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## **LIST OF ABBREVIATIONS**

AA – Association Agreement EU-Georgia

AoG – Administration of the Government of Georgia

DCFTA – Deep and Comprehensive Free Trade Area

EaP – Eastern Partnership

ENP – European Neighbourhood Policy

ENP AP – European Neighbourhood Policy Action Plan

ENI – European Neighbourhood Instrument

EUD – Delegation of the European Union to Georgia

GoG – Government of Georgia

LEPL – Legal Entity of Public Law

MEPA – Ministry of Environment Protection and Agriculture

MFA – Ministry of Foreign Affairs

MoESCY - Ministry of Education, Science, Culture and Youth

MoESD – Ministry of Economy and Sustainable Development

MoIDPHLSA - Ministry of Internally Displaced Persons, Health, Labour and Social Affairs

MoF – Ministry of Finance

MoJ – Ministry of Justice

PAO – Programme Administration Office

PMO – Prime Minister's Office

PPA – Principles of Public Administration, elaborated by SIGMA in 2014

SIGMA - EU/OECD programme Support for Improvement of Governance and Management

SSF –Strategic Support Framework 2017-2020

VLAP – Visa Liberalisation Action Plan

## 1. BACKGROUND INFORMATION

### 1.1. Partner country

Georgia

### 1.2. Contracting Authority

The Delegation of the European Union to Georgia

### 1.3. Country background

Georgia is a lower-middle income country<sup>1</sup> with a population of 3.7 million, of which 57% live in urban areas and 13% are national minorities. The country has a gross national income per capita of US\$ 3,759 (2015) and ranks 76 out of 194 countries/territories in the UN Human Development Index.

**Politically**, the country is a stable representative democracy (shifted from semi-presidential to parliamentary system with the constitutional changes adopted in fall 2017). General elections took place in October 2016 and local elections in October 2017; they were overall competitive and fundamental freedoms were generally respected; their outcome and the constitutional majority enjoyed by the ruling parties technically allow ambitious reforms. Georgia has transitioned from a presidential to a parliamentary government system, in which the core power lies with the Government. **Economically**, Georgia experienced very rapid growth of 8-10% (2000-2008) and a sharp economic slowdown in 2015-2016. Showing solid recovery, Georgia's GDP increased reaching 5.0% in 2017. According to the 2018 World Bank Doing Business Index Georgia is on 9<sup>th</sup> position amongst 190 countries. In the 2016 Transparency International – Corruption Perception Index Georgia appeared on 44<sup>th</sup> position among 176 countries. The **EU is Georgia's first trade partner** with 27% of its total trade (EUR 2.66 billion in 2017).

The **Government's national development Strategy "Georgia 2020"** (November 2013) underlines the need to introduce economic reforms to stimulate growth of small and medium sized enterprises, enhance trade and revitalise the agriculture sector as a means to address poverty and unemployment. After the parliamentary elections of October 2016, the Government has renewed its commitment for structural reforms and economic stimulation measures to ensure inclusive socio-economic growth (Government Programmes 2016-2020 and 5-points plan 2018-2020). In November 2017 and July 2018, the Government undertook two rounds of major restructuration of ministries; leading, *inter alia*, to the merger of several ministries.

Georgia's aspiration for a political and economic integration with the European Union, embodied by the **Association Agreement**, continues to attract broad support from across the Georgian society (81% in June 2018 polls). Overall, the implementation of commitments stemming from the Association Agreement and the DCFTA continues in line with agreed timelines.

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<sup>1</sup> Georgia was re-classified by the World Bank from an upper-middle to a lower-middle income country for 2018 (World Bank Atlas method).

The EU and Georgia agreed to substantially deepen and progress their relations in the framework of the **Eastern Partnership (EaP)** launched in May 2009, as a special Eastern dimension of the ENP. Through this initiative, the EU supports reforms in the relevant partner countries aiming at consolidation of democracy, rule of law, respect for human rights and open market economy. The 2017 EaP summit confirmed the ambition for further cooperation, while, through the **"20 deliverables for 2020"** setting clear objectives and deliverables of the regional cooperation in the areas of governance, economic development, connectivity energy environment and mobility and people-to people. As a part of the Eastern Partnership's bilateral agenda, the Government of Georgia and the European Union have signed in 2014 the **EU-Georgia Association Agreement (AA)**<sup>2</sup>, **including the Deep and Comprehensive Free Trade Area**. The Association Agreement fully entered into force on 1 July 2016, replacing the former EU-Georgia Partnership and Cooperation Agreement (PCA).

The **Dialogue on Visa Liberalisation** was officially launched in May 2012. The cooperation within the Visa Dialogue has delivered concrete results: comprehensive reforms undertaken by Georgian state institutions with the aim of meeting the benchmarks set under the VLAP paved the path to a free travel to the Schengen area that Georgian citizens have been benefitting from since 28 March 2017.

The **Single Support Framework (SSF)**, adopted at the end of 2017, contributes to the implementation of the Association Agreement and to supporting key structural and institutional reforms. The SSF is fully in line with the priorities of the Georgian Government as stipulated in the **Government Programme 2018-2020**.

#### 1.4. Current situation in the sector

The Government recognises the strategic importance of reforming its public administration for its overall reform aspirations and to the effective implementation of the EU-Georgia Agreements<sup>3</sup>. According to 2018 World Bank Worldwide Governance Indicators, Georgia scored 77.40% on Control of Corruption, improved its position on Regulatory Quality with 81.73% scoring and now ranked 38<sup>th</sup>, ranking 59<sup>th</sup> in terms of Government Effectiveness. Still, the current Government Programme 2018-2020 confirms the ambition for further progress. It defines the vision on sovereign development, according to which a small yet effective, efficient, and flexible government concept is a new priority of the Government<sup>4</sup>. To that end, building on on-going sector reforms and with the general aim to improve the transparency, predictability, accountability and efficiency of the public administration of Georgia, the Government adopted in 2015 the first overarching Public Administration Reform Roadmap ("PAR Roadmap 2015-2020). Built upon the "Principles of Public Administration"<sup>5</sup>, the Roadmap covers six main pillars: 1- policy development and coordination, 2-civil service reform, 3-accountability, 4-public finance management, 5-public service delivery and 6-local self-government development. Action plans (2015-2016, 2017-2018 and 2019-2020 under elaboration) define the priorities in each area.

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<sup>2</sup> [http://eeas.europa.eu/georgia/pdf/eu-ge\\_aa-dcfta\\_en.pdf](http://eeas.europa.eu/georgia/pdf/eu-ge_aa-dcfta_en.pdf)

<sup>3</sup> The Preamble of the EU-Georgia Association Agreement refers to the mutual commitment to cooperation in good governance areas, including in the fields of public administration and civil service reform and the fight against corruption, as preconditions for the effective implementation of the Agreement.

<sup>4</sup> "Georgia needs a small, flexible, and effective bureaucracy. Government agencies operate with high standards of transparency and are subject to public and institutional control, including the anti-corruption prism".

<sup>5</sup> developed by OECD/SIGMA in cooperation with the European Commission, these principles serve as reference framework for the assessment and further development of policies in the field: <http://www.sigmaweb.org/publications/Principles-Public-Administration-Nov2014.pdf>

The Administration of Government, attached to Prime Minister's office, has the mandate of coordinating Government's action and PA reform. Key other institutions involved in reforms are: Civil Service Bureau, Ministries of Finance, Justice, Regional Development and Infrastructure, Education and Science, Health Labour and Social Affairs, Environment Protection and Agriculture, Economy and Sustainable Development, and their agencies.

For the purpose of coordination and monitoring of the reforms, the Public Administration Reform Council was established in 2016. It is tasked with the coordination, monitoring and reporting on the implementation of the PAR Roadmap and its respective action plans, discussion of the actions, initiatives and legislative amendments, drafting of recommendations on renewal of the Roadmap and relevant action plan and discussion of recommendations by the international organisations and other stakeholders. The Policy Planning and Coordination Department of the Administration of Government (AoG) serves as the Council Secretariat.

### ***Central Government Reform***

Since the new model of state arrangement was introduced in the country, the power of the Prime Minister's office was increased, leading to the expansion of the role and functions of the Administration of the Government which envisages the development of policy planning process at the central level. With the assistance of OECD/SIGMA, the Government carried out a functional review of the Administration of Government (AoG)<sup>6</sup> in 2013, and on the basis of the findings a number of initiatives were introduced to strengthen the capacity of the Centre of Governance to coordinate and monitor public policy. To this end, a new structural unit - Department of Policy Planning and Coordination was established in the Administration of the Government of Georgia.

In August 2014, the Government officially nominated the Department for Policy Planning and Coordination within the AoG as the principal counterpart for the EU-funded transversal programme in support to PAR (2016-2021).

Today, the department consists of three units: Programmes Coordination, Donor Coordination and Reforms and Innovations (currently total number of staff is 10 persons)<sup>7</sup>.

Programmes Coordination Unit is responsible for:

- Continuous development of government performance – Sustainable improvement of policy planning, monitoring and evaluation systems
- Identifying general and sectoral strategic priorities of the Government of Georgia
- Reviewing initiatives/policies/strategic documents submitted to the Government and providing analytical support to the Prime Minister and Head of the Administration
- Serving as secretariat of the Public Administration Reform (PAR) and Sustainable Development Goals (SDGs) Council. It leads and coordinates the implementation of the Public Administration Reform and Policy Planning System Reform in the country.

### **Policy development and coordination**

Since 2015, the Government of Georgia is fast-tracking reform of the policy planning system. Significant efforts have been aimed at setting a solid methodological foundation

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<sup>6</sup> The AoG was previously known as the State Chancellery

<sup>7</sup> A Department for Policy Analysis, Strategic Planning and Coordination was established within the AoG in February 2014, with initial plan for 20 staff

for the full, inclusive review process. Major steps have been taken to ensure the proper linkage between policy planning and legislation and between the policy planning and budgeting: comprehensive methodological framework on the Policy Planning and Monitoring and Evaluation was adopted by the Government of Georgia.

SIGMA conducted in 2017-2018 a comprehensive baseline assessment on policy development and coordination according to the Principles of Public Administration<sup>8</sup>. The AoG is currently working on the revision of the Policy Planning, Monitoring & Evaluation Handbook, as well as the Policy Development Strategy, based on the SIGMA findings and recommendations.

It shall be also noted that the Government of Georgia decided to fully integrate Sustainable Development Goals into national policy planning process and to contribute to successful implementation of its objectives. With this decision, Georgia is explicitly aligning its national policies with the SDGs, transforming each of its commitments into a specific policy outcome which addresses a national development challenge. AoG is also developing the unified electronic platform for policy planning and monitoring that will combine all policy documents in one single space.

Furthermore, to meet the obligations for legal approximation under the AA in the different fields, intense work is being carried out for introducing unified methodology for legal approximation and impact assessment approach in policy and law making.

Efforts are thus being conducted in different directions for strengthening quality of policy planning. Nevertheless, focus still needs to be brought to the data production and analysis, coordination and M&E as well as reporting of public policies. Cooperation between Policy units at ministries and GEOSTAT is uneven. This renders baselines and setting measurable targets for policies difficult to establish but also affect the monitoring of their implementation.

To this end, the State Statistical Office, GEOSTAT, still remains largely marginal to the policy development process whereas GEOSTAT occupies a central role in the implementation of the Association Agreement. The Statistics Chapter of the AA defines a number of specific tasks to be completed by GEOSTAT, and the Annex to the Statistics Chapter (which forms a constituent part of the AA) requires GEOSTAT to approximate EUROSTAT's Statistical Compendium. GEOSTAT will also be expected to develop the data upon which other Ministries will elaborate the policies that they are required to implement in order to fulfil their obligations under the AA. Current support to GEOSTAT, through several twinning and TA projects target sector-related statistic production, but there is a need to accommodate GEOSTAT in the broader policy-making framework. In addition, the PAR Action Plan foresees initiatives to strengthen the use of empirical data by line Ministries during the policy formulation and monitoring process, and to develop innovative actions to facilitate access to Government data on-line.

CSOs and social partner organisations are very active in policy discussions with the central Government and in monitoring the implementation of policy. Indeed, many line Ministries have established formal consultative committees through which to engage with CSOs and have actively encouraged CSOs to become involved in the delivery of policy/services. The Policy Planning Strategy sets the requirement for systematic public consultation in policy-development. Still, consultation processes are neither systematic nor robust, and civic engagement in public policies remains low, in the capital as well as in the regions.

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<sup>8</sup> <http://www.sigmaweb.org/publications/Baseline-Measurement-Report-2018-Georgia.pdf> - May 2018

### ***Civil Service reform (CSR)***

In 2014, the civil service reform in Georgia transitioned into an active phase of development with the introduction of the CSR Concept, adopted by the Government in November 2014. The Concept embraces the Principles of Public Administration and values of merit-based civil service, including legal predictability and accountability, impartiality, integrity, meritocracy and political neutrality. This set the basis for wide and profound reforms within all public institutions of the country.

The Civil Service Bureau (CSB)<sup>9</sup> is tasked with the development of uniform civil service state policy as well as to draft related legislation and ensure successful implementation of the civil service reform through coordinating necessary actions. In close cooperation with Human Resources Management (HRM) units of public institutions, the CSB prepares annual HRM plans and maintains a unified electronic Human Resources Management System (e-HRMS). Moreover CSB develops unified standards for the professional development of civil servants and supervises observance of those standards. The CSB is a relatively small public entity with up to 50 employees distributed among 5 departments covering: analytical, HRM policy, asset declaration supervision and monitoring and legal expertise.

A Civil Service Law was adopted in October 2015 and entered into force on the 1<sup>st</sup> July 2017. It defines the general principles governing the entire civil service (central and subnational levels) and is complemented by secondary and tertiary legislation and regulations adopted in 2017-2018. A new Law on Remuneration in the Public Service was adopted in December 2017, entered into force in January 2018. It aims to set a coherent and unified remuneration scheme applied by all central and local institutions. The CSB is also working on the development of unified standards for civil servants, the elaboration of an annual training work programme, the establishment of a system of certification for civil servants, and the restructuring of Human Resource units within the line Ministries in accordance with Article 24 of the new Civil Service Law.

The CSB, with donors' assistance, has developed and adopted a standard methodology for carrying out institutional reviews of all line ministries, carried out in all 19 ministries and state ministries in 2016-17. The reviews were used to catalogue the different organisational arrangements, disposition of staffing, internal procedures and to guide the CSB in the development of the legislation and regulations required by the new Civil Service Law. The reviews also provided data for the AoG in formulating the methodology for conducting comprehensive functional reviews of the line ministries and develop its approach to the introduction of a more policy-driven, results-based management approach into the line ministries.

In terms of accountability of the public service, two main measures are to be mentioned: on the one side, the law on Conflict of Interest and Corruption in Public Institutions (CoI) was amended in 2015 (entered into force in January 2017) to establish a monitoring system of the public officials' asset declarations. This was a benchmark identified through the VLAP, with the aim to increase accountability of public official and prevent fraud and corruption. The CSB is tasked with the verification of declarations, and, in case of inaccuracy, decide on administrative fine or refer the case to law enforcement agencies. On the side, the decree on "General Code of Ethics and Conduct for Civil Service" was adopted by the Government in April 2017. The new Code establishes the general framework to create ethical environment by defining standards of professional conduct of

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<sup>9</sup> Legal Entity of Public Law (LEPL) linked to the Prime Minister's Office

civil servants and public officials<sup>10</sup>. The Code also defines the. In addition, the CSB conducts trainings on Ethics and novelties of the Law for representatives of public institutions on a regular basis.

All these measures and changes in the various directions are led and coordinated by the CSB, but require institutions to adapt and relevant units' capacities to be strengthened to properly implement the reform.

### ***Accountability - anti-corruption***

The current national Anti-Corruption Strategy was adopted by Presidential Decree in 2010, with an associated Action Plan 2010-2013. In 2013, in order to integrate all anticorruption efforts and new objectives of the Government into one overall and comprehensive strategic framework, the Anti-Corruption Council decided to update the existing Anti-Corruption Strategy adopted in 2010<sup>11</sup> and to develop a new Action Plan for 2015-2016. Revised Anti-Corruption Strategy and new Action Plan for 2015-2016 was adopted by the Anti-Corruption Council on February 4, 2015 and then approved by the Government of Georgia on April 20, 2015. The Strategy and 2017-2018 action plan have been adopted by the Government of Georgia by Decree N443 in September 2017. The policy documents are based on 16 strategic priorities for prevention of corruption and a chapter on criminalization of corruption, effective identification and prosecution of corruption.

### **The Anti-Corruption policy covers following strategic priorities:**

1. Effective interagency coordination for the prevention of corruption;
2. Prevention of corruption in public service;
3. Openness, access to public information and civic participation in the fight against corruption;
4. Education and public awareness raising with the aim of corruption prevention;
5. Prevention of corruption in law-enforcement bodies;
6. Prevention of corruption in judiciary;
7. Ensuring transparency and prevention of corruption risks in public finance and public procurement spheres;
8. Prevention of corruption in customs and tax system;
9. Prevention of corruption in private sector;
10. Prevention of corruption in health and social sector;
11. Prevention of political corruption;
12. Prevention of corruption in defence sector;
13. Reduction of corruption risks in regulatory bodies;
14. Corruption prevention in sport sector;
15. Prevention of corruption in infrastructural projects;
16. Prevention of corruption in the activities of self-governing bodies.

The Anti-Corruption Council was originally created by the Presidential Decree in 2008. Its Statute and the membership of the Anti-Corruption Council were revised by Government Decree N 390 in December 2013. The Anti-Corruption Council is chaired by Minister of Justice. Its composition was expanded several times. Currently, the Council consists of 55 members drawn from line Ministries, State Agencies, Civil Society Organisations, international organisations, donors and business associations.

### ***Accountability - transparency***

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<sup>10</sup> President, Members of Parliament, Ministers and judges are excepted

<sup>11</sup> Anti-Corruption Strategy of Georgia is a living document which is to be updated regularly.



The Georgian Government became a member of the Open Government Partnership (OGP) in August 2011. The OGP is a voluntary international initiative, which aims to promote transparency, empower citizens, fight corruption, and harness new technologies to strengthen governance. The Ministry of Justice has been assigned responsibility (by Government Decree in 2013) for leading the implementation of the OGP in Georgia. The coordination body for the Partnership is the Open Government Georgia Forum, which includes, *inter alia*, the Public Service Development Agency, the Data Exchange Agency, the Ministry of Labour, Health and Social Affairs, the Ombudsman, the Supreme Audit Institution, the Competition and State Procurement Agency, the Ministry of Internal Affairs, the Supreme Court, and the Civil Service Bureau and civil society organisations. A revised Action Plan 2016-2017 was adopted by the OGP Forum then by the Government in 2017. Ministry of Justice prepared the new OGP national Action Plan for 2018-2019, adopted by the OGP Forum in July and it is foreseen that the Action Plan will be adopted by the end of September by the Government. Georgia is now chairing OGP and hosted the 5<sup>th</sup> OGP international summit in July 2018. The summit was focused to address three priority areas: anticorruption, civic engagement and public service delivery.

### ***Accountability - Freedom of Information***

Georgia is a signatory of the International Covenant on Civil and Political Rights. Under this instrument, there is a formal obligation for the State to ensure that the national legislation, administrative practice and courts' decisions are in compliance with the standards established by Article 19 of the Covenant, which relates to access to information. Pursuant to Article 17 of the Constitution of Georgia, everyone has the right to freely receive and impart information, express and disseminate opinion verbally, in writing or by other means. Article 18 of the Constitution stipulates that every citizen has the right to inspect information that state institutions hold on him (her), as well as that contained in official documents, provided that they do not contain state, professional or commercial secrets.

The current practice established by state institutions does not comply with the requirement of easy, prompt, effective and practical access to public information. It is evident that Georgian legislation in this area needs to be improved notably with respect to the regulation of state and commercial secrets, implementing the public interest test, and providing a proper balance between the restrictions and protection of the right (principle of proportionality). There is also a need to strengthen oversight of the application of the current legislation. A standalone Freedom of Information Law has been drafted by the ministry of Justice of Georgia with contribution of several CSOs and submitted to the members of Anti-Corruption council of Georgia and wide range of other stakeholders to comment in 2017-2018.

### ***Local Self-government reform<sup>12</sup>***

The Association Agreement requires Georgia to establish “multi-level governance and partnership” (Articles 372 and 373). Implicitly this implies that Georgia will commit to and apply the principles of the European Charter of Local Self-government, which require that local self-governments are accorded the legal competence to manage a substantial portion of local affairs and afforded the fiscal and human resources necessary to do so; and secondly, it presumes that the assignment of competencies between central and local public administrations will be based on the principle of “subsidiarity”. The Organic Law of

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<sup>12</sup> The Ministry of Regional Development and Infrastructure is responsible for oversight of local government issues

Georgia Local Self-Government Code adopted in 2014<sup>13</sup> defines a lengthy list of competencies assigned to local self-governments. However, in practice, the local self-governments rarely get to exercise their competencies for three principal reasons: the national and district level structures of the line Ministries displace the local authorities and effectively subsume responsibility for decision-taking and the delivery of services at the local level; the resources allocated to local self-governments either through the raising and retention of local taxes or through the equalisation formula are insufficient to allow them to fulfil their statutory responsibilities; and finally, they lack the technical and human resource capacities to perform their functions efficiently and effectively.

The current Local Self-Government Code regulates local level public incomes and expenditures in the following way: a) property tax belongs to the municipalities, b) personal income tax is expected to be divided between the state, the Autonomous Republics and the municipalities (Article 154 of the Code of Local Self-government)<sup>14</sup>, and c) for municipalities that are still underfinanced, the MoF provides equalisation from the state budget. The new Code requires that local authorities be permitted to retain a measure of personal income tax in addition to their existing funding sources, although it appears that this particular provision will not come into force until the 1<sup>st</sup> January 2018 and the precise percentage of monies to be retained has not yet been defined.

There is consensus that human resource management and development at local levels is extremely weak. While in part this can be attributed to low pay, unattractive working conditions, and limited career prospects, the weak capacities of local self-governments are compounded by the absence of a systemic approach to the training of civil servants at the local level. Moreover, there are few local organisations (CSOs/NGOs) in the smaller towns capable of delivering the specialist training required. The net effect is that the local authorities quite often fail to meet their obligations as provided for by the legislation simply because they do not have the human resource capacities to do so (e.g. designing municipal development plans, developing spatial plans, programme budgeting, etc.).

As a remedy, the Government jointly with the Parliament initiated in 2017 the work for further empowerment of local authorities through a new Decentralisation Strategy.

### ***Public service delivery and e-Governance***

The Data Exchange Agency, an LEPL subordinate to the Ministry of Justice, has prepared an e-governance strategy and action plan entitled: “*A Digital Georgia, e-Georgia Strategy and Action Plan 2014-2018*”. The strategy includes 11 priority areas targeted at Government to Citizens, Government to Business, and Government to Government services.

There have been several notable successes to date with respect to the introduction of e-governance: e-tax services have been established for businesses, the e-procurement system is highly regarded, as is the automation of the work of the civil registry. The Public Service Development Agency (PSDA) and some line Ministries (e.g. Internal Affairs, Finance & Justice) are developing well-praised services. Still, there is no uniform approach to public service delivery, whether in the planning and design of services and quality assurance and user's satisfaction. The AoG jointly with the PSDA is coordinating and leading the elaboration of the first Public Service Design and Delivery Strategy.

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<sup>13</sup> The new law introduces a number of important changes in the local self-government system: <http://www.mrdi.gov.ge/en/news/selfmanagement/529db93c0cf276b73b39d851> and <http://transparency.ge/en/node/4000>.

<sup>14</sup> However, it has not been decided in which proportion Income Tax will be divided between central and local levels.

## 1.5. Related programmes and other donor activities

**General approach:** this project will provide transversal support in key areas of public administration, regardless of any sector-specificity. It shall ensure consistency with other EU-funded programmes and other initiatives. It will require strong coordination efforts with ongoing other projects, to ensure no overlap and full complementarity.

Donor coordination is ensured by the Administration of Government – Donor coordination Unit within the Policy Planning and Coordination Department. 6 Thematic Working Groups have been established, co-chaired by the lead Government institution and a major donor for the sector. The PAR-related donor coordination is part of the Thematic Sector Working Group on Governance. The coordination of EU assistance is ensured by the EU Assistance Coordination Department/Programme Administration Office (PAO) in Georgia, within the Ministry of Foreign Affairs. The Budget Department of the MoF has specific responsibility for the oversight of EU-funded sector reform programmes.

Direct support provided to public administration reform issues at central and local levels is increasing, in relation with the intensification of reforms.

- This project is part of **EU's first transversal programme supporting PAR reforms "Support to the Public Administration Reform in Georgia" 2016-2019**. Total EUR 30,000,000 out of which EUR 20 000 000 is financed through sector performance reform contract and EUR 10 000 000 for complementary support (TA, twinning and grants). The objective of the programme is to improve the efficiency, accountability and transparency of the public administration of Georgia, in line with the key Principles of Public Administration (see outline of the programme in annex to these terms of reference).
- **The new EU-funded twinning project (2018-2020)** will strengthen CSB institutional and human resource capacities in implementing the reforms in civil service.
- **EU funded technical assistance "Facility for the implementation of the Association Agreement in Georgia"** implementation period 2015-2018. The project provides policy advice and capacity building support to the Georgian Government in coordinating the implementation of the Association Agreement, strengthening the institutional capacities of the line ministries and other public institutions to carry out the required reforms, including on policy development and legal approximation processes.
- **EU funded technical assistance "Legislative Impact Assessment, Drafting and Representation"**; implementation period 2015-2018. The project aimed to improve the legal drafting process, cooperation and coordination within government and between government and parliament in the law-making process, including in the process of approximation with the EU law as required under the EU-Georgia Association Agreement. It also supports strengthening of Government's international representation and reporting functions with special emphasis on the Ministry of Justice. The project also supports capacity development of the MATSNE Translation Centre (Legal entity under the Ministry of Justice).

These two projects: AA Facility and Legal drafting supported the elaboration of unified methodologies, and provided capacity building to key institutions (government and parliament) in the legal approximation and RIA processes. These methodologies are to be formally approved by Government.

- **EU funded – implemented by GIZ, and USAID-funded ("G4G", "GGI")** also support legal approximation and Regulatory Impact Assessment (RIA).
- **EU support to the institutional strengthening of the Parliament** through several projects: transversal support in two phases I 2014-2016 and II 2016-2018, sector-related support focusing on parliament's oversight on finances, human rights and security.
- The EU has provided and continues to provide substantial support to institutional and policy development reforms through Sector Reform Contracts targeted at Vocational Education and Training, the European Neighbourhood Programme on Agriculture and Rural Development (ENPARD), Public Finance Management and Regional Development. The Ministries of Finance, Justice, Regional Development and Infrastructure, Economy and Sustainable Development, Internally Displaced Persons from the Occupied Territories, Labour, Health and Social Affairs, Environment Protection and Agriculture, Education, Science, Culture and Sport are all currently engaged in the implementation of Sector Reform Contracts, and in parallel are receiving technical assistance targeted at strengthening the institutional and human resource capacities. Two EU-funded projects support since 2015 the introduction of regulatory impact assessment and strengthen the legal approximation process, and to reinforce the AA/DCFTA related policy development, monitoring and coordination functions.
- **Support to GEOSTAT and the Data Exchange Agency** was provided by EU, Sweden, Estonia and Austria respectively through twinning and grant projects. Capacity building support is being provided to the AoG and the Civil Service Bureau by EU, USAID, NATO, GIZ and UK/UNDP. There are also extensive on-going interventions to support local governments and civil society organisations being implemented by the EU, GIZ, USAID and UNDP. Apart from the EU's, two major programmes provide a transversal support to PAR: USAID's Good Governance Initiative (January 2015-January 2020) targets four areas: Improved administrative and financial management of public institutions at all levels; Increased civic engagement and improved access to independent, reliable, and balanced information; Strengthened policy development and law-making process; Strengthened institutional oversight of Government. The Good Governance Programme funded by UK and implemented by UNDP and PwC targets the areas of policy planning, civil service reforms, service delivery.

## **2. OBJECTIVE, PURPOSE & EXPECTED RESULTS**

### **2.1. Overall objective**

The overall objective of the programme<sup>15</sup> of which this contract will be a part is as follows:

To improve the efficiency, accessibility, accountability and transparency of the Georgian Public Administration in accordance with European principles of Public Administration and best practices.

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<sup>15</sup> See annex to these TOR

## **2.2. Purpose**

Capacity building and advisory support will be provided for the development of the methodologies and tools required to implement and monitor the reforms in the PAR Roadmap priority areas, complementing other EU support provided under the overall programme.

The purposes of this contract are as follows:

1. Policy development and coordination: to improve results-based approach in policy-development, coordination and implementation following the results of SIGMA baseline assessment in 2018
2. Coordination and structuration of public administration: to improve efficiency of the administration by improved intra and inter-ministerial business processes related to policy making and service delivery.
3. Civil service reform: to streamline the implementation of the civil service reform in public institutions
4. Accountability: to increase the accessibility, accountability and transparency of the executive branch and to combat corruption by strengthened policy development and implementation of the anti-corruption and transparency national policies at
5. Public service delivery: to improve public service design and delivery and establish an efficient, accountable and transparent institutional and legal framework for efficiently, timely and reliably delivered public services (including electronic services)
6. Communication: to raise public awareness and increase visibility of the Government's public administration reform agenda as well as on available public services

This will require sound monitoring and evaluation mechanism of implementation of the project, and follow a results-based approach. The Contractor shall deliver policy advice and capacity building support. It is meant to support the institution with high quality expertise and training to allow the Georgian institutions to perform their tasks effectively and in sustainable way. The project is not expected to cover IT development, secretarial tasks or replace civil servants in the execution of their daily tasks. Should such needs arise, approval from the EU Delegation may be given only on exceptional basis and according to the budget available within the incidentals of the project. Translation or interpretation tasks, if needed, should also be exceptional, duly approved by the EU Delegation.

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

The project shall contribute to the strengthening of structured and sustainable mechanisms and practices by Georgian institutions.

### **Purpose 1: support to policy development, coordination, monitoring and evaluation:**

R.1.1: Updated and improved strategic framework for the reform of the public administration, improved regular and robust coordination, monitoring, reporting and communication

R.1.2: Strengthened capacities of the Administration of Government and institutions to perform their functions in policy planning, monitoring and evaluation, in cooperation with GEOSTAT

R.1.3: Improved quality of sector policies development, coordination, implementation, monitoring and evaluation in the line ministries and relevant LEPLs (further to SIGMA 2018 baseline assessment)

R.1.4: Increased quality of policy budgeting by line ministries and improved synergy between policy development and state budgetary processes

R.1.5: Strengthened public consultations framework and capacity of public servants in participatory policy planning process

R.1.6: Strengthened evidence-based policy-making and legal-drafting processes and improved quality of both policy and regulatory impact assessment

R.1.7: Strengthened sector policy development and implementation in targeted sectors (namely Education and Health)

### **Purpose 2: coordination and structuration of the public administration**

R.2.1: Streamlined policy making and work processes of line ministries and related agencies (following the conclusions of the institutional reviews ministries and LEPLs and the requirements of the legal framework on LEPLs)

R.2.2: Introduced result-oriented management approach in line ministries and state agencies

### **Purpose 3: Civil service reform**

R.3.1: Increased awareness on key civil service reforms and on internal communication systems for HRM within public administration, (internal information campaigns) complementary Twinning activities

R.3.2: Strengthened internal processes and capacities of the AoG and line ministries' to implement reforms of the civil service (capacity building, trainings, possibly study visits) complementary Twinning activities

R.3.3: Improved internal processes in line ministries for the recruitment, appraisal, reorganisation and dismissal of civil servants, in coordination with the CSB

### **Purpose 4: Accountability**

R.4.1: Strengthened results-oriented policy development (also using risk assessment approach), coordination, monitoring, evaluation and reporting of the national Anticorruption Strategy and of sectorial anticorruption policies

R.4.2: Strengthened capacities of the Anti-Corruption Inter-Agency Council institutions, working groups and Secretariat to perform their functions

R.4.3: Strengthened knowledge and capacity of civil servants on integrity policies and mechanisms in the public sector

R.4.4: Improved bilateral and multilateral cooperation between AC Council member institutions and Secretariat and International corruption prevention bodies

R.4.5: Improved public awareness on anti-corruption policies

### **Purpose 5: Public service delivery**

- R.5.1. On basis of the existing, improved processes for public service design and delivery, ensuring inclusiveness, co-creation and responsiveness to needs of the beneficiaries
- R.5.2. Strengthened institutional, legal and operational framework for monitoring and delivering high quality, customer-friendly, timely and accessible public services
- R.5.3. Strengthened service quality assurance framework and proper costing methodology service provider agencies
- R.5.4. Improved quality and increased number of electronic public services and strengthened e-governance policy coordination
- R.5.5 Increased capacity of public servants in public service design, delivery, quality assurance and costing practices

### **Purpose 6: Communication**

- R.6.1: Improved public institutions staff's internal awareness of and support to PAR agenda
- R.6.2: Improved public awareness of and support to PAR agenda
- R.6.3: Strengthened sharing of best practices across the public administration in Georgia

## **3. ASSUMPTIONS & RISKS**

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

The principal assumptions underlying the project are as follows:

- The Government maintains its foreign policy objective of closer political and economic integration with the European Union and continues to implement policies pursuant of that objective, notably with respect to the reform of the public administration system;
- The Government maintains its commitment to reform the central public administration and decentralise decision-making and fiscal powers to local authorities;
- The Government continues to meet the General and Specific Conditions set out in the Technical and Administrative Provisions annexed to the Financing Agreement for the Public Administration Sector Reform Contract;
- There is a willingness to pursue further measures to prevent and combat corruption in the public sector, in particular amongst the political and economic elites;
- The stakeholders are willing and able to allocate appropriately skilled and experienced staff to act as counterparts to the project;
- The Social Partner and Civil Society Organisations are prepared to play a constructive role in the policy dialogue related to the PAR.

### **3.2. Risks**

The principal risks to project implementation are as follows:

- Geo-political tensions in the Caucasus, political instability within Georgia, or a further downturn in the global economy divert the Government's focus and resources away from its reform agenda;
- Inability of the Government to obtain the parliamentary majority necessary to introduce reforms to the structures and processes of the central and local governance systems;

- Resistance within the public administration to the proposed reforms;
- Weakening of the government's commitment to reforms, in particular toward in the run-up to the parliamentary elections in 2016 and local elections in 2017
- Limited availability of the relevant staff and resources in the stakeholder institutions to implement this project (informed and committed direct counterparts, availability of the top-management for decision-making in policy matters);

## **4. SCOPE OF THE WORK**

### **4.1. General**

#### **4.1.1. Project description**

This project is part of the EU-funded programme in support to the reform of public administration in Georgia (30million EUR, 2016-2021). It provides complementary support to parallel, deepen and extend the support being provided to the Administration of Government, line Ministries, Legal Entities of Public Law, Local Self-Governments, the Civil Service and the wider public administration through budget support component (sector performance reform contract). In accordance with the provisions of the Budget Support Guidelines, the project shall not directly assist the beneficiary Ministries in meeting either the General or Specific Conditions for the release of the periodic disbursements to the national Treasury.

Through robust advisory and capacity building support, this project will support the on-going reforms within the public administration system in Georgia through the provision of policy advice, technical assistance and support to institutional and human resource capacity building. In particular, it will help to strengthen the policy-making, coordination, consultation and monitoring processes, support the introduction of a more policy-driven, results-oriented management approach into selected line Ministries. It will also support the reform of civil service through strengthening the capacity and implementation of new requirements by line ministries. This project will also support the Government's efforts to strengthen the institutional and human resource capacities of structures engaged in the coordination of the fight against corruption and the introduction of more transparent, accessible, accountable and responsive processes in public bodies. The project will also support the Government to raise awareness, improve support and enhance visibility of the public administration reforms.

#### **4.1.2. Geographical area to be covered**

The project covers the territory of Georgia. The project will be based in Tbilisi, with some activities carried out in the regions. Several international study visits are foreseen.

#### **4.1.3. Target groups**

The main counterpart is the Administration of Government (AoG), and in particular the Department for Policy Planning and Coordination within the AoG

The other primary beneficiaries are:

- Line ministries and other public institutions, mainly their Policy, Human Resources and Public Relations Departments, GEOSTAT
- Particular focus will be paid to the 5 ministries identified as pilot within the overall Programme (Environmental Protection and Agriculture, Education, Science, Culture



and Sport, Internally displaced persons, Health Labour and Social Affairs, Justice, Economy and Sustainable Development), Ministry of Finance.

- Ministry of Foreign Affairs (national for EU assistance and coordinator of implementation of the EU-Georgia Association Agreement)
- Members of the Anti-Corruption Inter-Agency Council, Thematic working groups, Secretariat
- Other key institutions involved in the reforms of central public administration such as Parliament, LEPLs, Academia, CSOs.

The end recipients are the citizens of Georgia who will benefit from an improved quality and range of public services.

## **4.2. Specific work**

In order to achieve the expected results, the work will be organised under six components:

### **Purpose 1: Support to policy development, coordination, monitoring and evaluation**

R.1.1: Updated and improved strategic framework for the reform of the public administration and its implementation is on-going, with regular and robust coordination and reporting

- Assist the AoG to further develop the strategic framework and action planning for the implementation of the public administration reform
- Assist the AoG in improving the PAR coordination, monitoring, reporting as well as related communication
- Provide relevant capacity building support to PAR coordination structures (including AoG as secretariat)

R.1.2: Strengthened capacities of the Administration of Government and institutions to perform their functions in policy planning, monitoring and evaluation, in cooperation with GEOSTAT

On the basis of SIGMA 2018 Policy Development and Coordination baseline assessment:

- Assess the existing planning, coordination, monitoring and reporting mechanisms and tools by the AoG and MoF and targeted line ministries
- Assist the AoG and relevant institutions in coordinating the Government work planning and reporting
- Assist the AoG in coordinating Government and Parliamentary work planning
- Support the AoG to further strengthen policy development and coordination through improved standard methodologies (Policy Planning Manual, relevant legislation) and tools (including electronic system) for policy formulation, coordination, monitoring, evaluation and reporting
- Further to a comprehensive AoG training needs assessment, define and conduct related capacity building activities
- Assist the AoG in conducting train-the trainer modules in policy planning monitoring and evaluation

R.1.3: Improved quality of policies development, coordination, implementation, monitoring and evaluation in line ministries and relevant LEPLs

- Assist AoG and line ministries to further develop and refine processes for policy development, coordination, monitoring and evaluation

- Assist line ministries and GEOSTAT to strengthen their coordination and ensure that the policy development is grounded on reliable and accurate data
- Assist ministries' policy units to develop methodological basis for gathering and processing policy-related data disaggregated by category, age, gender, region
- Assist the line ministries and if relevant, other policy making institutions, to develop policy units and internal policy review processes
- On the basis of ministries' identified needs for further training on policy planning, reporting, monitoring and evaluation, assist AoG in delivering the relevant capacity building activities
- Where needed, support development of strategies for AoG, lines ministries and LEPLs
- Where needed, support AoG and lines ministries in evaluation (ex-post) of strategies
- Where needed, support AoG and lines ministries in conducting Regulatory Impact Assessment (RIA) and Policy Impact Assessment (PIA)

R.1.4: Increased quality of policy budgeting by line ministries and improved synergy between policy development and state budgetary processes

- Assist AoG and MoF in improving intra-governmental processes of policy costing and connexion with state budget
- Support AoG and MoF to increase public institutions capacity to develop, monitor and implement sound policy costing
- Assist in strengthening the financial management capacities of selected line Ministries to prepare and execute programme-based budgets, conduct internal audits and assess the cost-effectiveness of policies

R.1.5: Strengthened public consultations framework and capacity of public servants in participatory policy planning process

- Assist AoG in developing unified guidance for public consultation and participatory policy development
- Conduct relevant capacity building activities to civil servants in state institutions on participatory policy development
- Support awareness raising activities to inform the public on the adopted participatory approach

R.1.6: Strengthened evidence-based policy-making and legal-drafting processes and improved quality of both policy and regulatory impact assessment

- Assist AoG and line ministries in streamlining policy and regulatory impact assessment practice
- Assist in conducting selected impact assessments

R.1.7: Strengthened sector policy development and implementation in targeted sectors (namely Education and Health)

- Provide targeted support to AoG and beneficiary ministry for developing, updating, monitoring and reporting selected sector policy (principally Education, Health)
- Conduct relevant capacity building activities to beneficiary ministry's policy units

## • **Purpose 2: coordination and structuration of the public administration**

R.2.1: Streamlined policy making and work processes of line ministries and agencies

- Assist the AoG and CSB to update, where needed, the standard methodology for functional reviews of public institutions
- Support the AoG/CSB in conducting / updating the reviews
- Support in updating the mapping out the existing central institutional setting, coordination mechanisms, and present recommendations on viable changes: merging, breach, formation of institutions (minimum 5 ministries)
- On the basis of the results, prepare recommendations for the AoG/CSB and the institutions for improving their internal processes and introducing a policy-driven, results oriented management

R.2.2: Introduced result-oriented management approach in line ministries and state agencies

- Assist the AoG to consolidate its “change management” strategy for the successful implementation of the reform of public administration
- Assist the AoG and the institutions in implementing the conclusions of the reviews
- On the basis of training needs analysis within the selected institutions, advise and train staff for the introduction of changes
- Evaluate the results of the revised processes and suggest adjustments as necessary
- Prepare a roll-out plan for further improvements and roll-out to other institutions

### **Purpose 3: Introduction of civil service reform in administrations**

R.3.1: Increased awareness on key civil service reforms and on internal communication systems for HRM within public administration, (internal information campaigns) complementary Twinning activities

- Advise and support CSB in conducting awareness raising campaign on key civil service reforms and on internal communication systems within public administration (internal information campaigns);

R.3.2: Strengthened capacities of the management and HR Units of AoG and of line ministries to implement reforms of the civil service (capacity building, trainings, possibly study visits) complementary Twinning activities

- Prepare and deliver a comprehensive training programme for management and HR Units of AoG and of line ministries to implement reforms of the civil service (capacity building, trainings, possibly study visits);

R.3.3: Improved internal processes in line ministries for the recruitment, appraisal, reorganisation and dismissal of civil servants, in coordination with the CSB.

- Provide policy advice and technical assistance to support improvement of internal processes in line ministries for the recruitment, appraisal, reorganisation and dismissal of civil servants, in full coordination with the CSB.

### **Purpose 4: Accountability**

R.4.1: Strengthened results-oriented policy development (also using risk assessment approach), coordination, monitoring, evaluation and reporting of the national Anticorruption Strategy and of sectorial anticorruption policies

- Provide policy advice and capacity building to assist the MoJ and PAR working groups members in improving the development, budgeting, coordination, monitoring and reporting of the anticorruption strategy and action plans
  - Assist the MoJ and relevant public institutions in implementing and monitoring the implementation of applicable legal obligations on access to information
- R.4.2: Strengthened capacities of the Anti-Corruption Inter-Agency Council institutions, working groups and Secretariat to perform their functions
- Provide policy advice and capacity building assistance to support the Anti-corruption Inter-Agency Council and the Open Government Forum to elaborate and implement their respective rolling strategic documents, including Strategies and Action Plans as well as monitoring reports
  - On the basis of comprehensive training needs analysis, prepare and deliver relevant capacity building activities for members of anti-corruption Inter-Agency Council and the Open Government Forum
- R.4.3: Strengthened knowledge and capacity of civil servants on integrity policies and mechanisms in the public sector
- On the basis of comprehensive training needs analysis, prepare and deliver relevant capacity building activities for civil servants in public institutions (development of training modules on AC policy, integrity mechanisms...)
- R.4.4: Improved bilateral and multilateral cooperation between AC Council member institutions and Secretariat and International corruption prevention bodies
- On exceptional basis, support institutions' participation to international anticorruption related events (ex. GRECO, OECD-Anticorruption network...)
- R.4.5: Improved public awareness on anti-corruption policies
- Advise and support MoJ in conducting awareness raising campaign on national anticorruption policy and its results

### **Purpose 5: Public Service Delivery**

- R.5.1. On basis of the existing, improved processes for public service design and delivery, ensuring inclusiveness, co-creation and responsiveness to needs of the beneficiaries
- Support and build the capacity of the AoG staff in development and implementation of the Public Service Design and Delivery Strategy and its action plan
  - Support the AoG in the establishment of practices of Administrative Simplification for the public service delivery
- R.5.2. Strengthened institutional, legal and operational framework for monitoring and delivering high quality, customer-friendly, timely and accessible public services
- Assist the AoG in the establishment of central monitoring of service delivery performance;
  - Develop a common standards and tools including for the public services design and delivery processes;
- R.5.3. Strengthened service quality assurance framework and proper costing methodology service provider agencies
- Support the public service provider agencies in introduction of the of service quality frameworks and tools (including electronic tools);

- Develop a methodology for proper costing and fair pricing of public services and assist in the practical implementation of the methodology in public service delivery agencies

R.5.4. Improved quality and increased number of electronic public services and strengthened e-governance policy coordination

- Support the AoG in further advancement of electronic governance and improvement and increase the number of electronic public services

R.5.5 Increased capacity of public servants in public service design, delivery, quality assurance and costing practices

- Develop a training modules and deliver trainings on design, delivery, quality assurance and costing methodologies of public services based on the elaborated standards and tools

### **Purpose 6: Communication**

R.6.1, 6.2 and R.6.3:

- On the basis of the elaborated Communication and Awareness Raising Strategy, assess the allocated financial and communication tools, the institutional, technical and financial capacities of the AoG/CSB to design, manage and implement the communication campaigns
- Support the AoG to implement and update the Strategy, formulate tailor-made messages/approaches to target groups related to the overall PAR, civil service reform, service delivery designed to raise awareness and understanding of the Government's public administration reform agenda and to stimulate support
- Assist the AoG and CSB to organise events, develop promotional materials etc.
- Assist the AoG and CSB to organise training workshops for civil servants at national and local levels to familiarise them with the public administration reforms
- Assist the AoG and CSB to organise briefing workshops for CSOs, media and opinion formers at national and local on the public administration reforms;
- Advise AoG and CSB on use and development of PAR related online presence
- Advice on development of tracking system to measure public awareness and support for the public administration reforms;
- Advise and support AoG and CSB in conducting trainings to journalists and bloggers on PAR-related issues
- Identify and disseminate examples of good practice in public administration reform
- Support promotion of best and innovative public service delivery practices across the Georgian public sector

Particular focus shall be placed on ensuring the **sustainability and dissemination** of project results. The project shall be carried out, ensuring NO OVERLAP, but COMPLEMENTARITY with other activities, EU and non-EU funded.

The Contractor must also comply with the latest Communication and Visibility Manual for EU External Action (see [https://ec.europa.eu/europeaid/funding/communication-and-visibility-manual-eu-external-actions\\_en](https://ec.europa.eu/europeaid/funding/communication-and-visibility-manual-eu-external-actions_en)). The compliance with this shall be made an output of the contract and the contractors shall include in its reporting what have been accomplished.

The Contractor shall ensure the capitalisation and sharing of knowledge related to the implementation of the project. It concerns observations of technical and pedagogical value, which are interesting for other professionals, and which do not infringe with the obligations of article 14 of the General Conditions of the Contract. For sharing such information, the Contractor shall use the capacity4dev.eu web platform.

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

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

The Delegation of the European Union to Georgia

##### **4.3.2. Management structure**

The Contacting Authority will appoint a project manager among its staff ("Project Manager"). This person will monitor all activities of the project in order to assure the relevant services of the EU that it is functioning in line with the provisions of the contract.

**The main counterpart and beneficiary of the project will be the Administration of Government.** It is in charge of the PAR coordination, leads the Policy Development area, and acts as PAR Secretariat.

Other key institutions are:

- Civil Service Bureau: is in charge of the civil service reform policy and monitoring
- Ministry of Justice: chairs the Anticorruption Council, co-chair OGP forum, MOJ Analytical Department acts as ACC secretariat. Main counterpart for component 4 of the project.
- PAR Council: steers the definition of priorities and implementation of the PAR Roadmap. It also acts as Steering Committee for the EU-programme "Support to PAR in Georgia", of which this project is part.

**A Project Steering committee (SC)** will be established during the inception phase of the project. It will hold its first meeting prior to the end of the inception phase in order to discuss and approve the Inception Report. The SC will be composed as a minimum of representatives from: the Administration of Government, the Civil Service Bureau, the MFA, the Ministries of Finance, Justice, Economy and Sustainable Development, Internally Displaced Persons from the Occupied Territories, Labour, Health and Social Affairs, Education, Science, Culture and Sport , Environment Protection and Agriculture, and the EU Delegation. The main functions of the Project Steering Committee are:

- To assess project progress and provide strategic guidance;
- To assess the performance of the Contractor;
- To discuss and resolve obstacles to project implementation;
- To review and agree on timing, sequencing and content of project activities;
- To comment and/or discuss the Project inception, interim and final reports.

The Project team will act as secretariat to the Steering Committee (including circulation of agenda, organizing the meetings, keeping of minutes, circulation of minutes and follow-up of decisions taken).

The Project Steering Committee will meet at least once every six months, or more frequently if needed, at the request of at least one of its members. The Steering Committee will report to the Public Administration Reform Council on the progress in

the project implementation.

The main counterpart will:

- Co-Chair the Steering Committee;
- Ensure that staff at appropriate levels are appointed to work alongside the project experts;
- Provide to the project experts copies of legislation, regulations, studies, reports and other relevant documents necessary for the implementation of the project;
- Provide logistical support for the organisation and implementation of the various training activities, awareness raising and communications activities;
- Ensure the release of relevant staff to participate in project activities;
- Facilitate access to primary and secondary stakeholders.

The EU Delegation will co-chair the Steering Committee and give final approval of reports submitted by the Project.

The project beneficiaries should also provide all possible assistance to solve any unforeseen problems, which the Contractor may face. The possible failure to solve some of the Contractor's problems encountered locally will not free the Contractor from meeting its contractual obligations vis-à-vis the Contracting Authority.

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

Office accommodation and, to the extent possible, training facilities will be provided by the beneficiary institutions. Key experts will be based at the premises of AoG and non-key experts shall be hosted by the beneficiary institution of each specific action. The coordinating office of the project will be located in the AoG.

## **5. LOGISTICS AND TIMING**

### **5.1. Location**

The project will be based in Tbilisi, Georgia. Some project activities will require in-country travels. Should a different place of posting for non-key expert be required, this will be defined in the specific terms of reference.

### **5.2. Start date & period of implementation**

The intended start date is **mid-January 2019** and the period of implementation of the contract will be **33 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.

The Contracting Authority may, at its own discretion, extend the project in duration and/or scope subject to the availability of funding, up to the estimated amount of EUR 4 000 000. Any extension of the contract would be subject to satisfactory performance by the Contractor.

## 6. REQUIREMENTS

### 6.1. Staff

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.

All experts should spend **at least 85%** of their working days in the beneficiary country. Working days outside the beneficiary country should be justified and are subject to prior written approval of the EUD Project Manager.

#### 6.1.1. Key experts

Key experts have a crucial role in implementing the contract. These terms of reference contain the required key experts' profiles. The tenderer shall submit CVs and Statements of Exclusivity and Availability for the following key experts:

##### **Key expert 1: Team Leader / Public administration expert (min. 530 working days)**

The Team Leader will have the overall responsibility for the coordination and smooth implementation of the project, for the results-oriented (vs. input-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. The Team Leader will manage the team of experts; ensure good and regular communication with the project's stakeholders and the Contracting Authority.

The expert will be primarily responsible for design and implementation of project's support on policy development and coordination/structuration of the public administration (focus on purpose 1-2, in relation with all other purposes).

##### Qualifications and skills:

- Master in Public Administration, Law, Economics, Social Sciences, Political Science, EU affairs, International Relations or, in its absence, a minimum of 5 years' experience additional to the general professional experience required below;
- Excellent communication skills;
- Fluent oral and written communication in English.

##### General professional experience:

- Minimum 10 years as public official or advisor or consultant in policy development and coordination

##### Specific professional experience:

- Minimum 2 years working experience as a team leader in at least 1 donor-funded project in the field of public administration reform at national level
- Minimum 5 years working experience as international consultant on the development and implementation of public administration reform-related policy
- Minimum 1 year experience as international consultant on inter-ministerial or inter-institutional processes



- Asset: experience in EU Member State, Candidate or potential Candidate country ([https://ec.europa.eu/neighbourhood-enlargement/countries/check-current-status\\_en](https://ec.europa.eu/neighbourhood-enlargement/countries/check-current-status_en)) or in Eastern Partnership country
- Asset: experience in public communication;
- Asset: experience as team leader in at least 1 EU-funded project

### **Key Expert 2: Senior expert in civil service (min. 400 working days)**

In permanent coordination with the Team Leader, the expert will be primarily responsible for design and implementation of project's support related to civil service (focus on purpose 3, in relation with the other purposes).

#### Qualifications and skills:

- Master in Public Administration, Law, Economics, Social Sciences, Political Science, EU affairs, International Relations or, in its absence, a minimum of 5 years' experience additional to the general professional experience required below
- Excellent communication skills
- Fluent oral and written communication in English

#### General professional experience:

- Minimum 10 years as public official or international advisor in public administration

#### Specific professional experience:

- Minimum 7 years working experience in providing policy and capacity building support to ministries and public institutions
- Proven experience as a key expert in at least 1 long-term (min. 1 year) donor-funded project dealing with capacity-building of central administration
- Asset: experience of leading “change management” teams in either the public or private sector
- Asset: experience in EU Member State, Candidate or potential Candidate country ([https://ec.europa.eu/neighbourhood-enlargement/countries/check-current-status\\_en](https://ec.europa.eu/neighbourhood-enlargement/countries/check-current-status_en)) or in Eastern Partnership country
- Asset: experience as key expert in civil service in at least 1 EU-funded project

### **Key expert 3: Expert in anti-corruption issues (minimum 300 working days)**

In permanent coordination with the Team Leader, the expert will be primarily responsible for design and implementation of project's support related to anti-corruption field (focus on purpose 4, in relation with purpose 1, 5 and 6).

#### Qualifications and skills:

- Master in Public Administration, Law, Economics, Social Sciences, Political Science, EU affairs, International Relations or, in its absence, a minimum of 5 years' experience additional to the general professional experience required below
- Excellent communication and interpersonal skills
- Excellent oral and written English

#### General professional experience:

- Minimum 10 years working experience as senior public official or international senior advisor on anticorruption policy

#### Specific professional experience:

- Minimum 7 years in the development and implementation of anti-corruption policies and/or addressing issues of accessibility and transparency of public bodies;
- Experience as a key expert in at least 1 long-term (min. 1 year) donor-funded project related to anti-corruption
- Asset: experience of EU policies relating to anti-corruption policies
- Asset: experience in EU Member State, Candidate or potential Candidate country ([https://ec.europa.eu/neighbourhood-enlargement/countries/check-current-status\\_en](https://ec.europa.eu/neighbourhood-enlargement/countries/check-current-status_en)) or in Eastern Partnership country
- Asset: experience as key expert in at least 1 EU-funded project related to anti-corruption

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

### 6.1.2. Non-key experts

In order to fulfil the expected results and to carry out the work foreseen under this contract, the Contractor shall include a pool of senior (min. 10 years professional experience) and junior (min. 3 years professional experience) non-key experts with the requisite qualifications.

The profile of non-key experts should be that of specialists in the PAR areas, such as general PAR, macro economy, public finance management, law, civil society mobilisation, evaluation and monitoring. The requirements for each non-key expertise will be defined in the specific Terms of reference for the mission, as will be their place of assignment.

Within this pool, 3 non-key experts are specifically needed and shall be deployed at the outset of the inception phase.

- **Senior policy planning specialist:** to contribute to transversal support on policy development and coordination (principally purposes 1-4-5)

- **Senior Education specialist:** to advise the General Education Policy Department on the general planning and monitoring of the 2017-2020 National Education Strategy. He/she will be primarily responsible for activities directed at the MoESCY and is expected to be posted at the MoES.

- **Senior Public Health Specialist:** to support the development and implementation of the General Health System Strategy, its monitoring and evaluation system as well as Provider payment mechanisms. He/she will be primarily responsible for activities directed at the MoIDPHLSA where he/she is expected to be posted.

Two other NKE are specifically foreseen:

- **Senior Public Finance Management specialist:** for policy costing-related activities (principally purposes 1-4-5)

- **Senior Communication expert:** to support the design and implementation of internal and external communication on Public administration reform and Service Delivery as well support the enhancement of communication capacity of institutions involved in the reform. S/he will lead support related to purpose 6 of the project and contribute to definition and implementation of project's communication activities in all other purposes.

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 and these Terms of Reference. 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, 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.

#### **6.1.3. Support staff & backstopping**

The Contractor will provide support facilities to their team of experts (back-stopping) during the implementation of the contract. The Contractor is to act in a timely manner to ensure availability of expertise and financial resources for the purpose of the project.

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 partner country.

#### **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.

Within the fee rates of its experts, the Contractor shall especially provide all necessary office equipment (furniture, computers, printers, scanners etc.), supplies (working accessories), utilities (such as water, electricity, telecommunication, internet and other charges), production and translation of project documentation (such as working documents, manuals, reports, training materials).

#### **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.

- Workshops and seminars, conferences, trainings, study tours,
- Visibility costs (press conferences, media campaigns, related materials, etc.);
- Translation of documents not covered under section 6.3;
- Specific opinion polls and surveys.

The provision for incidental expenditure for this contract is **EUR 350,000**. This amount must be included unchanged in the Budget breakdown.

Daily subsistence costs may be reimbursed for missions foreseen in these terms of reference or approved by the Contracting Authority, and carried out by the contractor's authorised experts, outside the expert's normal place of posting.

The per diem is a flat-rate maximum sum 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 by the contractor's authorised experts for missions carried out outside the expert's normal place of posting. The per diem is payable if the duration of the mission is 12 hours or more. The per diem may be paid in half or in full, with 12 hours = 50% of the per diem rate and 24 hours = 100% of the per diem rate. 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 -

[http://ec.europa.eu/europeaid/funding/about-calls-tender/procedures-and-practical-guide-prag/diems\\_en](http://ec.europa.eu/europeaid/funding/about-calls-tender/procedures-and-practical-guide-prag/diems_en) - at the start of each such mission.

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.

Venues, catering and other logistical arrangements for activities will be sourced with constant attention to prudence and exemplarity in the use of taxpayer's money at times of fiscal constraints, as well as to the carbon print. Public venues will be prioritised over private ones, distance from the usual work places of respective audience will be minimal, and use of five star hotel or resorts will be avoided except in exceptional circumstances duly authorised by the EU Delegation with 3 weeks of prior notice.

Besides the above case, prior authorisation by the Contracting Authority for the use of the incidental expenditure is not needed with the exception of study tours abroad and opinion polls and surveys.

## **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 charged with verifying the expenditure of this contract in order to proceed with the payment of any pre-financing instalments and/or interim payments.

The provision for expenditure verification for this contract is **EUR 25,000**. 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. They 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 output 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	By the end of the Inception Phase (maximum 4 weeks)
6-month Progress Report	Short description of progress (technical and financial) including problems encountered; action plan for the next 6 months accompanied by an invoice and the expenditure verification report.	No later than 1 month after the end of each 6-months implementation period.
Draft Final Report	Short description of achievements including problems encountered and recommendations.	No later than 1 month before the end of the implementation period.
Final Report	Short description of achievements including 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**

Two 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.

Prior to submission to the EU Project Manager for approval, narrative progress reports shall be submitted by the Team Leader to the members of the Steering Committee (SC) two weeks prior to each SC meeting, for review, commenting and agreement by the Committee.

## **8. MONITORING AND EVALUATION**

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

Both quantitative and qualitative measurements should be used in monitoring and evaluation of the results of the Project. The Contractor shall develop realistic and measurable performance indicators for each of the results defined under these Terms of Reference in the Organisation and Methodology; they shall be further detailed in the logical frameworks attached to the action plans.

The indicators shall be agreed upon with the beneficiaries and the Contractor shall be able to collect the data needed for verification.

**Quantitative measurements** shall be defined in objective terms of statistical records, *e.g.* number of trainings and participants, number of provided analyses, etc.

**Qualitative measurements** shall be derived from subjective analyses such as surveys, opinion polls, external assessments, etc.

### **8.2. Special requirements**

NA

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