

Nordic security of supply, energy prices and the just transition – Invitation to tender



Invitation to tender

for open competition under the EEA threshold
when procuring:

**Nordic security of supply, energy prices and the just transition
(Deadline: 23.05.2022, 13:00 CEST)**

Nordic security of supply, energy prices and the just transition

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1. Introduction

1.1 About the contracting authority

Nordic Energy Research is an institution under the Nordic Council of Ministers which manages and finances international research programs and projects that add value to national work in the Nordic countries. In addition, we perform certain secretariat and analytical functions in the energy policy co-operation under the Nordic Council of Ministers. The board of Nordic Energy Research comprises representatives from the authorities and ministries responsible for energy research funding in Denmark, Finland, Iceland, Norway, and Sweden, who also contribute to most of the organisation's funding.

In this invitation to tender, Nordic Energy Research acts as the contracting partner on behalf of the Nordic Council of Ministers, which funds this report.

1.2 Overview

As the European Union (EU) and Nordic countries accelerate decarbonisation efforts, they must ensure their interlinked energy systems remain resilient. The Nordic Committee of Senior Officials for Energy Policies (EK-E) has commissioned an analysis to examine the interdependence of three main aspects inherent to the energy transition:

- 1) The need for a high level of energy security in all parts of the Nordic region.
- 2) The development of energy prices, electrification and demand for infrastructure, which may have public acceptance and socioeconomic/distributional consequences, e.g., rural-urban inequality, job creation and industry competitiveness.
- 3) The effectiveness of decarbonising the energy system, as a climate measure.

The analysis shall draw on: National energy and climate plans (NECPs) and related documents; strategies set out by the Nordic Council of Ministers; the European Commission's "toolbox" Communication of 13 October 2021; reports from the EU Agency for the Cooperation of Energy Regulators (ACER); ongoing deliberations and policy proposals by the EU; recent advice from the International Energy Agency (IEA).

Preliminary findings will first be presented to the Nordic energy ministers, and the final analysis will be presented to the project Steering group and EK-E. A series of workshops/seminars will follow, where key findings and recommendations will be presented and discussed in each of the five countries, at the level of governmental ministries and departments, via a "Tour of the Nordic Capitals".

The analysis, presentations and workshops/seminars will be carried out by an external consultant.

1.2.1 Objective

In view of unprecedented energy price levels in Europe and elsewhere, this assignment addresses the [Energy Trilemma](#) in a Nordic context – three challenges inherent to ensuring a secure, affordable, and sustainable energy supply across the Nordic region:

- 1) **Security:** Capacity to meet current and future energy demand reliably, withstand and recover from system shocks with minimal disruption to supplies, while preparing for a sharp increase in electrification. This dimension covers the effectiveness of management of domestic and external energy and material sources, as well as the reliability and resilience of energy infrastructure and value chains.
- 2) **Affordability:** Ability to provide universal access to reliable, affordable, and abundant energy for domestic and commercial use. This dimension captures access to electricity, fuels and technologies, energy consumption, affordability of electricity and fuel, as well as job creation and industry competitiveness. It also considers public acceptance and distributional aspects of energy infrastructure investments.
- 3) **Sustainability:** The extent to which the energy transition mitigates potential climate impacts. This dimension focuses on the effectiveness of the decarbonisation process, and the efficiency of energy generation, transmission and distribution.

These aspects are interlinked and not necessarily contradictory, e.g., locally-produced renewable energy could offer security, affordability and sustainability benefits. Due to the current political situation in Europe, security of supply is highlighted in this study. However, long-term plans for electrification and Nordic added value shall also be addressed, in line with the affordability and sustainability aspects.

1.2.2 Background

The Nordic countries have ambitious [electrification goals](#) and anticipate a sharp increase in energy demand. While continuity of the region's energy supply has been improving ([CEER](#)), a confluence of factors is leading energy and commodity prices to surge. Energy demand has exceeded the supply of natural gas, oil, and coal as countries exit COVID-19 lockdown. Further, Russia's invasion of Ukraine on 24 February has exacerbated supply disruptions and exposed the need for resilient energy infrastructure.

Energy annual inflation in the EU hit 27% in January 2022, pushing overall inflation to 5.1% and a record-high of 5.8% in February, continuing the upward trend ([Eurostat](#)). To address immediate impacts of the crisis, the European Commission proposed the [Just Energy Transition Fund](#) and a [toolbox for action and support](#) to protect consumers and industry. The Nordic countries (NO, SE, DK) offered support to the most affected households.

Rising commodity prices have also increased the cost of producing solar PV modules, wind turbines and biofuels, and have short-term implications for equipment manufacturers and project developers ([IEA](#)). Amid concern over access to certain raw materials, the European Commission created a [list of critical raw materials](#) (CRMs) defined as having a high importance to the EU economy and high risk associated with supply disruption.

Given the importance of CRMs in a decarbonising energy system, policy makers must consider supply vulnerabilities and price shocks associated with “stock” versus “flow” goods (IEA). The 2021 Nordic Innovation report [The Nordic Supply Potential of Critical Metals and Minerals for a Green Energy Transition](#) recommends investigating options for sustainable domestic production and processing of CRMs. It is unclear whether domestic or European sourcing of CRMs can compete with imports to meet projected demand in the Nordics.

A variety of set-ups between various actors at different levels, in the Baltic Sea Region, Central and Western Europe and the North Sea Region, are relevant for the Nordic countries to co-operate on ensuring secure, affordable, and sustainable energy systems. International co-operation within the EU, the International Energy Agency, the Clean Energy Ministerial forum, etc., are all relevant to the Nordic countries.

European Union proposals are major drivers for Nordic national energy policies. For example, the [Energy Union](#) aims at diversifying Europe's sources of energy through co-operation between EU countries, based on a well-functioning energy market which prevents and mitigates supply disruptions. “Security, solidarity and trust” is a core dimension that is reflected in the national energy and climate plans (NECPs) of [Denmark](#), [Finland](#), and [Sweden](#). [Norway](#) and [Iceland](#), while EU non-members, define energy security objectives along these lines.

1.2.3 Tasks

The report must address four main questions, hereafter referred to as “Tasks”:

Task 1. (20%) Drivers, preparedness, and response. Determine the primary drivers and transboundary implications of Europe’s high energy prices for the Nordic market, including but not limited to inflexible demand, network topology and location of production, and roadblocks to the energy transition. For each Nordic country and relevant EU neighbours (Germany, the Netherlands, Poland, the Baltic countries), provide an overview of preparedness measures in place to mitigate supply disruptions (e.g., emergency fuel stockpiles), and the response to energy price shocks starting in 2021.

Consider [ACER’s broader assessment of Europe’s high energy prices and the current wholesale electricity market design](#) (due in April 2022), in relation to price drivers and market characteristics specific to the Nordic countries.

Task 2. (30%) Risk screening. Identify, analyse, and evaluate key risk factors for the Nordic energy transition, in terms of potential supply bottlenecks, disruptions and price shocks.

Consider:

- a) *Value chains* for wind energy, solar PV, and bioenergy;
- b) *Critical infrastructure*, e.g., power grids, ports, LNG terminals/natural gas storage;
- c) *Technologies* for EVs and energy system integration, e.g., green hydrogen and energy storage;
- d) *Enabling activities*, such as:
 - research, development and innovation;
 - resource sourcing and manufacturing;

- project planning, construction and operation;
- electricity generation and grid operation;
- end-of-life management;
- other, as relevant.

Task 3. (30%) Mapping mitigation measures and gap analysis. Based on the identified key risk factors, map existing mitigation measures in place in each Nordic country and at EU level and determine where gaps and/or opportunities exist. Define feasible, proactive measures to address these gaps, and assess their impact in relation to the Energy Trilemma.

Consider recent recommendations from the IEA or EU:

- [EU rules on gas storage](#), and other fuel stockpiling as relevant
- [European Commission toolbox for action and support to tackle rising energy prices](#)
- [New EU framework to decarbonise gas markets, promote hydrogen and reduce methane emissions](#),
- [ENTSO-E ten-year network development plan process \(TYNDP\)](#),
- [10-point plan to reduce the European Union's reliance on Russian natural Gas \(IEA\)](#)
- [Global Energy Markets 2022 \(IEA\)](#)

Task 4. (20%) Targeting Nordic added value. Propose policy areas where strengthened regional co-operation can support the implementation of impactful energy security measures, to mitigate risks and increase emergency preparedness.

Consider lessons learned from existing Nordic collaboration on energy security:

- [Nordic Energy Co-operation: Strong today – stronger tomorrow](#)
- [Norden](#) (now part of ENTSO-E): [Grid disturbance and fault statistics](#)
- [Enestam report Nordic civil emergency preparedness](#)
- [Nordic Council strategy on societal security](#)
- [Critical Nordic Flows: Collaboration between Finland, Norway and Sweden on Security of Supply and Critical Infrastructure Protection](#)
- [Vulnerability of the Nordic Power System: Report to the Nordic Council of Ministers](#)

The consultant is responsible for four deliverables:

- **Final report:** Present the Tasks in a single document, including an executive summary and recommendations not exceeding 2 pages. This is the main deliverable of the project.
- **Presentation at Nordic ministerial meeting in August 2022:** Present preliminary findings and recommendations at a meeting of Nordic energy ministers on 24 August 2022 in Norway. Emphasis is placed on the ability of the consultant to deliver results as a basis for substantive policy discussions.
- **Presentation:** The consultant shall present final results to the Steering group.
- **Dissemination workshops/seminars:** Disseminate recommendations via a "Tour

of the Nordic Capitals” – a series of workshops/seminars at the level of governmental ministries and departments.

The consultant is responsible for all expenses related to the deliverables, including coordinating meeting activities, locations, and travel. Nordic Energy Research will cover expenses associated with proof-reading of the report, layout and publication. It is expected that the consultant reserves resources to follow-up on the result of the proof-reading, layout and publication process.

1.2.4 Method

The consultant is responsible for defining a detailed approach to the tasks.

1.2.5 Preliminary timeframe & deliverables for the project execution

The proposed timeframe is set out in the table below. The timing of deliverables is flexible and can be agreed with Nordic Energy Research, except for the 24 August Nordic ministerial meeting, where preliminary findings/progress shall be presented.

Action	Deliverable	Date	Responsible
Contract signed	Contract	21.06.2022	NER
Kick-off meeting	Minutes from meeting	21.06.2022	Consultant
Present project plan and scope to Steering group	Oral presentation, meeting minutes	Week 26, 2022	Consultant
Status meeting with Steering group	Oral presentation, meeting minutes	Week 33, 2022	Consultant
Nordic ministerial meeting	Two PowerPoint slides summarising preliminary findings from the Tasks	24.08.2022	Consultant
Present draft report to Steering group	Oral presentation, meeting minutes	Week 41, 2022	Consultant
Deliver draft report	Draft report	Week 43, 2022	Consultant
Comments to draft report from Steering group	Comments to draft report	Week 44, 2022	Steering group/NER
Final draft	Final draft	Week 47, 2022	Consultant
Comments to final report from Steering group	Comments to final report	Week 48-49, 2022	Steering group/NER
Deliver final report	Final report manuscript	Week 50, 2022	Consultant
Layout/design meeting	Agree on report layout/design	Week 50, 2022	Consultant/NER/Nordpub
Language check of input paper	Comments to editor	Week 2, 2023	Consultant/NER
Begin layout/design work	Layout/design of final report	Week 2, 2023	Nordpub

Implementation of language check	Final proof-read report	Week 3, 2023	Consultant
Proof-read final report/manuscript	Deliver proof-read text to NordPub	Week 4, 2023	Consultant
Final design/layout of report	Final report	Week 6, 2023	NordPub
Presentation to Steering group and Nordic Committee of Senior Officials for Energy Policies	Oral presentation, Nordic capital/video call	Q1 2023	Consultant
A series of workshops/seminars in each of the five countries, at the level of ministries and departments of ministries	Meeting minutes/workshop resolutions, written summary of Tour activities and outcomes	Q1 2023	Consultant

Contract signature will be done via e-mail or mail. The kick-off meeting will be conducted via Teams/teleconference.

1.2.6 Use of the report and the results

The final report will be made publicly available, free of charge, on the Norden Publications portal (NordPub, <https://norden.diva-portal.org/smash/search.jsf?dswid=-7222>), and will be offered as a tool to be used by Nordic ministries and other relevant stakeholders. Applicants are requested to familiarise themselves with the Norden design manual (<http://design-en.norden.org/>) when finalising these deliverables.

1.2.7 Value of the assignment

The total cost for the tender may not exceed NOK 1 200 000 VAT excluded. All expenses should be included.

1.2.8 Contract

A contract shall be established with the awarded consultant.

The supplier may have subcontractors to specific task, but it will be the supplier who should have the entire responsibility regarding deadlines, quality insurance and finances etc. vis-à-vis the purchaser. If subcontractors are used, documentation for their participation in the project must be submitted, their role must be described and together with their estimated budget allocated.

1.3 Announcement of the tender

The invitation to tender will be available via Doffin and TED, as specified in Chapter 2.5.

2 Administrative regulation

2.1 Purchase procedure

The procurement directive is not directly applicable to Nordic Energy Research as an international organization located in Oslo. Consequently, only the general principles of the EU/EEA will apply to this procurement process. This procurement process will be conducted in accordance with the Norwegian Act on Public Procurement of 17 June 2017 (Lov om Offentlige Anskaffelser – LOV-2016-06-17-73) and the Norwegian Regulation on Public Procurement (FOA; Forskrift om offentlige anskaffelser – FOR-2016-08-12-974) of 18 August 2016 part I.

The purchase procedure will be executed in an open competition according to the main principles of FOA. This procedure allows all potential suppliers to bid.

2.2 Requested structure of the competition

The competition will be based on:

- this document, containing information about the content, procedures and frames describing the process until the award and signing of the contract, and
- the appendices as presented below.

Appendices:

Appendix A: EHS declaration

Appendix B: Tender

Appendix C: Disclaimer and Deviation

Appendix D: Consultancy Agreement Draft

Appendix E: Standard Terms of Contract for Consultants

Appendix F: ESPD (optional)

2.3 Contact information

Contact persons concerning this purchase are Marton Leander Vølstad, Adviser at Nordic Energy Research, E-mail: marton.leander.volstad@nordicenergy.org; and Anders Geertsen, Senior Adviser at Nordic Energy Research, anders.geertsen@nordicenergy.org

2.4 Language

All communication, written and oral, regarding this matter should be made in English. This also applies for the tender itself. Possible legal questions must be communicated in Norwegian.

2.5 Execution of the tendering process

Activity	Date
Announcement via Doffin and TED	20.04.2022
Deadline for questions concerning the invitation to tender	13.05.2022
Answers to questions concerning the invitation to tender	16.05.2022
Deadline for tender submission	23.05.2022, 13:00 CEST
Opening of tender	23.05.2022, 14:00 CEST
Evaluation of tender	30.05-03.06.2022
Contract award intention announced	08.06.2022
Deadline for submitting objections to award	20.06.2022
Contract award and signing	21.06.2022
Kick-off meeting	21.06.2022

2.6 Correction, addition and/or change of the competition

Before the deadline of the competition, the purchaser is entitled to make corrections, additions or changes to the competition that are not significant.

2.7 Questions for the competition

Any questions the suppliers may have for the competition must be received by the deadline indicated in the schedule 2.5.

Questions must be sent by e-mail to the contact person of the competition as indicated in 2.3. All questions will be answered anonymously and made available for all who have registered to receive the competition on Doffin and TED in due time before the deadline of the competition.

2.8 The participation cost of the supplier

Any cost that the supplier may have in connection with the preparation, delivery or follow-up of the tender and the procurement process will not be refunded. Participation in the tendering process will in no way commit the purchaser to enter into a contract with the supplier or involve the purchaser in financial obligations.

2.9 Return of tender

The purchaser will not return the tender of the supplier.

3 Wages and working conditions

If this competition includes services or construction work in accordance with regulations of February 8, 2008 no.112 on wages and working conditions in public contracts, separate requirements and remedies related to this apply.

4 Requirements for the tender

4.1 Structure of the tender

The tender should contain the following documentation that should be structured according to the following sectioning.

Section no.	Documentation
1.	Tender which should include the following: 1.1 Reference to the name of the competition 1.2 The address, phone number and e-mail address of the supplier 1.3 The contact person of the supplier and his phone number and e-mail address 1.4 Confirmation of the validity of the tender, cf. section 4.3. 1.5 Binding signature from a person with authority to sign on behalf of the supplier
2.	Documentation of eligibility: Documentation described in 6.2-6-4, or via completion of European Single Procurement Document (ESPD), available as Appendix F
3.	Requirements for technical and professional qualifications ref. section 6.5 Documentation of award criteria ref. section 7.1.
4.	Any modifications or alteration to the competition or the contract ref. section 4.7. and Appendix C.
5.	Other relevant information.

4.2 Delivery Format of the tender

Tenders should be delivered by e-mail to tender@nordicenergy.org with the following subject line: **Nordic security of supply, energy prices and the just transition**

The tender should be in PDF format and/or another Microsoft Office compatible format.

4.3 Validity

The tender must have a validity of a minimum of 90 days from the day of the deadline of the tender.

4.4 Contract

The supplier must base his tender on the enclosed contracts (Appendices D and E).

4.5 Tender for all or part of the delivery

It is not permitted to submit tenders for part of the delivery.

4.6 Alternative tenders

It is not permitted to submit alternative tenders.

4.7 Reservations and amendments

Significant reservations and amendments shall be stated precisely and unambiguously so that the purchaser can evaluate the offer without contacting the supplier. Reservations and amendments shall clearly and unambiguously refer to the relevant appendix and point in the tender documents and shall be annexed to the tender.

The supplier shall clearly specify the consequences that any reservations and amendments have or may have on the performance, price and/or other aspects of the tender.

4.8 Revocation of tender

A tender may be revoked or altered until the deadline of the tender. Revocation shall be done in writing. Change of the tender is considered a new offer.

5 Delivery of tender

5.1 Deadline of tender

The tender must reach the purchaser no later than the deadline specified in section 2.5. The deadline is absolute. Late submitted tenders will be rejected. The supplier carries the risk of failure or delay in shipment.

5.2 Delivery method and delivery address

The tender must be delivered in the format specified in section 4.2.

6 Eligibility requirements

6.1 About the eligibility requirements

The supplier must meet the requirements listed below in order to be eligible for participation in the competition. The supplier is responsible for providing all documentation requested below as proof of the requirements imposed. Lack of documentation or incomplete information may lead to the rejection of the tender. Only qualified suppliers can be awarded the contract.

Self-declaration: Documentation regarding 6.2 – 6.4 can be provided by completing the European Single Procurement Document (ESPD), available as Appendix F. The formal documents will be required at a later stage in the evaluation process, for the selected tender candidate.

6.2 Mandatory requirements

Requirements	Documentation requirements
The supplier must have fulfilled their obligation relating to the payment of tax, payroll tax and VAT.	<p>Tax certificates not older end six months calculated from the deadline of the tender. Tax certificates are:</p> <p>For Norwegian suppliers: Form from the Tax Commission for VAT (RF-1244) issued by the tax office. Form from the Tax Commission (RF-1244) for tax issued by the Treasurer.</p> <p>For foreign suppliers: Foreign suppliers must submit corresponding certificates from their country showing that they have complied with tax matters. If the authorities in the country concerned do not issue such certificates, the supplier shall submit a statement confirming that all taxes have been paid. The declaration must be approved and signed by the supplier’s CFO/finance manager.</p>
For work to be performed in Norway, the supplier must fulfil Norwegian HES requirements.	<p>Only for Norwegian suppliers: Completed and signed HES statement according to the Norwegian Regulation health, environment, and safety at work (FOR-1996-12-06-1127 Forskrift om systematisk helse-, miljø- og sikkerhetsarbeid i virksomheter (Internkontrollforskriften). Please use the attached template, see Appendix A.</p>

6.3 Requirements for organizational and legal position

Requirements	Documentation requirements
The supplier shall have a legally established company.	<p>For Norwegian suppliers: Certificate of registration</p> <p>For foreign suppliers: Confirmation that the supplier is registered in a trade or business register acc. the legislation of the country where the supplier is established.</p>

6.4 Requirements for economic and financial position

Requirements	Documentation requirements
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The supplier shall have sufficient financial strength to perform contract.	Excerpt from the supplier's annual report including notes with the report from the Board and the auditors for the past two financial years.
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6.5 Requirements for technical and professional qualifications

Requirements	Documentation requirements
The supplier must have good experience from similar deliveries	References from a maximum of 3 relevant deliveries/assignments within the last 4 years (for each supplier involved). References shall at least contain: <ul style="list-style-type: none"> • A short description of the delivery • Implementation date • Scope of delivery and its price • Name and phone number of a contact person responsible for ordering
The supplier must have appropriate contact information	Name and phone number for reference for the proposed assignment leader.

7 Award criteria and evaluation

7.1 Award criteria

The contract is awarded to the supplier who financially has the most favourable tender based on the below-mentioned criteria.

Award criteria	Documentation	Weight %
Expected quality Project description in the proposed assignment including relevance, ambition, quality, organization, and structure ref. section 1.2.1 – 1.2.7.	The supplier must supply the following documentation (maximum 5 A4 format pages, Times 12, 1,5 line spacing): <ul style="list-style-type: none"> • The supplier must describe their understanding of the assignment and the implementation of it (project and solution description). • The supplier must account for the organization and structure of the project in preparing the deliveries/milestones, including planned budget and persons accountable for part deliveries. Emphasis is placed on the ability of the consultant to deliver results to be presented at the Nordic ministerial meeting in August 	45

	<p>2022, as a basis for substantive policy discussions.</p> <ul style="list-style-type: none"> • The supplier must describe their approach and choice of methodology • The supplier must describe their sources for information 	
<p>Price of the assignment The total price is maximum 1 200 000 NOK exc. VAT.</p>	Price must be in NOK ex. VAT. This includes all cost required to execute the tender (i.e. salaries, travel cost etc.)	10
<p>Offered expertise Offered expertise means the expertise and experience of the key personnel who is offered to implement this specific contract.</p>	<ul style="list-style-type: none"> • The supplier must present his/her CV with an overview of expertise and experience from relevant projects for the named key personnel. • The distribution of labour input per key personnel shall be specified and will be considered. 	45

7.2 Evaluation

All approved offers will be evaluated with scores per award criterion, where 10 is the highest and 0 the lowest. The overall result per criterion will be weighted according to the weighing degree above, ref. section 7.1.

8 Termination of competition

8.1 Cancellation of competition and total rejection

The purchaser reserves the right to cancel the competition or to reject all offers, if there are reasonable grounds.

8.2 Notification of the choice of supplier and waiting period

The purchaser informs all suppliers in writing and simultaneously about whom the purchaser intends to award the contract as soon as the choice of supplier is made. The notification will include an explanation for the choice and specify the waiting period from the time the award is made known until the contract signing is planned (concluding the contract). If the purchaser finds that the award decision is not in accordance with the criteria for the choice of supplier, the decision can be annulled until contract is signed.