Project: Good Local Governance Programme South Caucasus

PN: 16.2174.7-015.00

Mission: Analysis of TARA advantages and benefits

Date: 16 August 2019

1. **Introduction**

The Good Local Governance Programme South Caucasus (hereinafter “The Programme”) advises and supports respective partner organisations at national, regional (sub-national) and local levels in Armenia, Georgia and Azerbaijan in the implementation of cooperation initiatives towards improved local governance. It supports the improvement of frame conditions, addresses regional (sub-national) governance issues and works towards the improvement of municipal services and citizens’ participation at municipal level. In the context of the German international cooperation approach, the Programme’s objectives are oriented within the framework of the Caucasus Initiative; thus the improved professional exchange among the countries of the South Caucasus and their increasing cooperation are also objectives at regional South Caucasus level.

The Programme is implemented on behalf of the German Federal Ministry for Economic Cooperation and Development (BMZ) and in Armenia co-financed by Swiss Agency for Develop­ment and Cooperation (SDC). It is carried out in close cooperation with the Ministry of Territorial Administration and Infrastructure (MTAI) as the main political partner.

1. **Context of the assignment**

The existing territorial and administrative division as well as limited decentralisation in Armenia are considerable impediments to development of local governance, effective service provision, and efficient use of scarce financial resources. Back in 2015 with 915 municipalities, which varied greatly in size of population and capacities, the municipal landscape of Armenia was highly fragmented. Many municipalities were too small to fulfil their functions effectively, that is to raise sufficient revenues, to maintain public infrastructure, to ensure provision of basic public services that meet the needs of the population, and to support sustainable social and economic development.

To address these challenges, the Government of the Republic of Armenia (GoA) has launched a large-scale structural change process.

The overall goal of the Territorial and Administrative Reform of Armenia (TARA) is to create conducive framework conditions for local self-government and to build viable structures at local level that would enable local governments to become functional and responsive units. The plan is to create territorial entities of manageable size and thus reduce their number from over 900 to approximately 150-200[[1]](#footnote-1). The reform entails a renewed policy approach to municipal planning and governance, management and resource allocation within the governance system. The reform is also seen as part of participatory, effective and accountable governance and the first important step towards decentralisation.

The reform is informed by the Concept on Enlargement of Municipalities and Intercommunity Cooperation adopted by the GoA in November 2011. The Concept outlines the core principles of the government policy, such as enlargement of municipalities, decentralisation and improvement of public infrastructure and service delivery.

The actual implementation of this process began in the first half of 2015. In spring 2015 a decision was taken by the GoA to start the enlargement process by merging municipalities in first three pilot clusters (22 municipalities in total): Tumanyan, Dilijan and Tatev. In May 2015, referenda were held in these three clusters, with overall positive results. On 14 February 2016, local elections were held in these pilot clusters to mark the actual start of the enlargement process. With the adoption of the Amendments to the Laws on Administrative Territorial Division and Local Self-Government by the National Assembly on June 17, 2016, 118 municipalities (embracing 135 populated settlements) in 15 clusters have been merged forming 15 new clusters. Respective local elections in these clusters were held on September 18 and October 2, 2016. The Government continued the enlargement process in 2017, when new 34 clusters were formed embracing additional 325 municipalities (elections were held in November 2017). Thus, at present, the number of municipalities in Armenia is 502, from which 52 are newly enlarged municipalities merging former 465 municipalities. The government intends to continue this reform in 2019 (see CEPA).

The government started consultations with the remaining unconsolidated municipalities to raise awareness on TARA and increase the knowledge and understanding of its benefits and advantages. In particular, MTAI, together with respective marzpetarans, conducted first round of meetings with mayors of proposed clusters. In the second round, MTAI is conducting similar meetings with the population of concerned municipalities.

During these meetings, the government representatives present as evidence the studies and analysis of benefits observed in 18 clusters (initial 3+15 pilots), showing economic, governance and other benefits stemming from consolidation (see, among others, the case studies conducted on behalf of The Programme). It is obvious that the government should collect similar evidence from the further 34 consolidated municipalities. Moreover, it will be necessary to collect as much information and evidence as possible from the citizens perspective, i.e. what real positive changes has TARA provided.

Since MTAI has already began the consultation process and is in almost daily discussions with the population in the affected communities, it is necessary to have such supportive materials as soon as possible.

To support the government with that endeavour, The Programme is now seeking services of a consultant (*hereafter Consultant*) with profound and extensive knowledge of Armenian local self-government sector and respective best practices reforms, with focus on territorial-administrative reforms.

1. **Purpose**

The purpose of the assignment is to gather evidence and information on TARA gains/benefits to the population of consolidated municipalities (with the focus on the latest 34 clusters) – e.g. improved and expanded services, better infrastructure, strengthened local democratic systems and processes, etc.

1. **Tasks and deliverables**

The following tasks will be required to fulfil:

**Task 1: Data and information collection[[2]](#footnote-2)**

* Prepare data/information collection approach, including the scope, questions and issues to elaborate, tool(s), etc.
* Develop the tool for data/information collection.
* Present, discuss and agree the data/information collection approach with the Programme and MTAI.

**Task 2: Collection of information and Analysis of information**

* Collect and analyse information as per the proposed approach and tool (e.g. survey, structured interview, desk study, etc.) including:
  + Testing the approach and tool (data collection and analysis) in max. 3 municipalities and presenting its results to the Programme and MTAI;
  + Revising the approach and/or tool based on the results of the testing, if found necessary by the Programme and MTAI;
  + Rolling-out the data/information collection as per the (revised) approach and tool;
  + Analysing the collected information on the benefits to the population.

**Task 3: Reporting**

* Develop the report format, discuss and agree it with MTAI and The Programme.
* Prepare draft analytical report on TARA benefits to the population.
* Present and discuss the draft report with The Programme and MTAI.
* Finalise the report based on feedback.

1. **Expected Results**

The following results are expected to be provided during the assignment.

Outputs results are:

* Data collection approach and tool.
* Analytical report on TARA benefits to the population.

Outcome level results are:

* Improved evidence on TARA benefits.
* More informed and quality TARA communication.

1. **Schedule and Level of Efforts**

The assignment is planned to commence **in August 2019 and finish by end November 2019**. The exact commencement date and schedule of activities/work plan will be agreed at a later stage.

The assignment requires the services of **one expert**, with the level of efforts **up to** **40 expert days**.

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| **Tasks** | **Expert days (up to)** | **Tentative timing of tasks** | **Deliverables** |
| Task 1 | 10 | August-September 2019 | Developed tool for data collection |
| Task 2 | 25 | September-October 2019 | Package of all collected information |
| Task 3 | 5 | November 2019 | Draft analytical report and Final analytical report |
| **Total** | **40** |  |  |

* The contractor is obliged to perform the assignment based on these ToRs while ensuring close contact with GIZ throughout the implementation of the assignment.
* The contractor shall provide all the results directly and in the first turn to GIZ for discussion and further action.
* GIZ will support the contractor with provision of transportation for travelling to municipalities, accommodation and other logistics. Travel costs (transportation, overnight stay) will be covered by GIZ. Additional per diems will not be paid.

1. **Technical Proposal**

Bidders are expected to present a Technical Proposal addressing all the following points:

* Proposed approach(es), strategy and methods for the implementation of the whole assignment;
* Description of proposed Action Plan and reflection on the proposed time schedule and level of efforts;
* Description of successful projects of similar nature;
* CV of the expert

Bidders are expected to make themselves familiar with the Technical Assessment Grid attached to the ToRs based on which the assessment of the Technical Proposal will be conducted.

In case of needs for clarifications on the ToRs, questions should be addressed in written to the contact person mentioned in the announcement documentation.

1. **Requirements of the consultancy profile**

* Master’s degree in social sciences, Public Administration, Public Management, Public Policy, Public Finance or other related fields.
* Deep knowledge and understanding of European Charter on Local Self-Government as well as Armenia’s local self-government sector.
* At least 10 years of experience in public administration reforms. Focus on local governance is an advantage.
* Deep knowledge and experience of quantitative and qualitative research methods.
* Proven record of conducted research, studies, assessments, surveys etc.
* Strong analytical and writing skills and proven experience in producing research papers, methodologies and other materials.
* English proficiency is an added advantage.

1. This number is provisional. Taking into account the actual average number of municipalities per cluster in the present enlarged 52 municipalities, the final number of municipalities might be considerably less. [↑](#footnote-ref-1)
2. The bidders should propose clear technical approach to data and information collection in their Technical Proposal. [↑](#footnote-ref-2)