



TERMS OF REFERENCE

- A. Job title:** International Consultant to provide Assistance to the Budget Department of the Ministry of Finance in strengthening its capital budget functions
- B. Post Reference:** MNE/10/030
- C. Duty Station:** Podgorica, Montenegro
- D. Duration of appointment:** 25 working days in the period between June and September 2010
- E. Contract type:** Special Service Agreement
- F. Deadline for Application:** May 21, 2010 COB

G. Background:

The Capacity Development Programme (CDP) has been operating since September 2003 as a partnership between the Government of Montenegro, the Foundation Open Society Institute (FOSI-ROM) and the UNDP. The main goal is to assist the Government of Montenegro in meeting its strategic priorities for the European Integration and associated public administration reforms.

As part of its activities, the CDP is an early stage of implementation of a new project titled: *“Strengthening Capacities of Ministry of Finance to efficiently plan, analyze and manage the public finances”*. The two-years Project whose implementation started in summer 2009 is funded by Government of Netherlands. The Project aims to assist the Government of Montenegro, in particular the Ministry of Finance, in strengthening its capacity to efficiently plan, analyze and manage the public finances of the country and consequently to support the country’s aspirations for sustainable development and EU integration. The Project is designed as a capacity building project whose main outcome should be an enhanced institutional and administrative capacity of the Ministry of Finance for financial analysis, management, and fiscal policy development. The Project supports continuous efforts of the Ministry of Finance for upgrading and strengthening the public finance function of the country, thus better serving development goals such as sustainable economic growth and poverty reduction.

The Project has five components – (1) Economic and Fiscal Program; (2) Budget; (3) Tax and Custom; (4) Public Finance indicators; (5) Insurance – and services looked for through this terms of reference are needed within the framework of the Budget component.

Due to drastically deteriorated global economic environment in the period since summer 2008, Montenegro has been faced with a drastic reduction of domestic economic activity

and with the fall of foreign inflows what all has ultimately led to significant decline in government revenues. As a consequence, the authorities have been required to significantly cut the capital part of the country's budget. It is within these circumstances that strengthening capacity of the Budget Department of the Ministry of Finance in the area of capital budget management, i.e. in its programming, execution and monitoring, has been identified as a high policy priority of the Ministry.

H. Objective of the assignment:

The overall objective of the assignment is to support the Budget Department of the Ministry of Finance in strengthening its capital budget functions.

In more specific terms, the objective of the assignment is twofold: *firstly*, to review the existing system of the capital budget management, and to provide a detailed assessment of its strengths and weaknesses, and *second*, to articulate recommendations for establishing an effective and on international best practices based capital budget management system.

I. Job output, content and timing:

Job output; The consultant will be responsible for production of the two outputs:

- A *report* containing at least the following substantive sub-chapters
 - *Chapter 1:* Description of main characteristics of the existing system of the capital budget programming, execution and monitoring (legal, organizational – institutions and processes, data sources and processing, information support, etc.)
 - *Chapter 2:* Assessment of the system (its strengths and weaknesses) by applying regional and international benchmarks as well as international best practices;
 - *Chapter 3:* Conclusions and recommendations.
- *Terms of reference* for a technical assistance project that would be required for effective implementation of the recommendations of the study.

Job content; In order to prepare these outputs, the international consultant's activities will include the following:

- To collect all relevant documents and information available about the existing system of capital budget management;
- To describe and analyse the system and its main patterns;
- To discuss main patterns of the system with all the relevant stakeholders in the country;
- To draft conclusion and to articulate recommendations, on short and medium term, for establishing an effective and on international best practices based capital budget management system.
- To draft the two outputs specified above.

The Budget Department will assign a senior employee to the consultant in order to provide all the required in-house assistance to the assignment.

Timing of the work; The consultant will be engaged under short special service agreement immediately after the completion of the recruitment procedure. The tentative date of engagement will be in the period between 1 June and 15 September 2010.

The consultant will be required to undertake three missions to Montenegro during the above mentioned period in the total duration of 10 working days. The first and the second mission will be focused on discussions with all the parties concerned as well as on collecting all the necessary information for drafting the two outputs. During the third mission, the consultant will present the drafts of both documents, i.e., of the report and of the terms of reference.

J. Qualifications and expertise:

- University degree in economics or related discipline (BA or equivalent);
- At least 10 years of professional experience related to preparation of a state budget, and especially related to the capital budget programming, execution and monitoring;
- Written and spoken English and knowledge of the local language would be a distinct advantage;
- Excellent communication skills, facility in working with teams;
- Previous working experience in the Region related to this ToR.

K. Application Process:

Interested applicants are requested to submit their applications to UNDP Office in Podgorica by e-mail to consultancy.me@undp.org by May 21, 2010 CoB.

The application should contain:

1. Duly completed Personal History Form (P11) can be downloaded from <http://www.undp.org.me/files/jobs/index.html>
2. Cover/Motivation Letter

The short-listed candidates only would be requested to submit a letter of interest including a price quotation indicating the lump sum (in USD) requested for the work envisaged in the section "Duties and Responsibilities".

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