

Procurement Notice

Assignment name: Three Experts for drafting the Law on Public Internal Financial Control for Macedonia

Reference Numbers:

17070- Expert 1: Expert for Financial Management and Control

17070- Expert 2: Expert for Internal Audit

17070- Expert 3: Expert for PIFC

Section 1. Introductory Information

1.1 Background information on the Regional School of Public Administration (ReSPA)

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 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). The 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 new 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 will be 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.

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

ReSPA is implementing its activities through the Secretariat which is consisting of 15 staff members from the Western Balkan region. The Secretariat is located in Danilovgrad, Montenegro.

1.2 ReSPA now seeks to engage three experts to provide support in the area of drafting the Law on Public Internal Financial Control for Macedonia.

1.3 Expected deliverables of the assignment are: as per Terms of Reference.

1.4 Tentative timeframe: the assignment is expected to be performed during period February – April 2018.

1.5 NOTE: Any individual employed by a company or institution who would like to submit an offer in response to this Procurement Notice must do so in their individual capacity, even if they expect their employers to sign a contract with ReSPA. In such case, the applicant shall notify ReSPA in the application which institution is his/her employer.

Section 2. Preparation of CVs and supporting documentation

2.1 Language of application:

The CVs and supporting documentation shall be prepared in English.

2.2 The CVs should provide information on the qualifications and competencies of the applicant, her/his general track record and previous specific experience in similar assignments, as required by the Terms of Reference. The applicants should particularly state in their CVs:

- Minimum 8 (eight) years of professional experience in the field, as specified in Terms of Reference;

2.3 The required qualifications, experience and skills: as per Terms of Reference

Section 3. Submission of CVs and supporting documentation

3.1 The interested candidates are invited to submit a proposal consisting of the following documentation:

- Proposal: explaining their experience related to the analysis subject and how they intend to respond to the assignment;
- Personal CV including past experience in similar activities and particularly issues referred to under point 2.2 of this Procurement Notice;
- At least three contacts for references (name and position of referee, email address and phone number) which may be contacted by ReSPA. (NOTE: There is no need to submit reference letters; ReSPA will directly contact the referees).

3.2 The required documentation should be provided in electronic format by e-mail to the following address: procurement@respaweb.eu by **16 February 2018** before Midnight. Late submissions will not be considered for evaluation. **The application should contain in the e-mail title the reference number in accordance with your area of interest:**

17070- Expert 1: Expert for Financial Management and Control

17070- Expert 2: Expert for Internal Audit

17070- Expert 3: Expert for PIFC

Public servants from ReSPA Members and Kosovo* are not eligible to apply.

Section 4. Evaluation of offers

4.1 The offer will be evaluated against the required qualifications, experience, skills and competencies as defined in the Terms of Reference.

4.2 The applicant securing the highest final ranking will be invited to submit a financial proposal (the financial proposal shall specify a total sum amount in EURO for expert's daily fee) and negotiate the contract. If negotiations are successful, the selected candidate will be awarded the contract. Should the negotiations fail; the next ranked candidate will be invited to negotiations.

Section 5. Final Considerations

5.1 The payment will be made in one installment, following the submission and approval of the deliverables.

5.2 The following document is attached to this Procurement Notice: Terms of Reference

5.3 ReSPA reserves the right to cancel this procurement procedure at any moment without any compensation to the applicants. The cost of preparing a proposal and of negotiating a contract, including any related travel, cannot be reimbursed by ReSPA under any circumstances nor can ReSPA be held liable for it, regardless the outcome of the procurement procedure.

5.4 Should you need any further clarifications with respect to this procurement notice, please contact Mr. Dragan Djuric, Programme Manager via e-mail: d.djuric@respaweb.eu, by **13 February 2018** (midnight), the latest. ReSPA will post the response, including an explanation of the query without identifying the source of inquiry, at its website (www.respaweb.eu) by **15 February 2018**. Any request for clarification must be sent by standard electronic communication to the above e-mail address.

Terms of Reference

THREE EXPERTS FOR DRAFTING THE LAW ON PUBLIC INTERNAL CONTROL FOR MACEDONIA

Background

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^{*2} is a beneficiary. ReSPA's purpose is to help governments in the 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.

The European Commission (EC) provides funds for support of ReSPA activities (research, training and networking programmes) in line with the EU accession process. So far, two EC Grant Contracts (GCs) have been implemented by ReSPA during the period 2010-2015. The new EC grant will support the main objective of ReSPA work in 2016-2017: Improving regional cooperation in the field of Public Administration Reform (PAR) and EU integration and strengthening administrative capacities in the beneficiaries. This objective will be 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.

Within the PAP Pillar, following Principles of Public Administration and recommendations received from European Commission ReSPA expands its activities in the area of Public Financial Management with a particular focus on Public Internal Financial Control (PIFC).

² * This designation is without prejudice to positions on status, and is in line with UNSCR 1244/1999 and the ICJ Opinion on the Kosovo declaration of independence

ReSPA developed one specific instrument for supporting its Members named In-country support mechanism which allowed ReSPA to provide direct expert assistance to some of Western Balkan countries. This ToR is related to support to Macedonia in area of PIFC through In-country support mechanism.

Description of the Assignment

The Government of Republic Macedonia in September 2017 adopted the Public Financial Management (PFM) Reform Programme 2018-2021.³ This PFM Reform Programme seeks to strengthen the public finance system, promoting transparency, accountability, fiscal discipline and efficiency in the management and use of public resources for improved service delivery and economic development.

The PFM Reform programme established 7 priorities:

- Priority 1: Improved Fiscal Framework
- Priority 2: Revenue Mobilization
- Priority 3: Planning and Budgeting
- Priority 4: Budget Execution
- Priority 5 Transparent Government Reporting
- Priority 6: Internal Control
- Priority 7: External Control and Parliamentary Oversight

The objective of the priority 6 - Internal Control is to establish sound financial management and control system and it will be achieved through the following measures and activities:

- Measure 1: Improved PIFC (FMC and IA) legislation and methodological framework
 - Activity 1: Amendment of PIFC legislation
 - Activity 2: Promoting the concept of public internal financial control to the managers of the entities of the central and local level
- Measure 2: Strengthened administrative capacities on central and local level on FMC and IA
 - Activity 1: Establishing system of continuous training and on the job training
 - Activity 2: Establishing system for supervision of IA and FMC units

³ <http://www.finance.gov.mk/files/u3/PFM%20Reform%20%20Programme%202018-2021.pdf>

Also, the Government of Republic Macedonia in December 2017 adopted the Fiscal Strategy of Republic Macedonia for period 2018-2020.⁴ This document recalls priorities set up in the PFM Reform Programme 2018-2021. In addition, this document specifies the improvement of public finance management as a basis for implementation of public finance policy as well as achieving the strategic development objectives by supporting the overall budget discipline, strategically allocating the budget funds and efficiently providing the public services.

The adoption of new Law on Public Internal Control system stems from the need for harmonization of legislation with international standards for internal control and internal audit and to strengthen the system of public internal financial control in the country. In the area of financial management and control in the Law on Public Internal Control it will be needed to expand the scope of implementation of the provisions related to financial management and control and to ensure simplification of the organization and operation of smaller budget accounts in the financial management and control. In addition, taking into consideration the external assessment findings (e.g., SIGMA assessment reports specifies that other legislation does not specifically support financial management and control, e.g. Budget Law makes no specific reference to the delegation decision making authority) it will be needed to ensure that FMC provisions in the new Law on Public Internal Financial Control provide support for strengthening the system of internal control in budget cycle processes.

Therefore, for the purpose of preparing and drafting the new Law on Public Internal Control, ReSPA has identified the need for engagement of individual external experts.

Tasks and Responsibilities

a) Expert 1: Expert for Financial Management and Control

The assignment will include the following:

- Analyse provisions of current Law on Public Internal Financial Control in parts related to financial management and control (FMC);
- Propose the provisions for the new Law on Public Internal Control in parts related to FMC;
- Prepare and deliver the presentation for round table discussions on a draft of new Law on Public Internal Control in parts related to FMC provisions, participate in discussion with the relevant stakeholders.

Number of days: 12 days

⁴ http://www.finance.gov.mk/files/u6/Fiscal%20strategy%202018-2020_EN.pdf

b) Expert 2: Expert for Internal Audit

The assignment will include the following:

- Analyse provisions of current Law on Public Internal Financial Control in parts related to internal audit;
- Propose the provisions of the new Law on Public Internal Control in parts related to internal audit;
- Prepare and deliver the presentation for roundtable discussions on a draft of new Law on Public Internal Control in parts related to internal audit provisions, participate in discussion with the relevant stakeholders.

Number of days: 12 days

b) Expert 3: Expert for PIFC

The assignment will include the following:

- Analyse provisions of current Law on Public Internal Financial Control in parts related to Central Harmonization Unit role in regard to coordination of activities for implementation of FMC and Internal Audit, quality checking of FMC and Internal Audit and reporting on FMC and Internal Audit;
- Propose the provisions for the new Law on Public Internal Control in parts related to the role of Central Harmonization Unit in regard to implementation of FMC and Internal Audit, quality checking and reporting on FMC and Internal Audit;
- Prepare the agenda for roundtable discussions on draft of new Law on Public Internal Control, prepare and deliver the presentation on the role of CHU, participate in discussion with the relevant stakeholders;
- Coordinate the work of others 2 experts in the preparation of the final draft of new Law on Public Internal Control.

Number of days: 14 days

Necessary Qualifications

The experts shall possess the following qualifications:

a) Expert for FMC:

- University degree in economy, business, law, political science, social sciences or related field;
- Minimum 8 years of experience in dealing with financial management and control in the public sector of EU member state, candidate or potential candidate country;
- Experience in drafting analytical papers, legislation, academic papers or policy documents related to Financial Management and Control and European Integration reform processes;
- Knowledge of the international standards for internal control;
- Excellent written and oral communication skills in English;
- Advanced computer literacy;
- Ability to work with people of different nationalities, religions and cultural backgrounds.

b) Expert for Internal Audit:

- University degree in economy, business, law, political science, social sciences or related field;
- Minimum 8 years of experience in dealing with internal audit in the public sector of EU member state, candidate or potential candidate country;
- Experience in drafting analytical papers, legislation, academic papers or policy documents related to Internal Audit and European Integration reform processes;
- Knowledge of the international standards for internal audit;
- Excellent written and oral communication skills in English;
- Advanced computer literacy;
- Ability to work with people of different nationalities, religions and cultural backgrounds.

c) Expert for PIFC

- University degree in economy, business, law, political science, social sciences or related field;
- Minimum 8 years of experience in dealing with public finance management and PIFC in EU context;
- Experience in drafting analytical papers, legislation, academic papers or policy documents related to Public Administration, Public Financial Management and European Integration reform processes;
- Excellent written and oral communication skills in English;
- Advanced computer literacy;
- Ability to work with people of different nationalities, religions and cultural backgrounds.

Timing and Location

The assignment will be delivered from home with two visits to Skopje (Macedonia) in period February – April 2018. The first visit of engaged experts will be arranged at the beginning of the assignment, and the second visit at the final stage in order to present the drafted legal provisions and participate in round tables organized by Ministry of Finance of Macedonia.

Remunerations

The assignment foresees engagement of 38 man days. The exact expert fee rate will be evaluated based on assessed and evaluated individual expert's capacities, in line with ReSPA expert selection procedure adopted by the ReSPA Governing Board. The payment will be made in one instalment, following the submission of the final report and its annexes.

Reporting and Final Documentation

The Experts will be requested to deliver the following documents:

- *Final report*, which will include conclusions and follow-up activities, should be submitted in English, *word and pdf format*, no later than 15 May 2018;
- *Timesheets* (signed originals);
- *Boarding Passes and*
- *Invoice, including round trip flight reimbursement* (signed originals).

The abovementioned documentation shall be delivered to the following contact person and address:

Ms. Marija Orovic

ReSPA Programme Assistant

Regional School of Public Administration - ReSPA

Branjelovica, P.O.Box 31

81410 Danilovgrad, Montenegro

m.orovic@respaweb.eu