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1. BACKGROUND INFORMATION

1.1. Partner country

Georgia

1.2. Contracting authority

The European Union Delegation to Georgia (EUD)

1.3. Country background

Georgia is a lower-middle income country with GDP per capita of USD 4,275 (34% of the world's average) and population of 3,723 thousand (2018, GEOSTAT), positioned in the Southern Caucasus at the crossroads of Europe and Asia, between the Black Sea and the Caspian Sea. The country is 69,700 km² in size and borders on the Russian Federation, Turkey, Azerbaijan and Armenia. Altogether, the country features 12 regions, including breakaway regions of Abkhazia AR and South Ossetia. Breakaway regions remain outside Georgia's administrative and political control thus leaving the size of the territory under the control of the Georgian Government at around 57,000 km².

Georgia is a Neighborhood-East country. EU-Georgia cooperation was initiated in 1992 and on 22 April 1996 the parties signed a Partnership and Cooperation Agreement. The PCA created a legal and institutional framework for bilateral relations between the EU and Georgia, defined principal common objectives, and established relevant framework for political dialogue in a number of policy areas.

The European Neighborhood Policy EU-Georgia Action Plan (ENP AP) entered into force on 14 November 2006 and until 2014 was defining EU-Georgia cooperation agenda. The EU and Georgia agreed to substantially deepen and progress their relations in the framework of the Eastern Partnership, which was officially launched in May 2009, as a special Eastern dimension of the ENP.

As a part of EaP bilateral agenda, on June 26, 2014 EU and Georgia adopted The Association Agenda marking out the priority directions of the forthcoming EU-Georgia Association Agreement (AA). Consequently, in June 27, 2014 the EU and Georgia signed the Association Agreement, which includes "Deep and Comprehensive Free Trade Area Agreement" (DCFTA) and substitutes ENP AP. The EU-Georgia Association Agenda defines concrete actions to be fulfilled and is the actual action plan for the Association Agreement application. As well as, in March 2017 the visa free travel with the EU came into force for the Georgian citizens.

Georgia receives regular assistance from the European Neighborhood Policy Instrument (ENPI) under centralized modalities.

In October 2018, in Brussels, during the high level meeting between the Head of the Government of Georgia and the President of the European Commission, among other important issues, which are not covered by the EU-Georgia Association Agreement, the Georgian side, among other important issues, voiced its willingness to start cooperation in new directions such as gradual application of the EU Smart Specialization (S3) and NUTS platforms in the country, receiving the positive feedback.

On 3 March 2022, Georgia submitted its application for EU membership, ahead of schedule (initially planned for 2024), following Russia's war of aggression against Ukraine. On 23 June 2022 the European Council endorsed the European Commission opinion granting European Perspective to Georgia and recommending that Georgia be granted candidate status once a set of priorities will have been addressed. In the new context, it is expected that the pace of reforms will be accelerated, to bring Georgia closer to the EU in terms of approximation with EU acquis and implementation of the harmonised legislation.

Over the last decade, the country has undertaken significant socio-economic and governance reforms resulting in comparatively high economic growth. In 2017 and 2018 the country featured 4.8% and 4.7% real growth respectively with further promising economic outlook.

Due to the Covid-19 pandemic likewise to other countries with the emerging economies, in 2020 Georgia faced the significant challenges resulting in -6.1% decrease in economy. However, in 2021 GDP recovered fast amounting 10.4% (compared to initially planned 3%). Despite the Russia's war of aggression against Ukraine, the economy is demonstrating double digit growth in 2022 too.

Over the last decade, Georgia has transitioned from a presidential to a parliamentary government system, in which power lies with the Office of the Prime Minister.

1.4. Current situation in the sector

Regional Policy

The Government of Georgia recognizes that reducing regional disparities is one of the key objectives for the regional development. In order to support and coordinate above process, the Ministry of Regional Development and Infrastructure (MRDI) was created in 2009. The latter facilitated the work of a Task Force for Regional Development leading to the adoption of the “State Strategy for Regional Development for 2010-2017” and its subsequent Action Plans.

Furthermore, the GoG adopted the Socio-Economic Development Strategies (2014-2017) of each Region prepared by respective regional consultative councils (RCCs). Such region-specific development strategies have been prepared based on preceding analysis of development capacity and their specificities, whilst those were followed by the elaboration of subsequent Action Plans for the 3 years period to ensure an effective implementation. The practice was discontinued from 2017 as government prepared national wide Regional Development Programme (RDP) 2018-2021 which was largely in line with the EU Cohesion Policy and respective planning practices of recent decades.

In 2018 Georgian government adopted RDP 2015-2017 successor program- RDP 2018-2021 aiming to increasing overall national and regional competitiveness, balanced socio-economic development and the improvement of living conditions across the country, reducing regional disparities and increasing territorial cohesion. The Programme served as a basis for identification of all development actions financed from budgetary and non-budgetary sources (including international donor and development partners assistance), which have clear territorial effect on Georgian territory and is realized in all Georgian regions.

Besides of its own efforts, Georgia received a significant support from the EU. In order to assist regional policy implementation process, over the last decade (2011-2021), the European Union has implemented three consecutive “Sector Reform Contracts” (budget support) in support to the sector.

Georgia started implementation of integrated territorial development actions in line with the EU-Georgia Association Agreement and the Association Agenda in 2019. Pilot Integrated Regional Development Programme (PIRDP) 2019-2022 of the total value of 63.75 million EURO aims to increase competitiveness and cohesion in four EU focal (pilot) regions of Georgia (Guria, Imereti, Kakheti, Racha-Lechkhumi and Kvemo Svaneti).

PIRDP is co-financed by the EU with 53.75 million EURO contribution. 40.5 million EURO is so called budgetary support and the rest 13.250 million EURO is for implementing complimentary support measures such as indirect management with entrusted entities, grants and technical assistance measures.

Implementation of the PIRDP contributes to the promotion of economic growth, exploiting Georgia’s comparative advantages, sustainable development, rehabilitation and expansion of infrastructure and energy and communication networks and public utilities in an environmentally friendly manner, as well as promoting social and territorial cohesion – balanced socio-economic development and improved living conditions.

Current policy developments open up new opportunities for further strengthening and institutionalizing region development policies in Georgia. This refers to the European Integration processes inline to the Georgia’s application to become the EU membership candidate country.

Decentralization

In order to enable Local Self-Governments to tackle local problems and develop local infrastructure, in 2013 Georgian Government initiated a new law of Local Self-Government, aiming at gradual decentralization of governance and financial management systems. The new law was developed

through the public consultations with the non-governmental organizations and experts, municipality representatives and citizens, and was adopted by the Parliament of Georgia on 5 February, 2014.

The Organic Law has expanded the competencies of the local self-government units by granting them with the following additional responsibilities: water delivery, management of local natural resources, giving shelter to the homeless people, etc. The Code clearly determined the guarantees of independence for municipalities in exercising their exclusive competences, as well as, statutory instruments and conditions.

Significant amendments have been made in the rule regulating the election of the heads of municipalities. Previously, only the Mayor of Tbilisi was directly elected by the citizens. The Code has determined that every head of the municipality (Mayor/Gamgebeli) and self-governing cities should be directly elected.

In order to further strengthen the governance at sub-national level, the authorities have adopted the Decentralisation Strategy for 2020-2025 with the intention of granting more functions and finances to the local authorities. The Strategy has three pillars: i) increasing powers to local authorities, ii) fiscal decentralisation and iii) citizens' involvement and transparency. All pillars contribute to the increase in public welfare, enhancing the role of citizen and community groups and more efficient delivery of public services. Strategy also aims to implement good governance principles at local level.

Other Relevant initiatives

Since 2019, Ministry of Regional Development and Infrastructure, with the support of the EU Joint Research Center (JRC), is piloting Smart Specialization Strategy (S3) in Imereti region of Georgia. The S3 team was established under MRDI's overall coordination, involving all relevant stakeholders. The baseline document - "Report on Mapping the Economic and innovation Potential of Imereti Region" - has been prepared, revealing possible priority domains for future interventions. Further complementary studies (including deep qualitative analysis and series of interviews with 85 stakeholders have been concluded to verify the primary outcomes of the baseline quantitative report, whilst the key S3 component –so called "Entrepreneurial Discovery Process" (EDP) is underway and to be finalized by the end of 2022. The EDP is considered as central pillar for actual elaboration of the S3 Strategy. Furthermore, considering feedback of the ongoing Imereti S3 process, follow-up to the above may consider scaling up smart specialisation approach to more regions of Georgia.

With respect to the EU NUTS component and its gradual introduction in Georgia – Special interagency working group was formed with the active involvement of MRDI and GEOSTAT; First inception research – "Study on application of EU NUTS methodology in Georgia and its practical implications" was prepared; furthermore, the initial Harmonization Plan (2021-2027) for introduction of NUTS system was drafted and agreed among main stakeholders; components of the Harmonization Plan are respectively reflected in the adopted Strategy of the National Statistics Office of Georgia (GEOSTAT).

1.5. Related programmes and other donor activities

The complementary programmes implemented by development partners and from EU countries in respective sectors are as follows:

- United Nations Development Program (UNDP), with funds from the EU, Swiss and Austrian governments, is implementing programmes targeting local authorities in Eastern Partnership countries including in Georgia to foster local economic development, and use innovative methods towards just and green transformation.
- GIZ with German and Swiss funding implements a project aiming to strengthen institutional and human capacities of local governments of Georgia, Armenia and Azerbaijan to provide better public services.

- Good Governance Initiative – is a USAID funded project that aims to increase transparency and accountability of the central and local government agencies, thus improving the quality and efficiency of the governance.
- UNECE regional project “Smart Sustainable Cities with Innovative Financing 2020-2023” is preparing a “Smart Sustainable Cities Profile” of Tbilisi, using the Key Performance Indicators (KPIs) for Smart Sustainable Cities (SSC) that they developed. The set of 91 indicators covers different sectors, from Economy, Environment, Society and Culture spheres.
- the European Fund for Sustainable Development Plus (EFSD+) Guarantee includes a specific Investment Window called ”Sustainable Cities”. Provided fiscal space allows, and the necessary conditions are in place (i.e. possibility of sub-sovereign loans), the cities have the potential to benefit from this Window, for investment in sustainable urban development/cities.
- the blending projects under the Neighbourhood Investment Platform (NIP) help mobilise financing of investment projects in municipalities, while reducing fiscal burden thanks to EU grant contributions, in areas including transport, energy efficiency and environment.
- Covenant of Mayors East (CoM East), now in its 3rd phase continues to support signatory municipalities in forming and implementing sustainable energy and climate policies through capacity building and demonstration projects.
- Climate adaptation activities can also benefit Georgian municipalities from the EU initiative on “Supporting Decarbonisation, Climate Resilience and Energy Security in the Eastern Partnership” that is currently at programming phase.

2. OBJECTIVES & EXPECTED OUTPUTS

2.1. Overall objective

The overall objective (Impact) to which this action contributes is: to support Georgia in creating a favourable environment for the socio-economic development and overcome regional disparities through implementing the effective territorial development policies in compliance to new and relevant EU (policy) platforms

2.2 Specific objective(s)

The specific objectives (Outcomes) of this contract are as follows:

- Specific objective (Outcome) 1: Support enhancing capacities of national and local authorities also State Trustee Administrations to design, implement, monitor, and report on integrated territorial development policies and other new/relevant EU platforms (ITD, S3, NUTS, statistics at local level, etc.)
- Specific objective (Outcome) 2: Support improving governance with a more comprehensive, transparent and accountable systems in small and medium cities and communities.

2.3 Expected outputs to be achieved by the contractor

The expected outputs of this contract are as follows:

Outcome 1: Enhanced capacities to design, implement, monitor and report on integrated territorial development policies and other new/relevant EU platforms

- Output 1.1: Support MRDI and relevant stakeholders in designing, implementation and reporting of Integrated Territorial Development (ITD) policies, through inclusive inter-agency and multi-stakeholder coordination;
- Output 1.2: Support MRDI and relevant stakeholders in designing, implementation, monitoring and evaluation of the new/relevant policy initiatives inter alia on Mountain development, Smart Specialization and other respective instruments;
- Output 1.3: Support MRDI in sharing EU recent and best practices in regards to development planning, implementation and monitoring (including IPA and Cohesion Funds coordination systems applicable in EU candidate and Member states, for further gradual application);
- Output 1.4: Support national, State Trustee Administrations and local levels in further improvement of capacities in application of the project appraisal guidelines and procedures;
- Output 1.5: Provide on demand support in drafting the next strategic documents/assignments on decentralization processes.
- Output 1.6: Provide on demand support in coordination of gradual implementation of EU NUTS platform in Georgia, in accordance with the existing “Harmonization Plan”.

Outcome 2: Support improving governance with a more comprehensive, transparent and accountable systems in small and medium cities and communities

- Output 2.1: Support cities improving their capacities for better governance (including policy planning, PFM and accountability aspects)
- Output 2.2: Support cities design and implement projects for urban development, including better and accessible services, opportunities and resilience
- Output 2.3: Support cities design and implement Climate and Gender Responsive Action plans
- Output 2.4 Provide on demand support at the local level on the recent EU practices for the inter-municipal cooperation mechanisms.

3. ASSUMPTIONS & RISKS

3.1. Assumptions underlying the project

- Georgian authorities strongly support the EU integration process as one of the top political priorities;
- MRDI fully supports the project throughout its implementation;
- Relevant stakeholders support an integrated approach to the regional development;
- Willingness of all the stakeholders to effectively coordinate all relevant national initiatives and donor funded projects.

3.2. Risks

- Poor coordination with relevant line ministries
- High turnover of civil servants in beneficiary institutions involved in project implementation;
- Insufficient technical capacity/experience

As part of this assessment, the tenderer might identify other relevant risks.

4. SCOPE OF THE WORK

4.1. General

4.1.1. Project description

Project has two inter-related components:

- a. Capacity development for policy formulation, coordination, implementation and monitoring
- b. Comprehensive, transparent and accountable Governance

The Contractor in close cooperation with the Beneficiary is obliged to ensure coordination and full consistency among these two components at all times.

The Contractor will ensure the closest coordination and complementarities between activities undertaken by the Project and other ongoing regional/local policy development programmes, including the EU Sector Reform Contract operations (EU4ITD).

- a. Capacity development for policy formulation, coordination, implementation and monitoring

The project will help to enhance policy effectiveness by supporting the MRDI and other stakeholders in territorial development policy formulation, implementation and monitoring in the context of better approximation of Georgia with applicable EU recent policies and practices.

Concentration should also be made on supporting stakeholders in establishing and maintaining improved data collection mechanism for collecting up-to-date statistics regarding the regional development, including disparity analysis which at the same time will be used for effective implementation of the EU standard regional policy.

The Contractor will be obliged to share EU's best practice for further enhancing the Beneficiary's capacities and supporting in drafting periodic monitoring reports on regional policy implementation overall.

The project shall also support MRDI in relevant preparatory works for the future EU S3 and NUTS interventions.

- b. Comprehensive, transparent and accountable Governance

The project shall support the capacity development of selected municipalities and small self-governing cities (excluding Tbilisi and Batumi). The list of municipalities will be provided by the MRDI with the agreement of EUD. It mainly concerns the urban settlements.

The project should assist cities/municipalities to apply sustainable governance indicators (participatory budgeting, transparent procurement and property management, effective administration & management, etc). The sustainable governance indicators will be designed together with the Ministry of Finance and Ministry of Regional Development and Infrastructure.

4.1.2. Geographical area to be covered

Georgia

4.1.3. Target groups

Relevant staff of the Ministry of Regional Development and Infrastructure, Regional state Representatives Offices staff, Municipal elected representatives and civil servants of the target municipalities/cities; Georgian Statistics Office (GEOSTAT); the Ministry of Economy and

Sustainable Development; Other relevant ministries or personnel, representatives of the Parliament and the civil society (in particular NGOs, the business community, including Academia).

4.2. Specific work

The consultant should conduct activities that will contribute to producing the outputs specified in the sections 2.3. The consultant's Organization and Methodology should include a detailed description and breakdown into activities and steps, and an explanation how activities contribute to those outputs and anticipated results.

The activities could be organized in the following order:

Inception phase activities

- Become fully operational (set up and equip project office as required);
- Based on transparent selection procedure, recruit Project staff;
- Meet all stakeholders (in terms of institutions and projects); assess and plan cooperation and coordination requirements;
- Collect and become fully familiar with relevant legislation, plans, programs and strategies at national and sub-national levels;
- Organize a project presentation workshop with all relevant stakeholders, including other donors, with the aim to generate beneficiary ownership, discuss expected outputs, and review and update project work plans and log-frame;
- Prepare an inception report.

Project management related activities

Project management related activities shall include as a minimum:

Effective coordination - of all activities with the Contracting Authority, the Beneficiary and all relevant stakeholders, and among project components;

Management of project resources- to ensure timely mobilization of appropriate expertise, and quality control of all experts' outputs and deliverables;

Meetings management

- If necessary to organize monthly progress meetings with the Contracting Authority, the Beneficiary and other key stakeholders as appropriate, and to draft professional meeting summaries with clear identification of follow up activities, responsibilities and deadlines.
- To act as a secretariat to the Project Steering Committee (see 4.3 *project management*), formulate PSC procedures, organize PSC meetings on a quarterly basis and draft minutes of meetings.
- The Contractor will provide summary conclusions and follow-up brief minutes of every official meeting held in the context of this project.

Core project activities contributing to anticipated project outputs and results.

Activities linked to ensuring the sustainability and dissemination of project results - tenderers should prepare an outline ***visibility strategy*** for the project as part of the technical offer. This visibility strategy should be refined and agreed with all stakeholders in the project's Inception Report.

Apart from regular visibility actions (to be defined in the visibility strategy for the project), the Contractor is advised to organize high level conference, in order to present the projects achievements. The Contractor must observe the latest Communication and Visibility Manual for EU External Actions (see https://ec.europa.eu/international-partnerships/comm-visibility-requirements_en).

Trainings –organize and deliver trainings for the relevant stakeholders which should be envisaging assessment of the trainee’s capacities before and after the training is delivered.

Study tours – organize and deliver study tours for relevant stakeholders to relevant EU Member States, if considered to add value to the project's deliverables.

Reporting

During the entire contract duration, the Consultant shall prepare the reports to inform the Beneficiary about his major activities, results, outputs and problems of the reporting period.

4.3. Project management

4.3.1. Responsible body

The Contracting Authority of this project is the European Union Delegation to Georgia (EUD), on behalf of the European Commission.

The main Project Partner / Beneficiary institution is the Ministry of Regional Development and Infrastructure (MRDI) of Georgia, on behalf of the Government of Georgia.

4.3.2. Management structure

The Project Manager appointed by the EU Delegation ("EUD Project Manager") shall monitor all activities of the project in order to ensure that the project is implemented in line with the provisions of the contract. The Contractor shall establish an appropriate team composed of a balanced mix of senior and other experts and support staff members in a way to reach the foreseen results at high level of performance as defined in these Terms of Reference. The Contractor shall ensure holding of regular meetings, preparation and circulation of the agenda, writing and distribution of minutes (if necessary). Any written communication relating to this Contract between the Contracting Authority and the Contractor must be sent by post, fax, e-mail or by hand. All written communications between the Contractor and the Contracting Authority and/or the Project Manager shall be English

A Project Steering Committee (PSC) will be set up to monitor the project progress and ensure overall coordination in the project implementation. It will review project progress, at least, every three months and give guidance at key junctions. The PSC will include, amongst other institutions, representatives of the MRDI (as the leading counterpart) and the Contracting Authority.

The final composition of the PSC, in cooperation with the tenderer will be agreed jointly by the MRDI and the Contracting Authority.

Other relevant stakeholders will be identified in cooperation with the Beneficiary and will be invited to participate, as per the PSC Agenda. The PSC will be chaired by the MRDI.

The Project Team Leader will act as a secretary and ensure the proper functioning of the PSC meetings, such as preparing agendas; writing minutes, etc. The Beneficiary will provide adequate venue.

4.3.3. Facilities to be provided by the contracting authority and/or other parties

Please refer to section 6.2.

5. LOGISTICS AND TIMING

5.1. Location

The location of the project will be Tbilisi, with travels within Georgia (regions, municipalities).

5.2. Start date & period of implementation

The intended start date is 3rd quarter of 2023 and the period of implementation of the contract will be 24 months from this date. Please see Articles 19.1 and 19.2 of the special conditions for the actual start date and period of implementation.

6. REQUIREMENTS

6.1. Personnel

Note that civil servants and other staff of the public administration, of the partner country or of international/regional organisations based in the country, shall only be approved to work as experts if well justified. The justification should be submitted with the tender and shall include information on the added value the expert will bring as well as proof that the expert is seconded or on personal leave.

Key expert 1: Team leader (360 days)

Team Leader will have the overall responsibility for the coordination and smooth implementation of the project, for ensuring results-oriented planning and monitoring of activities, for the efficient use of project human and financial resources. This includes the timely submission of reports and the responsibility for all contractual and logistic arrangements related to the project.

Qualifications and skills

Master's degree in a field related to this tender. In the absence of the required academic degree, a minimum of 2 years' experience above the general professional experience required below.

General professional experience (gained within the 15 years prior to the submission deadline):

- At least 5 years' experience in supporting national institutions in designing and/or implementing integrated territorial development and/or regional and/or cohesion policies

Specific professional experience (gained within the 7 years prior to the submission deadline):

- working experience as an expert for Public Administration Reform and/or Local and/or Regional Governance and/or Decentralization in at least 2 donor funded technical assistance projects in IPA II and/or EU Neighbourhood countries, working at least 100 days in each project;
- experience as a team leader in at least 2 donor funded technical assistance projects.

Key expert 2: National Project Coordinator (360 days)

S/he will coordinate the project activities and maintain very close communication with the beneficiary institutions, including the Ministry of Regional Development and Infrastructure (MRDI). S/he will support the Team Leader in planning and monitoring the implementation of project activities, work with the non-key experts to be mobilised under the project and ensure proper complementarity.

Qualifications and skills

Master's degree in a field related to this tender. In the absence of the required academic degree, a minimum of 2 years' experience additional to the general professional experience required below

General professional experience (gained within the 15 years prior to the submission deadline):

- At least 5 years' of experience in Local and/or Regional Governance and/or Decentralisation

Specific professional experience (gained within the 7 years prior to the submission deadline):

- Minimum 3 years of experience working with foreign donor funded technical assistance projects whose main objective was to strengthen local and/or regional governance
- Minimum 3 years of experience in developing and/or monitoring national and/or Regional and/or Territorial Development policies within and/or in cooperation with national authorities
- Experience in preparation and/or implementation and/or monitoring of Public Administration Reform in Georgia will be considered an asset

All experts must be independent and free from conflicts of interest in the responsibilities they take on.

6.1.1. Non-key experts

CVs for non-key experts should not be submitted in the tender but the tenderer will have to demonstrate in their offer that they have access to experts with the required profiles.

The contractor must select and hire other experts as required according to the profiles identified in the organisation & methodology. It must clearly indicate the experts' profile so that the applicable daily fee rate in the budget breakdown is clear. All experts must be independent and free from conflicts of interest in the responsibilities they take on.

The selection procedures used by the contractor to select these other experts must be transparent, and must be based on pre-defined criteria, including professional qualifications, absence of conflict of interests, language skills and work experience. The findings of the selection panel must be recorded. The selected experts must be subject to approval by the contracting authority before the start of their implementation of tasks.

6.1.2. Support staff & backstopping

The contractor will provide support facilities to their team of experts (back-stopping) during the implementation of the contract.

Backstopping and support staff costs must be included in the fee rates.

6.2. Office accommodation

Office accommodation of a reasonable standard and of approximately 10 square metres for each expert working on the contract is to be provided by the Ministry of Regional Development and Infrastructure:

6.3. Facilities to be provided by the contractor

The contractor must ensure that experts are adequately supported and equipped. In particular it must ensure that there is sufficient administrative, secretarial and interpreting provision to enable experts to concentrate on their primary responsibilities. It must also transfer funds as necessary to support their work under the contract and to ensure that its employees are paid regularly and in a timely fashion.

6.4. Equipment

No equipment is to be purchased on behalf of the contracting authority / partner country as part of this service contract or transferred to the contracting authority / partner country at the end of this contract. Any equipment related to this contract that is to be acquired by the partner country must be purchased by means of a separate supply tender procedure.

6.5. Incidental expenditure

The provision for incidental expenditure covers ancillary and exceptional eligible expenditure incurred under this contract. It cannot be used for costs that should be covered by the contractor as part of its fee rates, as defined above. Its use is governed by the provisions in the general conditions and the notes in Annex V to the contract. It covers:

- Travel costs and subsistence allowances for missions, outside the normal place of posting, undertaken as part of this contract.

The provision for incidental expenditure for this contract is EUR 550,000.00 This amount must be included unchanged in the budget breakdown. It covers:

- Local transport and travel costs and subsistence allowances for missions to be undertaken as part of this contract from the base of operations in the beneficiary country;
- Costs for training, seminars and workshops (rent of conference room, food and refreshments, translation, training materials),
- costs for participation of the beneficiary representatives in conferences, arranged as part of the project;
- Study visit(s);
- Translation;
- Surveys and studies;
- Communications/Public Relations/Visibility budget (publications, translations, leaflets, spots);

Per diem are daily subsistence allowances that may be reimbursed for missions foreseen in these terms of reference or approved by the Contracting Authority, carried out by the contractor's authorised experts outside the expert's normal place of posting. The per diem is a maximum fixed flat-rate covering daily subsistence costs. These include accommodation, meals, tips and local travel, including travel to and from the airport. Taxi fares are therefore covered by the per diem. Per diem are payable on the basis of the number of hours spent on the mission. Per diem may only be paid in full or in half (no other fractions are possible). A full per diem shall be paid for each 24-hour period spent on mission. Half of a per diem shall be paid in case of a period of at least 12 hours but less than 24 hours spent on mission. No per diem should be paid for missions of less than 12 hours. Travelling time is to be regarded as part of the mission. Any subsistence allowances to be paid for missions undertaken as part of this contract must not exceed the per diem rates published on the website - https://international-partnerships.ec.europa.eu/funding/guidelines/managing-project/diem-rates_en - in force at the time of contract signature.

The contracting authority reserves the right to reject payment of per diem for time spent travelling if the most direct route and the most economical fare criteria have not been applied.

Prior authorisation by the contracting authority for the use of the incidental expenditure **is not needed with the exception of:**

- study tours abroad,
- sub-contracting, and
- items and/or services not explicitly indicated in the list of incidental expenditure under section 6.5 of this ToRs.

The contractor will organize all events related to this project at the place where majority of its participants work, using adequate but not excessive standards of accommodation or catering facilities. **The maximum ceiling for hotel accommodation is set to 100 EUR/person/night and catering at 30 EUR per person/day.**

The Contracting Authority **will not accept any costs resulting from departure from this policy** unless two **cumulative** conditions are met:

1. The higher costs are added value for the project, and
2. The approval of the Project manager has been received **PRIOR** to the event.

6.6. Lump sums

No lump sums are foreseen in this contract.

6.7. Expenditure verification

The provision for expenditure verification covers the fees of the auditor in charge of verifying the expenditure of this contract in order for the contracting authority to check that the invoices submitted are due. The provision for expenditure verification for this contract is **EUR 30 000**. This amount must be included unchanged in the budget breakdown.

This provision cannot be decreased but can be increased during execution of the contract.

7. REPORTS

7.1. Reporting requirements

Please see Article 26 of the general conditions. Interim reports must be prepared every six months during the period of implementation of the tasks. The narrative report should be based on the monitoring and evaluation system set up in the contract, using the Logical framework matrix (annex b8g). In the latter case, a narrative report must inform all the results as measured by the indicators defined in the logical framework. The narrative report must be provided along with the corresponding invoice, the financial report and an expenditure verification report defined in Article 28 of the general conditions. There must be a final report, a final invoice and the financial report accompanied by an expenditure verification report at the end of the period of implementation of the tasks. The draft final report must be submitted at least one month before the end of the period of implementation of the tasks. Note that these interim and final reports are additional to any required in Section 4.2 of these terms of reference.

Each report must consist of a narrative section and a financial section. The financial section must contain details of the time inputs of the experts, incidental expenditure and expenditure verification.

To summarise, in addition to any documents, reports and deliverable specified under the duties and responsibilities of each key expert above, the contractor shall provide the following reports:

Name of report	Content	Time of submission
Inception report	Analysis of existing situation and work plan for the project	No later than 1 month after the start of implementation
6-month progress report	Short description of progress against the achievement of the results as spelled out in the Logframe (attached to the	No later than 1 month after the end of each 6-month implementation period.

	contract, if any). The progress report (technical and financial) should include problems encountered; planned work for the next 6 months accompanied by an invoice and the expenditure verification report.	
Draft final report	Short description of the achievement of the results as spelled out in the Logframe (attached to the contract, if any). The draft final report should include a description of the problems encountered and recommendations.	No later than 1 month before the end of the implementation period.
Final report	Short description of the achievement of the results as spelled out in the Logframe (attached to the contract, if any). The final report should include a description of the problems encountered and recommendations; a final invoice and the financial report accompanied by the expenditure verification report.	Within 1 month of receiving comments on the draft final report from the project manager identified in the contract.

7.2. Submission & approval of reports

2 copies of the reports referred to above must be submitted to the project manager identified in the contract. The reports should distinguish between tasks achieved and considered finished and activities currently under way so that the evolution of the programme is clear.

The reports must be written in English. The project manager is responsible for approving the reports.

No report or document shall be distributed to third parties without prior approval by the Contracting Authority and Beneficiary. The Consultant shall pay particular attention to the confidentiality of data. Reports made by the Consultant will make clear that any opinion expressed therein is the opinion of the Consultant and does not represent the opinion of the Contracting Authority or the Beneficiary.

8. MONITORING AND EVALUATION

8.1. Definition of indicators

The tenderer should define suitable output, result and impact indicators as part of the technical offer when completing the attached logical framework matrix template. The quality of the completed log-frame and related indicators will be evaluated and scored as part of the strategy part of the offer.

In the Inception Report, the Contractor will present updated objectively quantifiable indicators.

The final agreed indicators in the log-frame will serve as a basis for both regular internal Commission monitoring, as well as external monitoring, of the performance of the contract.

8.2. Special requirements

N/A

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