

March 8, 2016

Statement of Work

Project Name	ASEIC Eco-Innovation Consulting Project
Organization in Charge	ASEM SMEs Eco-Innovation Center (ASEIC)

1. Project Overview

- **Project Name:** ASEM SMEs Eco-Innovation Consulting Project
- **Period of Performance:** From contract award date to November 15, 2016
- **Purpose and Target Group**
 - **Purpose**
To provide ASEM member states with consulting services that strengthen their eco-efficiency, spread information and technologies in the areas of Production, Process, System, and Management, and raise awareness of eco-innovation
 - **Target Group**
In a given country, 10 small and medium-sized enterprises (SMEs) in select industries or fields that have a need for eco-innovation
 - **Type of Work**
Minimize the environmental impact of SME operations, optimize resource use and identify areas (e.g. production, energy & process management, waste management, service & management, and eco-labelling) in which efficiency can be improved, develop sustainable eco-innovation business models (e.g. GHG mitigation and adaptation) for applicable regions or industries, and generate success stories
- **Major Deliverables**
 - Recruit local companies to participate in the project and receive consulting, select target industries and identify areas of technological cooperation, and build a business model (e.g. mitigation and/or adaptation) that SMEs can leverage

- Perform quantitative and qualitative analyses of the environmental and economic benefits expected to be gained from the consulting and on-site assessments, determine the degree of solution implementation by companies following the consulting, and organize supplementary programs to increase awareness of eco-innovation
- Develop two or more case studies of particularly successful results from the consulting, hold seminars to raise awareness of eco-innovation (share success stories of Korea or other developed countries so that they can serve as benchmarks), and conduct a survey to measure eco-innovation awareness before and after the consulting
- Build a project model for connecting companies with international organizations, multilateral development banks, global councils, the local community, and government-sponsored funds to better implement the proposed consulting solutions, analyze expected benefits
- Create reports (in Korean and English) and conduct promotional activities

2. Scope of Work

1) Facilitate organizing an eco-innovation seminar and recruit companies to participate in the project

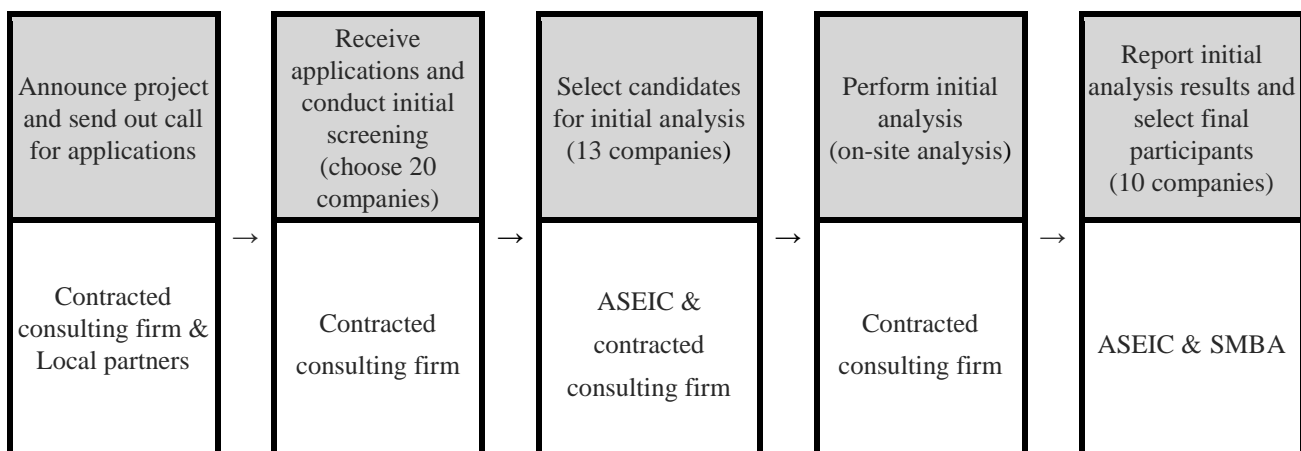
- Collaborate with the local government and partners* to identify target industries and fields
- Build a project delivery framework that reflects the areas of interest specified by the local government and other related organizations, promote ASEIC activities
- Research the local government's policies on SMEs and the environment, co-organize a local policy briefing and eco-innovation seminar, persuade the local government to participate in and contribute to the project
 - Secure monetary or in-kind contributions by the local government and other partners so as to cover approximately 15% of the project's expenses

*The term "local partner" denotes an organization, business, or expert that is officially partaking in this consulting project and can provide consulting services and find potential companies to receive consulting, etc.

- Identify SMEs to participate in the project and select target industries
 - In cooperation with local partners, build awareness around the project (including seminars, selection of target industries, and preliminary discussions on connecting project participants to funding programs) and recruit SMEs to participate in the project
- *Recruitment method: announce project details through various channels such as partner websites and newsletters

- Identify 20 (double the minimum number of applicants) or more SMEs interested in participating in the project and receive their applications
(See Attachment 1 for template)
 - Allow seminar attendees to sign up for the project on the spot
 - Following the seminar, perform initial screening by interviewing applicants that signed up at and before the seminar
- *When promoting the eco-innovation seminar to potential attendees, provide project details and guidelines for signing up at the seminar
- *In addition, prior to the seminar, inform local SMEs of project details and accept applications
- Conduct in-person interviews to create a list of companies that should receive an initial analysis
 - *Select 13 out of 20 applicants that will go onto the initial analysis phase, based on their in-person interview results and responses to need assessment questionnaires
- Perform the initial analysis
 - For the initial analysis, conduct on-site assessments of the 13 candidate companies
 - *Visit the companies, interview their CEOs, and collect information to identify the technological needs of each company and develop consulting plans accordingly
- Based on the results of the initial analysis (i.e. on-site analysis), select 10 final companies that will receive consulting
 - * Based on the initial analysis results submitted by the contracted consulting firm, SMBA and ASEIC decide on the final participating companies

Table 1. Participant Selection Process



- Hold the eco-innovation seminar
 - Attract seminar attendees in cooperation with the local government
 - *Set up registration to the consulting project for seminar attendees and interview applicants
 - Hold the seminar to increase awareness of eco-innovation, introduce the consulting project, and encourage applications
 - This seminar combines the local government's policy briefing with an introductory session on the consulting project
 - *Target Audience: local government officials, organizations related to SMEs, and SMEs
 - *Objective: Raise awareness of eco-awareness by sharing best practices of Korea and other developed countries
 - Finalize details on the seminar program, theme, attendees, and other matters after discussing with ASEIC

2) Conduct Eco-Innovation consulting

- Develop a delivery framework for the consulting project and create an eco-innovation project model and manual to be used by participating companies.
 - Build a workflow that enables assessments of companies, status checks, and feedback provisions at any given time
 - Propose a project model that connects companies with governments (e.g. central, municipal and local governments) and funds (e.g. Green Climate Fund) related to the target industries or fields selected for the project, analyze expected benefits
- Perform eco-innovation consulting
 - Provide customized consulting solutions and create strategies that are easily implementable and practical, while improving SMEs' awareness of eco-innovation
 - Visit companies and conduct in-depth analyses to create eco-innovation strategies in the areas of Production, Process, System, and Management
 - Establish a results-oriented system that focuses on reducing the energy consumption and waste of the participants' production facilities
 - Deliver environmental and economic benefits (e.g. reduction of pollutant emissions and production costs) to companies
 - Actively engage companies in the consulting project and induce their voluntary implementation of suggested improvements by raising their awareness of eco-innovation

- Regularly monitor the status of solution implementation and conduct on-site inspections
 - Leverage local partnerships in conducting regular visits and assessing the status of solution implementation
 - Following the in-depth analysis, visit companies at least twice for an interim inspection
- Run a final inspection and organize a results seminar in the country where the consulting was performed
 - In addition to the final inspection, hold a seminar to report consulting results and share success stories
- Organize supplementary programs (e.g. pilot test of new technologies, technology matching, and development of a public-private partnership model) that SMEs can utilize

Consulting Process

Phase	Description	Notes
Hold eco-innovation seminar and conduct initial analysis	<ul style="list-style-type: none"> ◦ Hold seminar for government agencies and SMEs ◦ Conduct initial analysis of 13 candidate companies and select final participants 	Report initial analysis results (contracted consulting firm to conduct site visit)
Conduct in-depth analysis	<ul style="list-style-type: none"> ◦ Conduct in-depth analysis of every company and develop consulting plan 	Contracted consulting firm to conduct site visit
Perform consulting	<ul style="list-style-type: none"> ◦ Conduct regular assessments and inspections through site visits and provide company status updates ◦ Raise SME awareness concurrently with consulting 	Contracted consulting firm and local partners to execute
Conduct final inspection and hold results seminar (Run supplementary programs)	<ul style="list-style-type: none"> ◦ Track progress of solution implementation and analyze consulting outcome ◦ Hold results seminar (Share success stories, spread eco-innovation) ◦ Develop supplementary programs (e.g. introduction to funding programs, technology matching, public-private partnerships) 	Contracted consulting firm to execute

3) Prepare reports and connect SMEs with applicable funds

- Prepare and submit reports at every consulting phase
 - After the in-depth analysis, prepare and submit a report on detailed consulting plans for each company
 - Prepare reports for every consulting phase including the initial analysis, in-depth analysis, interim inspection, and final inspection
 - *Prepare the initial analysis, in-depth analysis, and interim inspection reports in Korean, but provide an English summary if deemed necessary
 - Submit monthly reports (in the last week of every month)
 - Include the inspection results of each consulting phase in the monthly reports
 - Submit the Final Report
 - Include monthly reports and information on participant recruitment, eco-innovation seminar organization, and promotional activities
 - Include consulting plans and results for each company (Report on Consulting Results by Company)
 - Submit a draft of the Final Report 14 days before the completion of the project, prepare the final version based on ASEIC's feedback and revisions, and submit it within 14 days of holding a project completion briefing
 - Run a participant satisfaction survey and tabulate the results (include in the Final Report)
 - Survey project participants to measure how much their awareness of eco-innovation has improved
 - Following the project completion briefing, submit the Final Report as per below:

Item	Format	Quantity
Final Report (in both Korean and English)	Booklet (Include monthly reports and various other reports)	15 copies each of Korean and English version
Report on Consulting Results by Company (In both Korean and English, include consulting results of each company)	Booklet	30 copies each of Korean and English version

- Promote success stories and spread best practices
 - Select two or more consulting success stories and promote them through the local media

3. Project Execution Method

■ Outcome and Validation

- The Contractor shall submit a project initiation document (or a project implementation plan) to ASEIC and hold a post-award conference within fourteen days from the day the contract was awarded.
- The Contractor shall submit monthly reports on the last week of each month, a mid-term report after a mid-term review and hold a final meeting after a final review. The date of the final meeting shall be decided after consulting with ASEIC.
- The Contractor shall submit the required documents within deadlines. The number of the copies to be submitted can be agreed by both parties.
- Validation shall be conducted based on the final meeting and the final outcome (a project completion report).

■ Project Evaluation and Payment of Remainder

- The Contractor shall prepare and submit the project completion report (in the attached format) on the completed consulting service rendered to ASEIC.
- ASEIC conducts a final evaluation conference based on the submitted final report and the validation results. The Contractor shall fully participate in the conference in a faithful manner.
- Remaining contract amount shall be paid to the Contractor for the projects of which successful completion are verified after the final evaluation conference.

■ Confidentiality

- The Contractor shall prepare and submit non-disclosure and confidentiality agreements signed by all participants to the project and their identity verification documents along with the project initiation documents. The Contractor shall also establish and report measures to maintain confidentiality.
- The Contractor, whether pre or post-project, shall not own, copy, disclose or reveal any information it acquired in connection with the project without the approval of ASEIC.
- The project manager shall ensure that any research and analysis materials used to execute the project are not disclosed or used for purposes other than the project.
- The Contractor shall carry out measures that are required for confidentiality pursuant to ASEIC's confidentiality and non-disclosure regulations.
- In case where participants to the project violate the non-disclosure agreement, ASEIC can request that



the participants be changed. The Contractor shall accept such requests.

- When the participants are changed, the predecessor's work shall be completely handed over to the successor. The project manager can be replaced only with the prior approval of ASEIC.
- The Contractor shall ensure perfect confidentiality. If damage is caused to ASEIC due to Contractor's lack of confidentiality measures or breach of confidentiality obligations, it shall compensate ASEIC for the damage.

■ **Intellectual Property and Confidentiality**

- In case where ASEIC is sued for damage claims as a result of the Contractor's breach of intellectual property of a third party in the process of executing the project, the Contractor is responsible for settlement with the plaintiff.
- The Contractor shall abide by confidentiality policies and regulations of ASEIC and shall not disclose or reveal any information it acquired in connection with the project. The Contractor holds civil and criminal responsibilities that may arise from its breach of confidentiality.
- Any contents used to publicize ASEIC projects or ASEIC's previous project cases are intellectual property of ASEIC. Therefore distinctive logo of ASEIC shall be used during the project period while the Contractor's name cannot be used in any materials such as banners, reports, booklets or manuals.
- The Contractor is responsible for any safety hazards that may occur during the project and expenses that may arise from administrative or technical issues.

■ **Obligations of the Contractor**

- The Contractor shall peruse and review all the contract documents including this agreement and consult with ASEIC for any questions it might have before entering into the contract. The Contractor shall comply with ASEIC's interpretation and relevant regulations after signing the contract.
- In case of Contractor's defective performance or material breach of the contract, ASEIC can request that remedies are made by a set-deadline. If the remedies are not made by the deadline, ASEIC can terminate the contract without any compensation to the Contractor. The Contractor shall compensate for any damages caused to ASEIC due to the termination of the contract.

■ **Revising the Project and the Contract**

- The project period can be changed for the following reasons with the approval of ASEIC.
- Substantial changes to the project occurring due to changes to the plan or policy of ASEIC
- Unavoidable events occurring due to matters that were not expected in the project planning phase



- Other unavoidable reasons including Force Majeure
- Minor tasks that are necessary for the project but omitted from the proposal or the task order shall be undertaken at the expense of the Contractor without revising the contract.
- Whole or part of this project as well as principal of this contract can be changed for unavoidable reasons such as changes to the policies of ASEIC.
- Whole or part of the contract can be changed for unavoidable reasons such as changes in the policies of ASEIC.
- **Others**
 - Detailed procedures and strategies to carry out tasks in this request for proposal shall be established based on the project proposal. However the Contractor shall discuss such matters with ASEIC.
 - ASEIC, when necessary, can revise the procedures and the tasks described in the documents submitted by the Contractor within the budget.
 - The Contractor shall carry out all the tasks that are deemed by ASEIC to be necessary for the project even if such tasks are not listed in the task order.
 - When the Contractor fails to execute the project in compliance with this agreement, ASEIC shall request for remedies once. If the Contractor fails to make corrections, ASEIC can cancel the contract, refuse to pay progress payments and ban the Contractor from participating in other projects where the government is a party.
 - The term of the contract amount payment is 50% advance payment and 50% remainder payment.
 - The advance payment shall be made upon the request of the Contractor after it has submitted a project initiation document. The payment shall be in compliance with ASEIC’s regulation on advance payment of which may require submission of a guarantee insurance policy.
 - The staffs and professionals participating to the project can be changed if necessary; however, any changes to the key personnel require the approval of ASEIC.
 - The Contractor and ASEIC shall discuss over the terms for which both parties have different interpretations. However, when the two parties fail to reach an agreement, ASEIC’s interpretation supersedes.
 - The Contractor shall provide continuous consulting and relevant information on the project outcome even in the post-project period.
 - Any information and materials used for this project shall be well-grounded and objectively acknowledged. The sources of the information and materials shall be cited.
 - The Contractor shall use the most up-to-date information and materials in a manner that does not breach relevant regulations.