

ANNEX II: TERMS OF REFERENCE

Reference code: TA2018148 R0 IPA

Western Balkans Investment Framework
Infrastructure Project Facility
Technical Assistance 8 (IPF 8)

Partner Countries:

Albania, Bosnia and Herzegovina, the former Yugoslav Republic of Macedonia, Kosovo*, Montenegro and Serbia

Area of Co-operation:

Infrastructures: Energy, Environment, Social, Transport and Digital economy

** This designation is without prejudice to positions on status and is in line with UNSCR 1244 and ICJ Opinion on the Kosovo Declaration of Independence.*

Abbreviations

ACER	European Agency for the Cooperation of Energy Regulators
AFD	Agence Francaise du Developement
ASD	Advisory Services Department
BiH	Bosnia and Herzegovina
CEB	Council of Europe Development Bank
CEER	Council of European Energy Regulators
DD	Detailed Design
DG CNECT	DG Communications Networks, Content and Technology
DG EAC	DG Education and Culture
DG EMPL	DG Employment, Social Affairs and Equal Opportunities
DG ENER	DG Energy
DG NEAR	DG Neighbourhood Policy and Enlargement Negotiations
DG ENV	DG Environment
DG REGIO	DG Regional Policy
DG MOVE	DG Transports
EBRD	European Bank for Reconstruction and Development
EC	European Commission
ECRAN	Environment and Climate Regional Network
ECT	Energy Community Treaty
EDIF	Enterprise Development and Innovation Facility
EIB	European Investment Bank
ENTSO-e	European Networks of Transmission System Operations for Electricity
ENTSO-g	European Networks of Transmission System Operations for Gas
EU	European Union
EUDs	European Union Delegations
EUSAIR	EU Strategy for the Adriatic-Ionian Region
EUSDR	EU Strategy for the Danube Region
EWBJF	European Western Balkans Joint Fund
FS	Feasibility studies
GAF	Grant Application Form
IPF	Infrastructure Projects Facility
IPA	Instrument for Pre-Accession
IPA I	Instrument for Pre-Accession (2007-2013)
IPA II	Instrument for Pre-Accession II (2014-2020)
IFI	International Financing Institution

JGF	Joint Grant Facility
JLF	Joint Lending Facility
KfW	Kreditanstalt für Wiederaufbau
KE	Key Expert
LNG	Liquefied Natural Gas
MoU	Memorandum of Understanding
NIC	National Investment Committee
NIPAC	National IPA Coordinator
NGO	Non-Governmental Organisation
Ops	Directorate for Lending Operations
PS	Pre-feasibility studies
PD	Preliminary design
PECI	Project of Energy Community Interest
PFG	Project Financiers Group
PJ	Projects Directorate
PUCs	Public Utility Companies
REBIS	Regional Balkans Infrastructure Study
RENA	Regional Environmental Network for Accession
RYCO	Regional Youth Cooperation Office
SAA	Stabilization and Association Agreement
SAP	Stabilisation and Association Process
SC	Steering Committee
SEE	South East Europe
SEETO	South East Europe Transport Observatory
SME	Small and Medium Enterprises
SoW	Supervision of works
SPM	Medium/Long Term Sectoral Project Managers
TA	Technical Assistance
TINA	Transport Infrastructure Needs Assessment
TOR	Terms of Reference
TP	Tendering process
WBIF	Western Balkans Investment Framework

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1. BACKGROUND INFORMATION

1.1 Beneficiaries

The Beneficiaries of the Infrastructure Projects Facility – Technical Assistance 8 (hereinafter IPF or the Facility) will be the Western Balkans region (Albania, Bosnia and Herzegovina, the Former Yugoslav Republic of Macedonia, Kosovo, Montenegro and Serbia).

1.2 Contracting Authority

The European Investment Bank (EIB)
98-100, boulevard Konrad Adenauer
L-2950 Luxembourg

1.3 Regional cooperation in the Western Balkans

Instrument for Pre-Accession Assistance (IPA)

The Stabilisation and Association Process (SAP) is the EU political strategy for the European integration of the Western Balkans, all the way through to their eventual accession. The centrepiece of the SAP is the conclusion of a Stabilisation and Association Agreement (SAA), framework of relations between the European Union and the Western Balkans for implementation of the SAP. The agreements are adapted to the specific situation of each Beneficiary and, while establishing a free trade area between the EU and the countries concerned, they identify common political and economic objectives.

In this context, enhanced regional cooperation is considered crucial for strengthening the SAP. This is clearly reflected in the objectives set down in the Thessaloniki agenda¹ endorsed in the EU–Western Balkans Summit of June 2003.

From the political aspect, regional cooperation is seen as an element of stabilisation, catalyst for reconciliation and promotion of good neighbourly relations and of dialogue, addressing open bilateral issues. From the economic aspect, cross-border initiatives can improve the business environment, attract investors and contribute to prosperity and growth, thus, speeding up the accession process. In many areas, such as trade, energy and transport, the small size of national markets and the fragmentation of economic space leave no other option but to embark on intense cooperation and exploit the economies of scale. In the Western Balkans, regional cooperation is also crucial to address joint problems such as organised crime, border management, climate change or environmental pollution.

The Thessaloniki agenda called for establishment of several economic initiatives, namely a regional free trade area, a regional market for electricity and gas, cooperation in science, technology, information society and inclusion in the European Charter for Small Enterprises.

Over the last decade, the Western Balkans have made substantial progress towards stability and regional cooperation, nevertheless, a number of issues stemming from conflicts in the region remain open and affect both the internal functioning of states and relations among them. The EU remains committed to continue working with parties in the region to overcome this legacy of the past conflicts.

In that sense, the EC has taken a number of steps in recent years to strengthen the link between the priorities established in the EU enlargement strategy and the programming of IPA assistance. This approach was reinforced under the IPA II regulation for the financial perspective 2014-2020: the EC has adopted a sector-based planning of pre-accession assistance aimed at increasing the impact of IPA assistance and at giving greater focus to results achieved.

A sector approach shall facilitate cooperation among donors and Beneficiaries, eliminating duplication of efforts and leading to greater efficiency and effectiveness. The stronger focus on performance measurement and the indicators agreed with the beneficiaries will help assess to what extent the expected results have been achieved.

The strategic focus of IPA II is presented in the Indicative Country Strategy Papers for each beneficiary for the period 2014-2020. These planning documents foresee a stronger ownership of the beneficiaries through integrating their own reform and development agendas. The Multi-Country Strategy Paper, relevant for IPF 8, addresses priorities for regional cooperation or territorial cooperation. The Commission's strategy for "A credible enlargement perspective for and enhanced EU

¹ The Thessaloniki agenda for the Western Balkans: Moving towards European integration, 16 June 2003, Council Conclusions - Annex A

engagement with the Western Balkans” of 06 February 2018, which confirms the European future of the region as a geostrategic investment in a stable, strong and united Europe based on common values, includes two flagships fully relevant to these TOR, which are: Flagship 3 “Increasing connectivity” with 11 related actions and Flagship 5 “Launching a Digital Agenda for the Western Balkans” with 5 related actions. A mid-term review of the Strategy Papers took place in 2017-2018, and the revised versions have been adopted between May and August 2018.

Western Balkans Investment Framework (WBIF)

The WBIF was jointly launched in December 2009 by the European Commission, together with the Council of Europe Development Bank (CEB), the European Bank for Reconstruction and Development (EBRD), the European Investment Bank (EIB) - the partner IFIs, and the bilateral donors. AFD, KfW and the World Bank joined the Framework at a later stage. KfW and AFD became a partner institutions in June 2017 and December 2018 respectively.

The WBIF pursues two main objectives:

- enhancing the socio-economic development of the region by pooling grants, loans and expertise together to prepare and finance a common pipeline of priority infrastructure projects in the framework of the EU pre-accession process; and
- strengthening coordination among parties in order to improve the positive impact and visibility of these priority investments in the beneficiary countries.

The WBIF is a blending instrument which combines grant resources and loans. Grants fund technical assistance to prepare investment projects; they also co-finance investment costs, helping to bridge a financing gap and enable an investment's realisation. These grant resources originate from:

- the EC Instrument for Pre-Accession (IPA and IPA II);
- grant contributions from the CEB, EBRD and EIB; and
- bilateral grant contributions from bilateral donors through the European Western Balkans Joint Fund (EWBJF).

Loans are provided by multilateral institutions (CEB, EBRD, EIB and the World Bank Group) and bilateral institutions including KfW and AFD.

The WBIF works on the principle of leverage. Each grant should help bring additional investment and eligible projects must be supported by a lead Financial Institution (Lead IFI).

As a blending platform, the WBIF mixes two main facilities:

- the Joint Grant Facility
- the Joint Lending Facility

The Joint Grant Facility (JGF) is funded by contributions from: EC's IPA and IPA II instruments, CEB, EBRD and EIB, as well as from bilateral donors. The latter contributions are pooled in the European Western Balkans Joint Fund (EWBJF), a trust fund jointly managed by the EBRD and EIB. Over the period 2008-2014, the European Commission had earmarked EUR 257 million; the 3 partner IFIs, CEB, EBRD and EIB, allocated EUR 30 million; and 19 donor countries pledged EUR 48.4 million.

The Joint Lending Facility (JLF) is the platform for cooperation between IFIs to leverage the grants funded from the Joint Grant Facility. It reduces transaction costs for the beneficiary and increases the effectiveness of joint cooperation, and it is fully in line with the objectives of the Paris Declaration, the Accra Agenda for Action and the European Consensus on Development.

The Financial Institutions work together in close collaboration with the EC to implement optimum financing arrangements for the beneficiaries. They co-finance wherever possible in order to maximise the funding that can be made available. Efforts are made to align with the support provided under national IPA programmes; moreover, the specialisations and specific expertise within the Financial Institutions are used to support specific sectors, as appropriate.

By October 2018, WBIF has awarded 271 grants for an amount of EUR 842 million supporting 162 projects, with an estimated investment value of EUR 16.6 billion, for which EUR 5.4 billion of loans have been signed by the Partner Institutions.

The set-up of the WBIF and its success show the dedication of its stakeholders to financial cooperation and the further development of this region.

Donor coordination being essential, the EC is attempting to improve it both through regular meetings in the framework of the WBIF and through the organisation of specific donor coordination meetings with Member States, other bilateral donors and IFIs. The relevant principles of the Paris Declaration on aid

effectiveness – ownership, alignment, harmonisation, managing for results and mutual accountability – are guiding donor coordination in the candidate and potential candidate countries. Actions to improve the effectiveness of assistance can reduce transaction costs, ensure better value for money and allow longer-term commitments, all of which translate into the availability of more resources for action in recipient countries. Long-term planning and sector wide approaches shall increase further the efficiency of donor coordination.

International Financial Institutions' involvement in the Western Balkans

The EIB in the six Western Balkans countries (WB) has a volume of active loans since 2005 of EUR 2.7 billion financing some 40 projects for a total of EUR 8.3 bn of investment. EIB has a local office in Belgrade to cover the six countries of the region.

The EBRD in the WB countries has a volume of active facilities since 2005 representing approximately EUR 2.68 billion for 317 projects.

KfW, in the WB countries has, within the WBIF framework, a volume of active loans since 2005 representing EUR 1.3 billion for 37 projects. Additionally, numerous projects are supported bilaterally as part of the German Financial Cooperation. KfW operates local offices in each of the WB6 countries.

CEB, within its mandate and means of action, will remain strongly committed to financing social projects in the region. Its focus will remain on social integration, housing, employment, environment, health, education and administrative and judiciary infrastructures with a current portfolio of loans representing EUR 800 million for projects in value of about EUR 1.6 billion in the WB countries.

The World Bank Group in the WB countries has a volume of active loans since 2005 representing EUR 3.2 billion for 59 projects. Many projects are already currently co-financed by multiple IFIs.

1.4 Infrastructure investments in the Western Balkans

The Thessaloniki agenda stressed the importance of developing modern networks and infrastructure in energy, transport and telecommunications in the Western Balkans region. This priority was addressed as a fundamental element of the Regional Strategy Paper for the period 2002-2006 and of the Regional Multi-annual indicative programmes for 2005 and 2006. The Communication from the EC of 27th January 2006 on the Western Balkans² identified further progress in regional co-operation in the field of infrastructures as crucial for the regional progress towards sustained stability and prosperity.

EU-support originally focused on the stabilisation of the region. It was characterised by addressing the most urgent infrastructural needs of the countries for reconstruction after the war.

In parallel, major infrastructure reforms were initiated. The EU started to support the preparation of strategy papers in different infrastructure areas: legislation, establishment of relevant institutions, regulatory bodies, strengthening the administrative capacities on different levels and at different institutions.

Significant EU-support was delivered in restructuring large state-owned public utilities, with the aim to transform them into more economically viable entities. This assistance set out to compensate the negative consequences of restructuring the workforce and inevitably increased tariffs for infrastructure products and services.

The EU strongly supported enhanced regional infrastructure cooperation and communication between the countries that had experienced civil war in the past in order to contribute to reconciliation, stability and prosperity and the renewal of broken links.

Regional cooperation in the infrastructure sector has been constantly reinforced as it is seen as essential for successfully tackling key common challenges such as energy shortages and transport infrastructure. In that sense, much effort has been put into the prioritisation exercise, in particular in energy and transport, mirroring best practice from the EU.

All the IPA Beneficiaries are thus included in the Energy Community process, and have signed to the list of PEICs (Projects of the Energy Community Interest), mirroring the similar PCIs (Projects of Common Interest) exercise for the EU Member States. In addition, the six Western Balkan countries, which are part of the Energy Community Treaty, agreed with a number of EU countries on a 'Roadmap for a regional electricity market for the Western Balkan 6' in July 2016, in line with the principles of the

² Communication from the Commission "The Western Balkans on the road to the EU: consolidating stability and raising prosperity" COM(2006) 27 final, 17 January 2006

Treaty establishing the Energy Community. The document outlines steps to develop an electricity market through spot trading and links between markets in the region. The overall purpose is to create a regional electricity market. Under Title III of the Treaty, the Energy Community may take measures to create a single energy market. The subject was further discussed in July 2017 at the Western Balkan 6 Summit in Trieste, Italy, and for the WB6 Summit in London July 2018, the Energy Community Secretariat prepared a set of measures, including on electricity trade and licensing.

All IPA Beneficiaries are also included in SEETO (South East Europe Transport Observatory), and have signed to the extension of the TEN-T Core Transport Network to the Western Balkans, and the completion of Core Corridors by 2020, Core Network by 2030, and the Comprehensive Network by 2050. In July 2017 at the Western Balkans Summit in Trieste, the EU Presidency and the European Commission co-signed, on behalf of the Union, the Transport Community Treaty with 5 Western Balkan partners, and the Summit called on Bosnia and Herzegovina to sign as soon as possible.

The regional cooperation in the field of environment has been developed in particular under the Environment and Climate Regional Network (ECRAN), successor of the Regional Environmental Network for Accession (RENA).

Macro-regional strategies, such as the EU Strategy for the Danube Region (EUSDR) endorsed in April 2011, the future EU Strategy for the Adriatic-Ionian Region (EUSAIR) launched in November 2014 or the Framework Agreement on the Sava River Basin entered into force into 2004, also provide frameworks for regional cooperation.

At the Conference on the Western Balkans (WB6) held in Berlin in August 2014, which laid the foundation of the so-called "Berlin Process", the representatives of the Western Balkans affirmed their commitment to improve connectivity, good neighbourhood relations, regional cooperation and European integration. In particular, they reached an agreement with the EC on a definition of the Core Network of transport projects. Moreover they agreed to focus on the Projects of Energy Community Interest (PECI) as far as the energy sector is concerned.

The conclusions of the 2015 Vienna Summit have further strengthened the spirit of the "Berlin Process" and the WB6 cooperation, stressing the importance of delivering tangible progress on connectivity in the region. The Summit held in August, on the one hand, took stock of the achieved results, while on the other hand has identified future transport and energy infrastructure investment projects for financing which are in line with the objectives of the WB6 Connectivity Agenda.

Improving transport and energy systems is not just about building roads, railways, power lines or gas pipelines, the implementation of technical standards and accompanying reform measures will also be essential to open markets, create a transparent regulatory framework that builds investor confidence, and remove barriers so utilities are managed effectively and efficiently and consumers get great value for money.

The conclusions of the 2016 Western Balkans Summit in Paris have strengthened the Connectivity Agenda in transport and energy, including its reform measures to support connectivity in energy and transport. The Summit widened the cooperation with the signature of the agreement establishing a Regional Youth Cooperation Office (RYCO). The mission of the new office is to support activities that promote reconciliation of the peoples as well as programmes on remembrance, diversity, intercultural exchange, regional mobility, citizen participation and the promotion of democratic values, in order to contribute to the reconciliation and the European future of the region by strengthening exchanges and learning mobility of its youth

The conclusions of the 2017 Western Balkans Summit in Trieste, Italy showed further progress in the WB6 Connectivity Agenda. For connecting infrastructures, the signature of the Transport Community Treaty will pave the way for infrastructure improvements as well as better quality transport services throughout the region. The Transport Community Treaty will help put into action reforms affecting people's everyday lives, for instance in the field of road safety. By providing more stability, it will also attract new investors in the region and add to its economic growth. Finally, this Treaty will help the Western Balkan countries align their national transport laws with those of the EU, thereby strengthening neighbourly relations, promoting cross-border cooperation and ultimately bringing these countries closer to the European Union.

For connecting economies, the Western Balkans leaders agreed on an action plan to develop a Regional Economic Area to consolidate a market of some 20 million people, and so attract investment and generate growth and jobs. Objectives to be reached over the next years also include development of digital markets, smart growth, mobility of skilled workers and mutual recognition of professional qualifications in the region. On support for the private sector, the European Commission announced EUR 48 million of additional EU funding for the Western Balkans Enterprise Development and

Innovation Facility (EDIF), which is expected to leverage some EUR 250 million for the companies in the region.

The inter-connection of the Western Balkans' digital economies was promoted for the first time through the "digital integration" pillar in the above-mentioned action plan for a Regional Economic Area. This resulted in the first Western Balkans Digital Summit that took place in Skopje in April 2018, which brought together the heads of state/ministers and representatives from industry, academia, civil society, and the public sector in the field of the Digital Economy and Society. The four main topics discussed were digital infrastructure, cybersecurity, skills and digitisation of the economy. In June 2018, the European Commission officially launched its Digital Agenda for the Western Balkans, which complements the region's digital ambitions towards a Regional Economic Area. Apart from the €30 million earmarked through the WBIF to support preparation of digital infrastructure projects, main objectives are i.a. the enhancing of cyber resilience and the lowering of roaming costs. The latter facilitates citizens and businesses to stay connected at a fair price while traveling the region.

For connecting people, the EU-Western Balkans Youth Forum brought together young leaders and representatives of youth organisations from the Western Balkans and the EU to debate mobility, inclusion, entrepreneurship and youth participation. The conclusions of the Forum were presented at the Summit itself, and will also serve as a basis for the Regional Youth Cooperation Office (RYCO) to develop its work programme. During the Summit, political leaders from the region reconfirmed their commitment to an exchange scheme for young civil servants from the Western Balkans, which was launched at the 2016 summit in Paris and has delivered very positive results.

A large gap still exists between the available infrastructure and what is needed in terms of infrastructure to ensure a sustainable development. Insufficient maintenance in the past, stopped investments and slow reform linked to some serious social implications compound the problem.

Amongst the many challenges faced by the beneficiaries, the main ones are:

- Low energy security in the region due to both an unfavourable state of infrastructure and a high level of energy import dependency;
- Urgent need to develop environmentally friendly and economically viable transport modes and inter-modality;
- Backlog of investment in environment infrastructure, including in solid waste, water supply, wastewater and water management. There is an urgent need of investment in order to reduce the pollution pressure on the environment, protect the rich biodiversity of the region, and reduce the vulnerability of the region to climate change;
- Insufficient and even deteriorating financing opportunities for the development of infrastructure caused by the economic and financial crises;
- Tariffs for infrastructure products and services that are not affordable or do not reflect the real costs of the investment;
- Slow decision-making and lengthy administrative procedures, for example for construction permits, to build new infrastructure;
- Lack of fair, transparent and diligent public tendering procedures;
- Insufficient mechanisms in attracting private sector participation in financing infrastructure development;
- Delays in implementation of EU infrastructure norms and ensuring the enforcement of relevant legal acts;
- Insufficient public support to infrastructure reform and development;
- Preparing feasible and attractive projects for funding;
- Limited fiscal space of the beneficiaries, impacting on the financing and implementation of projects.

Infrastructure project selection

Single Pipeline of Projects

The identification of strategically significant projects has become an important element of IPA for the programming period 2014-2020.

National and multi-country IPA II programmes support the enlargement countries in infrastructure development according to the following broad principles. A National Investment Committee (NIC) is set up by each IPA II beneficiary. These committees are chaired by the national authorities with the

participation of the EU Delegations, IFIs, other donors and regional organisations. Its main objective consists in prioritising projects for both preparatory studies and mature investments.

A consolidated methodology to be used by national and local authorities for the selection of strategically significant infrastructure projects has been introduced. This methodology is applicable to all funding sources and is a basis for the successful programming process that identifies both projects and financial arrangements for funding the individual projects. The largest benefit of adopting a unique methodology is the possibility of establishing a system for the development of projects which will meet both the national and the EU standards, thereby having access to the funds of the EU and other development finance institutions.

This Methodology is directly related to and essential for the preparation of the Single Project Pipeline (SPP), a single list of priority infrastructure projects for each Beneficiary, as well as the procedures/criteria for the administrative and technical process of the SPP preparation.

The following steps have been established as necessary preconditions for a specific project to be included in the SPP.

1. Identification of a list of relevant projects

The first step in the prioritisation process is the identification of infrastructure projects which are deemed important for the realisation of sector strategies or national/regional socio-economic development programmes. This step aims at consolidating and coordinating existing identification procedures used by line ministries, national enterprises, local authorities and regional agencies. The main sources of projects are: 1) project ideas generated by final beneficiaries, 2) line ministries database, 3) Strategic Action Plans/Master Plans. The list of projects should not only include new projects, but also those currently under preparation or implementation since they influence the fiscal space and borrowing capacity of the country.

2. Project Identification Form (PIF)

Line ministries complete for each project a standard PIF which will provide sufficient information for the prioritisation process. In order to ensure that this step is carried out efficiently, the respective line ministers will be responsible for creating individual Sector Working Groups (SWG) for ENE, ENV, TRA, and SOC. SWGs cooperate with the NIC Technical Secretariat and final beneficiaries (local authorities, public companies, agencies etc.) while screening the project ideas submitted through the PIFs.

3. Strategic Relevance Assessment (SRA)

SWGs assess the strategic relevance of each project on the basis of the data within PIFs according to compliance, consistency and coherence with the criteria of general and sector policy objectives and/or fulfilment of sector objectives defined in sector strategic documents.

4. Preliminary single sector project pipelines (SSPPs)

The SWGs define the preliminary SSPPs, lists of relevant projects ranked according to the SRA, and submit it to the NIC

5. Classification of projects in the preliminary SSPP according to maturity

NIC performs a maturity check for each project in the SSPPs, on the basis of information provided in the PIFs. Projects are classified for maturity status as follows: 1) ready for tendering and investment realisation; 2) ready for preparation of technical documentation.

6. Determination of financing sources

NIC engages in formal negotiations with IFIs, other donors as well as with the Ministry of Finance (MoF) of the respective Beneficiary in order to agree on financial support to individual projects in the pipeline, and on fiscal space available for those projects. The involvement of IFIs, but also of regional partners, from the early planning stages, will represent an important success factor.

7. Consolidation of the SSPPs into one SPP

NIC consolidates the SSPPs into one SPP. For this purpose, the NIC organises coordination meetings with MoF, NIPAC, and IFIs/donors to determine the fiscal space available to support high-ranked, strategically important infrastructure projects, and to identify the most suitable financing sources.

8. Adoption of the SPP

The final SPP is submitted to the NIC for ratification and the proposed final list is submitted to the Government of each Beneficiary for approval.

9. Project preparation/implementation

The project is prepared and implemented in accordance with the country's legal requirements and EU procedures (if the project receives EU funds).

WBIF selection process and governance

The governance of the WBIF is structured as follows:

The WBIF is governed by a Steering Committee (WBIF SC) composed of representatives of the Beneficiaries, the European Commission (EC), partner IFIs, and the Contributors to the EWBIF. The Steering Committee decides on the JGF grant allocations, takes all decisions related to the JGF, and provides strategic orientation to the WBIF. The Steering Committee meets every six months and is co-chaired by the Commission (on a permanent basis) and a donor country (on an annual rotating basis).

The Project Financiers' Group (PFG), composed of representatives of the EC, the partner IFIs, bilateral Financial Institutions and EWBIF contributors, provides a 'single entry point' for requests and is responsible for the process of screening and financial appraisal of grant requests. It is co-chaired by the EC (on a permanent basis) and the partner IFIs (on a rotating basis every 6 months).

The WBIF Secretariat, housed within DG NEAR, supports the administration and daily operations of the WBIF. In particular, the Secretariat issues calls for proposals for projects and manages the screening and assessment process. WBIF Secretariat is supported by the IFI Coordination Office (IFI-CO).

IFI-CO is an EC financed project, contracted by DG NEAR, which supports better coordination and communication among the EC, IFIs, bilateral donors and Beneficiaries in the Western Balkans. It focuses on policy and strategy issues in the key sectors of energy, environment, transport, social issues and private sector development. It provides a range of services including research and analyses, technical assistance, communications and administrative support. In particular, it supports the WBIF Secretariat, the PFG and the Steering Committee and manages the WBIF website³ including the MIS.

The WBIF finances, through the JGF, technical assistance for the successful preparation and implementation of major investment projects. The WBIF thus contributes to bringing the Beneficiaries priority investment projects to maturity by preparing all documentation for implementation, making the projects eligible for Financial Institutions' loans and/or further EU financing. It also offers technical assistance during the implementation phase, providing support throughout the project cycle.

Technical assistance grants are approved and implemented according to the following steps:

1. Project identification by the final Beneficiaries, NIPAC, donor coordination offices and other relevant local stakeholders. This process is naturally fed by the NIC and the SPP.
2. Submission of grant requests (GAF) by the Beneficiaries to the WBIF Secretariat via NIPACs in coordination with the associated IFI(s) and Donor coordination offices.
3. Screening of submitted grant requests by the European Commission to verify the eligibility and consistency of proposed projects with EU pre-accession strategies.
4. Assessment of long-term sustainability, technical and financial quality of project requests by the associated IFI(s).
5. The PFG recommends positively assessed requests to the Steering Committee for grant approval and monitors their subsequent implementation.

The eligibility for the WBIF is determined according to the following criteria:

- Geographical coverage: Western Balkans 6 countries. The WBIF provides grants for technical assistance for projects in all eligible sectors, whether with a regional or national dimension. For co-financing of investments, the WBIF gives priority to regional projects, notably projects focusing on connectivity, which is to say in the transport and energy sectors.
- Sectors: energy, environment social, transport and digital as well as private sector development.
- Eligible Beneficiary entities: public, private or with mixed capital.
- Eligible costs: all costs eligible under respective rules of financiers.
- Type of grants: technical assistance, co-financing of investments, incentives, interest rates subsidies, insurance premiums.

3 <http://www.wbif.eu>

- Complementary: consistency with policies, rules and procedures of the contributors (IPA national programmes and other donors' initiatives).
- Blending grants and loans: joint financing with JLF.

Technical assistance grants are implemented either directly by the associated lead Financial Institution through the EWBIF or through one of the Infrastructure Project Facilities (IPFs) that have been successively deployed.

IPFs are an EC-financed WBIF facility that provides teams of technical experts to assist Beneficiaries and financiers with the preparation of infrastructure projects that have been identified as a priority by WBIF stakeholders. IPF assistance is also made available to assist with investment implementation where approved by the WBIF Steering Committee.

Digital economy

Western Balkan countries have already started their **digital transformation** in order to generate economic competitiveness, growth and jobs, facilitate entrepreneurship among youth and women, increase transparency, close the gap between citizens and government services, while increasing their digital connection regionally as well as with the rest of the world. Investment Projects in the area of Information and Communication Technologies (ICT) and the wider digital economy include fixed and mobile broadband access networks, the digitalisation of public services to better serve citizens and business, innovative digital solutions to increase productivity and competitiveness for corporates, Digital Payment Systems and digital financial services.

The European Commission launched in June 2018 its Digital Agenda for the Western Balkans (DAWB). The key objectives of the Digital Agenda are supporting the development of broadband (digital infrastructure); the lowering of roaming costs; the development of e-Government, eProcurement, eHealth and digital skills; capacity building in digital trust and security and digitalisation of industry; and adoption, implementation and enforcement of the relevant acquis. Broadband development is thus a key element of the DAWB. The need for better broadband connectivity and services in the Western Balkans is obvious, as these contribute to the digital transformation (e-government, e-procurement, industry development and competitiveness, etc.). In addition, the development of broadband infrastructure needs to be future-proof and address the most pressing needs, such as low speeds and access in rural areas. Further points of attention are to bridge the gap to the EU Gigabyte Society with download speeds of at least 100 Mbps (megabit per second) for all and 1 Gbps (gigabit per second) for schools, transport hubs, heavy industry, etc. A multi-stakeholder approach is needed as well as transposition of vital EU legislation, e.g. the Broadband Cost Reduction Directive.

For WBIF relevant could be the following:

- a) detailed mapping of digital infrastructure, enabling a better cross-border understanding of the situation and needs;
- b) review national broadband strategies and with the help of EU support mechanisms;
- c) preparation of broadband development projects, addressing white zones and rural areas; and
- d) infrastructure investments from 2020 onwards.

At the WB6 summit in Trieste in July 2017, Prime Ministers endorsed a multi-annual action plan for digital development as part of the "Regional Economic Area" for the Western Balkans. The digital action plan focusses on four key policy areas: (i) broadband connectivity; (ii) cyber security; (iii) eSkills; and (iv) digitalisation of industry.

Digital Infrastructure (DI) has been included as eligible sector under WBIF, albeit restricted to TA in 2017. The 18th Steering Committee meeting in Paris in June 2018 approved the first DI grant, with the EIB as lead IFI. The grant will support technical assistance for a feasibility study to develop a wider broadband infrastructure network in Albania, in particular in areas that are not in the immediate vicinity of dense urbanized areas.

Energy sector

The relevant EU framework is provided by the Energy Community Treaty⁴ and the Connectivity Agenda, also known as the Berlin Process.

Implementation of the Treaty by Beneficiaries is supported by the Energy Community Secretariat that has established sub-sector working groups such as the Energy Efficiency Coordination Group (EECG), the Renewable Energy Coordination Group (RECG), Security of Supply Coordination Group or the Gas Coordination Group to advance work in the different areas. All Beneficiaries have representatives in these working groups who can provide information on the key issues arising and investment needs.

An important factor, particularly relevant in this sector, is to distinguish between projects that need EU grant intervention and projects that can, and should, proceed on a commercial basis using private finance. As an example of the latter, petroleum or gas distribution pipelines that add to an existing network are cases where private finance usually enables project preparation and implementation. However, where a transmission line fits within a national and EU strategy, support can be considered.

National Energy Strategies have the main goal of providing a secure energy supply and promoting compatible energy reforms in accordance with the Energy Community Treaty (ECT).

A regional approach in planning the energy sector investments is expected to decrease the overall investments needed to meet regional energy demand through increased energy trade. This is essential if the increasing electricity deficit in the region and the serious limitations in financing huge energy projects are taken into account. This regional planning and coordination is achieved through the European Networks of Transmission System Operators for Electricity & Gas (ENTSO-e, ENTSO-g) who coordinate regional transmission system operators in electricity and gas respectively, while the national regulatory bodies are coordinated via the Council of European Energy Regulators (CEER) supported by European Agency for the Cooperation of Energy Regulators (ACER).

The enhancement of electricity and gas transmission interconnections, the introduction of widespread renewable energy supplies, the construction of new generating facilities and the development of LNG terminals and gas storage facilities are very important steps - both in the development of regional energy cooperation and the necessary technical prerequisites for the realisation of an operational regional energy market. To achieve these aims, the establishment of appropriate financing mechanisms is crucial, taking into consideration the fact that energy facilities need large capital investments. There is a growing private sector interest in financing of certain regional infrastructure projects, especially in gas pipeline development, and certain aspects of electricity production, notably those assets associated with new renewable energy production. It is likely that in the future, more private sector financing will be required across the region, in order to develop and deliver the planned increases in generation/storage capacity and transfer volumes in the regional context.

“Projects of Energy Community Interest” (PEICs) is a label attached to those projects which have the highest positive impact in the largest possible number of Energy Community's Contracting Parties. The Energy Strategy identified electricity generation, electricity transmission, gas and oil infrastructure as the four eligible project categories. The List of 35 PEICs was adopted by the 11th Ministerial Council in Oct 2013, and the 14th Ministerial Council in Oct 2016 adopted a recommendation on Projects of Mutual Interest. The PEICs list has been reaffirmed by the Connectivity Agenda and the Vienna Summit Conclusions from August 2015, and it serves as eligibility criteria for WBIF's decisions on investment grants, i.e. on co-financing of construction.

With the Vienna Summit Conclusions of August 2015, the six IPA Beneficiaries have signed the implementation of soft measures (i.e. reform measures) in energy and transport, which is an important condition for receiving EU financial support via the WBIF. In particular they agreed to establish a regional electricity market, by coordinating power exchange between Parties and a regional system of power balancing and capacity allocation.

The European perspective for the WB6 was reconfirmed by the Sofia Summit, (2018) and the cooperation in the field of energy was framed in the Flagship Initiative 6 under which the connectivity within the region and with the EU will be strengthened, including with new investment support. To strengthen the EU's Energy Union, all of its dimensions should be expanded to the Western Balkans.

The 2016 Western Balkans Summit in Paris reaffirmed the importance of the Connectivity Agenda in energy, and the WB6 countries signed up a Roadmap for a regional electricity market for the Western

⁴ <http://www.energycommunity.org>

Balkan 6. This roadmap clarifies the content, addressees and implementation steps for the implementing the soft measures relating to the development of spot trading and market coupling in the WB6 countries. The 2018 Western Balkans Summit in London reconfirmed the commitment to the WB6 Connectivity Agenda.

Environment sector

Weak or recovering economies with limited budget to address environmental issues, urbanisation, industrial development, overexploitation of resources due to poverty, intensification of agricultural and forestry practices, political tensions, insufficient environmental regulation and/or implementation have led to environmental degradation in the Western Balkans.

Some large rivers and smaller watercourses but also some aquifers remain severely polluted due to the direct discharge of domestic and industrial wastewater (e.g. from mining and metallurgical industries). Wastewater collection and treatment is still lacking or inadequate in many parts of the region. Considering the extent of trans-boundary rivers and lakes in the region, exploitation of water resources but also pollution or flood events upstream can have severe impacts downstream, including in neighbouring countries.

Though access to water supply may vary amongst the different regions of the Western Balkans, wastewater collection and treatment are generally facing severe deficiencies and the water utilities face similar problems in all the regions with varying degrees of severity:

- interrupted drinking water supply;
- relatively low level of drinking water supply for the population in rural areas;
- significant non-revenue water (NRW), due in particular to significant water losses in the ageing water supply infrastructure;
- poor maintenance of sewerage systems, resulting in infiltrations, increasing the final volume of wastewater to treat, or in leakages, resulting in pollution of the environment;
- poor operating efficiency of the utilities.

While the overall volume of waste generated is increasing due to economic growth, the main option for disposal of municipal waste remains landfilling and waste management services and infrastructure remain relatively underdeveloped. The level of waste collection, transport, treatment and disposal is well below that required for compliance with EU standards. The available facilities and capacities for the treatment and disposal of waste are inadequate and legislation and standards are not effectively enforced. As a result, current waste management practices are contributing to the pollution of air, water resources and land and investments in the municipal solid waste infrastructure in the region are urgently needed.

There is no tradition of municipalities jointly solving their municipal solid waste problems by establishing inter-municipal bodies. Instruments and mechanisms will have to be put in place that allow for lasting cooperation between municipalities since EU-compliant landfills are only viable for regional systems that provide economies of scale.

With the reform of utilities, ownership has been transferred from state level to the local municipal level. As a result, much depends on the municipalities and the performance of their public utility companies (PUCs). They will only be able to address challenges if they allocate urgently needed investments in rehabilitation and expansion of existing infrastructure and follow a regime of cost recovery pricing policies that generate sufficient funds to ensure long-term financial sustainability of maintenance and operation.

Utility infrastructures are indeed burdened with obsolete infrastructure that causes water and energy losses, which increase operational costs and decrease net incomes. Further inefficiencies stem from low tariffs and billing, low collection rates, overstaffing and absence of sound organisation and management. Appropriate legislation, plans, strategies and support coming from the national level shall support the PUCs in improving their status, organisation and efficiency. The EU framework for environment is set by a large number of demanding directives to be transposed and implemented by the Beneficiaries. Given the extent of the investment required for water supply, wastewater treatment and solid waste infrastructure, the initial focus will be on the largest agglomerations (densely populated and industrialised areas) and environmentally sensitive areas.

Air pollution notably stemming from outdated coal-fired power plants is also a major cross-border issue in the region, with significant health costs. It is specifically visible during the winter season when levels of particulate matter in ambient air is increasing, due to households heating.

Climate change is receiving progressively more attention in the region. The severe weather and devastating floods that hit Bosnia and Herzegovina and Serbia in May 2014 reaffirmed the vulnerability of the region to extreme weather events and their higher frequency and intensity due to climate change. The EC participated in a Donors' Conference in July 2014 to support the countries in their recovery efforts. An important conclusion of the Donors' conference was the necessity for improving policy and regional coordination. Since floods are by nature regional, the response should also be regional. In addition to IPA support for recovery and reconstruction, the WBIF approved a substantial grant for the preparation of flood risk mapping in BiH and flood management plans for the Sava River. In 2018, a new project implemented by the World Bank was launched to support WB6 in disaster risk management. The project aims at increasing regional cooperation for understanding and sharing risk information and enhancing institutional capacity to identify and prioritize non-regret measures and investment in resilient infrastructure as well as post-disaster response and recovery.

In 2019, two multi-annual regional projects on environment and climate respectively will be launched to support Western Balkans countries in their progress towards the adoption and implementation of EU environment and climate acquis. They will continue actions carried out through the Environment and Climate Regional Accession Network (ECRAN) project (2013-2016) and will focus on 1) air quality, waste, water and nature protection regarding the environment component; 2) climate policies and mainstreaming, adaptation, ETS and MRV for the climate component.

Transport sector

In the Western Balkans, the objective is to create a regional multimodal transport network covering all modes and adjusted to the present and future needs for both freight and passengers. The countries have been continuously making progress in reforming and modernising the transport sector by implementing the visions and goals defined in their National Transport Strategies and by progressively adopting EU Directives towards harmonization with the EU's *acquis communautaire* in view of becoming EU Member States.

In 2014, the political leaders of the Western Balkan countries met for the first time under the term Western Balkans Six (WB6) in Berlin. The aim is to bring a new dynamism to regional cooperation. Moreover, one of the main objectives is building and connecting transport and energy infrastructure as a driver for growth and jobs.

This "connectivity agenda" to improve the links within the Western Balkans and with the EU has been endorsed and supported by the EU from the start. In the context of the WB6, an indicative extension of the Trans-European Transport network (TEN-T) including core network, core network corridors and pre-identified priority projects for infrastructure investment has been defined. Extending the TEN-T core network corridors to the Western Balkans ensures closer integration with the EU as well as the basis for leveraging investment in infrastructure, such as EU support through the Western Balkans Investment Framework (WBIF) and the Connecting Europe Facility (CEF).

Improving connectivity within the Western Balkans, as well as between the Western Balkans and the European Union is a key factor for growth and jobs and will bring clear benefits for the region's economies and citizens. However, it is not only infrastructure that will enhance connectivity. Similarly important is the implementation of technical standards and soft measures such as aligning and simplifying border crossing procedures, railway reforms, information systems, road safety and maintenance schemes, railway unbundling and third party access.

The low level of economic activity since the early nineties, aggravated by the last financial crisis has resulted in lower transport volumes and considerably reduced investments in transport infrastructure. An insufficiently developed road network, existing problems in the outdated rolling stocks of the railway sector, problems regarding organisation and equipment at the airports, inefficient public transport systems or low usage of the inland waterways capacities have been major obstacles to the economic development in the Western Balkans. As regards inland waterways and rail transport, even today the volume of traffic remains considerably lower than during the time of the existence of Yugoslavia, the noticeable exception being air traffic. In addition, during the last decades, the transport infrastructure has not been properly maintained, mainly due to the weak economic situation and resulting lack of financial resources, but as well because of obvious capacity shortcomings and lack of political will.

The transport-related problems have been highlighted by the "Transport Infrastructure Needs Assessment" (TINA) of 1999 as well as the "Regional Balkans Infrastructure Study" (REBIS) of 2003 (updated with WBIF support in 2015). The "Regional (i.e. Western Balkans) Connectivity Networks Gap Analysis" of 2016, prepared under the WBIF, has (i) identified and analysed physical gaps in the core energy and transport network infrastructure, and (ii) gaps in project development, including an estimate of the costs necessary to bring potential projects to implementation and completion.

Similarly important as physical infrastructure projects is the implementation of technical standards and soft measures such as aligning and simplifying border crossing procedures, railway reforms, information systems, road safety and maintenance schemes, railway unbundling and third party access. With the Vienna Summit Conclusions of August 2015, the six Western Balkans countries have signed up to the implementation of such Transport connectivity reform measures. Their implementation is as well supported with IPA funds and will be an important condition for receiving EU financial support, in particular via the WBIF.

The South East Europe Transport Observatory (SEETO) - established by the Memorandum of Understanding for the development of the Core Regional Transport Network signed on 11 June 2004 by the Governments of Albania, Bosnia and Herzegovina, Croatia, the former Yugoslav Republic of Macedonia, Montenegro and Serbia and the United Nations Mission in Kosovo and the European Commission - with its Secretariat, has been instrumental in the preparation of the Transport Community Treaty, which was signed in July 2017 at the Western Balkans Summit in Trieste. The SEETO Secretariat will close down on 31 December 2018 and be replaced by the Transport Community Treaty Secretariat, which will be based in Belgrade as well.

Social sector

Development of social policy and reform of the social system are priorities for all Western Balkans countries. The reform efforts are aimed at modernising the education, as well as the health and pension systems, poverty reduction, social inclusion and improvements to the social safety net focusing on better social assistance targeting. Accompanying social infrastructure measures include the construction and/or modernisation of social housing, education, health and judicial facilities.

Unlike the other WBIF sectors, there are no specific EU directives or *acquis* for social sector infrastructure but investments in the social sector infrastructure projects should comply with Chapter 19 Social Policy and Employment and Chapter 28 Consumer and Health Protection of the EU *acquis*. Alignment with the Bologna process in education is also important. Progress in this sector is a vital component of the Beneficiaries' efforts to align with the EU's Europe 2020 strategy, in particular through the SEE 2020 strategy.

There is no social sector specific dedicated regional body; however the Regional Cooperation Council (RCC) provides a regional focus for social matters⁵.

In a region where over a quarter of the population of some countries still lives in poverty, the problems of access to health, education and housing accentuate the feeling of insecurity and the absence of any prospects for the population.

The weak performance of labour markets has contributed to drastic impoverishment and sharpened social inequalities. Moreover, the pressure to reduce public expenditure due to fiscal limitations and incipient privatisation has hampered the ability of the Western Balkans from sustaining their social expenditure programmes.

In most Beneficiaries, the education sector suffers from the lack of investment. The proportion of public resources devoted to education remains extremely low compared to international and European levels.

With regard to labour markets, unemployment and the existence of large informal employment are a major social problem in the Western Balkans. This calls for a shift from passive policies to active labour market policies. Most Beneficiaries are moving towards a comprehensive approach to employment through the adoption of national employment strategies and action plans.

The level and quality of health service provision has dramatically declined, especially in Bosnia and Herzegovina, Serbia, Montenegro, Kosovo and to some extent in the former Yugoslav Republic of Macedonia. Like in education, governments can devote only a relatively low share of their national budget to health-care. The situation of hospitals is particularly challenging in many countries due to much needed reforms and restructuring along with the necessary modernisation of the sector.

A significant proportion of the housing stock in the region still lacks piped water and sewerage systems. The still numerous multi-family housing in urban centres suffers from chronic under-investment and inadequate maintenance. The production of new housing mainly targets the high end of the market while illegal housing is increasing, leading to the formation of informal settlements with below standard infrastructure and services. Moreover, there is still a high number of refugees and

⁵ <http://www.rcc.int>

internally displaced persons, particularly elderly and vulnerable people that continue to reside in collective centres.

Last but not least, the key demographic dynamic in the Western Balkans countries, as elsewhere in Europe, is the ageing of populations. The region will have to deal with the ageing challenge, although not at the same time and not to the same degree. The demographic transition in these countries will be even more challenging than that experienced by the wealthier ageing countries of Western Europe. These countries will be confronted with the unique conjunction of rapidly ageing and relatively poorer populations that exists in this region. The difference will also come from the overlap with the yet incomplete economic transition in these countries. Indeed, while experiencing a rapid ageing, they remain immersed in the process of developing and strengthening the institutions needed for sustaining a market economy.

Reform and rehabilitation efforts focus primarily on education, health and pension systems, poverty reduction, social inclusion and improvements to the social safety net. Accompanying infrastructure measures include the construction and/or modernisation of social housing, education, health and judicial facilities. Progress in this sector is a vital component of the Western Balkans' efforts to align with the Europe 2020 strategy, particularly through the SEE 2020 strategy. To date, social sector projects account for 17% of approved WBIF grants. These comprise a combination of preparatory work (studies, design, impact assessments, etc.) for investments co-financing and strategic studies.

2. OBJECTIVE, PURPOSE & EXPECTED RESULTS OF THE TECHNICAL ASSISTANCE OPERATION

2.1 Overall objective

The overall objective of the Technical Assistance (TA) operation is to contribute to the improvement of infrastructures in Western Balkans IPA Beneficiaries.

2.2 Purpose

The purpose of this TA operation is to support the preparation and implementation of priority investment projects to be financed by a combination of grants and loans in the environment, energy, social, transport and digital sectors.

2.3 Results to be achieved by the Consultant

The results of the project will be deliverables of the highest quality supporting preparation of infrastructure investment projects in the digital economy, energy, environment, social and transport sectors in the Beneficiaries.

Specific results will include pre-feasibility studies, feasibility studies and financial affordability analysis, detailed designs, budget and financing plans, tender documents, supervision of work and other technical assistance studies and services, for investment projects in energy, environment, social, transport and digital infrastructures. It will also comprise the transfer of know-how in project development, project management and financing techniques to the Beneficiaries, to enhance talents and skills of local human resources within government institutions, but also local authorities, municipalities, etc.

Indirect results will be an enhanced collaboration with the IFIs through the internalisation of project preparation techniques by local counterparts as well as an upgrade of beneficiaries' management skills preparing them to their future utilisation of EU structural funds.

3. ASSUMPTIONS & RISKS

3.1 Assumptions underlying the project intervention

The success of the process of TA project selection, preparation and delivery under the Facility will depend on:

- the identification of priorities in line with the agreed regional and national sector strategies concerning infrastructure investments, resulting in economically and financially viable projects officialised by the NICs in their Single Pipelines of Projects;
- the preparation and submission of high quality Grant Application Form (GAF) at the level of National Beneficiaries' and local authorities on the basis of the priority projects identified in the Single Pipelines of Projects;

- the willingness and capacity of the Beneficiaries to consider borrowing financial resources according to the IFIs' terms (as distinct from relying on grant funding from EU financial instruments and bilateral donors);
- the commitment of potential investors/funders to the projects, that is to say the investor's support throughout the project preparation cycle and commitment for funding the project implementation;
- a proper project scope identification and long-term financial and economic viability of the proposed projects;
- projects sufficiently mature for the implementation of the technical assistance requested;
- the willingness of Beneficiaries to commit their own resources as counterpart funding for IFI finance, particularly in the environment and social sectors;
- the ability and willingness of the population to pay fair, equitable and affordable tariffs for the access to municipal infrastructure services;
- political stability in the region;
- active cooperation and support of the consultants' team at national level in the Beneficiaries.

3.2 Risks

During the process of project selection and the delivery of the preparatory documents:

- delays in the identification of projects, in the preparation of project proposals, in coordination with the local Beneficiaries, and in the submission of the GAFs;
- project scope identification too vague in the GAF requiring significant expert input for the preparation of the ToR, resulting in project delays and higher cost of expert assistance;
- low level of communication among the project stakeholders;
- low willingness and capacity of the national and local Beneficiaries to engage in infrastructure development as result of the economic and financial crises;
- lack of project promoters and IFI's interest, and their related technical support, and of Beneficiary's supervision;
- delays in the preparation of ToRs caused by a low maturity of the projects;
- Insufficient cross border cooperation and support in regional projects.

During the Implementation of the projects:

- changing priorities of Beneficiaries;
- impact of the economic and financial crises on the infrastructure spending both on the Beneficiary governments and the local Beneficiaries;
- deteriorated situation of the local banking and finance markets resulting from the ongoing economic and financial crises;
- influence of agreements with other donors (Russia, China, etc.);
- land acquisition or expropriation can represent a major obstacle for the development of infrastructure projects in certain cases.

Past experience shows that, with strong project leadership within the partner organisations, the risks of poor implementation (e.g. poor project choice, inadequate quality of the studies, and undue delays) can be minimised. The project monitoring mechanisms to be developed by the Consultant should be designed to mitigate such risks.

4. SCOPE OF THE WORK

4.1. General

4.1.1. Project description

Project role within the WBIF

The Facility constitutes a part of the WBIF structure and supports the preparation of investment projects in the field of energy, environment, social, transport and digital sectors. The Facility may also offer support later in the project cycle for the supervision of construction works.

Local Beneficiaries submit requests for technical assistance for their infrastructure projects to the NIPAC offices, which present the prioritised applications to the WBIF Secretariat. The EC first screens

the applications for their eligibility to IPA funding and the lead IFI subsequently makes an assessment. The PFG reviews the applications and suggests a selection to the Steering Committee. During each meeting of the Steering Committee, which take place twice a year, a number of technical assistance projects are approved for implementation. The list of projects is given to the Contracting Authority and to the Consultant for execution, with technical assistance services provided through service contracts. The EC was the Contracting Authority for the IPF 1, IPF 2 and IPF 3 contracts, while EIB is the Contracting Authority for the IPF 4, IPF 5, IPF 6 and IPF 7 contracts. The assignment of the projects between the different facilities is decided by the EC in concertation with the Contracting Authority.

Activities under this contract

Under this contract the Consultant will provide expert technical assistance services for the execution of projects such as technical assistance (TA), pre-feasibility studies (PS), feasibility studies (FS), preliminary and detailed design (PD and DD), support for the tendering process (TP), supervision of works (SoW) and other services / or specific sectoral studies in the field of infrastructure and in the listed Beneficiary countries.

After each WBIF Steering Committee meeting, the WBIF Secretariat will hand over to the Contracting Authority and the Consultant the list of selected projects and specify the requested services. Depending on the needs, the Consultant may be requested to provide expert services of the following types:

- preparation of Terms of Reference (ToRs) for individual projects;
- implementation of activities of the individual projects in line with the approved Terms of Reference and within the agreed budget limits;
- introductions of necessary information and documents in the MIS system;
- representation of the WBIF in the Beneficiaries;
- provision of ad-hoc advisory and technical assistance specified by DG NEAR or the WBIF Secretariat.

After each WBIF Steering Committee meeting, a ToR agent is appointed for the development of the terms of reference. As a principle, the ToR agent is IFICO, but it may be decided, on a case by case basis, to assign the development of terms of reference to an IPF. This may happen, for example, when a high number of grants is approved during one round of applications, requiring the mobilisation of significant human resources. To avoid any conflict of interest, when choosing the implementing IPF, in principle, the members of the consortium of the implementing IPF should not be part of the consortium of the ToR agent.

The ToR agent liaises with the Beneficiary, the Lead IFI and the EU Delegation before submitting a first draft to the Beneficiary and the Lead IFI. This draft is also shared with the implementing IPF, when identified, for their information and preparation. The implementing IPF may on this occasion share comments on the ToR. Once all comments from the Beneficiary and the Lead IFI have been received and incorporated, as appropriate, the final draft is sent for the approval of the WBIF Secretariat and DG NEAR. The whole process is documented in the MIS, where the final version of the terms of reference is uploaded and accessible for the relevant stakeholders.

The assignment of the projects between the different facilities is in principle decided when the terms of reference have been approved, or when there is certainty that they will be approved in a very close future.

All the services will be provided in the region of the Western Balkans in the given Beneficiaries.

The Consultant will provide, throughout the whole project cycle, good communication and exchange of information among the stakeholders of the project, i.e. the Beneficiaries' national and local authorities, regional institutions, IFIs and the EC (DG NEAR HQs and EU Delegations). All projects have an identified lead IFI willing to support or already lending to the project.

The pre-condition for the eligibility to IPA funding is the existence of a national sector strategy or national sector investment plan. The following non-exhaustive list shows the types of projects that may benefit from the assistance of IPF for the digital infrastructure, energy, environment, social and transport sectors in line with the regional and/or national sector strategies:

Indicative list of projects that may benefit from assistance from the IPF
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<p>Digital (ICT and e-economy / e-government)</p>	<p>Mobile networks: Mobile networks include the development of high speed broadband such as 3G (UMTS) and 4G (LTE) access networks.</p> <p>Fixed broadband access networks: Fixed broadband networks entail the development of fixed network infrastructure in terms of cable and fibre to home / building / cabinet (FTTH/B/C) networks.</p> <p>Transmission networks: Transmission networks enable national or international connectivity through high capacity fibre optic cables or satellites. It may also entail supporting the development of submarine cables, providing countries with international connectivity and therefore enabling broader availability and better quality Internet services. The transmission networks also include broadcasting the recent switchover to digital terrestrial TV (DTV).</p> <p>Hosted services: datacenter facilities and associated services such as cloud services.</p> <p>Software and Software based solutions: IT systems and services based on software including Software-as-a-Services, Platforms-as-a-Service solutions, cybersecurity solutions, etc.</p> <p>Digital transformation: This area entails supporting the adoption of digital solutions across industries (such as agriculture, energy or healthcare) and public administrations (services such as e-government, e-health and e-education). The transformation aims at enhancing existing processes as well as creating new products and services.</p>
<p>Environment</p>	<p>Drinking water facilities, wastewater treatment plants, sewerage systems, storm water systems, solid waste management and disposal, hazardous waste treatment facilities, emission control for coal fired power plants, natural resource management.</p>
<p>Energy</p>	<p>Energy Efficiency: renewable energy investments (solar, wind, alternative fuels, biomass, etc.), energy efficiency measures in fossil fuelled thermal power plants and public buildings; implementation of combined heat and power facilities and district heating; small and medium-scale energy efficiency and renewable energy measures in private households, SMEs and municipalities financed via the local banking sector (e.g. Building insulation, thermostatic valves, efficient production machinery, street lighting with LED).</p> <p>Electricity: development of new generation capacity, combined cycle power plant, development and improvement of interconnection systems (high tension lines, sub-stations, regulation devices, tele-control systems, distribution networks), regional electricity market, transmission systems, rehabilitate and/or upgrade the control and dispatching centres, as well as transmission networks, improvement in operation, control and dispatch facilities, rehabilitation of existing lignite mines and electricity production infrastructures, energy efficiency and savings in electricity generation and networks, as well as in the cogeneration of heat and power plants and transmission systems, rehabilitation of hydro power plants, reduction of energy losses in existing power plants and transmission networks; reduction of pollution in thermal power plants and heat only boiler systems.</p> <p>Gas: development of gas pipelines, sub-stations, reinforcement and completion of existing gas networks to transport natural gas volumes, pumping stations, storage facilities, security and diversification of gas supply, loading and unloading stations at ports.</p>

Social	<p>Education: rehabilitation, upgrading and construction of educational establishments.</p> <p>Health: health centres and hospitals, social centres particularly for the most isolated communities.</p> <p>Social Housing: housing solution for most vulnerable populations, in particular for supporting reintegration of IDP and refugees.</p> <p>Administrative and Judicial public services infrastructures: construction or rehabilitation of infrastructures as well as the conversion of buildings into premises intended for public service use, in particular the organisation and functioning of administrative and judicial public services and reclusion's centres.</p>
Transport	<p>Road: rehabilitation, upgrading and construction of roads and sections of roads, urban transport, urban bypasses.</p> <p>Railways: rehabilitation of rail lines, upgrading of rail signalling and telecommunications, reconstruction of exits, upgrading to double track of railway lines, remote rail control traffic system, rehabilitation of bridges and tunnels/substitution of railway locomotives and railway cars.</p> <p>Inland Waterways: restoration of riverbeds and embankments, rehabilitation of small ports.</p> <p>Airports: functional improvements at airside, modernisation of airports, construction of new aircraft platform, rehabilitation of airports.</p> <p>Seaports: construction of international passenger terminal, reconstruction of quay and port infrastructure.</p>

This Facility will provide different types of technical and advisory assistance for the preparation of investment projects to be submitted by Beneficiaries. This will consist of tailored support according to the needs and maturity of projects and their status in the project cycle. A non-exhaustive list includes the following types of activities.

Indicative list of tailored support according to the project cycle	
Technical Assistance (TA)	Management and technical assistance to Beneficiaries including on-the-job training.
Identification Studies (IS)	Including initial project description, identification of preliminary alternatives for the works to be carried out, costs estimates and preliminary budgets.
Pre-feasibility Study (PS)	Including initial project description, drafting of terms of reference for feasibility studies, baseline assessments, identification of alternatives for the works to be carried out, cost estimates and preliminary budget and financing alternatives.
Feasibility Study (FS)	Including full project description, definition of design criteria, analysis of existing situation and deficiencies, elaboration of alternatives and recommendation of best technical solution for the works to be implemented, environmental impact assessment, strategic environment assessment, analysis of social impact in terms of effects on local communities, temporary and permanent jobs created or replaced, economic and financial analysis (cost/benefit analysis in accordance with best practices within the Commission with sensitive analysis), financial affordability analysis of the Beneficiary institution in charge of the infrastructure, budget and financial plan in accordance with IFI requirements, advice on ideal financing mix for the project, proposal regarding procurement and structuring of tenders, proposal for a plan for monitoring, supervision and evaluation of the civil works, proposal for a proper training programme for the recipient authorities; final preparation of project documentation for submission to IFIs, and for

	submission to IPA financing with calculation of the funding gap.
Environmental Impact and Social Assessment (ESIA)	Including documentation in line with EU directives, lead IFI and national procedures, as appropriate at the corresponding project stage.
Conceptual, Preliminary, and Detailed Design (PD and DD)	Including detailed technical design compatible with available budgetary resources, bill of quantities and work time schedule, in accordance with the IFI concerned and in accordance with the requirements for different types of FIDIC contracts and of the national legislation.
Assistance during Tendering Process (TP)	Including preparation of tender documents, and assistance to the Beneficiary throughout the tender process until the selection of the contractor.
Supervision of works, supplies (SoW)	Monitoring of quality, cost and time schedule, justification of Environmental and Social Management Plans, monitoring of adequate Occupational Health and Safety standards, supervision of defect notification period, fulfilling responsibilities of engineer/contract administrator according to FIDIC or other forms of contract and of the national legislation, providing design supervision services, assistance for reporting to the lead IFI including introduction of necessary data and documents into the MIS system.

There will not be an ex ante formal allocation of budget among sectors, countries or type of support to be provided. The type of support required will depend on the applications approved by the PFG and SC.

For information, the full list of sub-projects approved in December 2018 by the SC for implementation by IPF is available at: <https://www.wbif.eu/content/stream/Sites/website/library/WBIF-19thSC-Round-20.pdf>.

These sub-projects may be allocated for implementation to IPF8 or to an earlier IPF.

4.1.2 Geographical area to be covered

The geographical region to be covered is the territory of one or more of the Beneficiaries.

4.1.3 Target groups

The ultimate target group is the population of the Beneficiaries, which will benefit from improved infrastructure. Specific target groups which will benefit from the project are:

- national and local authorities of the Beneficiaries where the infrastructure investments will be implemented;
- public utilities which will operate and maintain the infrastructure;
- private companies who may enter into public private partnerships in the framework of the projects to be implemented;
- International and/or regional organisations.

4.2 Specific activities

4.2.1. Specific activities during the inception phase

A two-month inception phase is foreseen for this contract. During this period the following activities should be carried out:

a) Visits and consultation of stakeholders:

First and foremost, the contractor shall establish contacts and working relations at all relevant levels with:

- NIPACs;
- EC DG NEAR in Brussels and the EU Delegations in the Beneficiaries;
- IFIs involved in the projects – both with their headquarters and local offices;
- local Beneficiaries related to the individual projects ready for implementation;

- regional and international organisations, in particular the Energy Community and SEETO;
- current IFI-CO, IPF 5, IPF 6, IPF 7 and CONNECTA expert teams.

Any missions related to this contract, both during the inception phase and the contract implementation, to be undertaken by the Consultant's experts outside the region of the Western Balkans, should be approved in advance by the Contracting Authority.

b) Establish a regional office in one of the Beneficiaries

The Consultant should establish a local office in one of the Beneficiaries as a centre of the project activities in the region. This office will also be the workplace of the key experts and supporting staff provided by the Consultant for the exclusive support of the IPF.

c) Initiate project implementation

Already at the start of the inception period, the Consultant will be assigned projects by DG NEAR, in concertation with the Contracting Authority, with their approved ToRs. The Consultant should be ready to start their execution identifying the projects teams and work resources needs and submitting them to the Contracting Authority for its approval. Once approved by the Contracting Authority, the Consultant should be ready to start implementing the technical assistance activities.

d) Inception Report

This shall be submitted to the Contracting Authority for approval no later than 8 weeks after the start of the contract. The Inception Report will include:

- Key findings during the Inception period;
- Priority activities identified and subsequent organisation of the work by the Consultant;
- Specification of planned activities and inputs (including outputs, and anticipated results);
- Draft Visibility Action Plan, in line and complementary with WBIF visibility activities;
- Work plan;
- Description of backstopping facilities established and of personnel mobilized;
- Illustration of established internal (within the Facility) and external (with the Contracting Authority, the EC, including EUDs, partner IFIs, NIPAC offices and local Beneficiaries) communication, reporting mechanism and routines, including functional implementation arrangements;
- Updated assessment of the risks and assumptions for the IPF implementation (identified risks and proposed mitigation measures should be included in the inception report);
- Set of indicators for the IPF implementation;
- An indicative breakdown of incidental expenditures.

4.2.2. Specific activities during the project implementation

Depending on the stage of preparation of the individual projects and the Beneficiaries' approved requests, the Consultant will be requested to carry out studies and technical assistance at various stages of the project cycle as described in point 4.1.1. The process for agreeing the scope of the Consultant's assignment for an individual project will be as follows:

- The Consultant will receive ToR reviewed and approved by the Beneficiary, the lead IFI and DG NEAR. The Consultant will be required to carry out the activities listed in these ToR within the approved budget and time schedule. In order to ensure rapid mobilisation of the Consultant, it is envisaged that a set of ToRs, already approved, will be presented to the Consultant at the start of the Inception Period. For subsequent assignments, the Consultant will receive the ToRs and have the opportunity to comment before issue of the approved version by DG NEAR. Budgets are approved by the PFG and the SC as part of the project application. If the Consultant foresees any difficulty in providing the required services within the budget, it must inform the WBIF Secretariat and agree a course of action.
- Within 3 weeks from receipt of the ToR, the Consultant will prepare a proposal, based on these ToR, which includes:
 - A specific methodology with the specific activities for the individual project;
 - A time schedule;
 - Proposals for a team of Non Key Experts (i.e. the implementation team composed by senior experts 1 and/or Senior experts 2 and/or Junior experts) and the nomination of one Sectoral Project Manager (SPM) to lead the team including their CVs;

- A Resources Allocation Plan to show the breakdown of the overall project cost by team members and expenses;
- A detailed budget breakdown.
- The Consultant will present this proposal to the lead IFI and any other key stakeholders (such as co-financiers) listed in the ToR for their comments (to be provided within 10 working days or the right to comment is considered waived). The lead IFI must give a no objection to the selection of the SPM and the implementation teams in charge of the execution of the sub-projects and of the methodology applying for the implementation of the sub/assignments. Once any received comments are incorporated and the no objection is given by the lead IFI, the Contracting Authority will review and provide its final approval.
- Activities described in the ToR/proposal will be initiated after the approval of the expert team (Key experts and implementation team including SPM) by the Contracting Authority. The outputs will be delivered by the Consultant to the Beneficiaries, the lead IFIs and the Contracting Authority. The final approval of the outputs produced by the Consultant (FS, PD, DD, etc.) will be given by the Contracting Authority following the approval received by the Beneficiaries and the no objection from the relevant lead IFI. The owner of the final output (study, etc.) is the Beneficiary. The Lead IFI and DG NEAR have access and may use the final outputs, while the Contracting Authority has only access to them.
- The Consultant may be requested to prepare draft ToR in coordination with a lead IFI and Final Beneficiary for sub-projects to be implemented by another Infrastructure Project Facility. The Consultant will present within 2 weeks a proposal including a methodology, a time schedule, a proposal for a team of a Sectoral Project Manager (key expert to oversee the individual project), and Non Key Experts (i.e. the implementation team composed by senior experts 1 and/or Senior experts 2 and/or Junior experts) and the nomination of a Sectoral Project Manager (SPM/NKE) to lead the team including their CV, with a resources allocation plan to show the breakdown of the overall project cost by team members and expenses. The proposal will present to the relevant lead IFI for a no objection followed by the Contracting Authority before starting the implementation. The final draft of the ToR will need to be reviewed and approved by the Final Beneficiary and the lead IFI before DG NEAR approves it. The process shall follow the same principles as for any ToR preparation.
- The Consultant will be requested to input into the WBIF Management Information System (MIS) the information related to the sub-projects they will implement.

The Consultant may also be requested to provide ad-hoc advisory and technical assistance specified by DG NEAR or the WBIF Secretariat (e.g. preparation of sector gap analysis).

Should the consultant meet difficulties during the implementation of projects, it should immediately inform the Contracting Authority as well as DG NEAR to seek guidance and support.

4.2.3. Training and on-the-job assistance

In line with the lessons learned from previous and on-going Infrastructure Project Facilities, the Consultant is expected to transfer know-how to the Beneficiary ministries and institutions. Training should be based on concrete practical work, best practices and lessons learned. "On the job training" associating relevant representatives of the Beneficiaries in the feasibility study and the other preparatory work should be considered as an effective know-how transfer methodology.

4.3 Project management

4.3.1 Responsible Body

The EIB, through the Consultant Procurement and Contract Management (CPCM) Division within the Department of Advisory Services, will act as Contracting Authority and will be responsible for managing this TA operation.

At the EIB, the Projects Directorate (PJ) and the Directorate for Lending Operations (OPS) are responsible for the management and technical follow up of the contract. The Consultant Procurement and Contract Management (CPCM) Division within the Department of Advisory Services (ASD) is responsible for contractual and administrative matters.

4.3.2 Management Structure

The responsibility table below illustrates exact functions for each of the main stakeholders during the contract implementation.

	Contract Management	Decision Taking	Consultation, Advise	Information
WBIF Steering Committee		X		X
WBIF Project Financiers Group		X	X	X
EIB	X	X	X	X
EC		X	X	X
Beneficiaries (final beneficiaries and NIPACs)		X	X	X
Multilateral IFIs: EIB EBRD, CEB		X	X	X
Bilateral Development Finance institutions: KfW, World Bank, IBRD, IFC, other donors		X	X	X
Regional Cooperation Council secretariat, SEETO, Energy Community Secretariat, REC, regional bodies			X	X
WBIF Secretariat		X	X	X
IPF 5, IPF 6 and IPF 7 Consultants			X	X

The WBIF Steering Committee is co-chaired by the EC and the chair of Assembly of Donors.

The WBIF PFG is co-chaired by DG NEAR and one of the partner IFIs (rotation between EIB, EBRD, CEB, KfW and since December 2018 also AFD) and oversees the implementation of the Facility. The PFG meets twice a year to deal with the selection process of new projects, the coordination of the activities within the IPF and the provision of advice on specific projects as required. The PFG prepares the meetings of the Steering Committee. The activities under the projects are monitored by the PFG and the Consultant will report on the progress of the individual projects and all activities under the IPF TA Contract to the PFG. In addition, bi-monthly reports will be distributed to all partner IFIs and to the Bilateral Development Finance Institutions.

Consultation with other relevant DGs for energy (DG ENER), transport (DG MOVE), environment (DG ENV), employment and social affairs (DG EMPL), education and culture (DG EAC), regional policy (DG REGIO), and digital (DG CNECT) will be carried out throughout the contract duration in consultation with DG NEAR.

All Multilateral IFIs, Bilateral Development Finance Institutions, regional bodies and donors, including the IFI Advisory Group on Infrastructure, will be regularly informed on the implementation status of the TA operation.

5. LOGISTICS AND TIMING

5.1 Location

Project activities will be carried out in the region of the Western Balkans where the Consultant will establish a project office in agreement with the Contracting Authority.

5.2 Commencement date & Period of implementation

The intended commencement date is May 2019 and the period of implementation of the contract will be 48 months from this date. Please refer to Articles 4 and 5 of the Special Conditions for the actual commencement date and period of implementation.

The Contracting Authority may, in consultation with DG NEAR and in accordance with the EIB procurement rules, extend the contract in value and implementation period.

Any extension of the contract would be subject to the availability of funding and the satisfactory performance by the Consultant. This shall be judged, in particular, in terms of the progress towards the achievement of the project purpose, and the delivery of the anticipated results. The intervention of events outside the Consultant's control shall also be taken into consideration.

6. REQUIREMENTS

6.1 Personnel

6.1.1. Key experts

The IPF 8 project team will consist of a core team made of one Team Leader, one Deputy Team Leader in Transport sector (Transport Sectoral Project Manager) and one in Environment (Environment Sectoral Project Manager). All key experts are expected to be hired full time, with the exception of the Environment Sectoral project manager (ESPM) to be hired part time, and to be based in the IPF 8 TA HQs office where the Consultant is expected to establish in the Western Balkans region. All key experts should have an excellent command of the English language, both oral and written.

The profiles are given below:

Team Leader (TL)

The Team Leader will be the main contact for the project team and will interface with the Contracting Authority, the EC, the IFIs and the Beneficiaries. He/she will have:

Qualification and skills:

- academic background in engineering, preferably at masters level or equivalent, specialised in one of the four infrastructure sectors (energy, environment, social and transport)
- an academic degree in management would be an advantage

General professional experience:

- 15 years of general working experience
- 10 years managerial experience as team leader, in particular in coordinating multi-disciplinary and/or multicultural teams of senior professionals, ideally with international organisations

Specific professional experience:

- 10 years of experience with both feasibility studies and detailed designs for infrastructure projects, in one or more of the four IPF infrastructure sectors (energy, environment, social and transport)
- 5 years proven experience in working with national administrations of Transition Economies will be regarded as advantageous. Senior management experience in working in one or more IPA countries (as defined in the Annexes I and II of the Council Regulation EC 1085/2006) will be regarded as advantageous.
- proven experience in working with one or more IFI (AFD, EIB, EBRD, CEB, KfW, World Bank) on similar assignments, is highly desirable.
- familiarity with EC procedures/requirements and proven successful projects experience with the EC.

The Team Leader will have excellent interpersonal skills. He/she will also need to possess excellent drafting skills and to be a good communicator and a facilitator of contacts among different stakeholders.

Deputy Team Leader / Transport Sectoral Project Manager (DTL/TSPM)

The Deputy Team Leader will support the Team Leader in managing the sub-projects and will replace the Team Leader when necessary. He/she should be responsible for ensuring high quality performance of the main outputs and deliverables and the timing of implementation of sub-projects during the different phases (IS, PS, FS, DD, TP, SoW, etc...) in transport sector and sub-sectors. He/she will be responsible for the timely identification and mobilization of the senior and junior non-key experts, which will form the implementation teams of the sub-projects.

The DTL/TSPM should have very good interpersonal skills and a record of successful project experience.

In particular, the DTL/TSPM proposed by the Consultant will have:

Qualification and skills:

- academic background in engineering, preferably at masters level or equivalent, specialised in the transport sector
- proficient in oral and written English language

General professional experience:

- 15 years of general working experience
- 5 years managerial experience as team leader, in particular in coordinating multi-disciplinary and/or multicultural teams of senior professionals, ideally with international organisations

Specific professional experience:

- 10 years of experience with transport infrastructure projects, related to at least one of the two relevant transport sub-sectors (road, railways), participating to the preparation of project documentation (feasibility studies, preliminary and detailed design, environmental impact assessment, tender dossiers, etc.)
- 5 years proven experience in managing projects and multicultural teams outside his/her country of origin
- 5 years proven experience in working with public administrations and/or national organisations of Transition Economies would be an advantage
- familiarity with EC/IFI procedures/requirements
- experience in the IPA countries listed in the Annexes I and II of the Council Regulation EC 1085/2006 would be an advantage

The DTL/TSPM will have excellent interpersonal skills. He/she will also need to possess excellent drafting skills and to be a good communicator with the key stakeholders (local Beneficiaries, lead IFI and relevant EUDs). He/She will be responsible for the timely and quality delivery of project outputs.

Environment Sectoral Project Manager

The Environment Sectoral Project Manager (ESPM) will report directly to the TL and be mainly responsible for ensuring high quality performance of the main outputs and deliverables and the timing of implementation of sub-projects during the different phases (IS, PS, FS, DD, TP, SoW,...) in environment sector and sub-sectors. He/she will be responsible for the timely identification and mobilization of the non-key medium / Long-term sectoral project managers and senior and junior non-key experts which will form the implementation teams of the sub-projects in the Environment sector.

The ESPM should have very good interpersonal skills and a record of successful project experience.

In particular the ESPM proposed by the Consultant should have:

Qualification and skills:

- academic background in engineering, preferably at masters level or equivalent, specialised in environment sector or equivalent
- proficient in oral and written English language

General professional experience:

- 15 years of general working experience
- 5 years managerial experience as team leader, in particular in coordinating multi-disciplinary and/or multicultural teams of senior professionals, ideally with international organisations

Specific professional experience:

- 10 years of experience with environment infrastructure projects participating to the preparation of project documentation (feasibility studies, preliminary and detailed design, tender dossiers, etc.)
- 5 years proven experience in managing projects and multicultural teams outside his/her country of origin
- familiarity with EC/IFI procedures/requirements
- experience in the IPA countries listed in the Annexes I and II of the Council Regulation EC 1085/2006 would be an advantage
- 5 years proven experience in working with public administrations and/or national organisations of Transition Economies would be an advantage

The ESPM expert will have excellent interpersonal skills. He/she will also need to possess excellent drafting skills and to be a good communicator with the key stakeholders (local Beneficiaries, lead IFI and relevant EUDs). He/She will be responsible for the timely and quality delivery of project outputs.

6.1.2. Non-Key Experts

Given the complex nature of the services to be rendered by the Consultant for the implementation of the TA operation, both in terms of sectors covered and expertise required, **as part of the organisation and methodology of the technical proposal**, the tenderers will need to demonstrate their capabilities to effectively mobilise rapidly highly qualified non-key experts to carry out the specific tasks and activities requested for each sub-project. In particular, the tenderers need to submit the CVs of non-key experts Medium/Long Term Sectoral Project Managers in Digital economy, Energy, Environment, Social and Transport sectors which will be mobilised immediately following the commencement date of the IPF 8 TA contract. In addition, they will need to demonstrate access to a pool of senior expertise from which senior non-key experts could be identified and mobilized with very short notice. Long-standing relations with the Consultant and successful record of projects implemented for the EC and/or for the IFIs should be regarded as key selection criteria for non-key expertise to be proposed by the tenderers as a part of this pool of highly qualified expertise.

Non-Key Medium/Long Term Sectoral Project Managers

Medium/Long Term Sectoral Project Managers (SPM) will report directly to the TL and be mainly responsible for ensuring high quality performance of the main outputs and deliverables and the timing of implementation of sub-projects during the different phases (IS, PS, FS, DD, TP, SoW,...) in their respective sectors and sub-sectors. The SPM should have very good interpersonal skills and a record of successful project experience.

In particular:

When requested to implement a sub-project, the Consultant will receive ToR approved by the DG NEAR and will carry out the activities listed in it and within the estimated budget. The Medium/Long Term Sectoral Project Managers, with the support of the Consultant's backstopping team, will be responsible for the timely identification and mobilization of the senior and junior non-key experts which will form the implementation teams of the sub-projects.

Each SPM (Non-Key) proposed by the Consultant for leading more than one sub-projects should have:

Qualification and skills:

- academic background in engineering specialised in one of the five IPF infrastructure sectors (digital, energy, environment, social and transport)
- proficient in oral and written English language

General professional experience:

- 15 years of general working experience

Specific professional experience:

- minimum of 10 years in one or more of the five IPF target sectors:
 - digital economy related to at least one of the relevant digital economy sub sectors (Mobile networks (3G and 4G networks), fixed broadband access networks (including submarine cables and international connectivity), transmission networks, ICT application services across public services and industries)
 - energy infrastructure projects related to at least one of the relevant energy sub-sectors (electricity transmission and distribution lines, thermal power stations, hydropower stations, cogeneration systems, natural gas distribution, renewable energies, energy efficiency)
 - environment infrastructure projects related to at least one of the relevant sub-sectors (drinking water systems, waste water treatment plants, sewerage systems, storm water systems, solid waste management and disposal, hazardous waste treatment facilities, natural resource management, flood prevention and protection)
 - social infrastructure projects related to at least one of the relevant social sub-sectors (schools, hospitals and health centres, housing, social and cultural centres, justice and penitentiary buildings)
 - transport infrastructure projects related to at least one of the relevant transport sub-sectors (road, railways, inland waterways, seaports, airports)

- 5 years proven experience in managing projects and multicultural teams outside his/her country of origin, ideally with international organisations
- familiarity with EC/IFI procedures/requirements
- experience in the IPA countries listed in the Annexes I and II of the Council Regulation EC 1085/2006 would be an advantage
- 5 years proven experience in working with public administrations and/or national organisations of Transition Economies would be an advantage

Each implementation team will be led by a Key and/or Non-key SPMs who will take the responsibility for the timely and quality delivery of project outputs and regular communications with key stakeholders (local Beneficiaries, lead IFI and relevant EUDs).

The mobilisation of Non-key / SPM and implementation teams will have to follow a quick and efficient procedure foreseeing roles for the lead IFI and key stakeholders in the decision making process expected to take place for each key phase of the sub-projects life cycle. This should be carefully reflected in the organisation and methodology.

Non-Key senior and junior experts for the implementation of the sub-projects

Senior Experts proposed in the technical proposals as part of this selected pool of experts offered by the Consultant will be expected to be mobilized during the Inception phase and/or implementation period, as soon as sub-projects are assigned for implementation.

Senior Experts 1

Each Senior (Non-Key) Expert 1 proposed by the Consultant to implement specific senior tasks identified among sub-projects activities should have:

Qualification and skills:

- university degree in a field strictly related to the tasks to be provided
- proficient in oral and written English language

Specific professional experience:

- 10 years of relevant working experience in tasks similar to the tasks to be provided applied to the same sector (energy, environment, social, transport and digital) and to similar projects
- 5 years of relevant working experience outside their country of origin
- experience with IFI financed projects

Senior Experts 2

Each Senior (Non-Key) Expert 2 proposed by the Consultant to implement specific senior tasks identified among sub-projects activities should have:

Qualification and skills:

- university degree in a field strictly related to the tasks to be provided
- proficient in oral and written English language

Specific professional experience:

- 10 years of relevant working experience in tasks similar to the tasks to be provided applied to the same sector (energy, environment, social, transport and digital) and to similar projects
- 5 years of relevant working experience in the IPA countries listed in the Annexes I and II of the Council Regulation EC 1085/2006 would be highly desirable
- knowledge of the local language would be an advantage

Junior Experts

Each Junior (Non-Key) Expert proposed by the Consultant during the implementation of specific tasks identified among sub-projects activities should have:

Qualification and skills:

- university degree in a field strictly related to the tasks to be provided
- proficient in oral and written English language

Specific professional experience:

- 5 years of relevant working experience in tasks similar to the tasks to be provided applied to the same sector (energy, environment, social, transport and digital) and to similar projects
- knowledge of the local language would be an advantage

Senior and Junior Non-Key Experts will report directly to the SPM appointed to lead the sub-project implementation team.

The employment of local experts will be welcomed by the Contracting Authority, and such experts should form a part of the team carrying out the studies. The Consultant should pay attention to the need to ensure the active participation of local professional skills, and to providing a suitable mix of international and local staff in the sub-project teams. The requirement of delivery of projects ready for implementation such as technical and detailed designs entails the need of providing experts certified by the Beneficiaries' technical institutions and well acquainted with the local design standards. The availability of such expertise is considered crucial for the success of the project and the capacity of involving locally certified experts should be carefully reflected in the organisation and methodology instructions annex to the tender dossier. Explanation of the ability of mobilising high quality local experts/local expertise with very short notice will be welcomed.

The Consultant should consider employing Senior SPM, Senior and Junior Non-Key Experts in a cost effective way.

As the project activities advance, it is expected that several projects will be carried out simultaneously in different sectors. Therefore the tenderers should be able to provide additional non key experts of equivalent qualification when needed and requested to complete individual projects without delays due to the non-availability of experts.

CVs for other experts other than the key experts are not examined prior to the signature of the contract. They should not have been included in tenders, except for those CVs mentioned in the beginning of paragraph 6.1.2.

The Consultant shall select and hire experts as required according to the profiles identified in the terms of reference of the individual projects. They must indicate clearly which profile they have and the years and months of experience so it is clear which fee rate in the budget breakdown will apply. All experts must be independent and free from conflicts of interest in the responsibilities accorded to them.

The selection procedures used by the Consultant to select these other experts shall be transparent, and shall be based on pre-defined criteria, including professional qualifications, language skills and work experience. The findings of the selection panel shall be recorded. The selection of experts shall be subject to approval by the Contracting Authority.

Note that Beneficiary's civil servants and other staff of the public administration cannot be recruited as experts, unless prior written approval has been obtained from the Contracting Authority.

6.1.3. Fees

Fees are governed by the provisions in the General Conditions and the notes in Annex V of the contract.

6.1.4. Inputs from Experts

The indicative breakdown of the input from experts in each category (fixed in the case of the key experts: Team Leader, the Deputy Team Leader / Transport Sectoral Project Manager and the Environment Sectoral Project Manager) is indicated in the table below.

The key experts (TL, DTL/TSPM and ESPM) will work within the region of Western Balkans. Their missions outside the region will be in connection with meetings with the Contracting Authority, the EC and IFIs, and will be previously approved by the Contracting Authority and the costs of their missions (travelling, per diems, etc.) should be covered by the Incidental expenditures. Their missions within the region will not require any approval by the Contracting Authority and the costs of their missions (travelling, per diems, etc.) should be covered by the fee rates of the experts (key and non-key experts). They will be engaged full time on the project during the 48 months of duration of the contract except of the Environment Sectoral Project Manager whose presence is part time.

The Non-Key Medium/Long Term Sectoral Project Managers are expected to lead the teams working on the individual sub-projects during their implementation and to deliver high quality outputs. They are expected to carry out their activities from the base of operations of the IPF project headquarters identified in the region of the Western Balkans. Their missions within the region will not require any approval by the Contracting Authority and the costs of their missions (travelling, per diems, etc.)

should be covered and included by the fee rates of the Non-key experts. Missions outside the region and in connection with meetings with the Contracting Authority, the EC and IFIs, will be previously approved by the Contracting Authority and the costs of their missions (travelling/ per diems etc) are to be covered by the incidental expenditures. Their performance will be judged by the quality and timely delivery of sub-projects.

Other non-key experts (senior experts 1, senior experts 2 and juniors) will work within the region of Western Balkans. Their missions within the region will not require any approval by the Contracting Authority and the costs of their missions (travelling, per diems, etc.) should be included in their non-key expert’s fee rates. Missions outside the Western Balkans region and in connection with meetings with the Contracting Authority, the EC and IFIs, will be previously approved by the Contracting Authority and the costs of their missions (travelling, per diems, etc.) are to be covered by the incidental expenditures.

As mentioned above, it is expected that many projects may request the preparation of a detailed design or similar component. The need of carrying out detailed design will necessitate the use of large number of local experts.

Person		Indicative / input (person days)
Key Experts		
Team Leader		880
Deputy Team Leader / Transport Sectoral Project Manager (DTL/TSPM)		880
Environment / Sectoral Project Manager (ESPM)		440
Total Key Experts		2,200
Other Experts		
	Sectoral projects Managers (SPM)	Indicative 4,000
	Senior Experts 1	Indicative 3,300
	Senior Experts 2	Indicative 15,100
	Junior Experts	Indicative 9,200
Indicative Total Non-Key Experts		Indicative 31,600
Indicative Total experts		Indicative 33,800

6.1.5. Support Staff and Backstopping

The cost of support staff (notably administrative, assistant and interpreting staff) and backstopping inputs should be included in the fee rates of experts.

During the Inception period, it is expected that the Consultant will mobilize adequate support staff in the IPF selected HQ in the Western Balkans region. The support staff should be hired to be dedicated exclusively to the support of activities of the Team Leader, Deputy Team Leader and of the Environment SPM Key experts and Non-key SPMs.

Given the number of projects and complexity of activities expected to run in parallel during the overall contract duration, it is highly recommended to foresee the recruitment of at least one office manager, one human resources coordinator, one secretary and one assistant to the Team Leader as **minimum** support staff to be provided by the Consultant. This should be explicitly reflected in the organisation and methodology, including highlights on how support staff is proposed to contribute to the efficient management of the TA operation, to timely and quality reporting and to the achievement of cost-effective project results.

Backstopping input support should be provided by the Consultant by means of management support and technical advice from Project Directors and Senior Technical Advisors from the Consultant's HQ. This should be also reflected in the organisation and methodology.

Backstopping costs for logistical and management support (including the activity of the TA operation Director/ Coordinator designated by the consultant) of the team must be included in the fee rates of the experts and their CVs to be presented in the organisation and methodology.

Note that the support/backstopping staff cannot be assigned as short or long-term experts while still maintaining their original assignment. The two responsibilities must be kept separate as double budgeting under the project will not be accepted as eligible costs.

6.2 Office accommodation

Office accommodation of a reasonable standard and of approximately 10 square metres for each expert working on the contract is to be provided by the Consultant whenever experts cannot be accommodated in the Beneficiary organisations. The office accommodation and running costs are to be covered by the fee rates of the experts.

6.3 Facilities to be provided by the Consultant

The Consultant shall ensure that experts are adequately supported and equipped. In particular it shall ensure that there is sufficient administrative, secretarial and interpreting provision to enable experts to concentrate on their primary responsibilities. It must also transfer funds as necessary to support its activities under the contract and to ensure that its employees are paid regularly and in a timely fashion. If any expert/ staff member is engaged in e.g. visits of construction sites, the Consultant has to provide adequate Personal Protective Equipment (PPE).

All facilities and support will be provided by the Consultant within the fee rates of its experts with exception of the items listed in point 6.5 Incidental Expenditure.

If the Consultant is a consortium, the arrangements should allow for the maximum flexibility in project implementation. Arrangements offering each consortium member a fixed percentage of the work to be undertaken under the contract should be avoided.

6.4 Equipment

No equipment is to be purchased on behalf of neither the Contracting Authority nor Beneficiary as part of this service contract or transferred to the Contracting Authority or Beneficiary at the end of this contract. Any equipment related to this contract which is to be acquired by the Beneficiary must be purchased by means of a separate supply tender procedure.

6.5 Incidental expenditure

The provision for incidental expenditure covers the ancillary and exceptional eligible expenditure incurred under this contract. It cannot be used for costs which should be covered by the Consultant 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 of the contract. It covers:

- Travel costs and subsistence allowances for missions of the key experts and SPM, outside the region of Western Balkans to be undertaken as part of this contract. If applicable, it should be indicated if the provision includes costs for environmental measures, for example CO2 offsetting.
- Travel costs and subsistence allowances for missions of non-key experts, outside the region of Western Balkans, to be undertaken as a part of this contract.
- The organisation of meetings, seminars, workshops and other events, including simultaneous interpretation.
- Costs for printing training material (leaflets, booklets etc.)
- Communication and visibility material and actions, dissemination of experience gained and results achieved at key stages of the implementation period for the sub-projects related.
- Translations of key documents and outputs from English into local official language if explicitly required by Beneficiaries or from local official language to English if previous project documentation has been prepared in local official language. Out of the incidental expenditures a limit of maximum EUR 300,000 is foreseen to cover these specific requests.
- Special surveys such as topographic, geological, geotechnical, traffic, environmental, purchase of maps, etc., as required by specific sub-projects.

All these expenditures require prior written approval by the Contracting Authority, except if otherwise clarified.

The provision for incidental expenditure for this TA operation is EUR 3,000,000. This amount is to be included without modification in the budget breakdown.

Any subsistence allowances to be paid for missions undertaken as part of this contract must not exceed the per diem rates published on the Web site: http://ec.europa.eu/europeaid/funding/about-calls-tender/procedures-and-practical-guide-prag/diems_en at the start of each such mission. 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 authorized 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.

All costs relating to the provision of experts, including travel to/from the Beneficiary and subsistence once there, must be included in the fee rates. The provision for incidental expenditure does not cover travel to/from the Beneficiary country for experts (other than for missions within the contract). These mobilisation and demobilisation costs are included in the fee rates of the experts. In this respect there is no distinction to be made between key and non-key experts.

An updated indicative breakdown of incidental expenditures is to be provided in the Inception report.

6.6 Expenditure verification

The provision for expenditure verification relates to the fees of the auditor who has been charged with the expenditure verification of this contract in order to proceed with the payment of further pre-financing instalments if any and/or interim payments.

The provision for expenditure verification for this contract is EUR 70,000. This amount must be included without modification in the Budget breakdown.

This provision cannot be decreased but can be increased during the execution of the contract.

7. REPORTS

7.1 Reporting requirements

Please refer to 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.

Each report shall consist of a narrative section and a financial section. The financial section must contain details of the time inputs of the experts, of the incidental expenditure and of the provision for expenditure verification. The following reports should be provided during the implementation of the Contract:

- **Inception Report:** to be provided to the Contracting Authority as per point 4.2.1.d.
- **Bi-monthly reports:** shall contain (1) a summary of the activities in the reported two months, (2) a description of the activities planned for the next two months, (3) ongoing organisation and staffing issues, (4) outstanding problems and (5) individual reports for each sub-project. Each bi-monthly report shall be accompanied by a cash flow report and updated overall time schedule, including all sub-projects.
- **Interim reports:** will be submitted every six months following commencement date and will report (1) the activities carried out during the reported period including the achieved results and the encountered problems, (2) the activities planned for the following 6 months period, (3) the proposed work-programme for the following 6 months period and (4) the progress of each project from the updated project pipeline. In addition, it is expected that the consultant will analyse the project progress and propose solutions to identified issues. The reports will include a financial section which must contain details of the time inputs of the experts, of the incidental expenditure and of the provision for expenditure verification. The Consultant should note that, according to the provisions of the General Conditions to the contract, the Interim Progress Reports represent the basis for the **interim payment**, and that payment is to be made within a period of 45 days after the receipt of the invoice, **subject to approval** of the respective Report. As a result, all invoices (except the request for the pre-financing payment) must be accompanied by a financial progress report, attached to the Interim Progress Report

covering the six-monthly interim period, as mentioned above, containing details of the time inputs of the experts and of the incidental expenditure and accompanied by an expenditure verification report defined in Article 28 of the General Conditions. The interim report submitted at the mid-term of the execution of the Action shall include a first assessment of the performance of the project (in terms of activities undertaken, resources utilised, and financial report), the achievements of the project (against the results and indicators of results) and the impacts of the project. The report shall also include a critical review of any major problems that may have been addressed.

- **Final report:** the final report will be submitted together with the final invoice and the financial report accompanied by an expenditure verification report at the end of the period of implementation of the tasks (as defined in Article 28 of the General Conditions and in accordance with the template in Annex VII of the contract). The draft final report must be submitted at least one month before the end of the period of implementation of the tasks. The final report will include the final analysis of the performance of the project (in terms of activities undertaken, resources utilised, and financial report), the achievements of the project (against the results and indicators of results) and the impacts of the project. The report shall also include a critical review of any major problems that may have been addressed.

Note that these interim and final reports are additional to any required in Section 4.2 of these Terms of Reference.

All reports will be written in concise, clear and well-edited Standard English. All reports shall be produced in A4 size and printed on both sides of the paper. Spreadsheets and schedules shall be produced in a maximum of A3 size for reporting purposes and may be printed single-sided. In addition, the cash flow monitoring spreadsheet must be updated and submitted with each of the above reports. The monitoring spreadsheet must contain details of the time inputs of the experts and of the incidental expenditure. File origins shall be clearly identifiable in a header or footer. A list of essential contact persons is to be included. The reports should have a title page, which should include project name, project code or reference, report title, date issued and period covered, and the name and address of the Consultant. The Contracting Authority shall provide the Consultant, after the starting date of the assignment, with a recommended structure of the Reports. The Consultant may propose changes to this structure, which must be agreed with the Contracting Authority in advance.

7.2 Submission & approval of reports

The Inception report, the Interim reports, and the Final report shall be submitted in one electronic copy to the Contracting Authority, after consultations with WBIF coordinators in the lead IFIs (CEB, EBRD, EIB and KfW) and DG NEAR, which they will have 15 days for submitting any comments/observations.

Following the comments received, the consultant will send a revised version, with the operated changes highlighted, via the same contact, before formally submitting the final version to the contracting Authority for approval.

The Contracting Authority is responsible for formally approving all reports.

Please also refer to Article 27.2 of the General conditions for the procedures and deadlines for the approval of reports.

For the EIB, the draft of the reports specified above must be sent in e-copy to the following persons, or alternatively to other persons that EIB could from time to time notify to the consultant: Mr. Massimo Cingolani (m.cingolani@eib.org), Managerial Adviser and Mr. Giorgio Watschinger (g.watschinger@eib.org) within the Blending EU / Accessions Countries WBIF Unit at the Directorate of Mandate Management (MM) within the Lending Operations (Ops) and Mr. Minos Mastrogeorgopoulos (mastroge@eib.org) Deputy Adviser / Technical Assistant Officer from the Consultant Procurement and Contract Management Division (CPCM) within the Department of Advisory Services (ASD).

Once the reports are approved by the EIB, three hard copies and electronic version of each final version shall be submitted as follows:

1 e-copy and 2 hard copies to the **EIB**,
to the attention of Mrs Simona BOVHA, Head of Division
100 Boulevard Konrad Adenauer, L-2950 Luxembourg
s.bovha@eib.org

and 1 e-copy and 1 hard copy to the **EC DG NEAR** to the attention of:

DG NEAR
Regional Cooperation and Programmes Unit
Rue de la Loi, 15
B-1000 Brussels

The bi-monthly reports shall be submitted only in electronic copy to the Contracting Authority, EC DG NEAR, WBIF Secretariat, IFI's and IPFs teams.

The electronic copy of each approved report sent to the Contracting Authority (Inception Report, Interim Reports and Final Report) will be distributed by the consultant to further contact points in EC line DGs (MOVE, ENE, ENV) as well as to:

- **Project counterparts in recipient countries – both to the local Beneficiaries and the NIPAC offices;**
- **EC DG NEAR;**
- **Relevant EU Delegations;**
- **AFD**
- **EBRD;**
- **Council of Europe Development Bank;**
- **KfW;**
- **World Bank;**
- **Energy Community;**
- **SEETO;**
- **IPF's teams**

In addition to the above-mentioned formal reports, the Consultant shall provide such information on project progress as is reasonably required by the WBIF Secretariat regarding political, economic or institutional developments of relevance to the project.

The Consultant will follow the reporting instructions set up by the Contracting Authority, including reporting via a Management Information System set up within the WBIF.

7.3 Visibility requirements

The Consultant shall endeavour to publicise any work undertaken and to highlight the participation of the European Union in the programme. The Consultant shall follow the Visual Identity Guidelines, which apply to all information and publicity products to be employed in the course of the contract. The Guidelines are available in electronic format at the following website address: https://ec.europa.eu/europeaid/communication-and-visibility-manual-eu-external-actions_en. The identity standards contained in this brochure/CD-ROM may only be used in connection with the implementation of this contract.

The technical assistance operation is financed under IPA II financial resources. To ensure the visibility of the WBIF, the EIB logo and EU flag should appear on the cover page of reports produced under the TA contract. **THE EIB LOGO MAY NOT BE USED FOR ANY OTHER PURPOSE.**

The following text should also be included in the reports: *“The Infrastructure Project Facility (IPF) is a technical assistance instrument of the Western Balkans Investment Framework (WBIF) which is a joint initiative of the European Union, International Financial institutions, bilateral donors and the governments of the Western Balkans which supports socio-economic development and EU accession across the Western Balkans through the provision of finance and technical assistance for strategic infrastructure investments. This technical assistance operation is financed with EU funds”.*

The following disclaimer should also be included: *“The authors take full responsibility for the contents of this report. The opinions expressed do not necessarily reflect the view of the European Union or the European Investment Bank”.*

An Action Plan should be prepared and submitted for approval to the Contracting Authority and DG NEAR by the end of the Inception Period. The plan should be complementary and support the existing communication and visibility activities already promoted within the WBIF and address requirements and guidelines set out for written material, press conferences, presentations, invitations, signs, commemorative plaques and all other tools used. It should address the needs of establishing a dynamic communication strategy that will highlight the achievements of EU support. The applicable WBIF visibility guidelines are published on the WBIF website (About/How to apply for a grant).

8. MONITORING AND EVALUATION

8.1 Definition of indicators

The project will be monitored according to standard procedures. Project monitoring and evaluation will be based on periodic assessment of progress on delivery of specified project results and towards the achievement of project objectives.

Suitable objectively quantifiable indicators will be agreed between the Contracting Authority, in consultation with DG NEAR and the Consultant (see par. 4.2 above).

8.2 Special requirements

None

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