

Annex 1

Technical assignment for Introduction IPSAS on Local Government Level

On behalf of the German Federal Ministry for Economic Cooperation and Development (BMZ), GIZ is implementing the Good Governance for Local Development Programme (GGLD) and invites interested parties to submit their proposals for the consultancy services described below.

Terms of Reference

General information

Programme Name: Good Governance for Local Development in South Caucasus (GGLD)
Objective: public institutions in the South Caucasus region are better able to provide citizen-oriented public services at the local level in a sustainable and environment friendly manner in accordance with the principles of democracy, rule of law and transparency that improves the living conditions of local population.

Basic fields of action:

- a) Improving the legal and institutional framework for providing citizen-oriented public services;
- b) Strengthening the capacities of key stakeholders to deliver citizen-oriented services and to finance them;
- c) Introducing public participation mechanisms for the engagement of citizens in service delivery;
- d) Strengthening the procedures, institutions and instruments of regional and local economic development;
- e) Promoting exchange of experience and cross-border learning.

Programme duration: 01/04/2020 – 31/03/2023

1. Background

GIZ Good Governance for Local Development GGLD, South Caucasus actively cooperates with the Ministry of Finance (MoF) of Georgia. In recent years GIZ supported MoF to train municipal administration financial department employees in application of programme budgeting methodology as well as e-treasury software to streamline the public finance Management reform processes. At this stage MoF State Treasury Service implements the accounting methodology reforms according to the Decree of Ministry of Finance N 701, 3 November 2009, which is in compliance of the implementation action plan of International Public Sector Accounting Standard. To ensure the full coverage of all public institutions starting from January 1, 2015 autonomous republics and self-governments were incorporated in the integrated information system of public financial management. It conditioned the fact that accounting reform is covers not only central level budgetary institutions but autonomous republics and self-governments as well. In 2017 changes were made in the initial decree of the ministerial decree on implementation of IPSAS introduction plan and based on the decree #485 main directions and frequency of the reform was set, thereby incorporating local government units in the plan. GIZ will support MoF in implementation of this plan.

2. Objective of the assignment and scope of work

The objective of this assignment is to adapt the methodology developed by Treasury service on IPSAS and trainings for the local government representatives to be carried out. This should be delivered accordingly for the financial staff (accountants/financial managers) of the municipalities.

Introduction of International Public Sector Accounting Standards (IPSAS) and achievement of full compliance with International Standards of Accounting and Reporting based on full accrual method represent the guarantee of improvement of reliability of financial reporting of public sector from the side of society, as well as investors.

Within the framework of consulting services, the contractor is obliged to perform the following tasks:

Design the training curriculum, that will cover:

- General principles for preparing Financial statement according to IPSAS standards and achievement of full compliance with the standards by End of 2020;
- Practical aspects of the financial statement according to IPSAS standards;

Conducting trainings:

The trainings must be held in Georgian and Russian and cover the following topics:

- The basic principles of preparing financial statement in line with IPSAS standards.
- The practical aspects of preparation of financial statement in line with IPSAS standards.
- Increase awareness about forming guidelines and templates and assistance in preparation of these files.
- Consulting and advising on accounting matters related to IPSAS implementation process.

Support by Implementation of introduction of method of full accrual:

- Assist with identifying detailed differences between full accruals-based IPSAS and Georgian public sector accounting standards;
- Help plan the sequencing of the introduction of measures to eliminate the detailed differences between full accruals-based IPSAS and Georgian public sector accounting standards.
- Determine the participants of the training together with the treasury service;

- Informing the participants that the training will be held from distance;
- Receive the information from the participants of the distant training about their readiness for technical involvement.
- Technical preparation of the participants for the distant participation
- Provision of technical and/or other kind of help during the training;
- Preparation and handing of the certificates of participation to the participants;
- After the completion of the training cycle, prepare the final report, including the list of attendees and respective photo material.

Training should be conducted for approx. 400 participants, 20 participants each in 20 groups.

GIZ contract responsible officer is entitled to oversee the training delivery process.

3. Deliverables and Timeframe

Service provider shall deliver required material for trainings and shall provide it to the participants. The service provider shall produce participant lists and share with GIZ.

Trainings has to be delivered in the period of September – November 2020.

4. Reporting

4.1. Submit mid-term and final reports on project implementation. Reports should also include the assessment and analysis of strength and weaknesses and respective recommendations regarding the changes to be made for the next fiscal year.

4.2. Reporting shall be made in English. Executive summary of the mid-term and final reports shall be also submitted in English. Final report shall be submitted in one document according to the structure and content defined by the terms of reference.

5. Other Terms

5.1. Service provider shall regularly provide information on results and perform all the assignments listed in the ToR in a close coordination and agreement with GIZ.

5.2. During the performance of the assignment, service provider shall meet the personal data protection standards envisaged by the legislation.

6. Submission and selection of proposal

Partner for the consultancy service will be selected based on a competition. Entrepreneurial (LLC) and non-entrepreneurial legal entities (NLE, NPO), NGOs/CSOs are eligible to participate in the competition. GIZ reserves the right to check the information indicated in the application. Application will be cancelled in case of inaccurate information.

7. Selection criteria

1. The technical proposal shall provide evidence of the organization's capabilities and assignment-related experience in executing similar projects and must submit an ISO 9001:2015 certificate of international quality management system (quality management system);
2. More than five years of experience in designing and delivering of training services in the area of public financial management;
3. Experience in conducting of training in the field of IPSAS and other PFM topics, for the last five years;
4. Experience in implementation of accredited training courses;
5. Letter of recommendation regarding conducting training services from Treasury service in the area of public financial management will be an advantage;
6. The Service providers staff shall have experience of conducting ISPAS trainings for public servants and should be involved in the ongoing processes of public sector accounting reform, as well as experience in working with financial accounting / reporting methodologies in budget organizations. Reference to similar work / projects completed shall be included in his/her CV to be attached to the offer;
7. Experience in conducting online trainings;
8. A work plan, including implementation schedule of number of workdays per tasks to be performed by the contractor for completion of this assignment;

9. Budget cost efficiency.

More detailed information on assessment criteria is provided under the annexed assessment grid.

8. Project Duration and payments.

Tentative contract period for the service will be 14.09.2020 –29.11.2020.

9.Submission of Application.

Application should be submitted in English.

Technical proposal shall contain the following information (*recommended structure of the proposal*):

1. Title page

Name and registration number of organization; legal address, telephone number, e-mail address, director of organization -signature and stamp of a director.

2. Project name and implementation period (month/year-month/year)

2. 1. Project Description

2.2. Project goals and objectives and implementation methodology (shall be in compliance with the terms of reference under this tender announcement);

2.3 Activities defined by the project and implementation schedule

#	Activity	Sept	Oct	Nov.	Comment
1	X				<i>[Indicate if needed]</i>
2	Y				
3	Z				
...	...				

2.4 Persons involved in the project and their functions

Please, indicate the list and functions of persons, who will be involved in the implementation of the project and will be respectively indicated in the budget.

2.5 Annex

Respective Resumes (CV) of the staff involved in the implementation of the project should be attached to the application. Applicant may attach any additional relevant information to the application

9.1 Financial offer shall contain the following information:

Budget in GEL (excl. VAT)

#	Category	Unit	Unit quantity	Unit price (GEL)	Total Price (GEL)	Definition
1	Fee					
1.1		[Per month or man-day]				
1.2						
1.3						
	...					
	Total					
2	Other costs					
2.1						
2.2	...					
	Total					
	Grand total					

***indicated fees shall include income tax and pension fund costs.*

Budget should not contain the costs that are not relevant for the activities envisaged under the project. Neither ongoing costs of the organization nor any kind of debt will be covered from the budget.