

## CONFIDENTIAL

# TERMS OF REFERENCE (TOR) FOR THE PROCUREMENT OF SERVICES BELOW THE EU THRESHOLD



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**Project title:** EU4ITD - Catalysing Economic and Social Life in PIRDP Regions  
**Project number/cost centre:** 19.2204.6-013.00/3900

**Country:** Georgia

**Transaction number:**  
**83483922**

**Services specified in the tender:** Arrangement of hiking and bicycle paths on the slopes of Tsivi Mountain

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## 1 BACKGROUND

Georgia's [Pilot Integrated Regional Development Programme \(PIRDP\)](#) is a national initiative that addresses the social and economic territorial imbalance between the capital, Tbilisi, (and to a lesser extent Batumi), and the rest of the country. Targeting the 4 regions of Guria, Imereti, Kakheti, and Racha, Lechkhumi and Kvemo Svaneti, it is supported by the EU under its 2019 programme "[EU4 Integrated Territorial Development](#)" (**EU4ITD**) to the tune of 54 MEUR. Of this amount, 40 MEUR in budget support, together with 10 MEUR from the national budget, was channelled to **1)** municipal investment projects via the [Ministry for Regional Development and Infrastructure \(MRDI\)](#) and, to a lesser extent, **2)** individual entrepreneurs and micro-/small-enterprises via [Enterprise Georgia](#) and the [Georgian Innovation and Technology Agency \(GITA\)](#), both under the Ministry of Economy and Sustainable Development), as well as the [Rural Development Agency \(RDA\)](#) under the Ministry of Environmental Protection and Agriculture. In addition to this (already completed) budget support initiative, EU4ITD is also funding a number of complementary measures, including a grant scheme for municipalities (2.5 MEUR in grant funding to the municipalities of Chokhatauri, Kutaisi, and Khoni), technical assistance (2.25 MEUR), and 2 Contribution Agreements,<sup>1</sup> the first with UNDP (2 MEUR, "EU4ITD: Advancing decentralized, effective, and inclusive governance in Georgia"), and the second with GIZ (outlined in the next paragraph).

"**EU4ITD - Catalysing Economic and Social Life in PIRDP Regions**" ([CESL](#)) is implemented under the wider GIZ regional programme "Good Governance for Local Development South Caucasus" and has a total budget of 7.5 MEUR (6.5 from the EU and 1 from the German government); it runs from 28 January 2022 to 27 September 2025. It addresses on one hand municipalities to improve the quality of life locally,<sup>2</sup> and on the other individual entrepreneurs and micro-enterprises to stimulate income generation and economically activate "hard-to-reach" target groups.<sup>3</sup> Interventions are limited to the 4 PIRDP regions, while they should, in principle, also be "integrated" in nature.<sup>4</sup> Given the project's scope, stakeholders are varied and numerous at both central, regional, and local level. The implementing team's front office

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<sup>1</sup> Under Contribution Agreements, the EU entrusts project implementation to international or Member State organisations which it has assessed as fulfilling criteria related to managing of public finances.

<sup>2</sup> Financing 21 projects, with budgets ranging from 65,000 to 800,000+ GEL on urban renewal, tourism development, and economic activation/income generation

<sup>3</sup> 5 schemes have been or are being implemented to support rural women and youth to start up or expand business ideas. Additionally, support is given to target gaps identified in regional or location specific value chains.

<sup>4</sup> An "integrated" project should at least be "place-based" (i.e. sensitive to the needs of a particular location), multi-sectoral, and involve different stakeholder groups (e.g. local administration, CSOs, businesses); in addition, it should, ideally, combine hard and soft measures, and bring together different levels of government.

comprises 5 staff based in Tbilisi, 2 in Kutaisi (covering Guria, Imereti, and Racha) and 1 in Telavi (for Kakheti).

CESL launched a scheme in November 2022 to identify project ideas in its four target regions which would result in the improvement of the quality of life locally; such projects had to be implemented by coalitions bringing together different interests – not just from the side of municipalities (which should lead such coalitions) but also from civil society and/or the private sector. The initiative to establish **hiking and bicycle paths on Tsivi Mountain** met these criteria, including integral involvement of other parties (in this case a local CSO – the Regional Center for Sustainable Development (RCSD) - and the local university, TESAU); the latter were also involved consulted when relevant technical documentation was being drawn up by a company hired under CESL's UNDP-implemented "sister" project.<sup>5</sup> A grant agreement was concluded with the relevant municipality (Telavi) in April 2024 under which a contractor to perform the necessary works was to be hired; however, The public tenders carried out by the municipality were not successful despite of several tenders.

## 2 RATIONALE

While the Tsivi Mountain hiking/biking paths initiative is deemed worthwhile for funding under CESL (being in the interest of the region of Kakheti and of local civil society and the private sector – in additional to local government),<sup>6</sup> it transpires that the initial mode of implementation foreseen (i.e. via a grant with the municipality concerned) was not successful.

Objectives of the assignment

To arrange three hiking/biking trails on Tsivi mountains (two for hiking, one for hiking/biking)

## 3 ACTIVITIES, OUTPUTS, PAYMENT, INDICATIVE TIMELINE

### 3.1 Activities

**Activities** will comprise the following:

- Familiarisation with the "Technical Assignment" (attached as an annex – Georgian only, pdf files for the each trail and construction unit), which, inter alia, indicates the path each trail should take and infrastructure to be installed (as well as its location)
- Visit(s) to the sites concerned by the Technical Assignment
- Obtain the relevant permit(s) from the National Forest Agency as owner of most of the land through which the trails pass
- Clear brush from each trail both horizontally and vertically, including vegetation on the ground and overhanging tree branches impeding access. Trees of large size are to be preserved intact.
- Mark each trail in line with the relevant technical regulations approved by the Government of Georgia for pedestrian routes, including applying paint to trees or installing signposting poles in the ground
- Instal infrastructure as indicated in the Technical Assignment, including a picnic shelter, as well as a plaque/billboard where at least one of the trails starts in Telavi. All such infrastructure needs to respect safety standards, be sensitive to the environment, and take into account customers' needs; it should therefore be simple, functional and in harmony with the environment.

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<sup>5</sup> i.e. the aforementioned "EU4ITD: Advancing decentralized, effective, and inclusive governance in Georgia"

<sup>6</sup> The arrangement of hiking and bicycle paths on the slopes of Tsivi Mountain is one of the main directions to facilitate the development of tourism in Telavi Municipality. The arrangement of a hiking route will ensure the emergence of new and additional benefits for the local community living in the surroundings of the trails. In addition, in Kakheti there is only option for the hiking trails to go in Lagodekhi National Park which is in 80 kilometers away from Telavi. There is demand from tourism industry to have more active tourism products in the region.

### **3.2 Outputs**

Outputs will comprise those outlined in the Technical Assignment, i.e.

1. The cleared and marked Trail 1
2. The cleared and marked Trail 2
3. The cleared and marked Trail 3
4. Picnic shelter with fire place and plaque/billboard where at least one of the trails starts in Telavi

In all cases, outputs should respect the communication and visibility requirements imposed by CESL's donors (i.e. the EU and the German government).

Satisfactory completion/delivery of these outputs will be confirmed by CESL's representative (see Section 7 below), the local CSO (RCSD), and Telavi municipality.

### **3.3 Payment**

The contractor will be remunerated for its work after outputs have been delivered and confirmed (see 4.2 above). However, in the case of need, a single advance payment may be made to the contractor to cover costs related to **1)** purchase of any materials necessary for the activities (e.g. for the construction of the picnic shelter, paint for marking);<sup>7</sup> and **2)** travel to the sites concerned.

### **3.4 Indicative timeline**

Performance of activities shall fall within the duration of the assignment (see Section 5 below). Indicatively, the initial kick-off meeting is foreseen for mid-March, the obtaining of permits by mid-April, and checking of the completed trails (by e.g. the CESL representative) in August.

## **4 DURATION AND LOCATION OF THE ASSIGNMENT**

The anticipated duration of the assignment is 1 March 2025 to 31 August 2025, though the final start/end dates will be set in the contract itself.

## **5 REQUIRED INPUTS**

No inputs from the side of contractor are defined, since remuneration will solely be based on outputs delivered and accepted. It is therefore up to the contractor to define internally what inputs it needs to mobilise to ensure delivery of the outputs in these terms of reference.

## **6 LIAISON WITH CESL**

The company contracted for the performance of this ToR shall ensure regular liaison with the CESL team as necessary/appropriate; the relevant contact person will be the CESL team member responsible for the tourism development portfolio. The company may also be expected to liaise independently of CESL with the local CSO (RCSD), and possible with Telavi municipality.

## **7 FORMAT OF TENDERERS' BIDS**

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<sup>7</sup> Materials here do not include equipment that contractors should already possess for clearing of the trails (e.g. chainsaws).

Tenderers' bids shall comprise **1)** a technical offer, and **2)** a financial offer.

## 7.1 Technical offer

There is no prescribed format for the **technical offer**, and it is therefore up to bidders' discretion how to structure these documents. However, they should:

- Be no more than 10 pages (excluding any attachments) in English, with a minimum font size 11;
- Cover the issues indicated in the table below.

Technical offers will be evaluated against the positively weighted criteria in the assessment grid (indicated in the table below for ease of reference).

Issues to be covered in the technical offer	Assessment criteria
<p>An <b>outline of the personnel</b> who will be involved in contract implementation from the side of the contractor, including:</p> <ul style="list-style-type: none"> <li>• An indication of <b>how many people</b> will be mobilised in the team to perform the activities. The team needs to comprise to complete the assignment in the time available (not less than 4 people). This assessment sub-criterion represents a maximum of 3 out of the maximum 10 points for the assessment criteria 2.8.2.</li> <li>• An indication of <b>relevant prior experience that the team will have as a whole</b> (i.e. not per person). The contractor should mobilise a team with, cumulatively, prior experience of three assignments involving clearing brush from roads or paths, and/or marking trails, and/or building small outdoor infrastructure (such as picnic shelters). This assessment sub-criterion represents a maximum of 3 out of the maximum 10 points for the assessment criteria 2.8.2.</li> <li>• Designation of the person from the team who will act as <b>Team Leader</b> (and therefore be the main contact point for CESL). The person so identified should <b>1)</b> have experience of managing two (or more) assignments in Georgia similar to the one described in these ToR, and <b>2)</b> be a proficient user of Georgian, This assessment sub-criterion represents a maximum of 4 out of the maximum 10 points for the assessment criteria 2.8.2.</li> </ul> <p><b>The CVs of the Team Leader and other members of the team are to be included in the bid;</b> they should outline qualifications, experience, and linguistic ability.</p>	<p>2.8.2 - Qualifications and sufficient assignment duration of the team (professional experience and other specific experience)</p>
<p><b>Qualifications and experience of the bidder</b> are to include information on previous and/or current work/assignments/activities of a similar nature, with an indication of what they concerned, where they were performed, when they were conducted, and how much they cost. The contractor should have performed three assignments involving the establishment of hiking and/or biking trails in Georgian regions (i.e. outside Tbilisi and Batumi) in the last three years (i.e. since 1 January 2021) for a public sector client (e.g. Agency of Protected Areas, a municipality, or a donor funded project); the cumulative value of such assignments should be 100,000 GEL.</p>	<p>3.1 – See ToR for requirements</p>

## 7.2 Financial offer

The **financial offer** is to be drawn up using the format included in the tender dossier circulated to tenderers. Items and quantities are to be inserted identical with those given in sub-section 4.2 above, and then the unit costs offered by the tenderer per item included; totals are calculated automatically.

## 8 OTHER PROVISIONS

**VAT:** The contract amount doesn't include VAT. According to the article 71 of Order N 996 of the Ministry of Finance on "Tax Administration" and in compliance with international agreements on Technical Cooperation between the government of The Federal Republic of Germany and the government of Georgia dated December 19 2008, (which is previously based on international agreement dated May 11, 1998) GIZ enjoys tax exemption and will procure goods/services exclusive of VAT (issuing "0" VAT rate), using off-setting right. The relevant status may be found at the webpage [www.rs.ge](http://www.rs.ge) - საგადასახადო შეღავათით მოსარგებლეთა რეესტრი .

**Communication and visibility requirements:** As noted in section 4.2 above, outputs produced by the contractor will have to respect CESL's communication and visibility requirements. Relevant information will be supplied to the contractor at the kick-off meeting.

## 9 ANNEX

- Technical Assignment for arrangement of hiking and bicycle paths on the slopes of Tsivi Mountain (Georgian only)