



Terms of Reference

Expert in Regulatory Impact Assessment (RIA) and Standard Cost Model (SCM)

Introduction

The Regional School of Public Administration (ReSPA) is the inter-governmental organization for enhancing regional cooperation, promoting shared learning and supporting the development of public administration in the Western Balkans. ReSPA Members are Albania, Bosnia and Herzegovina, Macedonia, Montenegro and Serbia, while Kosovo*¹ is a beneficiary. ReSPA's purpose is to help governments in the Western Balkan region develop better public administration, public services and overall governance systems for their citizens and businesses, and prepare them for membership in the European Union (EU). Since its inception, ReSPA has contributed to the development of human resources and administrative capacities through training programmes and innovative cooperation mechanisms such as the exchange of good practices, peer reviews and development of know-how.

European Commission (EC) provides directly managed funds for support of ReSPA activities (research, training and networking programmes) in line with the EU accession process. The current EC grant supports the main objective of ReSPA work in 2016-2017: Improving regional cooperation in the field of PAR and EU integration, and strengthening administrative capacities in the beneficiaries. This objective is being achieved through the following three pillars of ReSPA Programme of Work for 2016-2017:

- (1) European Integration Pillar: Increased capacity of public administration in the ReSPA Members necessary for successful conducting of the European Integration process;
- (2) Public Administration Reform Pillar: Facilitated and enhanced cooperation and exchange of experience in Public Administration Reform and European Integration activities in ReSPA Members;
- (3) Governance for Growth Pillar: Ensured effective coordination of the implementation of the Governance for Growth pillar of the SEE 2020 Strategy.

Following consultations and expressed interest of the ReSPA Members, it has been decided that ReSPA should organize activities to contribute towards Better Regulation in the Western Balkan countries. In order to do so, ReSPA is supporting efforts in the field of Regulatory Impact Assessment (RIA) in its members.

¹ * This designation is without prejudice to positions on status, and is in line with UNSCR 1244 and ICJ Advisory opinion on the Kosovo Declaration of independence

Purpose

The purpose of this Assignment is to support the Directorate for Financial System and Improvement of Business Environment of the Ministry of Finance of Montenegro in finalizing and upgrading the Manual for Conducting Regulatory Impact Assessment (RIA), and in providing trainings in using Standard Cost Model (SCM) during RIA preparation for public servants in Montenegro.

Background

Ministry of Finance of Montenegro – Directorate for Financial System and Improvement of Business Environment – Department for Regulatory Impact Assessment (RIA) is in charge of implementation of RIA with the aim to create better business environment and prevent regulatory burden in Montenegro. Since the formal introduction of RIA into the regulatory system of Montenegro – from 1 January 2012 until 31 December 2016, Ministry of Finance has issued over 1,750 opinions on proposals of regulatory acts and accompanying RIA reports on conducted analysis of impact assessment, from aspect of the implications on the citizens, business environment, and the impact on the state budget.

Since the establishment of the Council for Improvement of Business Environment, Regulatory and Structural Reforms (2009), Directorate for Financial System and Improvement of Business Environment of the Ministry of Finance of Montenegro has been providing administrative and technical support to the Council which is Government's advisory body. The role of the Council is to create favourable business conditions, foster economic growth necessary to improve the prosperity of all citizens, and to facilitate integration with the EU. Now (expected in June 2017), this Council will be transformed into the Council for Competitiveness, where this Directorate will continue to serve as Secretariat and provide technical support.

In order to facilitate better public consultation process, on the request of the Ministry of Finance, Ministry for Public Administration has amended the Decree on Procedure and Manner of Conducting Public Consultations in the Process of Law Preparation, in order to make it obligatory for line ministries to conduct and post RIAs on the web site, together with the law proposals, and to make it available to general public during consultation process.

Ministry of Finance of Montenegro has been working with partners from the United Kingdom (Business Regulation Delivery Office) on revising the existing Manual for Conducting RIA. This text is now prepared for publishing. However, based on the request from a number of senior public servants in Montenegro, it seems necessary to further upgrade this Manual, and include examples of RIAs from different fields, that will follow all seven impact assessment steps, within the Manual.

Public Administration Reform (PAR) Strategy of Montenegro (2016) envisages implementation of full RIAs, where by 2020, percentage of regulations in which Standard Cost Model (SCM) is applied should be 30% out of total number of RIAs that are submitted to the Department for RIA

for review and approval. In order to achieve this goal, relevant people in the Ministry of Finance, as well as from line ministries, need to be trained on how to conduct financial analysis and use Standard Cost Model (SCM).

Objective and Scope of the Assignment

Objective of the Assignment is to upgrade the Manual for Conducting Regulatory Impact Assessment (RIA), and to provide five one-day trainings for using Standard Cost Model (SCM) in the process of RIA preparation, for public servants in Montenegro.

It is expected that this initiative could improve the way how line ministries are conducting RIAs and could strengthen the quality of RIAs by conducting financial analysis by using SCM. This will also lead to greater transparency, and more precise information on required budget funds as well as information on costs that new or amended regulation might impose.

Tasks and Responsibilities

The Expert is expected to perform the following tasks:

- To review and upgrade the Manual on Conducting RIA in Montenegro, and to include several complete RIA examples (models) in various fields which will follow RIA steps as described within the Manual (in Montenegrin and/or English language);
- To conduct trainings on Standard Cost Model for targeted public servants at the national level (from line ministries) in Montenegro (in Montenegrin language);
- To prepare the report on completed activities with recommendations for follow up activities – to be submitted to ReSPA in English language (up to 3 pages).

Within the above framework, the Expert is expected to liaise with the ReSPA Programme Manager in charge for management of this Activity, and to take into consideration the instructions received beforehand.

Necessary Qualifications

The Expert shall possess the following qualifications and experience:

- Advanced degree (preferably PhD) in Economics or Law;
- Minimum 5 years of experience in conducting RIA and using SCM;
- Experience in drafting analytical papers, legislation, academic papers or policy documents related to Better Regulation, including published research in the field;
- Experience as lecturer / trainer, in particular, experience as RIA trainer;
- Excellent written and oral communication skills in English and Montenegrin (Serbian, Croatian, Bosnian) language;
- Good understanding of the public administration system in Montenegro;

- Professional experience in a Western Balkan country (at least one year, in the past five years);
- Advanced computer literacy;
- Ability to work with people of different nationalities, religions and cultural backgrounds;
- Excellent organisational skills, proven communication and presentation skills, and ability to work in an environment requiring liaison and collaboration with multiple actors including government representatives, international organizations, and other stakeholders.

The Expert shall possess the following competencies and core values:

- Demonstrates professional competence to meet responsibilities and task requirements, and is conscientious and efficient in meeting commitments, observing deadlines and achieving results;
- Results orientation: plans and produces quality results to meet established goals, generates innovative and practical solutions to challenging situations;
- Communication: Excellent communication skills, including the ability to convey complex concepts and recommendations in a clear and persuasive style tailored to match different audiences;
- Team work: Ability to interact, establish and maintain effective working relations with a culturally diverse team;
- Client orientation: Ability to establish and maintain productive partnerships with regional and national partners and stakeholders, and pro-activeness in identifying the needs of beneficiaries and partners, as well as matching them to appropriate solutions.
- Demonstrates integrity and fairness by modelling ReSPA values and ethical standards;
- Displays cultural, gender, religion, race, nationality and age sensitivity and adaptability.

Time-frame, Level of Effort, and Location

- The Assignment is to be completed between 30 May and 30 November 2017. The review and upgrade of the Manual for Conducting RIA shall be completed by 20 June 2017 the latest. Trainings on SCM will be held from June to November 2017.
- The Level of Effort (LoE) is estimated at 11 (eleven) working days, as follows:
 - 5 (five) days for review and upgrade of the Manual for Conducting RIA;
 - 5 (five) days for five one-day trainings on SCM;
 - 1 (one) day for preparation of the report for ReSPA with recommendations for follow up activities.

The Assignment foresees work from home and in Podgorica, Montenegro, where trainings on SCM will be held in cooperation with the Ministry of Finance and the Human Resources Management Authority of Montenegro.

Deliverables and Final Documentation

The following deliverables shall be produced and transferred to ReSPA during the course of the Assignment:

- Revised and Upgraded Manual for Conducting RIA, that will include examples of RIA in several fields, by 20 June 2017;
- Training materials (power point presentations, texts, examples, etc.) for training on Standard Cost Model, in Montenegrin language, by 25 July 2017, the latest;
- Time Sheets for each month of engagement;
- Boarding passes for travel (if applicable);
- Interim report to ReSPA by 25 July 2017;
- Final report to ReSPA by 30 November 2017.

Quality Control

The Expert should ensure an internal quality control during implementation of the Assignment. The quality control should ensure consistency and coherence between findings, conclusions and recommendations. It should also ensure that findings reported are duly substantiated and that conclusions are supported by relevant judgment criteria.