



A Complex SPIN Memorandum of Understanding model

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www.epcplus.org

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Content

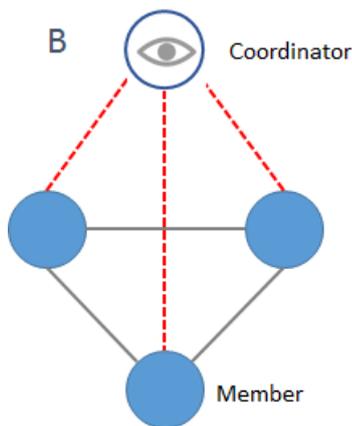
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1. Introduction

Earlier in the EPC+ project we learned that SPINs can have different organizational structures and relationships between the different actors. To understand these differences and its consequences for management decisions we introduced a categorization of SPINs in Simple, Complicated and Complex SPINs and clarified the various roles of SPIN members per SPIN type.¹

Simple and Complicated SPINs are created to provide innovative energy services when there is a potential willingness of parties to collaborate and a market for EPC services or an expectation that the market will take-up these services in the short to medium term (6 months to maximum 2 years).

A Complex SPIN is the most appropriate organisation in a pre-market situation to foster the benefits of collaboration between SMEs and to support the creation of Simple or/and Complicated SPINs. It can be seen as a loose network in order to accelerate ideas and initial cooperation.



Source: Factor4, 2015,
based on Cynefin framework

A Complex SPIN is a more informal network of several SMEs, referred to as the “members”. One actor, referred to as the “coordinator” in the SPIN takes the initiative to facilitate and strengthen interactions in the network. This kind of organisation is also called a complex adaptive structure.

The coordinator could be an energy service provider and one of the members of the SPIN but in most cases it will be an organisation that only takes the role of coordinator and facilitator. (e.g. a public authority or research institute that support SMEs in the set-up of Simple or Complicated SPINs without being part of these SPINs).

Figure 1 - Complex SPIN

A Complex Spin does not need to have a formal contract to provide this promotion and supporting tasks. To keep the participation threshold to a minimum for SME owners/managers formal procedures including contracts are not recommended. To create trust and willingness to participate in a Complex SPIN the potential members should know in detail what they can expect from participating and what is expected from them. This clarification can be under the form of an information letter, presentation or/and a memorandum of understanding.

An example of a Memorandum of Understanding for Complex SPINs is given in this report.

¹ For more information on the categorisation of SPINs read Organisational tools for SME Partnerships for Innovative Energy Services.

2. Complex SPIN Memorandum of Understanding model

This memorandum of understanding (the "MoU"), is made and entered into by and between

[Company name], represented by [Name], [Position], with its registered office at [], with enterprise number [..] (hereinafter referred to as the "Coordinator"),

and

[Company name], represented by [Name], [Position], with its registered office at [], with enterprise number [..] (hereinafter referred to as a "Member").

and

[Company name], represented by [Name], [Position], with its registered office at [], with enterprise number [..] (hereinafter referred to as a "Member").

Hereinafter, the Coordinator and the Members shall be collectively referred to as the "Parties", and "Party" shall mean any one of the Coordinator or a Member as applicable in the context in which the term is being interpreted.

WHEREAS:

- A. A SPIN (SME Partnerships for Innovative Energy Services) is a nationally organized cluster of independent energy efficiency service providers, mainly SMEs, that jointly supply energy efficiency services and that have a structured long-term collaboration with commonly agreed objectives.
- B. The coordinator promotes and supports the creation of one or more SPIN(s).
- C. Members are all energy efficiency services providers interested to investigate the opportunity to develop, create and to participate in a SPIN.

OBJECTIVES

The objective is to investigate the benefits and feasibility of a SPIN and to support the creation of this SPIN that will provide services that consist of:

- Manageable project sizes that can be directly awarded or awarded with simple tendering procedures or pre-awarded services (according to procurement law) with one or more energy efficiency measures (e.g. LED lighting, pumps and electric motors, ventilation systems, cooling, consulting services and user motivation with no or low cost investments etc.);
- Highly standardized and simple contracts: simplified models and contracts with e.g. unique determination of savings and quality guarantees beyond conventional warranty etc.; and
- Projects with open financing possibilities for clients such as (pre-negotiated) bank conditions, alternative ways of funding, flexible financing solutions etc.

DESCRIPTION OF PROCESS

The Coordinator will organise one or more working sessions with the objective to foster interactions and collaboration between members, inform members about guidelines and other supporting tools developed in the framework of the EPC plus project and support members willing to create and/or join a SPIN.

COLLABORATION

The partners will participate in the process to the best of their ability. The contractual relationship between members in a future SPIN can be a Principal - Associate(s) relationship (a Simple SPIN) or a joint venture type partnership with one or more leading partner(s) (a Complicated SPIN). Members could become a Principal, Associate, Leading Partner or Partner in a SPIN.

TIME FRAME

The process will start on **dd/mm/yyyy** and is expected to terminate by **dd/mm/yyyy**.

CONTRACTUAL RELATIONSHIP

The Parties acknowledge that no contractual relationships is created between them by this MoU.

WITHDRAWAL

A member may withdraw from participation in the process upon a 3 days written notice to the Coordinator and the Coordinator will inform the remaining members about the withdrawal.

The Coordinator can force a member to leave the process in case of misconduct or if the participation of the member in the process is clearly not in the interest of the objectives of this MoU.

This MoU will enter into force at the moment that the Coordinator and a minimum of **three** members have signed the MoU.

Date: dd/mm/yyyy

Place:

Signed by

On behalf of

Date: dd/mm/yyyy

Place:

Signed by

On behalf of

Date: dd/mm/yyyy

Place:

Signed by

On behalf of

Date: dd/mm/yyyy

Place:

Signed by

On behalf of