

Terms of reference (ToR) for the procurement of services below the EU threshold

Support to the implementation of Participatory Budgeting in 17 municipalities of Armenia	Project number/ cost centre: 19.2204.6-002
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0. List of abbreviations

BMZ	German Federal Ministry for Economic Cooperation and Development
GGLD	Good Governance for Local Development South Caucasus
MoF	Ministry of Finance
MTAI	Ministry of Territorial Administration and Infrastructure
PB	Participatory Budgeting
SDC	Swiss Agency for Development and Cooperation
ToR	Terms of reference

1. Context

1.1 Brief information on the Programme

The “Good Governance for Local Development South Caucasus” (GGLD) Programme advises and supports respective partner organisations at national, regional (sub-national) and local levels in Armenia and Georgia in the implementation of cooperation initiatives towards improved local governance. It supports the improvement of frame conditions, addresses regional (sub-national) governance issues and works towards the improvement of municipal services and citizens’ participation at municipal level.

The Programme is implemented on behalf of the German Federal Ministry for Economic Cooperation and Development (BMZ) and in Armenia co-financed by the Swiss Agency for Development and Cooperation (SDC) through its “Improvement of the Local Self-Governance System in Armenia” Programme. It is carried out in close cooperation with the Ministry of Territorial Administration and Infrastructure (MTAI) as the main political partner. Background (e. g. short description of the project) and initial situation, in particular the objectives of the services to be tendered.

1.2 Background information and context

In October 2022, the Government of Armenia approved the Action Plan of the Republic of Armenia for 2022-2024 under the "Open Government Partnership" Initiative. The fifth commitment within this action plan was the introduction of Participatory Budgeting (PB) at the local level. The main activities outlined included: the introduction of an electronic system for PB, the development of a methodological guideline, piloting in three municipalities, and raising public awareness. GGLD supported the Government of Armenia, particularly the Ministry of Territorial Administration and Infrastructure (MTAI) as the main implementer, and the Ministry of Finance (MoF) as the co-implementer, in fulfilling this commitment. With project support, an electronic platform was introduced, and a methodological guideline on PB was developed and circulated among all municipalities across Armenia. The electronic platform functions based on the Municipal Management Information system, introduced through the support of GGLD in all enlarged municipalities across Armenia. The system is also introduced and operating in Gyumri municipality.

A working group was established with the GGLD support, comprising the three pre-selected pilot municipalities (Abovyan, Ashtarak, and Armavir), along with Jermuk, which voluntarily joined, MTAI, MoF, and civil society organizations. This group jointly coordinated the pilot implementation of PB in 2023. Each of the four municipalities allocated budgets for PB based on their Councils’ decisions. To demonstrate the benefits of public participation and enhance local development, GGLD also co-financed several citizen-proposed initiatives in the municipalities of Abovyan, Armavir and Jermuk.

Witnessing the successful implementation of the pilot, in November 2023 the Government of Armenia approved a decree on “Approving the procedure for providing subventions to municipalities from the 2024 state budget of the Republic of Armenia for the purpose of implementing projects formed in the scope of participatory budgeting”. 500 Mio. AMD were allocated to the four municipalities as co-financing from the state budget for the implementation of PB in 2024. Additionally, in 2024, 13 municipalities voluntarily initiated PB implementation, financed from municipal budgets, and are currently supported by GGLD following the methodological approach used in 2023.

The “Strengthening Civil Society in the Eastern Partnership Countries” Project, implemented by GIZ, supported awareness-raising among citizens of Armavir on the PB process to activate community engagement and empower residents to have a direct influence on public spending decisions. This initiative aimed to build trust between citizens and local authorities while ensuring that municipal projects reflect the genuine needs and priorities of the community.

Recognizing the crucial impact of supporting citizen engagement in the participatory budgeting process, particularly as demonstrated in Armavir, GGLD is planning to extend its support for the implementation of PB in 2025 and is now seeking the services of a qualified civil society organisation to support in increasing citizen participation in PB process in 17 municipalities of Armenia, enhancing outreach efforts, promoting civic capacity building, and encouraging the use of electronic platforms to make the PB process more accessible and transparent. Additionally, GGLD will work to empower underrepresented groups and build local capacity to sustain participatory practices in the long term.

2. Tasks to be performed by the contractor.

The contractor is responsible for providing the following services:

Task 1: Develop and implement a citizen engagement strategy in close cooperation with municipalities and tailored to the needs of each municipality, with a focus on fostering inclusive and active citizen participation in the PB process from all the settlements. This strategy should involve identifying key community stakeholders and underrepresented groups and designing targeted outreach activities to ensure broad involvement. This task should be implemented in close cooperation with the municipalities and should involve designing and implementing targeted communication campaigns across various platforms to ensure widespread understanding and engagement of citizens **in each and every phase of the process** (project ideas submission, voting, etc.).

Task 2: Raise awareness among citizens on participatory budgeting procedures, providing them with the knowledge, tools and skills to engage in each and every phase of PB process, including and not limited to the registration in the electronic platform (Municipal Management Information System), proposing project ideas, making informed voting decisions, monitoring, etc.

Task 3: Facilitate the presentation and public hearings of project ideas after the submission phase. The contractor should work with the municipalities to organize presentations and discussions of proposed project ideas to ensure transparency and community involvement.

According to the current plan, selection of project ideas should be completed **by the end of February**. Therefore, the three tasks outlined above should be planned and implemented in alignment with the plan covering all the phases of the participatory budgeting process leading up to the implementation by the municipalities.

Task 4: Monitor the process and document lessons learned and recommendations, to ensure continuous improvement and effectiveness. This task involves systematically tracking and assessing various aspects of the PB process, including citizen engagement levels, the efficiency of communication strategies, functionality of the digital platform, etc. The contractor will collect and analyse data on participation rates, feedback from participants, and any challenges encountered during the process. Based on this analysis, the contractor will

document key lessons learned and provide actionable recommendations for enhancing future PB initiatives.

Certain milestones, as laid out in the table below, are to be achieved during the contract term:

Tasks		Expert days (up to)	Duration/ Deadline
Task 1	Develop and implement a citizen engagement strategy	110	February 5, 2024
Task 2	Raise awareness among citizens on participatory budgeting procedures		
Task 3	Facilitate the presentation and public hearings of project ideas		
Task 4	Monitor the process and document lessons learned and recommendations	10	July 30, 2025
Total		up to 120	

Period of assignment: from October 2024 until August 2025.

3. Concept

In the tender, the tenderer is required to show *how* the objectives defined in Chapter 2 (Tasks to be performed) are to be achieved, if applicable under consideration of further method-related requirements (technical-methodological concept). In addition, the tenderer must describe the project management system for service provision.

Note: The numbers in parentheses correspond to the lines of the technical assessment grid.

Technical-methodological concept

Strategy (1.1): The tenderer is required to consider the tasks to be performed with reference to the objectives of the services put out to tender (see Chapter 1 Context) (1.1.1). Following this, the tenderer presents and justifies the explicit strategy with which it intends to provide the services for which it is responsible (see Chapter 2, Tasks to be performed) (1.1.2).

Processes (1.4): The tenderer is required to describe the key processes for the services for which it is responsible and create an operational plan or schedule (1.4.1) that describes how the services according to Chapter 2 (Tasks to be performed by the contractor) are to be provided.

4. Personnel concept

The tenderer is required to provide personnel who are suited to filling the positions described, on the basis of their CVs (see Chapter 6), the range of tasks involved and the required qualifications.

The below specified qualifications represent the requirements to reach the maximum number of points in the technical assessment.

Team leader

Tasks of the team leader

- Overall responsibility for the advisory packages of the contractor (quality and deadlines)
- Coordinating and ensuring communication with GIZ, partners and others involved in the project
- Personnel management, in particular identifying the need for short-term assignments within the available budget, as well as planning and steering assignments and supporting local and international short-term experts
- Regular reporting in accordance with deadlines

Qualifications of the team leader

- Education/training (2.1.1): university degree (German ‘Diplom’/Master) in Social Sciences, Economics, Management or other degree relevant for the assignment
- Language (2.1.2): B2-level language proficiency in English and C2-level in Armenian language
- General professional experience (2.1.3): 10 years of professional experience in the civil society sector
- Specific professional experience (2.1.4): 8 years of professional experience in activating citizens, including women, youth and vulnerable populations, for community development initiatives in municipalities. Experience in Participatory Budgeting is an advantage.
- Leadership/management experience (2.1.5): 8 years of management/leadership experience as project team leader or manager in a company
- Development cooperation (DC) experience (2.1.7): 8 years of experience in working in/cooperating with DC projects

Short-term expert pool with minimum 2, maximum 4 members

For the technical assessment, an average of the qualifications of all specified members of the expert pool is calculated. Please send a CV for each pool member (see below Chapter 7 Requirements on the format of the bid) for the assessment.

Tasks of the short-term expert pool

- Build and ensure smooth cooperation with the municipal administrations, Ministry of Territorial Administration and Infrastructure, Ministry of Finance, GIZ and others to implement the assignment.
- Develop and support in the implementation of engagement strategies, provision of citizen education, facilitation of public presentations and hearings, monitoring and documenting processes as described in Section 2 of the ToR.
- Support in reporting in accordance with the deadlines.

Qualifications of the short-term expert pool

- Education/training (2.6.1): university degree (German ‘Diplom’/Master) in Social Sciences or other degree relevant for the assignment
- Language (2.6.2): B2-level language proficiency in English and C2-level in Armenian language
- General professional experience (2.6.3): 8 years of professional experience in the civil society sector
- Specific professional experience (2.6.4): 5 years of professional experience in activating citizens, including women, youth and vulnerable populations, for community development initiatives in municipalities. Experience in Participatory Budgeting is an advantage.
- Development cooperation (DC) experience (2.6.6): 3 years of experience in working in/cooperating with DC projects

The tenderer must provide a clear overview of all proposed short-term experts and their individual qualifications.

5. Costing requirements

Assignment of personnel and travel expenses

Specification of inputs

Fee days	Comments
Fees of Team Leader and short-term experts in the pool	Expert fee(s), per working day and in total
Travel expenses	Comments
Overnight allowance in country of assignment	Accommodation is reimbursed by 5.000 AMD per night as a lump sum or upon provision of evidence (up to 14.000).
Transport	Comments
Travel expenses (train, car)	Travelling by private car is reimbursed with 100 AMD per km as a lump sum or upon provision of evidence-based on the market price of transportation service. The list of municipalities is attached to these ToR and shall be used as a basis to calculate the travel expenses.
Other costs	Comments
Other costs	Any other expenses essential for implementing the assignment, e.g., costs for materials. Evidence of these expenses must be submitted. For the workshops, no venues need to be booked as municipalities are asked to provide suitable spaces.

6. Requirements on the format of the tender

The structure of the tender must correspond to the structure of the ToR. In particular, the structure of the tender must correspond to the structure of the ToRs. In particular, the detailed structure of the concept (Chapter 3) should be organised in accordance with the positively weighted criteria in the assessment grid (not with zero). The tender must be legible (font size 11 or larger) and clearly formulated. It must be drawn up in English (language).

The complete tender must not exceed 15 pages (excluding CVs and title page/ list of contents). If one of the maximum page lengths is exceeded, the content appearing after the cut-off point will not be included in the assessment. External content (e.g. links to websites) will also not be considered.

The CVs of the personnel proposed in accordance with Chapter 4 of the ToRs must be submitted using the format specified in the terms and conditions for application. The CVs shall not exceed 4 pages. They must clearly show the position and job the proposed persons held in the reference project and for how long. The CVs shall also be submitted in English language.

Please calculate your financial tender based exactly on the parameters specified in Chapter 5 (Costing requirements). The contractor is not contractually entitled to use up the days, trips, workshops or budgets in full. The number of days, trips and workshops and the budgets will be contractually agreed as maximum limits. The specifications for pricing are defined in the price schedule. The financial proposal must be submitted separately from the technical proposal.

Annex 1: List of municipalities

The list of municipalities provided is subject to change and may be updated, with municipalities potentially being added, replaced, or removed during the course of the Assignment.

Region	Municipality
Aragatsotn	Ashtarak
	Talin
	Tsaghahovit
Ararat	Masis
Armavir	Khoy
	Armavir
	Araks
Gegharkunik	Gavar
Kotayk	Abovyan
	Hrazdan
	Byureghavan
Lori	Pambak
	Vanadzor
Tavush	Dilijan
Shirak	Akhuryan
	Gyumri
Vayots Dzor	Jermuk