Terms of Reference / DRAFT

**Consultant for Strengthen institutional capacity for performance management**

for

Improving Public Financial Management for the Green Transition Project

## **Background**

Improving Public Finance Management for the Green Transition in the Republic of Serbia is a four-year Operation supported by the World Bank and the AFD, which aims to help the Government of the Republic of Serbia in strengthening its capacity to manage public finances and implement green investments. Key implementing institutions besides the Ministry of Finance are the Ministry of Environmental Protection, the Republic Property Directorate, the Public Policy Secretariat, the Public Procurement Office.

The Operation consists of two components:

1) **Program for Results (PforR) component (Program)** comprising two results areas:

* Strengthen fiscal resilience, transparency, and spending effectiveness-focused on further strengthening fiscal resilience, using public expenditure management to enhance efficiency and a results focus, enhancing the ability to link plans and budgets through stronger costing at the planning stage, improving fiscal transparency, and improving the preparation of public investment projects.
* Greening Serbia’s expenditure cycle and developing selected other institutions for greater environmental resilience- focused on introducing and utilizing green criteria in PFM, PIM, and public procurement, and on strengthening systems for monitoring and reporting on GHG emissions from installations.

2) **Investment Project Financing (IPF)** **component (Project)** consisting of technical assistance to support the implementing entities in delivereing expected results. The IPF component will consist of TA -- including trainings, capacity building and peer learning, support for stakeholder engagement, and support for managing the Program.

The Operation development objective is to improve core PFM functions and institutional capabilities needed for Serbia’s fiscal resilience and green transition.The Operation will support the following core public financial management functions (i) budgeting and strengthening linkages between plans and budgets, (ii) public investment and asset management, and (iii) fiscal risk management.

**Performance management aspects of the Operation**

The Ministry of Finance aims to integrate sustainable practices and environmental considerations into its budgeting process. As part of this initiative, we are seeking a qualified consultant to enhance budget users’ capacity for program budgeting to promote effective and efficient resource utilization, improve decision-making processes, and achieve better program performance with the focus on key performance indicators on expenditure efficiency, on environmental and gender specific aspects of performance.

A part of the proceeds of the IBRD loan will be used for financing the proposed consultancy assignment. These Terms of Reference define the scope of activities and responsibilities of the Consultant.

## **Objective of the assignment**

The main objectives of this consultancy are to enhance the organization's program budgeting capacity with special attention to key performance indicators related to expenditure efficiency, environmental impact, and gender-specific aspects of performance. Program budgeting is a strategic approach that aligns financial resources with programmatic outcomes, and by incorporating specific performance indicators, it aims to optimize resource allocation and foster accountability towards environmental sustainability and gender inclusivity.

The MoF intends to engage two consultants to strengthen institutional capacity for performance management (hereunder the Consultants).

## **Scope of Work**

The consultants’ scope of work will include, but not be limited to, the following:

* Conduct a comprehensive needs assessment to identify the organization's existing gaps and weaknesses in integrating performance indicators on expenditure, efficiency/effectiveness, environmental impact, and gender-specific outcomes into the program budgeting process.
* Design and deliver specialized training programs, workshops, and capacity-building sessions for relevant staff to enhance their knowledge and understanding of program budgeting, performance indicators, and their relationship to environmental and gender-specific outcomes.
* Collaborate with relevant stakeholders to develop a set of key performance indicators (KPIs) specifically tailored to measure expenditure efficiency, environmental impact, and gender-specific outcomes for selected program areas.
* Assist in the integration of the identified KPIs into the program budgeting process, ensuring alignment with organizational objectives and strategic goals.
* Design a monitoring and reporting framework that enables regular assessment of program performance against established KPIs, allowing for informed decision-making and accountability.

## **Reporting**

The Consultant will report to the Assistant Minister in charge of the Budget Department under the MoF, and will coordinate closely with the Central Fiduciary Unit (CFU) and Department for International Cooperation and European Integration under the MoF if necessary.

The Consultant should provide/submit monthly Time Sheets to the Assistant Minister in charge of the Budget Department under the MoF, summarizing day-to-day tasks undertaken, as well as working days/hours spent on each issue and task, within 10 (ten) days after the end of the month for which the report is due.

The Consultant shall proactively prepare ad-hoc reports on any significant issues arising during Projects implementation to the Assistant Minister in charge of the Budget Department.

The consultants should prepare final report (after completion of envisaged activities) summarizing key findings, outstanding issues and further capacity needs, as well as contribution of the assignment to the fulfilment of the relevant indicator in the Programe.

The consultants should take into consideration all relevant gender related issues in relation to the outputs of the assignment.

The Consultant will provide hard and/or electronic copies of any documents and technical materials developed during the Project in their original electronic format. The reports will be provided in English/Serbian language.

**Assignment duration**

**The Consultant shall provide services on a part time bases until April 2024.**

The Consultant shall deliver all the expected outputs at the daily rate that will be dependent on the qualifications, as well as approved project budget.

Provision of the Working Days: up to 50 per consultant

The Consultant shall not be engaged more than 48 hours per week cumulatively for this assignment plus any other additional assignments/contracts.

**Qualification Requirements**

The Consultant shall possess the following qualifications**:**

* Advanced university degree (preferably Master’s degree)
* Minimum of 8 years of relevant experience in public financial management and performance budgeting in a role of key expert.
* Strong analytical skills and the ability to synthesize complex information into practical guidelines.
* Relevant experience with projects of international financial institutions will be considered an advantage.
* Previous experience in development of methodology for program budgeting and methodology for reporting on program performance.
* Excellent knowledge of written and spoken English.
* Excellent knowledge of written and spoken Serbian would be an advantage.

**Expected Outputs**

* A comprehensive report outlining the identified gaps and recommendations for integrating and improving existing KPIs on expenditure efficiency, environmental impact, and gender-specific outcomes into the program budgeting process for selected budget users.
* Develop and deliver training materials for selected budget users.
* A set of well-defined and relevant KPIs for each program area, addressing expenditure efficiency, environmental impact, and gender-specific outcomes for selected budget users.
* An updated budgeting framework that incorporates the identified KPIs and aligns with the organization's strategic objectives for selected budget users.
* Propose a structured framework for regular monitoring and reporting on program performance using the established KPIs for selected budget users.

**Input by the MoF**

The MoF will provide the Consultant access to any documentation and information within the jurisdiction of the Ministry of Finance necessary for the performance of his / her tasks. MoF will coordinate with selected budget beneficiaries and participate in key meeting with institutions to facilitate in implementation of envisaged support activities.

**Selection of consultant**

A Consultant will be selected in accordance with the Open *Competitive Selection of Individual Consultants* as set out in the Bank’s Procurement Regulations.

The candidates will be evaluated applying the following evaluation criteria:

* General experience ( 40 Points)
* Specific Experience relevant to the Assignment ( 60 Points)