
Project: Good Governance for Local Development South Caucasus
PN: 19.2204.6-002.00
Activity: Evaluation of Local-Level Participatory Budgeting Pilot and Compilation of Lessons Learned
Period: 15.11.2023 - 15.05.2024

1. Information on the Programme

The “Good Governance for Local Development South Caucasus” (GGLD) Programme advises and supports respective partner organizations at national, regional (sub-national), and local levels in Armenia, Georgia, and Azerbaijan 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 improving municipal services and citizens’ participation at the municipal level. In the context of the German international cooperation approach, the Programme’s objectives are oriented within the framework of the Caucasus Initiative; thus, the improved professional exchange among the countries of the South Caucasus and their increasing cooperation are also objectives of the regional South Caucasus 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). It is conducted in close cooperation with the Ministry of Territorial Administration and Infrastructure (MTAI) as the leading political partner.

2. Background Information on the Activity

Participatory Budgeting (PB) is widely recognized for its potential to strengthen democracy, promote transparency, and empower communities. It is a democratic approach that involves citizens in determining priorities, making decisions, and allocating resources to address community needs and promote public welfare.

One of the commitments outlined in the Action Plan of the Open Governance Partnership Initiative of Armenia for 2022-2024, approved by the Government in October 2022, is the implementation of PB at the local level. This commitment entails several key components, including the introduction of an electronic subsystem for PB within the Municipal Management Information System (MMIS), the development of guidelines on PB introduction at the local level, piloting the approach in three (3) selected municipalities (Abovyan, Armavir, and Ashtarak), and conducting public awareness campaigns. Subsequently, Jermuk municipality voluntarily joined the initiative.

The development of the PB subsystem and guidelines has been facilitated through the support of GIZ, while the MTAI has established a Working Group in collaboration with the Programme to coordinate these efforts.

The Working Group comprises representatives from various municipalities including the pilot municipalities of Abovyan, Ashtarak, Armavir, and Jermuk, as well as other municipalities (e.g., Sevan, Gavar, Sisian) keen on learning from their peers, the Ministry of Finance, Civil Society representatives, and SDC.

All 4 municipalities have allocated budgets for PB introduction via Council Decisions and announced the initiative via official websites and other means (administrative heads in settlements, social media, civil society, etc.). In all municipalities, citizens selected the projects via direct voting and all projects are currently in the implementation stage.

Given the context, there is a pressing need to conduct a thorough assessment of the pilot implementation of PB in the designated municipalities of Armavir, Ashtarak, Abovyan, and Jermuk. This evaluation will primarily focus on deriving valuable insights into lessons learned, best practices, identified challenges, and proposing effective strategies to overcome these challenges. Additionally, the assessment seeks to evaluate the effectiveness of the developed Methodological Guide on PB introduction at the local level and identify areas for improvement. Attention will be directed towards assessing the technological aspects, and functionality of the PB subsystem of MMIS. The evaluation will also critically evaluate the practical application of the PB methodological Guide during the piloting phase, scrutinizing the execution process, citizen engagement levels, and adequacy of guidelines provided. Special emphasis will be placed on identifying any logistical or administrative challenges encountered during implementation and formulating pertinent recommendations. The resultant recommendations will play a vital role in steering the nationwide rollout of Participatory Budgeting, aiming for standardized and effective implementation across the entire country. This, in turn, will significantly bolster democratic engagement and foster improved local governance.

3. Objective

The goal is to carry out an unbiased external review of the PB pilot in the municipalities of Abovyan, Ashtarak, Armavir, and Jermuk. This evaluation aims to identify what worked well, best practices, and areas that need improvement.

4. Tasks and Deliverables

The following **tasks** are expected to be fulfilled in the context of this assignment:

Task 1: Review and Assessment of the Methodological Guide of PB

- Desk assessment of the comprehensiveness, clarity, and practicality of the guide, ensuring it effectively details the PB process and provides clear guidance to users.
- Compare the guide's framework with international best practices in participatory budgeting.
- Conduct meetings with stakeholders such as the Ministry of Territorial Administration and Infrastructure, Ministry of Finance, the above 4 municipalities, Information Systems Development and Training Center NGO, and other relevant stakeholders (if necessary and approved by GIZ). Seek their insights and evaluations regarding the guide's content, information, underlying processes, and overall usefulness of the document.

Encourage feedback on the relevance, accuracy, and comprehensiveness of the content, as well as the effectiveness of the described processes. Aim to gather recommendations and suggestions for enhancing the guide to ensure it contains pertinent, valuable, and actionable information, contributing to an effective and informed PB implementation.

- Based on stakeholder input and analysis recommend potential modifications or enhancements to the Guide to increase its usefulness and impact for subsequent PB roll-out.

Task 2: Evaluation of the PB Subsystem of the MMIS

- Evaluate the functionality of the PB subsystem within MMIS, understanding how it supports the PB process.
- Gather feedback from users, both within municipal administration and citizens, to understand their experience in using the subsystem for PB activities and identify areas for improvement to enhance user experience.
- Review the PB Guide to assess the alignment of the subsystem with the defined processes. Identify any discrepancies or areas where adjustments are needed for a seamless implementation of the PB process.
- Based on the assessment, propose specific changes to simplify the subsystem's functionality and enhance its alignment with the PB methodology. Additionally, recommend strategies for capacity building of municipal staff to effectively utilize the MMIS subsystem.

Task 3: Evaluation of the Practical Application of PB Methodological Guide and MMIS in the Selected Municipalities

- Examine the actual execution of the PB methodology in 4 municipalities of Abovyan, Ashtarak, Armavir, and Jermuk. Evaluate how closely they followed the guidelines and if there were any deviations or adjustments made in practice.
- Determine if the guidelines sufficiently supported the practical application of the PB process and if improvements or clarifications are needed.
- Collaborate with local officials and community representatives to document any challenges or barriers they encountered during the implementation. Collect feedback about aspects of the methodology or MMIS that were particularly beneficial or problematic, and ensure recommendations are made based on the feedback.
- Assess the alignment of MMIS usage with the provided Guide, ensuring it was utilized in compliance with the recommended procedures and guidelines. Analyse discrepancies between the provided methodological guide's instructions and actual practices on the ground. Identify areas for alignment and improvement.

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- Assess the design, reach, clarity, and overall effectiveness of public awareness initiatives rolled out in the context of the PB pilot.
 - Analyse the level of citizen engagement and participation during the piloting phase and propose recommendations for better citizen engagement.
 - Formulate targeted recommendations aimed at addressing the identified issues, ultimately enhancing the implementation of PB at the local level. These recommendations will seek to optimize the user experience, streamline the process, and maximize the impact of PB initiatives moving forward.

Task 4: Compilation of Lessons Learned and Recommendations for Future Iterations

- Compile key insights, observations, and experiences from the pilot phase, contextualizing them within the broader PB goals.
- Extract and highlight successful practices and approaches that were effective in achieving the desired outcomes during the pilot phase.
- Identify and analyse the challenges, limitations, and obstacles encountered during the pilot phase, offering a comprehensive understanding of areas that need improvement.
- Based on findings, evaluate potential areas for scalability, sustainability, and modifications, providing insights into how the PB initiative can be improved in subsequent iterations.
- Offer implementation guidelines for integrating the identified recommendations, modifications, and enhancements into future PB iterations, ensuring practical and effective implementation.

Any other task arising during the implementation of the assignment needs a prior agreement between the Contractor and GIZ.

The Contractor shall provide the following **deliverables**:

- 1) Review report and recommendations for the Guide improvement, foreseen under Task 1,
- 2) Evaluation report and recommendations for the MMIS subsystem improvement, foreseen under Task 2,
- 3) Evaluation report and recommendations for practical application of the methodological Guide and /tool improvement, foreseen under Task 3,
- 4) Compilation report of insights and recommendations for PB initiative improvement, foreseen under Task 4.

According to the work schedule, the deliverables are to be submitted electronically in Armenian language.

5. Schedule and Implementation Details

The assignment is planned to commence on **15.11.2023** and be completed by **15.05.2024**. In total, up to **50 expert days** are foreseen.

Deliverables		Expert days (up to)	Deadline
Task 1	Review report and recommendations for guide improvement	10	08.12.2023
Tasks 2	Evaluation report and recommendations for the MMIS subsystem	5	
Task 3	Evaluation report and recommendations for the practical application of PB Methodological Guide and MMIS	20	15.01.2024
Task 4	Compilation report of insights and recommendations for PB initiative improvement	15	12.02.2024
Total		up to 50	

The Contractor is obliged to perform the assignment based on this ToR while ensuring close contact and cooperation with GIZ throughout the implementation of the assignment. The Contractor is further required to submit all the deliverables to GIZ. Approval from GIZ is mandatory at each stage before moving on to the next level.

GIZ security regulations strictly frame and restrict operations in Tavush and Gegharkunik, Vayots Dzor, and Syunik provinces. Hence, GIZ approval will be needed before any visits to municipalities in these provinces.

6. Professional Requirements

It is required to propose **a maximum of three experts** for the assignment implementation.

Suggested **expert(s)** for the assignment shall have the following profile:

- Academic degree in Public Administration, Urban Planning, Political Science, Finance, Law, or a related field.
- Five years of experience related to participatory governance, municipal finance, or related areas.
- Five years of experience in evaluating and implementing participatory initiatives, preferably at the local level.
- In-depth understanding of PB methodologies, principles, and best practices.
- Profound knowledge of municipal management, local finances, and the functioning of local governance structures.

7. Submission of Technical and Financial Proposal

The Contractor is required to provide a Technical and Financial Proposal. The **Technical Proposal** shall outline in detail how the contractor is planning on providing the services requested through this ToR. The proposal must at least contain the following elements:

- Description of the company's profile.
- Presentation of a strategy on how to implement the assignment.
- Description of methodology.
- Presentation of work plan.
- Foreseen transportation and accommodation modalities.
- Presentation of the suggested expert(s), including allocation of working days, description envisaged of role and tasks for the assignment, and CV.

The **Financial Proposal**, which must be submitted separately, needs to contain the following information:

- Expert fee(s), per working day and in total.
- Foreseen transportation and accommodation costs, based on the following guidance: Travel costs are reimbursed by 100 AMD per km as a lump sum or upon provision of evidence based on the market price of transportation service, and accommodation by 14.000 AMD per night as a lump sum or upon provision of evidence-based on market prices for overnight accommodation.
- Any other expenses essential for implementing the assignment, e.g., costs for materials. Evidence of these expenses must be submitted.