

ANNEX II: TERMS OF REFERENCE

1. BACKGROUND INFORMATION	3
1.1. Partner country.....	3
1.2. Contracting Authority	3
1.3. Country background	3
1.4. Current situation in the sector.....	3
1.5. Related programmes and other donor activities	7
2. OBJECTIVE, PURPOSE & EXPECTED RESULTS	7
2.1. Overall objective.....	7
2.2. Purpose	8
2.3. Results to be achieved by the Contractor.....	8
3. ASSUMPTIONS & RISKS	8
3.1. Assumptions underlying the project	8
3.2. Risks	8
4. SCOPE OF THE WORK.....	9
4.1. General.....	9
Project description	9
4.2. Specific work.....	10
4.3. Project management.....	16
5. LOGISTICS AND TIMING	17
5.1. Location	17
5.2. Start date & period of implementation	17
6. REQUIREMENTS	17
6.1. Staff	17
6.2. Office accommodation.....	19
6.3. Facilities to be provided by the Contractor.....	19
6.4. Equipment.....	19
6.5. Incidental expenditure	19
6.6. Lump sums.....	20
6.7. Expenditure verification	20
7. REPORTS	20
7.1. Reporting requirements	20
7.2. Submission & approval of reports	21
8. MONITORING AND EVALUATION.....	21
8.1. Definition of indicators.....	21
8.2. Special requirements.....	22

LIST OF ABBREVIATIONS

BAP	Public Procurement Agency Bulletin
CA	Contracting Authority
CE	Contracting Entity (private companies that are not covered by the PP Law No 131/2015)
CPB	Central Purchasing Body
DPS	Dynamic Purchasing Systems
CTIF	Center of Information Technologies in Finances
EBRD	European Bank for Reconstruction and Development
EO	Economic operator
eProcurement	Electronic Procurement
ESPD	European Single Procurement Document
EU	European Union
EUPD	European Union Procurement Directives
FA	Framework agreement
GPA	Government Procurement Agreement
ICT	Information and Communication Technology
IPR	Intellectual Property Rights
NEPP	Network Electronic Procurement Platform (Commercial Platform)
NCSA	National Complaint Settlement Agency (PRB)
MDL	Moldovan Lei
MoF	Ministry of Finance
MS	Member State
NGO	Non-Governmental Organisation
OJEU	Official Journal of the European Union
PP	Public Procurement
PPA	Public Procurement Agency, Ministry of Finance of the Republic of Moldova
PPL	Public Procurement Law
PRB	Procurement Review Body (NCSA)
RM	Republic of Moldova
SME	Small to Medium Enterprises
TED	Tenders Electronic Daily
WTO	World Trade Organization

1. BACKGROUND INFORMATION

1.1. Partner country

Republic of Moldova

1.2. Contracting Authority

European Union Delegation to the Republic of Moldova

1.3. Country background

Moldova is a lower middle-income country with a population of 3.55 million (estimated 2017)¹. The population is distributed evenly between men (48.1%) and women (51.9%). In 2017, the National Bureau of Statistics estimated that 42.7% of the population were urban dwellers and 57.3% lived in the rural areas. Moldova ranks 107th out of 188 countries on the Human Development Index (HDI-0.699 - 2016 HDI Report). Moldova remains the poorest country in Europe with a GDP per capita of USD 2,311 according to the latest census results² which is roughly half of average income per capita in the post-Soviet region of USD 5,079³. An ENPI-funded project on regional statistics concluded that in 2014 56.32% of GDP was generated in Chisinau. The private sector accounts for 56.6% of GDP.

Sustained economic growth and reforms to the social protection system have helped to reduce poverty, but in 2014⁴, around 11% of the population were estimated as living below the absolute poverty line. The average monthly wage in 2017 was estimated at EUR 228. Absolute and relative poverty is particularly acute amongst the rural population, the elderly living alone and larger (5+) households in the urban areas and while there is little appreciable difference between men and women on the majority of indicators, there is a substantial difference in share of gross national income⁵. Moldova scored 1.010 on the Gender Development Index and 0.248 (rank 50th) on the Gender Inequality Index.

The economy is dominated by the service sector (63.2% of GDP end 2015) and the manufacturing sector (20.7% of GDP) but remittances are also central, amounting to around one quarter of GDP. Agriculture accounts for 16.1% of GDP and 27.5% of the active labour population continue to derive their living from primary agriculture. There is a significant trade imbalance (-2,387 million USD estimated end 2017). The fiscal deficit was 3.1% in 2017. Total external debt now stands at 86% of GDP and public and publicly-guaranteed external debt is currently 40.5% of GDP. Inflation remained steady in 2012-2014 (4.6%-4.7%), rose to 9.6% in 2015, but has subsequently fallen back to 6.5% estimated at the end of 2017.

The official rate of unemployment at the end of 2017 was 4.2% (IMF estimated). However, this disguises the high levels of under employment and employment in the grey economy. Moldova has one of the lowest activity rates: the NBS reports that 35.8% of the population are economically active (1,273,000 persons); the gender differences in activity, employment and unemployment rates are narrow. Women are most active in food processing and textiles/clothing, while men are more likely to be employed in machinery, metals and chemicals. 33.7% of the population are employed in agriculture, 49.2% in services and the remainder (17.1%) in manufacturing and construction. On average, women earn 14.46% less per month than men.

1.4. Current situation in the sector

Legal context

¹ All data are derived from the National Bureau of Statistics of the Republic of Moldova (www.statistica.md) unless otherwise stated. The figure is considered to be overestimated, the real population would be around 2.8 million.

² World Bank, Economic update for Moldova, May, 2017 -

<http://www.worldbank.org/en/country/moldova/brief/moldova-economic-update>

³ IMF Country Report No 17/102 <https://www.imf.org/external/country/mda/index.htm?type=42>

⁴ This is the latest date for which reliable poverty data exists.

⁵ The number of women entrepreneurs in rural areas is significantly lower than in urban areas (14.9 % compared to 27.5%). Women in rural areas tend to have more children and due to the lack of sufficient social services have to resort to part-time work in the informal economy or unpaid care-work.

On 14 December 2016, the government of Moldova approved the Strategy on Development of a Public Procurement System in Moldova covering the years 2016-2020 (Government Decree No 1332 dated 14.12.2016). The objectives to be achieved by implementing this Strategy are the following:

- 1) Ensure an open, transparent and compliant process;
- 2) Achieve continuous improvement in all categories of expenditure through transparent and fair procurement processes;
- 3) Promote equality of opportunity for all businesses;
- 4) Work in partnership with the private sector and other organisations to achieve value for money, quality and effective service delivery.

This will be done through approximation of the legislation to the EUPD 2014, reorganising the Public Procurement Agency and setting up the National Complaint Settlement Agency, introduction of an eProcurement system and strengthening of the capacities of contracting authorities and civil servants involved in the public procurement process.

The legal framework of the public procurement system has recently been brought closer to European Union (EU) standards through the adoption of a new Law on Public Procurement (Law No. 131 of 3 July 2015, in effect from 1 May 2016). Overall, the new law provides a satisfactory regulatory framework and incorporates the fundamental EU principles governing the award of public contracts. However, some provisions are not fully compatible with EU requirements and will require further amendments. This includes:

- adoption of new procedural rules for all public procurement methods, including self-declaration and post-qualification, and electronic communication, submissions, purchasing and reporting in public procurement procedures;
- introduction of new procurement methods, specifically electronic procurement methods;
- appointment of public authorities in charge of regulatory and reporting obligations;
- establishment of the legal basis for public authorities responsible for enabling eProcurement procedures and tools for public procurement in public sector and utilities sectors;
- introduction of appropriate centralised purchasing based on online Framework Agreements for strategic types of common goods and services;
- establishment of the institutional framework for centralised purchasing.

Amendments to the PPL related to the introduction of e-procurement have been adopted by Parliament and entered into force starting with 1st October 2018. The government is also preparing amendments related to procurement in the areas of utilities as well as concessions and public-private partnerships.

New secondary public procurement legislation is under development to set the legal basis for implementing procedures regarding:

- management of centralised purchasing, including the methodology to identify common goods and services, and preparation of standard technical specifications;
- electronic business processes, rules for using the eProcurement platform, and main roles and responsibilities;
- different types of Framework Agreements and contracting under online Framework Agreements (including eCatalogues);
- Dynamic Purchasing Systems (including eCatalogues);
- eProcurement platform management and eProcurement information;
- standardisation of tender documents and notifications, and reporting templates for all procurement procedures.

Institutional structures

Currently the institutional structure related to public procurement might be described as follows.

The Ministry of Finance of Moldova is a national regulatory authority responsible for public procurement policy development and enforcement.

The Public Procurement Agency (PPA), as an administrative body under the Ministry of Finance, was established in 2009. It functions as an oversight body to monitor and enforce compliance with

procurement law; adherence by contracting authorities to the public sector best practice principles of publicity and transparency; free and fair competition; and equality and non-discrimination in the use of public funds.

The PPA is also responsible for development of procurement methodologies and Standard Bidding Documents, monitoring of public procurement procedures, and providing training and advisory services on the correct application of procurement law.

The PPA maintains the Public Procurement Portal and the Public Procurement Register (PPR), which is a centralised information system on public procurement in Moldova.

The following bodies are responsible for specific aspects within public procurement, procurement methodology, ex-post control, and remedy procedures:

- Court of Accounts (CoA): Ex-post audit of contracting authorities (financial, compliance and performance audit);
- Financial Inspection (FI): Ex-post control of contracting authorities' activities;
- Competition Council (CC): Investigates anti-competition practices, including those within the sphere of public procurement;
- National Complaint Settlement Agency (NCSA): Appeal of public procurement procedures as a first instance.

Additionally, there are two centralised purchasing bodies (the Centre for Centralized Public Procurement in Health Sector and the State Entity State Road Administration) that are subordinated to the Ministry of Health, Labour and Social Protection and Ministry of Economy and Infrastructure, respectively.

Finally, the State Treasury of the Ministry of Finance is in charge for registration of public procurement contracts that are financed by National State Budget and such contracts without State Treasury's registration are null.

From a technological point of view, the eGovernment Centre is a public institution with the aim of improving the quality of governance through a wide application of information technologies (IT). It is deploying the roadmap for IT transformation in the government of Moldova and has developed several eGovernment tools, such as eInvoicing (eFactura) and eAuthentication (MPass), amongst others. The eGovernment Centre currently supports the project to establish a new eProcurement system in Moldova by providing the necessary assistance to integrate the eProcurement system with the eGovernment tools.

The MTender system will be operated by the Centre of Information Technology in Finance (hereafter referred as "Operator" or "CITF"), a public institution under the Ministry of Finance. The Centre will act as the Operator of the eProcurement system, ensuring its correct administration, development and maintenance, handling fees payment and receipt, and handling training and support.

Market development

In 2017 public procurement had 5.72% share in GDP against 5.60% in 2016. There was an increase of public procurement expenditure in 2017 compared to 2016. In 2017, 22 633 contracts had been signed (including framework agreements) with the value of 8 606 million MDL or approximate 430,3 million EUR, compared to 20 417 contracts signed (including framework agreements) with the value of MDL 7 527 million MDL or approximate 367 million EUR in 2016.

In 2017, 333 contracting authorities launched public procurement procedures via SIA RSAP and signed 11 195 contracts (including framework agreements) with the value of 5 846 million MDL being 67.94% of total value of public procurement.

Infrastructure services and registers

The Interoperability Governmental Platform MConnect (National interoperability BUS) facilitates the exchange of data between the public authorities IT systems.

The e-Government Centre has implemented the following services:

M-Cloud service - common infrastructure for the Government - "M Cloud", based on "Cloud Computing" technology used to host the information systems and ensures access to various electronic services such as:

- **MLog** - governmental service for logging all events and keep a register of the transactions within the system.
- **MNotify** – notification service

- **MSign** - offer methods for signing documents electronically.
- The Interoperability Governmental Platform MConnect (National interoperability BUS) facilitates the exchange of data between the public authorities systems.
- **eFactura** - tool to create electronic invoices
- **M-pass** - national service which allows authentication and access to digital public services. The service offers different authentication mechanisms: mobile signature, digital certificate, user name and password.
- **MPay** is governmental service for electronic payments, is an informational tool by which various services can be paid online. Although MPay is primarily targeting electronic services in the public sector, it can be successfully used for commercial services.

State registers:

- **State Treasury** - Unit within the central government responsible for the management of the government treasury. It holds a contract register and the payments and invoices issued in relation to these contracts. The State Treasury registers public procurement contracts and disburses funds under such contracts at the request of CAs (upon confirming availability of funds under the corresponding account for the corresponding Contracting Authority)..
- **State Register of Licences** - Register of relevant licenses that is kept by the Public Services Agency. As an example of this function, it will allow for checking instantly if a certain company has an active license in a specific area required for a given tender.
- **Criminal Records Register** - This registry is kept by the Ministry of Internal Affairs of Moldova and allows consulting any criminal record from a company or individual.
- **State Register of Population** – hosted by Public Services Agency and holds identification data of Moldavian citizens.
- **State Register of Legal Entities** – hosted by Public Services Agency and holds identification data of Moldavian economic operators that also includes **State Register of Non-commercial Organization** (political parties, NGOs, different religious entities, public associations, etc.).
- **Tax Administration Portal** - stores information on tax payments

Current pilot project

Following the signing on 30 November 2016, of the Memorandum between Ministry of Finance, Public Procurement Agency, eGovernment Centre, several business associations, NGOs, and IT sector companies that provide commercial platforms for public procurement in electronic format, a pilot project on new eProcurement system: MTender was launched in Moldova in January 2017. The main objective of the pilot of the MTender System was to test a multi-platform networking system, connected to e-government services and to private commercial platform operators for providing services to Contracting Authorities and suppliers and contractors.

The pilot is divided into two different stages:

- Micro value procedures - procedures not covered by PPL no. 131 (below 100.000 MDL without VAT for works and 80.000 MDL without VAT for goods and services). The system used for micro value procedure is reverse auction only. This stage started in January 2017 and included 5 CAs. Until now more than 150 CAs have participated in the pilot and more than 1600 electronic tenders were advertised. Electronic signing and registration of public procurement contracts is done by the the State Treasury of the MoF. The system is used for all public contracts carried out through electronic tenders as well as resulting from paper-based procedures. This stage started in April 2018 and included 5 CAs reporting to the MoF. Until now more than 400 contracts have been registered and more than 50 CAs used the module.
- Electronic signing and registration of public procurement contracts in the the State Treasury of the Ministry of Finance. The system is used for all public contracts from electronic tenders as well as resulting from paper-based procedures.
- Small and high value procedures started from the 1st October 2018 to be available to all CAs following the amendments to the PPL. Two sets of procedures are concerned:
 - Small value procedures – (above 100.000 MDL without VAT for works and 80.000 MDL without VAT for goods and services and below 1.500.000 MDL without VAT for works and 400.000 MDL without VAT for goods and services) covering request for price quotation with and without invitation as defined in Article 55 of PPL no. 131.

- High value procedures - these procedures will be tested first for below and above the EU threshold (below 90.000.000 MDL without VAT for works and 2.300.000 MDL without VAT for goods and services) but conducted according to the provisions of EUPD 2014. The procedures included in the pilot will be open procedure. The utilities sector will also participate in the pilot doing open and restricted tenders. Nevertheless, the negotiated procedure that is particular to the utilities sector will not be introduced until full deployment of the system.

The technical concept

The Technical Concept of the full cycle Electronic Public Procurement System ver. 2.0 MTender was approved on 11 July 2018 by the Government.

The Technical Concept describes goals, key objectives and schedule of digital public procurement cycle implementation in Moldova and presents legal, business and technology principles as well as planned scope and minimal functional specification of the „MTender” System.

Therefore, the technical concept document is the lead guidance document for concept and principles of the project from a technical perspective.

The final version of the Technical Concept is included in Annex 1: Technical Concept of the Electronic Public Procurement System (MTender)

1.5. Related programmes and other donor activities

Within the context of the Moldovan accession to the EU and the harmonisation of regulations and practices, several international donors are providing technical assistance in the field of public procurement:

- EU / OECD SIGMA (since 2015 – on-going) – Assistance on developing the legal framework in line with the EU legislation, institutional public procurement system reform - reviewed PPA's responsibilities and provided recommendations, supported the establishment of National Compliant Settlement Agency and provided capacity building for its staff;
- EU – support to civil society organisations in promoting transparency and monitoring public procurement (several grand projects in partnership with Transparency International Moldova, Idis Viitorul, AGER).
- EBRD (since 2015 – on-going) - assistance on amendments of the PPL No. 131 with eProcurement provisions, policy and business advice to design and implement the e-procurement reform, including the pilot of the MTender System and capacity building of NCSA;
- WNISEF – Assistance on developing public procurement data-driven reporting tools, including the Open Contracting Data Standard business intelligence online tool which forms a part of the pilot of the MTender System;
- World Bank – Open Contracting in Moldova (ended in 2017): launch of an Open Contracting Portal for the PPA; and the launch of a small grants programme for civil society organisations to support their open contracting projects, implemented in partnership with government actors and training activities. The WB is finalizing its preparation to undertake a review of public procurement system in the middle of 2019, using Methodology for Assessing Procurement Systems (MAPS)

2. OBJECTIVE, PURPOSE & EXPECTED RESULTS

2.1. Overall objective

The overall objective of the programme of which this contract is a part is to provide the key beneficiaries with technical assistance to ensure the efficient and effective delivery of high quality public services in line with the European Principles of Public Administration to better serve the citizens and businesses.

2.2. Purpose

The purpose of the contract is to support in reengineering and implementation of e-procurement system in the Republic of Moldova.

2.3. Results to be achieved by the Contractor

Result 1: End to end electronic public procurement system developed and implemented

- Reliable, secured and highly configurable platform supporting management of all public procurement processes on the national and the CA level is developed;
- A multi-platform networking model is established;
- A full system interoperability with eGovernment services is secured;
- End-to-end electronic public procurement is in place including development and implementation of the electronic procurement process from electronically supported planning and aggregation of plans through full electronic procurement process, e-contracting, e-ordering, e-invoicing and payment as well as monitoring planning, procurement and contract execution;
- Single-window and single-sign-on public procurement Web Portal, including a public access contract register, is operational;
- The new e-procurement system is compliant with the national regulatory framework and the 2104 EU Directives;
- Open Data, machine-readable electronic documents and Open Contracting Data Standard are implemented, as appropriate in accordance with the local legislation;
- Processes, design and detailed specifications are duly documented;
- The Operator's personnel enabled to maintain, configure, manage and develop the central database unit of the multi-platform networking system with own resources.

Result 2: Public procurement stakeholders are capacitated to use the new e-procurement system

- Secondary legislation, guidelines, instructions related to the implementation of the new e-procurement system are developed;
- E-Procurements and E-learning facility developed and available on the system Web Portal;
- The trainers from the relevant authorities (MoF, PPA, E-governance Centre, CITF, NCSA, etc.) are capacitated to train and guide the contracting authorities in the use of the e-procurement system;
- The trainers from the relevant business associations are capacitated to train and guide suppliers and contractors in the use of the e-procurement system;

3. ASSUMPTIONS & RISKS

3.1. Assumptions underlying the project

- The Ministry of Finance demonstrates the ownership and commitment to implement the reform;
- All institutions related to public procurement system are committed to support the reform in the public procurement area and the approach defined in Technical Concept Note (see Annex I to these Terms of Reference);
- Good co-operation among project key actors, NEPPs providers and stakeholders and in the public procurement sector. A responsibility matrix agreed
- Adequate Operator level of competence and capacity to support development and integration, change management and NEPPs coordination.

3.2. Risks

- Key system stakeholders are not supportive of the e-procurement reform and the project;
- Inadequate NEPPs capacity and capability to implement and configure workflows in time;
- Delays in the adoption of the legislation;

- Inadequate capacity of Operator personnel;
- By-laws and regulations not aligned to PPL and Directives in time;
- Standard forms of public procurement documents are not provided on time.

4. SCOPE OF THE WORK

4.1. General

Project description

The project's general scope is to provide technical assistance required to achieve the full implementation of the e-procurement system 'MTender'. The Beneficiary is the Ministry of Finance.

According to the Strategy on the Development of the Public Procurement System for 2016-2020, as adopted on 14 December 2016, the Government has developed a Technical Concept of the Electronic Public Procurement system „MTender”. The concept describes goals, key objectives to be achieved, legal, business and technology principles as well as planned scope and minimal functional specification of the „MTender” System for the Project.

An EBRD financed project on new eProcurement "MTender" system was launched in Moldova in January 2017. The project has been divided in several stages, amongst them piloting the system. The project will end in December 2018. In the inception phase of the up-coming project the Contractor shall review the achievements in the aforementioned project, analyse the concept note and architecture of MTender system, analyse legislative framework, interoperability framework and technical requirements and agree with the Beneficiary detailed scope of the Project as well as development and roll out plan.

The system has to support fully the intentions and objectives highlighted in the Moldova Public Procurement Strategy 2016-2020 regarding electronic public procurement procedures. The procedures as defined by Public Procurement legislative framework (legal context chapter) and aligned with Directives 2014/24/EU and 2014/25/EU shall be taken into consideration. Project procurement experts should suggest eventual needed update of regulations to ensure clear requirements, roles in the system or responsibilities.

The Contractor shall provide services related to management, monitoring as well as submission of periodic reports.

From the analysis of the current state of regulations and technical environment, the Project shall propose measures for the further development of the «MTender», fine tune technical specifications, finalize the development of the Central Database unit and test NEPP modules and expose API interfaces to the commercial platforms (NEPPs) with precise specification of objects, methods, workflows and testing description. Access to public procurement processes for the CAs/CE and the EOs will be available only from the NEPPs' interface.

The design and development of the solution must follow the architecture concept described in the document attached to this ToR (Annex 1: Technical Concept of the Electronic Public Procurement System (MTender) and Annex 2: Technical specifications for eProcurement system).

Developed and implemented system considering Central Database Unit, Networking Electronic Procurement Platforms and integration to Governmental services and State registers shall support workflows for CA/CEs, EOs, CPB, PRB and PPA.

Public procurement workflows to be fully electronically supported by the system in brief:

- annual public procurement planning including publication of plans
- planning joint procurements through aggregation from individual CA plans
- planning individual procurement procedures including market consultations
- conducting all procedures for procurement by contracting authorities/entities with respect to public contracts as well as design contests (up to awarding of contract or framework agreement) prescribed by national Public Procurement Law including communication (submitting questions and answers, clarifications etc.) and appeal process.
- Workflows for techniques and instruments for electronic and aggregated procurement:
 - contracting based on Framework Agreements
 - dynamic purchasing system
 - electronic auctions
 - electronic catalogues
- contracting procedures with ordering, invoicing and payment processes

One of the most important goals for establishing an e-procurement system is the transparency of public procurement. Therefore, besides publishing notices and other records within procedures, the system must include a monitoring module which should enable public monitoring and analysis of PP procedures. The module should follow the Open Government Principles and Advanced Open Contracting Data Standards (OCDS).

Main functional CDU modules of the system are: ePlanning, eAccess, eNotices, eSubmission, eQualification, eEvaluation, eAuction, eAwarding, eContract Management, eComplaints, eInvoicing, Administration and Configuration, Cabinets and workflows for Public Authorities (PPA, NCSA, CPB), eNotification, Reporting and BI platform, eRegistration, eMonitoring, eCatalogue, Registry of banned EO, Document Management.

NEPPs module implements Cabinets and Workflows for CAs, Workflows for EOs, Search notices, Synchronisation of data module and Administration and configuration module.

Detailed requirements for TO BE MTender system are given in ToR annex (Annex II: Technical specifications of the development of e-Procurement system, M-Tender)

The Project will support all the activities related to the integration of the CDU with the State services and Registers. Description of Interoperability requirements and technical environment of the system is included in Annex II.

The Project's experts shall provide detailed specifications related to integration (APIs documentation and specification) of the private eProcurement with the Central Database Unit and establishment of correct workflows (benchmark workflows description/specification) as well as for end to end testing of the system.

The Contractor's experts shall deliver trainings for administrators and develop necessary training materials and guidelines for all roles in the system.

The Contractor together with CTIF and MoF shall organize trainings and awareness campaign to promote and strengthen capacities in public e-procurement area.

The developed solution should correspond to the requirements of the Concept – open source oriented, the ownership of the developed source code is to be transferred to the MoF with no restrictions on what the MoF can do with the software. The developed solution must be without IPR applicable.

Verification and validation of new components of the system, including necessary adjustments, will be carried out before putting them into operation.

A final verification and validation of the full system shall be carried out before the final acceptance of the system.

4.1.1. Geographical area to be covered

Republic of Moldova.

4.1.2. Target groups

- Ministry of Finance and its subordinated bodies (Centre of Information Technology in Finance (CITF), Public Procurement Agency and Internal Audit);
- eGovernment Centre;
- Contracting Authorities (including contracting entities and private companies that are not covered by the Law No 131) and Central purchasing bodies;
- Economic operators (suppliers, service providers, constructors);
- National Complaint Settlement Agency (the Remedies Body);
- Public Oversight bodies, Civil society, Non-governmental organisations, media

4.2. Specific work

Inception

The aim of the inception phase is to clarify the scope, objectives and feasibility of the project. During four-week inception phase, the Contractor should conduct analysis and

- produce/update assumptions and risks matrix
- gather and become familiar with Legislative framework (Public Procurement Law 131/2015, Public procurement strategy 2016-2020, eProcurement Concept note, eProcurement business processes for public procurement methods, technical documentation of the MTender System

Central database Unit, eProcurement Implementation Plan, draft secondary legislation on electronic public procurement procedures, relevant Laws, side laws and regulations)

- establish the project organization (governance, expert selection)
- organise "Kick-off" meetings
- analyse the current state of art
- set out basic design principles for the implementation of activities
- update project plan and fine tune scope
- fine tune work plan
- produce training program
- produce awareness and capacity building strategy plan
- establish working methodology

In the end of Inception Phase the Contractor must submit Inception report.

Implementation

Result 1: End-to-end e-procurement system developed and implemented

Development and implementation of the system can be done in phases before the final roll-out of the system. Within the inception phase, the Contractor and the Beneficiary have to agree on a time plan and fine tune the scope of the stages (example: planning and plans aggregation as well as open and restricted procedures and price quotation request, and then, as a second stage, DPS, and eCatalogue).

The roll out of the system for the 1st stage shall indicatively happen 6 months after the Project start. Last stage system upgrades, covering all system requirements, can be planed for launching 6-8 months later.

The Contractor is requested to transfer and share knowledge with all the team members assigned for the project by the Beneficiary (including CITF, PPA) through all the activities. The Contractor's experts should involve the members of the CITF's team in the development and configuration activities and distribute part of the work to the Operator, whenever this is considered possible.

Detailed Implementation requirements are described in Annex III: Implementation specifications.

Activities under this result can overlap in time.

To achieve result 1 the Contractor shall undertake following activities:

Activity 1.1: Production of detailed requirement specification and design of the MTender system

This Activity includes in-depth analysis of the existing documentation and the current version of the Mtender and the legal requirements to be built into the system, functional As Is analysis, To Be design and GAP analysis, use cases definition, public procurement process (workflows) modelling, creating business rules repository, defining templates and documents types.

Besides the business analysis, the activity includes specifying software modules, data modelling, integration modelling and fine tuning of non-functional requirements (security, performance, availability, sizing, back-up), defining sequence diagrams, state diagram, component model.

The Activity can include prototyping various scenarios and workshops for functionalities verifications.

Prior to development, specifications of functionalities must be approved by the Beneficiary and the EU Delegation.

The activity includes analysis and design phase of development and implementation process and is considered completed when all the specifications covering all the deliverables are accepted by Beneficiary.

The outputs of this activity are System Requirements Specification including business analysis report and the Software Design Description describing at least the use case model, business process model, component model, class diagrams, data model, deployment model and activity diagrams.

Activity 1.2: Development and configuration of the MTender system

This Activity should begin with setting up the development, testing and training environment.

The aim of this activity is to develop and implement the system based on the functional and technical specifications. The Contractor must develop the appropriate software, integrate the eGovernment tools, ESPD service, perform TED integration and certification process, perform unit testing, and integrate the various modules into a single working system.

This activity includes also configuration of workflows, business rules setup, data and standard template document configuration as well as migration and initial data setup.

This Activity will be considered completed when all the functionalities of the system are implemented in development environment.

Outputs of the activity are testing, training and production environment set up and configured, full technical components specification provided as well as migration and initial data setup methodology and plan.

Activity 1.3: Developing Technical documentation for NEPPs

System architecture must follow multi-platform principles, therefore all users (except special user roles) interface the system through commercial MTender's platforms who implement FrontEnd workflows for CA and EO.

Activity is parallel to designing, development and configuration activities and it focuses on providing quality material for Commercial NEPPs providers who should integrate to CDU and implement benchmark workflows.

Contractor shall assist the Operator to:

- establish coordination procedures with NEPP (private platforms)
- establish methodology for announcement of workflow configuration changes or introducing new
- provide workflows descriptions
- provide and test cases for all benchmark workflows
- develop API Documentation (functional and technical description, with examples, references)
- establish API documentation maintenance
- develop NEPP Test book – test cases for NEPP accreditation to specific workflows

Outputs: API documentation with workflow description and test book.

Activity 1.4: Initial data population and testing the system

Contractor shall provide initial data population e.g. migration methodology specifying data preparation, mapping the data structures, data quality assurance, completing data sets, importing, the migrated data reconciliation principles, the recovery plan (at each key stage of the migration process), the plan for data migration at system launching.

The Contractor together with the Operator (CTIF experts) should set up the testing environment, including a sandbox. Test protocols should be defined by the Contractor and approved by the Operator, who will conduct the testing with the assistance of the Contractor's experts. Tests should demonstrate that every aspect of the functional and technical specifications has been met.

The Contractor must produce a test book with test cases to cover all the functionalities foreseen to go live.

The Activity includes test specifications, end to end testing, performance testing (at least, load testing and stress testing) and bug fixing related.

At the end an acceptance testing and integration testing must be performed.

The Outputs of this Activity is a migration plan and migration performed, testing plan, test book and acceptance tests approved by the Beneficiary as well as functional, performance and security test reports.

Activity 1.5: Go live

Activity begins with launching in production (piloting) of the system and finishes with final acceptance of the system.

During this phase, the Contractor will be expected to resolve any functionality or performance problems, that can be identified, and provide operational support and helpdesk services. This Activity should also include on-job training of the Operator's personnel.

Before the final roll-out, the Contractor should submit an operation report. At the end of activity, the Contractor will perform the final roll-out of the system.

The outputs of this activity are a report, final acceptance approved by the Beneficiary and the EU Delegation, operational system in production and a documented deployment procedure.

Activity 1.5: Providing training services and development of guidelines for Operator's personnel

Special workshops with hands-on exercises will be held for administration and maintenance personnel of the Operator (indicatively 10 persons), different types of administrators as well as a Helpdesk role. These trainings shall include at least following categories:

- business operation

- administration and configuration
 - managing web Content and website administration
 - document configuration and document templates management
 - user access and role management
 - workflow and rules configuration (including benchmark workflows configuration)
 - backup NEPP administration and configuration
- operation and maintenance

The contractor shall ensure training environment (room and technical equipment) and the supporting material.

Contractor shall develop guidelines for different roles and responsibilities at the Operator personnel which means include:

- MTender Technical Architecture Document;
- MTender Administration Guide;
- MTender Users' Guide;
- MTender Installation Guide;
- Guideline on documentation for NEPPs maintenance (APIs Documentation and workflow description)
- Guideline on Test NEPPs workflows administration and configuration
- Guide for configuration and operational maintenance of all MTender components;
- Guides for Developers;

And operational guidelines:

- Guide for removing the defects detected in the MTender;
- Guide for MTender installation and configuration;
- Documentation of the process of data archiving and restoring from the MTender archive;
- MTender security documentation.

The guidelines for administrators and all other documentation shall be in Romanian. The production of Russian or English versions of the documentation will be agreed and decided in the inception phase

The Outputs of this Activity are training plan and programs, training attendance lists, training material with hands on exercises and e-learning guidelines.

Result 2: Public procurement stakeholders are capacitated to use the new e-procurement tool

Activity 2.1: Capacity building of the CAs and other relevant users of the system

The Contractor will define a capacity building and awareness strategy for approximately 900 procurement officers and other representatives of CAs which will include the following: the objectives of the capacity building and awareness raising activities, the target groups, the timeline, training tools (ex. classroom trainings, on-line, on-job coaching, etc.), training and visibility material, etc. The strategy is to be approved by the MoF and the EU Delegation.

In coordination with the MoF and the PPA, the Contractor should develop guidelines and other self-learning materials (video clips or animated application guidance) for the use of the MTender modules. E-learning courses should cover different topics such as public procurements for Beginners, public procurements of goods and services, public procurements for works, public procurements of consulting services). All the material is to be provided in Romanian and Russian languages.

The guidelines for contracting authorities should include e-planning process, practical guide in conducting all procurement methods electronically, use of electronic catalogues, guidelines on ESPD usage, electronic contracting process including contract registration by the State Treasury, etc.

The guidelines for Economic operators should cover procedures from EO's point of view, ESPD, submission, e-complaints, etc

The Output of this activity is the implementation of the capacity building and awareness raising campaign: training and visibility material, training records, e-learning courses implemented, guidelines for CA and EO's provided.

Activity 2.2: Assistance in developing of Public Procurement secondary legislation and recommendations

The contractor should work closely with Beneficiary (including PPA and CITF) and provide assistance developing the secondary legislation related to e-procurement (regulation on system unavailability,

regulation updates based on introduction of an electronic complaint, electronically supported planning process and aggregation) and on developing recommendations (on using e-catalogues, DPS, e-Auctions, ESPD etc.) as a result of procurement under new conditions.

The Output of this Activity includes recommendations on secondary legislation updates and standard documents templates drafted.

Activity 2.3: Training of the trainers

This Activity includes trainings of future trainers from PPA and CITF.

Special trainings shall be organized for CITF and PPA to build their capacities to support to contracting authorities in area of the newly developed e-procurement.

Training materials and guidelines shall be developed in cooperation with MoF, PPA and CTIF.

Outputs of this activity are training plan, training materials and number of conducted trainings in line with the training program.

The tenderer should prove that he understood the scope of the project and recommendations for development (Concept note, Architecture, Requirements) and describe, in detail, the approach and working methodology which includes:

- Project organisation / project management
- Inception phase organisation and working methodology
- Design and development methodology
- Relationship management (team, stakeholders MoF, PPA, PRB, CTIF, NEPP,)
- Implementation and configuration methodology
- Data migration methodology
- Documentation to be provided
- Knowledge sharing methodology
- Testing organisation and methodology
- Release management
- Requirements management
- Change management
- Quality assurance
- Risk & incident management
- Training plan
- Training and e-learning materials
- Awareness campaign and capacity building strategy
- Change management
- Disaster-Recovery solution suggestion

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). The compliance with this shall be made an output of the contract and the Contractor shall include what have been accomplished in its reporting.

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.

The table of deliverables

The following deliverables are to be produced by the Contractor:

Activities	Outputs
<i>Component 1 (activities for result 1):</i>	
1.1. Production of detailed requirement specification and design of the eProcurement system	Outputs 1.1. – System Requirements Specification – Software Design Description
1.2: Development and configuration of the MTender system	Outputs 1.2. – MTender components implemented and configured according to functional and non-functional specifications in the production, testing

	<p>environment and training environment.</p> <ul style="list-style-type: none"> – CA and EO benchmark workflows configured at CDU and implemented at Backup NEPP – Components APIs developed and exposed – Full technical documentation of the system – Testing (unit, integration, stress, load) scenarios – Configured Production, Testing and Training environment – Full source code and related libraries delivered to Beneficiary
1.3: Developing API specifications and workflow guidelines for NEPPs	<p>Outputs 1.3.</p> <ul style="list-style-type: none"> – CA and EO workflows description document – API documentation and specification – workflows test scenarios published
1.4: Initial data population and testing	<p>Outputs 1.4.</p> <ul style="list-style-type: none"> – Methodology and plan for data migration – Datasets migrated to testing environment – Data migration report – Test plan – Testing scenarios – Acceptance tests – Test report
1.5: Go – live	<p>Outputs 1.5.</p> <ul style="list-style-type: none"> – MTender Go – live plan, roll-back plan – MTender deployed to production environment – Deployment report – Errors and operation deficiencies – Pilot report
1.6: Training the Operator's personnel, PPAs, MoF	<p>Outputs 1.6.</p> <ul style="list-style-type: none"> – Training plan and programme – Trainings held – Training records – attendance lists <p>Guidelines:</p> <ul style="list-style-type: none"> – MTender Technical Architecture Document; – MTender Administration Guide; – MTender Users' Guide; – MTender Installation Guide; – Guideline on documentation for NEPPs maintenance (APIs Documentation and workflow description) – Guideline on Backup NEPPs workflows administration and configuration – Guide for configuration and operational maintenance of all MTender components; – Guides for Developers within the limit of components admitted for internal development by the Ministry of Finance; – Guide for removing the defects detected in the MTender; – Guide for MTender installation and configuration; – Documentation of the process of data archiving and restoring from the MTender archive; – MTender security documentation.
Project Management	<p>Project Management outputs</p> <ul style="list-style-type: none"> – Project Initiation Document – Detailed Project Activities Plan coordinated with the MoF and Operator – Project weekly progress reports – Reports of finalization of project phase – Reports on exemptions – Acceptance Protocols
Component 2 (activities for result 2):	

2.1: Capacity building of the CAs and other relevant users of the system	Outputs 2.1. <ul style="list-style-type: none"> – training and visibility material, – training records, – e-learning courses implemented, – guidelines for CA and EO's
2.2: Assistance in develop of Public Procurement secondary legislation	Outputs 2.2. <ul style="list-style-type: none"> – recommendations on secondary legislation updates – standard documents templates drafted
2.3: Training of the trainers	Outputs 2.3. <ul style="list-style-type: none"> – training plan, – training materials – training records

4.3. Project management

4.4.1. Responsible body

The Delegation of the European Union to the Republic of Moldova is responsible for the management of this contract.

4.4.2. Management structure

The Operations section of the Delegation of the European Union to Moldova, represented by the Project Manager, will be responsible for supervising the implementation of the project.

The Contractor will be responsible for the day-to-day management of the project and mobilisation of all experts. Plans for mobilisation of experts will be subject to the project work plan established by the Contractor and approved by the Contracting Authority. All the activities must be closely co-ordinated with the Beneficiary and the Operator.

During the inception phase the Contractor will assist the Project Partner in establishing a Project Steering Committee to guide the project implementation. The Project Steering Committee will oversee and validate the overall direction and policy of the project (or other responsibilities to be specified). The Contractor will report regularly to the Project Steering Committee, which will review the project progress and give guidance on key issues. The Project Steering Committee shall meet on a three-monthly basis. The Project Steering Committee shall be made up of representatives the MoF, CITF, PPA, E-governance Centre. Other stakeholders may be invited as and when required. The complete list of SC members will be established during the inception period.

The representative of the MoF will co-chair the Project Steering Committee together with a representative from the EU Delegation. The Contractor will act as Secretary to the Project Steering Committee and will ensure the proper functioning of the Project Steering Committee's meetings, such as, *inter alia*, inviting to the meetings, preparing the agenda, reporting, writing minutes and all other aspects related to the organisation of Steering Committee meetings. The agendas, meetings minutes and the list of participants will be sent out to all Steering Committee's members in due time. They will also be included as Annexes to the reports the Contractor under this project needs to provide. The day-to-day management of the project is the responsibility of the Contractor's Team Leader. The Team Leader will be responsible for the whole project implementation and coordination.

The MoF shall appoint a senior member of their staff to liaise with the Contracting Authority and the Contractor and shall ensure that the MTender project manager, the MTender administrator and other staff at appropriate level is made available to work alongside with the staff of the Contractor.

The Project Steering Committee shall have an advisory role. Decision-making and final approval competence remains with the Contracting Authority, represented by the EU Project Manager.

4.4.3. Facilities to be provided by the Contracting Authority and/or other parties

The MoF or the Operator will make available office space of at least 10 m2 per each expert. They will also provide to the Contractor free of charge all data, texts of the necessary laws and regulations, draft laws and documents and other related information to be used for project purposes to achieve project results. They will equally provide such assistance to the Contractor as necessary to help to arrange visas for expatriate personnel of the Contractor, and customs clearance and inland transport (from border point to final destination).

The MoF shall also provide all possible assistance to solve unforeseen problems that 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.

5. LOGISTICS AND TIMING

5.1. Location

The project office will be located in the MoF's buildings in Chisinau. However, travel is foreseen for short-term inputs in the regions of the country for capacity building and promotional activities.

5.2. Start date & period of implementation

The intended starting date is March 2018 and the period of implementation of the contract will be 24 months. Please see Articles 19.1 and 19.2 of the Special Conditions for the actual starting date and period of implementation.

The Contracting Authority may, at its own discretion, extend the project in duration and/or scope, as a subject to the availability of funding, up to a maximum not exceeding the length and value of the initial contract.

The Contracting Authority may also extend the project by adding the operational support, training and maintenance services to be delivered for up to 24 months after launching the full system in production.

Any extensions 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.

A significant presence in Moldova during the entire project implementation is considered essential for success of the project. The minimum percentage of key experts' time to be spent in Moldova is 90%.

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

Team leader is in charge of the overall management of the project and will together with the other experts contribute to the effective implementation of the project. The Team Leader will be responsible for the overall quality, coordinating work of short term experts, realization of the activities and outputs, as well as reporting. He/she will work closely with the beneficiary experts in order to establish e-procurement system and human capacity building system.

He/she will be engaged for the period of minimum 250 working days. Minimum 90% of working days will be spent in Moldova.

The team leader must have the following background and experience:

Qualifications and skills

- Education at least up to University's degree (university or equivalent institution or an equivalent recognised professional qualification) in the field of Law or Business or Economy or Organizational or Technical Sciences, or equivalent relevant professional experience of 5 years on top of the General Professional Experience requested below;
- Excellent communications skills;
- Excellent command of English language (both spoken and written);
- Working knowledge of Romanian or Russian language will be an asset;

- Project Management Program or PRINCE 2.0 certificate will constitute an advantage.

General professional experience

- At least 10 years of experience related to the implementation of e-public services, i.e. public services provided through communication technologies

Specific professional experience

- At least 5 years of experience as Team Leader of large scale (minimum budget EUR 500.000) IT projects in public sector;
- Experience in IT projects related to the implementation of e-procurement in public sector will be an asset;
- Experience in EU MSs or in IPA or ENI countries will constitute an advantage.

Key expert 2: Senior eProcurement expert – IT Architect

Senior eProcurement expert is responsible for the delivery and implementation of the system. He/she will guide and contribute to the team from both processes as well technical side.

He/she will be engaged for the period of minimum 335 working days. Minimum 90% of working days will be spent in Moldova.

Qualifications and skills

- Education at least up to University's degree (university or equivalent institution or an equivalent recognised professional qualification) in the field of ICT or equivalent relevant professional experience of 5 years on top of the General Professional Experience requested below;
- Excellent communications skills;
- Excellent command of English, both written and spoken.

General professional experience

- At least 5 years of experience related to the implementation of IT reforms in public sector

Specific professional experience

- At least five (5) years of professional experience in developing and/or implementing public-sector large-scale e-procurement platforms (minimum budget EUR 500.000)
- Work experience on at least 1 project on development or implementation of end to end e-procurement platform (supporting regulations aligned to 2014 EU Directives including annual procurement e-planning, e-tendering, electronic auctions, e-Catalogue, and contract management procedures.)

6.1.2. Non-key experts

The project includes a provision for Non-Key Experts to complement the Key Experts. The function of these Non-Key Experts is to enable the project to have the means to flexibly respond to specific priority needs for additional expertise and to meet these in the most appropriate, cost effective and timely manner. It is expected that among others, following expertise is covered/supplemented by the pool of short- term experts:

The profiles of the non-key experts for this contract are as follows:

Implementation of the activities under this contract will require the mobilisation of non-key experts with the competences in the following fields (not obligatory and not necessarily limited to):

- EU Acquis in the area of Public Procurement
- Development secondary legislation in Public Procurement
- Development of models, guidelines and working materials in area of PP
- Change management
- Risk management Business analysis (work experience in business process analysis and modelling tools)
- Public relationship and communication;
- Experience in IT architecture consulting
- ICT skills
 - experience in software development
 - Agile software life-cycle methodologies
 - knowledge of Open Source technologies

- IT system testing experience
- Public procurement system integration experience (including TED and ESPD services integration)
- Development and implementation of trainings, training of IT specialists and end – users
- Communication and awareness raising;
- Training and visibility material design.

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

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

The selection procedures used by the Contractor to select these other experts must be transparent, and must be based on pre-defined criteria, including professional qualifications, 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. Backstopping and support staff costs must be included in the fee rates and include: quality check of the deliverable, administrative management, accounting of incidental budget, secretariat support, stationary, translation/interpretation⁶, editing, logistics support for project experts, organization and maintenance of communication tools.

The Contractor will be responsible in particular for ensuring adequate co-ordination amongst all staff activities and logistical organisation of project events. 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 m2 for each expert working on the contract is to be provided, free of charge, by the partner country, in the MoF's main building.

6.3. Facilities to be provided by the Contractor

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

6.4. Equipment

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

6.5. Incidental expenditure

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

⁶ The project language is English. All documents, in/out, should be in English. However, when specific deliverable is to be produced for trainings, simultaneous translation, events materials, publications, visibility – the translation in Romanian/English (depending on the original language) it will be covered from incidental budget.

- Travel costs and subsistence allowances for missions, outside the normal place of posting, undertaken as part of this contract. If applicable, indicate whether the provision includes costs for environmental measures, for example CO2 offsetting;
- Local Trainings (training cost of services);
- Events organisation (seminars, workshops) – premises renting, presentation tools, interpretation, catering, national and project experts travel and accommodation, when appropriate;
- Translation of documentation, trainings and events materials;
- Study visits: travel, and per diems for project experts when appropriate, host's fees;
- Participation of Beneficiary's experts to international workshops, if relevant;
- Costs of printing the guides, leaflets, visibility materials, production of audio and video material for on-line training, printing of publication, etc.

The provision for incidental expenditure for this contract is **€ 145.000**. 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 - 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. Prior authorisation by the Contracting Authority for the use of the incidental expenditure is not needed except for missions outside the place of operations and approval of content of workshops, seminars and/or trainings.

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 **€ 20.000**. 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 (Inception period will last for 4 weeks)	Analysis of existing situation and work plan for the project	No later than 1 month after the start of implementation
6-month Progress Report	Short description of progress (technical and financial) including problems encountered; planned work 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-month 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

One printed copy of the reports mentioned in the table above must be submitted to the Project Manager identified in the contract. The reports must be written in English and Romanian. The Project Manager is responsible for approving the reports.

As a standard practice, the Beneficiary should be involved in commenting on and approving the reports. In the absence of comments or approval by Beneficiary within the 15 days, the reports are deemed to be approved.

8. MONITORING AND EVALUATION

8.1. Definition of indicators

Appropriate, objectively quantifiable and verifiable indicators will be agreed between the Contracting Authority and the Contractor. These indicators should be based on main outputs provided in Section 4.2 'Specific work'.

The Contractor should propose a logical framework in its Organisation and Methodology. The logical framework must set indicators and sources of verification for the objectives, purpose and results. The deliverable cannot be used as result or objective indicator.

The logical framework is a dynamic document which must be revised and periodically updated in the course of implementation the project in close cooperation with EUD and Beneficiary. It should be part of management tools to follow up and to estimate the effectiveness of the project implementation.

In addition, the European Commission may launch one or several Result-Oriented Mission(s) (ROM) of the project, which provide an external assessment of the project.

The Contractor's experts shall be required to assist the ROM with required information.

8.2. Special requirements

The tenderers are expected to include a Log Frame Matrix as part of Technical Proposal. The Log frame will be the basis for the all project activities and will be harmonized during the Inception period.