are used to provide support to individuals or entities i) associated with terrorism, as included in the list maintained by the Security Council Committee established pursuant to its Resolutions 1267 (1999) and 1989 (2011) or ii) that are the subject of sanctions or other enforcement measures promulgated by the United Nations Security Council. This provision must be included in all subcontracts, sub-agreements or assignments entered into under this Agreement.

Section 16.06 SEXUAL EXPLOITATION. The Service Provider shall take all appropriate measures to prevent sexual exploitation or abuse of any beneficiary of the Services provided under this Agreement, or to any persons related to such beneficiaries, by its employees or any other persons engaged and controlled by the Service Provider to perform any Services under this Agreement. For these purposes, sexual activity with any person less than eighteen years of age shall constitute the sexual exploitation and abuse of such person. In addition, the Service Provider shall refrain from, and shall take all reasonable and appropriate measures to prohibit its employees or other persons engaged and controlled by it from exchanging any money, goods, services, or other things of value, for sexual favours or activities, or from engaging in any sexual activities that are exploitive or degrading to any direct beneficiary of the Services provided under this Agreement or to any persons related to such beneficiaries.

Article XVII. FORCE MAJEURE

Section 17.01 In the event of and as soon as possible after the occurrence of any cause constituting Force Majeure, the affected Party shall give notice and full particulars in writing to the other Party, of such occurrence or cause if the affected Party is thereby rendered unable, wholly or in part, to perform its obligations and meet its responsibilities under this Agreement. The affected Party shall also notify the other Party of any other changes in condition or the occurrence of any event which interferes or threatens to interfere with its performance of this Agreement. If the affected party is the Service Provider, not more than fifteen (15) days following the provision of such notice of Force Majeure or other changes in condition or occurrence, the Service Provider shall also submit a financial statement to FAO detailing the use of funds up to the date of notice as well as the estimated expenditures that will likely be incurred for the duration of the change in condition or the event of Force Majeure. FAO shall not be liable for any excess costs incurred as a result of lack of prompt notice by the Service Provider of the Force Majeure event.

Section 17.02 On receipt of the notice(s) required hereunder, FAO shall have the right to suspend or terminate the Agreement in accordance with Article XVIII or take such other action as it reasonably considers to be appropriate or necessary in the circumstances, including the granting to the affected Party of a reasonable extension of time in which to perform any obligations under this Agreement. In any case, FAO shall be entitled to consider the Service Provider permanently unable to perform its obligations under this Agreement in case the Service Provider is unable to perform its obligations, wholly or in part, by reason of Force Majeure for any period in excess of ninety (90) days.

Section 17.03 “Force Majeure” as used herein means any unforeseeable and irresistible act of nature, any act of war (whether declared or not), invasion, revolution, insurrection, terrorism, or any other acts of a similar nature or force, provided that such acts arise from causes beyond the control and without the fault or negligence of the Service Provider (or on the part of its personnel, agents, other representatives, or authorized subcontractors), and proves insurmountable in spite of all due diligence. Defects in equipment, material or supplies, or delays in their availability (unless due to Force Majeure), labor disputes, strikes or financial difficulties shall not constitute an event of Force Majeure. Notwithstanding anything to the contrary herein in this Agreement, the Service Provider recognizes that the provision of Services may from time to time be performed under harsh or hostile conditions, including civil unrest, in areas in which FAO is engaged, preparing to engage in, or disengaging from any humanitarian or similar operations. Consequently, delays or failure to perform caused by foreseeable events arising out of, or in connection with, such difficult conditions, shall not, in and of themselves, constitute Force Majeure under this Agreement.

Article XVIII. SUSPENSION; TERMINATION; REMEDIES

Section 18.01 Any of the following shall be considered a “Termination Event” under this Agreement:

- a) transfer by the Service Provider to third parties, either directly or indirectly through an intermediary, of all or part of the rights and obligations pertaining to the Services under this Agreement, except for subcontracts duly authorized by FAO;
- b) changes in the Service Provider's name, legal status or control, except those which, following prior disclosure to FAO under Article XIV, have been expressly permitted in writing;
- c) the Service Provider's bankruptcy, insolvency, receivership or winding up;
- d) willful misconduct by the Service Provider;
- e) unjustified delay in the execution of the Services, so as to substantially prejudice the achievement of FAO's objectives under this Agreement;
- f) serious contractual breaches by the Service Provider that have not been remedied notwithstanding notice by FAO and an opportunity to cure;
- g) breach by the Service Provider of any of the Essential Terms; and
- h) non-compliance with the disclosure requirements of Article XIV.

Section 18.02 FAO shall have the right to suspend performance of all or part of the Services under this Agreement upon written notice to the Service Provider if (a) it suspects that a Termination Event has occurred or is occurring and needs additional time to determine how to proceed or (b) in the event of Force Majeure.

Section 18.03 Following suspension of the Agreement, FAO may:

- a) revoke the suspension and require the Service Provider to proceed with the performance of the Services. In this case, if the period of suspension has exceeded more than thirty (30) days, FAO may, in its sole discretion based on the circumstances of the suspension, compensate the Service Provider for expenses incurred as a result of the suspension and resumption of its Services, and the Services End Date shall be extended for a period equal to the time during which the performance of the Services had been suspended;
- b) revoke the suspension subject to certain conditions which, if not met by the Service Provider, will give rise to a new Termination Event; or
- c) terminate the Agreement by written notice to the Service Provider, which termination shall be effective upon notification.

Section 18.04 FAO shall have the right to terminate the Agreement for unforeseen causes beyond the control of FAO or an event of Force Majeure affecting FAO. In the event of termination pursuant to this paragraph, FAO shall provide notice to the Service Provider of such termination and shall complete all payments for expenses that have been incurred by the Service Provider up to the date of receipt of notice by the Service Provider of such termination. After the notice date, additional expenses involved in winding down the Services may be approved by FAO on a case by case basis and must be in writing.

Section 18.05 Either Party shall have the right to terminate this Agreement at any time upon sixty (60) day's advance written notice to the other Party.

Section 18.06 In the event of termination of this Agreement:

- a) The Service Provider shall (i) refrain from undertaking any further or additional commitments under the Agreement as of and following the date of receipt of such notice; except as may be approved in writing by FAO, (ii) terminate all subcontracts, (iii) take all reasonable measures to avoid any loss or deterioration of goods, equipment, materials or supplies, or any other damage and (iv) shall be responsible for refunding to FAO any payment already received in respect of Services that have not been performed to a standard considered acceptable to FAO.
- b) FAO shall complete all payments which may be due and payable up to the effective date of termination, less any amounts subject to adjustment based on claims arising from or connected with the performance of this LoA, as well as the pertinent provisions of this Agreement, and in particular those of Article VIII of this Agreement. In the event of termination on the basis of Force Majeure affecting the Service Provider, the Service Provider shall also refund to FAO any funds already received in respect of Services that have not been performed.

Section 18.07 FAO shall have the right to terminate this Agreement without any liability whatsoever to the Service Provider, following written notice to the Service Provider, for breach of the obligations and warranties set forth in Article XVI, Essential Terms, as more fully described therein. In addition to the

rights set forth in Sections 9.04; and 8.04 to withhold, offset or recover certain amounts, FAO shall take other action as it deems appropriate. Failure to comply with such repayment and/or other remedial action requested by FAO may result in further proceedings and/or sanctions against the Service Provider in accordance with FAO's Vendor Sanctions Procedures.

Article XIX. AMENDMENTS

Section 19.01 No amendment shall be permitted:

- a) which would have the effect of significantly altering the scope and/or purpose of this Agreement; or
- b) which increases the Maximum Financial Liability by more than one hundred percent of the original Maximum Financial Liability, except in such cases where a provision has explicitly been made that the Agreement is subject to officially agreed periodic revisions of the work plan and budget.

Section 19.02 The following changes or amendments to this Agreement shall be permitted only if evidenced by a writing signed by both Parties:

- a) budget reallocations or variations of more than 25% between the major headings of the Agreement budget;
- b) budget reallocations of any amount that indicate a serious deterioration of the Service Provider's cost efficiency, whereby costs of salaries, fees, travel and accommodation and/or per-diems for the Service Provider staff or subcontractors increase significantly from the original or previously amended budget, without commensurate changes to the quality or quantity of deliverables;
- c) cost increases;
- d) extensions of the Operational Period of the Agreement, but only if made prior to the Services End Date. Any such extension shall be requested by the Service Provider by notice to FAO no later than one calendar month prior to the Services End Date and provide a documented justification and an interim financial report; or
- e) changes to the payment instructions.

Section 19.03 Any deviations in performance under, or amendments to the terms of, this Agreement, other than those expressly prohibited in Section 19.01 or permitted by a signed writing in Section 19.02 shall be permitted if agreed via email exchange or other writing by both Parties.

Section 19.04 During the Closure Period, if Services are continuing to be provided as if the Agreement is in full force and effect, an amendment may be permitted, if in writing and signed by both Parties, with a view to extending the Operational Period of the Agreement to permit completion and delivery of stated outputs and deliverables and winding down of the Services.

Article XX. NON-WAIVER OF PRIVILEGES AND IMMUNITIES

Section 20.01 Nothing in this Agreement or in any document relating hereto, shall be construed as constituting a waiver of privileges or immunities of FAO, its personnel or any other persons providing the Services on its behalf or as its acceptance of the jurisdiction of the courts of any country over disputes arising out of this Agreement.

Article XXI. NON-WAIVER OF RIGHTS

Section 21.01 The failure by one Party to require performance of any provision shall not affect that Party's right to require performance at any time thereafter, nor shall a waiver of any breach or default of this Agreement constitute a waiver of any subsequent breach or default or a waiver of the provision itself and shall not relieve the Parties of any of their obligations under the Agreement.

Article XXII. LANGUAGE OF THE AGREEMENT

Section 22.01 The LoA shall be in one of English, Spanish or French. Any LoA-related documentation, reporting and monitoring and any other official correspondence between the Parties shall be the same language as that of the LoA. Translations of the LoA or LoA-related documentation into other languages shall be for convenience only and shall not be binding on the Parties.

Article XXIII. APPLICABLE LAW

Section 23.01 The present Agreement shall be governed by general principles of law, to the exclusion of any single national system of law. General principles of law shall be deemed to include the UNIDROIT Principles of International Commercial Contracts of 2016.

Section 23.02 In providing the Services, the Service Provider shall conform to all national laws applicable to its activities and its relations to third parties, including employees. The Service Provider shall promptly correct any violations thereof and shall keep FAO informed of any conflict or problem arising in relation to national authorities.

Article XXIV. INTERPRETATION OF THE AGREEMENT

Section 24.01 In the event of a conflict or inconsistency between the provisions of this Annex and of Annex C, Annex C shall prevail.

Article XXV. COMPUTATION OF DEADLINES

Section 25.01 Unless stated otherwise, “days” as used herein means calendar days.

Article XXVI. SETTLEMENT OF DISPUTES

Section 26.01 Any dispute between the parties arising out of the interpretation or execution of this Agreement, if not settled by negotiation between the parties or by another agreed mode of settlement, shall be submitted at the request of either party, to one conciliator. Should the parties fail to reach agreement on the name of a sole conciliator, each party shall appoint one conciliator. The conciliation shall be carried out in accordance with the Conciliation Rules of the United Nations Commission on International Trade Law, as at present in force.

Section 26.02 Any dispute not resolved by conciliation shall, at the request of either party, be settled by arbitration in accordance with the Arbitration Rules of the United Nations Commission on International Trade Law, as at present in force. The arbitral tribunal shall have no authority to award punitive damages. FAO and the Service Provider agree to be bound by any arbitration award rendered in accordance with this article, as the final adjudication of any such dispute.

Section 26.03 The parties may request conciliation during the execution of this Agreement and in the period not to exceed twelve months after the completion, expiry or termination of this Agreement. The parties may request arbitration not later than ninety (90) calendar days after the termination of the conciliation proceedings. All dispute resolution proceedings shall be conducted in the language in which the Agreement is drafted, which shall be either English, Spanish or French.

Section 26.04 The provisions of this Article XXVI shall survive the termination of this Agreement.

**ANNEX B TO LETTER OF AGREEMENT:
TERMS OF REFERENCE AND PAYMENT PROVISIONS**

1. Context

2. Scope

a. Purpose:

The Parties acknowledge that no amendments may be made to the LoA to permit activities that fall outside the purpose of the LoA.

b. Outputs:

c. Activities:

d. Key Performance Indicators and Means of Verification:

e. Workplan/Calendar of Activities:

3. Reports that Must be Submitted to FAO

The Final Report, consisting of narrative and financial report, shall be signed and certified as to correctness in accordance with this LoA.

4. Detailed Budget

5. Description of Inputs to be Provided In Kind by FAO and Schedule of Provision

6. Inputs to be Provided by Service Provider without Charge to FAO and Schedule of Provision

7. Payment Terms

- a. Any requests for payment shall be made using the payment form provided in Appendix 1 hereto or such other form as has been specifically authorized by FAO or agreed in advance by the Parties.
- b. The Service Provider shall submit each request for payment to the LoA Manager at the address for notices and other communications under **paragraph 7** of the LoA.
- c. Payments will be made in the currency stated in paragraph 3 of the LoA and according to the banking instructions provided by the Service Provider in **paragraph 8**, below.
- d. Payments under this Agreement will be made only after certification by the LoA Manager that proper request has been made by the Service Provider and of the satisfaction by the Service Provider of the requisite conditions set forth for the payment. The proposed schedule of payments and related conditions is as follows:
 - i. **first payment** not to exceed **[amount and currency]** upon **[insert conditions for payment]**;
 - ii. following review and approval of the relevant interim financial report submitted by the Service Provider in accordance with paragraph 3 above, **one or more interim payments, the sum of which shall not exceed [amount and currency]**, as follows:

payment number [insert number] for [amount and currency] upon [insert conditions for payment, with references to the workplan milestones and outputs]

payment number [insert number] for [amount and currency] upon [insert conditions for payment, with references to the workplan milestones and outputs]

payment number [insert number] for [amount and currency] upon [insert conditions for payment, with references to the workplan milestones and outputs]; and

- iii. following review and approval of the narrative and financial Final Report submitted by the Service Provider in accordance with Section 9.01 of Annex A, **final payment** not to exceed [amount and currency].

8. Banking Instructions

Payments shall be made to the Service Provider using the following banking information:

Bank Name [redacted]		Bank Routing Sort Code and/or Branch Code [redacted]	
Exact Bank Account Holder Name (account must be held in the name of the Service Provider, FAO cannot make payments to third parties) [redacted]		Account Number [redacted]	
Swift/BIC Code [redacted]	IBAN [redacted]		Account Currency [redacted]
Bank Address (physical address, no PO boxes) [redacted]			
Bank City [redacted]		Bank Country [redacted]	
Intermediary Bank Details (if applicable) [redacted]			

9. Identification Data Relating to the Service Provider

The Service Provider warrants that the following information is true and correct and acknowledges its notification obligations pursuant to Section 14.02 of Annex A.

Full Name of Service Provider (as Legally Registered) [redacted]	FAO Supplier Number (if known) [redacted]
Other Trading Name(s) of Service Provider (if applicable) [redacted]	
Address Line 1 [redacted]	
Address Line 2 [redacted]	
Address Line 3 [redacted]	

City [REDACTED]	Postal Code [REDACTED]
State [REDACTED]	Country [REDACTED]
Email Address [REDACTED]	Website [REDACTED]
Telephone Number (incl. country and area code) [REDACTED]	Fax Number (incl. country and area code) [REDACTED]

Appendix 1: Request for Payment Template

For the attention of the Service Provider: Please note that by the time of the end of the LoA and the submission of the Final Report, the copies of the following supporting documentation should reach FAO together with the payment requests:

- a) For the procurement of any goods or services copies of the relevant invoices issued by its suppliers as well as copies of evidence of their payment in full.
- b) For the salaries and other Human Resource related payments, copies of payroll reports detailing the payments of the salaries of employees that are dedicating their time to the LoA activities together with any explanations regarding any secondment charges.
- c) For the travel, hospitality and accommodation expenses copies of evidence of the appropriate use of the budgeted resources including: i) evidence of payment for travel tickets exhibiting the name of the traveler and the dates and destinations of travel ii) signed evidence of receipt of daily subsistence allowance payments by the travelers; or in the case of travel of staff of the Service Provider the relevant payroll or other internal reports evidencing the payment of monies for the daily subsistence allowances.

Appendix 2: Key Personnel

As set forth in Section 3.03 of Annex A, the following individuals are considered for the purposes of this Agreement to be Key Personnel:

[Appendix : _____]

This is placeholder for any additional appendices that may be necessitated by the terms of your LoA; if none are needed delete this page



**ANNEX C TO LETTER OF AGREEMENT:
SPECIAL CONDITIONS AND DEROGATIONS; ADDITIONAL PROVISIONS**

In the event of a conflict or inconsistency between the provisions of the LoA and its Annexes (including the General Terms and Conditions set forth in Annex A), any derogations or special conditions set forth in this Annex C shall prevail.

Derogations and Special Conditions

[None]

[Insert approved derogations here, if any, and remove brackets.]

[Special Conditions for EC Funded Projects]

The text of Section 3.02 of Annex A shall be superseded in its entirety by the following:

FAO will not be held responsible for any accident, illness, loss or damage that may occur during the provision of the Services or any claims, demands, suits or judgements arising therefrom, including for any injury to the Service Provider's employees or to third parties, or any loss of, damage to, or destruction of property of third parties, arising out of or connected to the Service Provider's work or performance under this Agreement. Consequently, FAO and the European Commission, collectively or separately, will not entertain any request or accept any claim for indemnities resulting from such occurrence.

The text of Section 6.04 of Annex A shall be superseded in its entirety by the following:

The Service Provider will ensure that any agreement with any subcontractor requires such subcontractor (i) to maintain appropriate records to satisfy the requirements of Section 9.02 for a period of seven years after termination of the Agreement, or such longer period as has been notified to the Service Provider, and (ii) to provide FAO access to all documentation and sites related to the Services, including during implementation of field activities and after the Operational Period, for review and audit purposes.

The text of Section 9.02 of Annex A shall be superseded in its entirety by the following:

The Service Provider shall keep accurate financial records and maintain supporting documentation showing the utilization of inputs and funds under this Agreement and any other documentation related to the Services for a period of seven years following the Services End Date, or such longer period as has been notified by FAO, during which period FAO or the European Commission, or a person designated by them, or the relevant auditing authority (e.g. national audit office) shall have the right, at any time, to conduct reviews and/or audits relating to any aspect of this Agreement. The Service Provider shall provide its full and timely cooperation with any such review or audit. Full and timely cooperation shall include, but not be limited to, making available employees or agents with knowledge of the project to respond to questions and granting to FAO, the European Commission, or other designated person or relevant authority, access at reasonable times and conditions to the Service Provider's premises or other sites where documentation related to this Agreement is kept or activities related to this Agreement are carried out.

The following sections shall be added at the end of Article XI, USE OF NAME, EMBLEM OR OFFICIAL SEAL, following Section 11.03:

Section 11.04 The Service Provider shall take all appropriate measures to publicize the fact that the Services have received funding from the European Union, including the display of the European Logo (twelve yellow stars on a blue background). Information given to the press, the beneficiaries of the Services, all related publicity materials, official notices and reports shall acknowledge that the Services were carried out “with funding from the European Union”. Such measures shall be carried out in accordance with the Communication and Visibility Manual for EU External Actions laid down and published by the European Commission. This provision shall not apply in the event that publicity under this provision could put the staff of the Service Provider at risk.

Section 11.05 All publications by the Service Provider pertaining to the Services, in whatever form and whatever medium, including the internet, shall carry the following or a similar disclaimer: "This document has been produced with the financial assistance of the European Union. The views expressed herein can in no way be taken to reflect the official opinion of the European Union."

Section 11.06 If equipment, vehicles or major supplies are purchased in connection with the Services under this Agreement using funding received from the European Union, the Service Provider shall display appropriate acknowledgement on such vehicles, equipment or major supplies, including the display of the European Logo (twelve yellow stars on a blue background). These visibility requirements shall continue to apply until the successful completion of the Services as determined by FAO. Alternative visibility arrangements should be proposed and implemented where display of the European Logo or acknowledgment of the funding could jeopardize FAO or the Service Provider's privileges and immunities or the safety of staff or beneficiaries of the Services.

The following sections shall be added at the end of Article XVI, Essential Terms, following Section 16.06:

Section 16.07 ADDITIONAL EU STANDARDS. The Service Provider shall promote the respect of human rights and respect applicable environmental legislation including multilateral environmental agreements, as well as internationally agreed core labour standards. The Service Provider shall ensure an appropriate protection of personal data in accordance with its applicable rules and regulations.

The following sentence shall be added to the second paragraph of Section 16.03:

“A conflict of interest exists if the impartial and objective exercise of the functions of a person implementing the Services is compromised.”

so that the second paragraph of that Section reads in its entirety as follows:

The Service Provider shall take all reasonable precautions to avoid any conflict of interest in the implementation of the Services. A conflict of interest exists if the impartial and objective exercise of the functions of a person implementing the Services is compromised. The Service Provider agrees that it shall inform FAO without delay of any situation constituting or likely to entail a conflict of interest, including any FAO personnel or first degree relatives of FAO personnel having an interest of any kind in the Service Provider's activities. The Service Provider warrants that no official, staff member or representative of FAO, or any family member of any such person, has any interest in, or derives any benefit from, this Agreement.

Additional Provisions

[None]

[You should list here any additional relevant provisions, such as: special clauses negotiated between the donor and PSR; additional safeguards that you want to impose on the handing over of FAO's assets or non-expendables etc. that are not already covered in the Agreement itself]

ANNEX II: National Supply-Side Climate Change Mitigation Plan and Global Response Measures ToR

Objective

The primary objective of this contract is to develop a comprehensive and actionable National Supply-Side Climate Change Mitigation Plan and Global Response Measures that outline strategic actions, policies, and measures for reducing GHG emissions across energy sector in the country and in alignment with the GCF mitigation themes including electricity, oil and gas Generation and Transmission.

Service Required

Review of Current National Climate Change Policies, Emissions Profile, Barriers, and Opportunities

This includes the following items:

- Review existing national climate policies, strategies, and frameworks related to climate change mitigation as well as the sectoral policies and development plans for priority mitigation sectors. The review should include detailed investigation of all upstream laws and policies as well as technical evaluations for prioritization of low-carbon development programs which are developed by corresponding governmental bodies and research institutes. Conduct an analysis to identify existing gaps and weaknesses in Iran's national mitigation action planning, including policy, institutional, financial, and technical barriers, current opportunities, and provide recommendations to address these gaps for effective implementation of climate mitigation strategies.
- Analyze the country's current greenhouse gas emissions profile, identifying the largest sources of emissions by sector (e.g., energy, transportation, agriculture, land use change, industry, waste, forestry). Assess the effectiveness of existing mitigation measures, including any current emissions reduction targets.
- Assess the quality and robustness of monitoring, reporting and verification (MRV) mechanisms associated with these mitigation measures, in line with international guidelines [if this is needed at all and if feasible within the scope of this work].

Development of Emissions Reduction Scenarios and Financing Strategies for the Energy Supply Sector

- Develop emissions reduction scenarios based on different policy choices, including a “business as usual” scenario and a series of mitigation pathways aligned with national and international climate goals (e.g., net-zero by 20XX, carbon neutrality).
- Identify potential funding sources and financial mechanisms, including public, private, and international climate finance.
- Ensure that the assumptions and risk associated with these policy choices and financing strategies are clarified, particularly regarding access to technologies, scientific knowledge and access to international public and private finance.
- Develop various energy price scenarios under different mitigation pathways, assessing implications for investment decisions and sectoral priorities.

Development of the National Climate Change Mitigation Plan (NCCMP) for the Energy Supply Sector

The consultant should identify and develop the potential climate change mitigation measures in the following sectors:

- Electricity Generation and Transmission
- Oil & Gas Generation and Transmission

This includes the following actions:

- Model the potential impact of proposed mitigation scenarios on emissions trajectories.
- Development of the Iran Transition Pathway to a low-carbon economy.
- Identify potential mitigation plans for the energy supply sectors, considering short-term (2 years), medium-term (10 years), and long-term (more than 30 years, e.g., Net Zero Emission-NZE-targets)
- Investigate the technical feasibility of the plans with estimated costs, benefits, and feasibility assessments, and assess their cost-effectiveness. Set clear targets and timelines for high-priority actions.
- Estimate the total budget required for each suggested plan across the three-time frames (2 years, 10 years, and 30 years).
- Recommend institutional arrangements to ensure effective implementation of the NCCMP. This includes determining the lead agency responsible for implementing the plan, along with other associated stakeholders.
- Propose the policy/regulatory framework to implement the suggested mitigation plans including the national planning framework, incentives and disincentives policies, tax reductions mechanisms, and etc.
- Develop an implementation plan for executing the mitigation plan, outlining responsible parties, stakeholders, yearly plans, budget allocation, institutional arrangements, and governance structures for managing and tracking progress.
- Create a monitoring and evaluation plan for regular progress tracking of the mitigation plan, including key performance indicators and the timeline for monitoring.

Evaluation of the economic impacts of global response measures on Iran

Identify and analyze cross -border economic impacts on Iranian economy

This task involves examining how international economic dynamics—such as trade shifts, investment flows, sanctions, and regional market changes—affect the Iranian economy. It requires identifying key transmission channels through which cross-border developments, including climate policies in other countries, can influence domestic sectors, employment, and growth. Particular attention will be given to Iran’s integration in regional value chains, its export dependencies, and how external regulatory changes may affect competitiveness and market access.

Evaluation of the economic impacts of global response measures on the Iranian fossil fuel and energy-intensive industries

This task focuses on assessing how global climate response measures—such as carbon pricing, border carbon adjustments, or clean energy subsidies—impact Iran's fossil fuel and energy-intensive sectors (e.g., oil, gas, petrochemicals, cement, steel). The analysis will estimate potential revenue losses, production shifts, and competitiveness challenges arising from global decarbonization trends, while also identifying opportunities for diversification and low-carbon innovation within these sectors.

Evaluation of the economic impacts of global response measures on Iranian economy through whole-of-economy modelling of both direct and indirect effects of global response measures

This task employs an integrated economic modelling approach (e.g., CGE or macroeconomic models) to assess how global climate response measures affect the Iranian economy as a whole. It captures both direct impacts (e.g., reduced fossil fuel exports) and indirect effects (e.g., shifts in labor, investment, and consumption patterns across sectors). The analysis will help inform strategic planning for economic resilience and structural transformation in the face of evolving global climate policies.