

# **TERMS OF REFERENCE**

Sector Assessments for preparing the Sector  
Approach in IPA II

<b>1.</b>	<b>BACKGROUND INFORMATION .....</b>	<b>3</b>
1.1.	Beneficiary country .....	3
1.2.	Contracting Authority .....	3
1.3.	Relevant country background .....	3
1.4.	Current state of affairs in the relevant sector .....	3
<b>2.</b>	<b>OBJECTIVE, PURPOSE &amp; EXPECTED RESULTS .....</b>	<b>4</b>
2.1.	Overall objective.....	4
2.2.	Purpose .....	5
2.3.	Results to be achieved by the Consultant .....	5
<b>3.</b>	<b>ASSUMPTIONS &amp; RISKS .....</b>	<b>6</b>
3.1.	Assumptions underlying the project intervention .....	6
3.2.	Risks .....	7
<b>4.</b>	<b>SCOPE OF THE WORK.....</b>	<b>7</b>
4.1.	General.....	7
4.2.	Specific activities.....	7
4.3.	Project management.....	8
<b>5.</b>	<b>LOGISTICS AND TIMING .....</b>	<b>8</b>
5.1.	Location .....	8
5.2.	Commencement date & Period of implementation.....	8
<b>6.</b>	<b>REQUIREMENTS .....</b>	<b>9</b>
6.1.	Personnel .....	9
6.2.	Office accommodation.....	9
6.3.	Facilities to be provided by the Consultant .....	8
6.4.	Equipment.....	8
6.5.	Incidental expenditure .....	8
6.6.	Expenditure verification .....	9
<b>7.</b>	<b>REPORTS .....</b>	<b>9</b>
7.1.	Reporting requirements .....	9
7.2.	Submission & approval of reports .....	9
<b>8.</b>	<b>MONITORING AND EVALUATION.....</b>	<b>11</b>
8.1.	Definition of indicators.....	11
8.2.	Special requirements.....	11
<b>9.</b>	<b>Award of the Tender .....</b>	<b>11</b>

## 1. BACKGROUND INFORMATION

### 1.1. *Beneficiary country*

The beneficiary of this assignment is the EU Delegation to the Republic of Albania.

### 1.2. *Contracting Authority*

The Contracting Authority for the assignment is the Delegation of the European Union to Albania.

### 1.3. *Relevant country background*

Albania is a potential candidate country for EU accession following the Thessaloniki European Council of June 2003. The Stabilisation and Association Agreement (SAA) with the country was signed on 12 June 2006 and entered into force on 1 April 2009. The EU-Albania visa facilitation agreement entered into force in January 2008. A related readmission agreement entered into force in 2006.

In its 2012 Enlargement Package, the Commission concluded that Albania made progress towards fulfilling the political criteria for membership of the EU delivering a number of substantial reforms in areas under the key priorities of the Commission's 2010 Opinion.

The Commission has provided substantial financial support to Albania since 1999. Under the Instrument for Pre-Accession (IPA), Albania received €418 million over the period 2007-2012 for national programs. The national programme for IPA 2013 is currently under preparation and will include approximately additional €84 million. Key priorities include the strengthening of administrative capacity at all levels, enhancing the rule of law, human rights and good governance, improving socio-economic conditions for all communities, and developing regional cooperation.

The IPA instrument runs up to 2013 in line with the Multi Annual Financial Framework of the EU budget. A follow up program, the IPA II, is currently being prepared and will cover the period 2014 to 2020. Although the EU budget is currently under preparation and financial allocations are not known, there is a need to prepare the strategic framework of future assistance (Country Strategy Papers) and take initial steps towards preparing proposals for funding for 2014 allocations and beyond.

### 1.4. *Current state of affairs in the relevant sector*

The approach of IPA II will be based on the Sector Wide Approach. As compared to IPA I, IPA II will strengthen the intervention logic, ownership and impact by focussing assistance on the achievement of national sector policy objectives and results.

Sector support will be provided by means of projects and, wherever possible, annual / multi-annual Sector Support Programmes in all policy areas covered by IPA II.

It is intended that Sector Support Programmes will be developed for sectors defined in the Country Strategy Papers and that each of these programmes should have clearly formulated objectives, targets and results.

In this regard, a **sector approach (SA)** is defined<sup>1</sup> as a process which aims to broaden government and national ownership over public sector policy and decisions on resource allocation within the sector, thereby increasing the coherence between sector policy, government spending and the achievement of results. SAs have the following features (a) leadership by the governmental authorities; (b) a single comprehensive budget framework, (c) functional donor coordination with harmonised reporting and monitoring procedures.

A **Sector Support Programme (SSP)** supports the implementation of a national sector policy/strategy. It is a set of inter-related measures and operations (activities) which address the same mid/ long-term priorities and objective(s). A SSP is implemented through IPA funds in addition to national co-financing incl. other donor funds.

In order to take a decision whether a certain sector should better be supported through Sector Programs or traditional stand-alone projects, there is a need to assess each sector through specific criteria.

There are five key criteria, notably:

1. Sector definition and quality of national sector policies /strategies;
2. Institutional setting, leadership and capacity for implementation;
3. Sector and donor coordination;
4. Mid-term budgetary perspectives for sector policy implementation based on sector budget analysis and sector allocations in Mid-Term Expenditure Frameworks (MTEFs)
5. Monitoring of sector policy implementation and in particular the development of Performance Assessment Frameworks (PAFs).

Two additional criteria should also be considered in cases where Sector Reform Contracts<sup>2</sup> will be the chosen financing modality. These are:

6. Public finance management arrangements for sector budgets;
7. Existing and projected macro-economic framework in which sector policies will be implemented.

These assessments will be coordinated by the Commission (DG Enlargement) in partnership with the national authorities (National IPA Coordinator, NIPAC). It is envisaged to engage external expertise on a case by case basis for these assessments. The present assignment will contribute to carrying out the assessments as further outlined below.

## 2. OBJECTIVE, PURPOSE & EXPECTED RESULTS

### 2.1. *Overall objective*

The objective of the assignment is to support EU services contributing to the preparation of information required to take strategic choices for providing support to Albania through the forthcoming EU IPA II programme.

---

<sup>1</sup>How to Note (2010): Implementing Sector Approaches in the Context of EU Accession

<sup>2</sup> Equivalent to 'Sector Budget Support' during the 2007-13 EU budgetary period.

## 2.2. *Purpose*

The purpose of the assignment is to provide specific contributions for the sector assessments required for the IPA II Country Strategy Papers and to provide assistance related to the preparation of initial support through the 2014 financial allocations.

## 2.3. *Results to be achieved by the Consultant*

It is expected that the consultant achieves the following results in cooperation with the NIPAC and the EUD:

0. Analysis carried out on policy papers, policy declarations, annual budget, multiannual budgets prepared by Albanian Government
1. Contributions prepared regarding the sector policy and strategy assessments. In some sectors initial analysis of existing strategies, national policy papers have been prepared by the EU headquarters which need to be verified and completed;
2. Contributions prepared to identify possible needs for additional external expertise regarding the institutional review and capacity assessment of line ministries and assist these experts during the assessment;
3. Contributions prepared for the assessment of sector and donor coordination;
4. Contributions prepared to identify exact needs for additional external expertise regarding the sector budget analysis and assist these experts during the assessment;
5. Contributions prepared for the assessment of relevant sector monitoring systems in close cooperation with other ongoing initiatives, notably carried out by the World Bank;
6. In addition, the expert will assist in identifying needs for further studies and external expertise and to coordinate timing and outputs for following external assistance: cross cutting issues, identification of sectoral indicators, identification of legislative gaps in areas relevant for EU integration.

This list is indicative and might be further refined during the course of the preparations for IPA II.

## 3. **ASSUMPTIONS & RISKS**

### 3.1. *Assumptions underlying the project intervention*

The underlying assumption to the performance of the foreseen activities is that the information which will be required by the expert to compile and produce reports related to sector approach will be made available by the Albanian Government within useful time so as to achieve their objectives.

### 3.2. *Risks*

No risks are foreseen to be encountered on the implementation of the activities.

## 4. SCOPE OF THE WORK

### 4.1. *General*

#### 4.1.1. Project description

Provide assistance to the EU services with regard to new the strategic approach included IPA II (sectoral approach).

#### 4.1.2. Geographical area to be covered

Republic of Albania

#### 4.1.3. Target groups

The project's target group are the National IPA Coordinator and EUD Delegation. Regarding the individual sectors, the assignment will facilitate the cooperation with relevant line Ministries, other donors, and other relevant institutions on a case by case basis.

### 4.2. *Specific activities*

The present assignment will provide the contributions and assistance outlined above in line with the directions and guidance provided by the EUD and closely observe the specifications of the DG Enlargement manual 'Establishing Sector Approach in pre-Accession Assistance.'

The activities will be the following:

0. Collection of information on policy papers, policy declarations, annual budget, multiannual budgets prepared by Albanian Government, preparation of reports outlining the most significant parts of such documents in view of establishing sectoral assessments, strategic papers for IPA planning, complementary actions financed under IPA in order to foster national policies aimed at EU integration.
1. Implementation of the analysis of documents mentioned above in view of the preparation of contributions for the establishment of sector policy and strategy assessments. In some sectors initial analysis of existing strategies, have been prepared by the EU headquarters which need to be verified and completed;
2. Analysis of the fields of possible supplementary expertise required for institutional review and capacity assessment in line ministries that could be working in sectoral approach context and assist these experts during the assessment;
3. Support the organisation of donor coordination and in particular of sector working groups in order to facilitate discussions among donors focused on sectoral approach in particular in those sectors that are strategic in the integration process (justice home affairs, public administration reform etc...);

4. Analysis of the budget (annual and multiannual) in order to verify alignment with national policies and EU integration policies in alignmentcollaboration SIGMA When necessary identification of possible supplementary additional expertise to be mobilised regarding the sector budget analysis and assistance of these experts during the assessment;
5. Collaboration with World Bank and DSDC in order in order to follow up the assesment of relevant sector monitoring systems;
6. In addition, the expert will assist in identifying needs for further studies and external expertise (ToR, timing and outputs) for the mobilisation of possible assistance and expertise on cross cutting issues such as : identification of sectoral indicators (if needed), gap identification in the legislative process related to EU integration, mobilisation of assistance in the preparation/update/improvement of strategies

#### **4.3. *Project management***

##### **4.3.1. *Responsible body***

The Contracting authority for this project is the European Commission. The EU Delegation in Tirana is the responsible body on behalf of the European Commission. As such the EU Delegation is responsible for all contractual issues arising and for the proper use of project funds. The Delegation is also responsible for co-ordination of regular and the EC external monitoring, as well as any ex-post project evaluation.

##### **4.3.2. *Facilities to be provided by the Contracting Authority and/or other parties***

No facilities will be provided by the Contracting Authority.

### **5. LOGISTICS AND TIMING**

#### **5.1. *Location***

The project will be located and based in Tirana. Travel could be required to other districts in Albania or to Brussels to visit European Commission Services.

#### **5.2. *Commencement date & Period of implementation***

The intended commencement date is December 2012 and the period of implementation of the contract will be **10 months** from this date. Please refer to Articles 4 and 5 of the Special Conditions for the actual commencement date and period of implementation.

The Contracting Authority may, at its own discretion, extend the project in duration and/or scope subject to the availability of funding. Any extension of the contract will depend on the outcome of the initial contract and be subject to satisfactory performance by the consultant. The Contracting Authority also reserves the right to award a contract for additional services subject to the same conditions above-mentioned.

## 6. REQUIREMENTS

### 6.1. *Personnel*

#### 6.1.1. Key expert

One expert will be in charge of the tasks that are mentioned above. The profile of the expert for this contract is the following:

#### **Responsibilities:**

The expert's presence will be full time in Albania for the duration of this project. Possible missions to Brussels could be foreseen to be paid via reimbursable funds included in the contract.

He / She is responsible for the day-to-day liaison with the EU Delegation, MEI, and all target institutions as well as for organising and managing the project activities.

The expert is also required to regularly review other ongoing and planned EU and donor support projects in sectors that are relevant for EU integration to ensure close consultation and synergies among different interventions.

#### **Qualifications and Skills**

- University degree/master in law, economics, public administration or public management, or any other relevant area for the project.
- Computer literacy.
- Fluency in both written and spoken English and Albanian

#### **General Professional Experience**

- At least 15 years of experience related to execution of assistance, projects and follow up of EU affairs in a candidate/potential candidate country

#### **Specific Professional Experience**

- Not less than 3 years experience working directly with the EU integration (enlargement) process, donor coordination, sector approach, public finance management

### 6.2. *Facilities to be provided by the Consultant*

The expert shall be adequately equipped (his own office, telephone lines, internet access, computer, printer and relevant software, photocopying equipment).

### 6.3. *Equipment*

No equipment is to be purchased on behalf of the Contracting Authority / beneficiary country as part of this service contract or transferred to the Contracting Authority / beneficiary country at the end of this contract.

### 6.4. *Incidental expenditure*



The Provision for incidental expenditure covers the ancillary and exceptional eligible expenditure incurred under this contract. It covers:

- Travel costs and subsistence allowances for missions, outside the normal place of posting,
- Translation of project documentation and other relevant documents;

The Provision for incidental expenditure for this contract is EUR 2.000. This amount must be included without modification in the Budget breakdown.

### **6.5. *Expenditure verification***

No provision for expenditure verification is foreseen.

## **7. REPORTS**

### **7.1. *Reporting requirements***

Please refer to Article 26 of the General Conditions.

Monthly activity reports (bullet points by e-mail ) to very briefly inform us about major developments.

Interim reports must be prepared every three months during the period of implementation of the tasks. They must be provided along with the corresponding invoice, the financial report. No verification report defined in Article 28 of the General Conditions is required.

There must be a final report, a final invoice and the financial 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.

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

The EU Delegation will require ad hoc reports following the developments that will take place in the different sectors or reports related to the implementation of the national budget.

### **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 must be written in English. The Project Manager is responsible for approving the reports.

## **8. MONITORING AND EVALUATION**

### **8.1. *Definition of indicators***

The project will be monitored according to standard EU standard procedures. Project monitoring and evaluation will be based on periodic assessment of progress on delivery of specified project results and towards achievement of project objectives.

The indicators required for monitoring are the periodical reports and the documents provided by the expert to the possible punctual requests established by the Delegation.

## 8.2. *Special requirements*

None

## 9. AWARD OF THE TENDER

An evaluation committee will evaluate the offers according to the following score (maximum score 100 points):

### 1) Technical (maximum score 80 points)

10 points	Professional education
40 points	Professional experience
30 points	Previous experience in supporting public administration in sector analysis, strategy preparation, budget analysis and policy making

Only offers with score of at least 65 points from technical evaluation will qualify for financial evaluation.

### 2) Financial (maximum score 20 points):

20 points	Financial offer (the lowest offer receiving the highest score)
-----------	--

The points will be attributed using this formula:

$$\text{Score of Tender X} = \frac{\text{Cheapest price}}{\text{Price of tender X}} \times 20 \text{ points}$$

**The maximum contract amount will be 25,000 EUR (of which 2,000 will be incidentals).**

**Costs incurred in preparing and submitting tenders are borne by the tenderers and cannot be reimbursed.**