



TERMS OF REFERENCE

- A. Job title:** Consultant: Assistance to the Taxes and Customs Department of the Ministry of Finance in preparation of the terms of Reference for the Analysis on the fiscal capacity of legal, institutional and economic framework of Montenegro
- B. Type of position:** International, short-term
- C. Posts Reference:** MNE-10-051
- D. Duty Station:** Podgorica, Montenegro
- E. Duration of appointment:** 10 days between July and October
- F. Contract type:** Special Service Agreement
- G. Deadline for application:** Wednesday, 4th August 2010, CoB

i. 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) International Competitiveness Indicators;
- (5) Insurance – and services looked for through this terms of reference are needed within the framework of the International Competitiveness Indicators component.

The overall objective of the Tax and Customs component of the Project is to support strengthening of institutional capacities of the Tax and Customs Department of the



Ministry of Finance as well as of its cooperation with the Tax Administration Office and Customs Service Office. This objective is even more important in the context of the drastically deteriorated global economic environment in the period since summer 2008 when Montenegro has been faced with a drastic reduction of domestic economic activity and the fall of foreign inflows what has ultimately led to significant decline of public finance revenues. It is within this context that a thorough analysis of the fiscal capacity of Montenegro, i.e, of its legal, institutional, and economic components, has been identified as a high policy priority of the Ministry.

ii. Duties and Responsibilities

Objective of the assignment: The objective of the assignment is to develop detailed terms of reference for a thorough analysis of the country's fiscal capacity, including assessment of the existing regulation, institutions and processes, as well as human resources capacity, aimed at articulating proposals for a systemic upgrading of Montenegro's public finance revenues system. The assignment is expected to serve as a vehicle for developing a strategy aimed at improving the overall fiscal system in the country encompassing clear and simple regulation, efficient and customer friendly administration and automated and cost-effective procedures for taxpayers, as well as skilled and professional staff The system should further be aimed at enhancing the corporate tax culture in the country and should lead to enhanced tax compliance.

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

- A *background note* providing a brief assessment of the existing fiscal system in Montenegro. The document should address economic, legal and institutional and HR aspects of the system
- *Terms of reference* for a thorough analysis of the country's fiscal capacity, including assessment of the existing regulation, institutions and processes, as well as HR capacity aimed at articulating proposals for a systemic upgrading of Montenegro's public finance revenues system.

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 Montenegro's fiscal system;
- ✓ To describe and analyze the system and its main patterns;
- ✓ To discuss main patterns of the system with all the relevant stakeholders in the country;

The Tax and Customs Department of the Ministry of Finance 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 1 September and 30 December 2010.



The consultant will be required to undertake two missions to Montenegro during the above mentioned period in the total duration of 10 working days. The first 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 second mission, the consultant will present the drafts of both documents, i.e., of the report and of the terms of reference.

iii. Competencies

- Demonstrates integrity by modeling the UN's values and ethical standards;
- Promotes the vision, mission, and strategic goals of UNDP Displays cultural, gender, religion, race, nationality and age sensitivity and adaptability;
- Focuses on result for the client and responds positively to feedback;
- Consistently approaches work with energy and a positive, constructive attitude;
- Demonstrates openness to change and ability to manage complexities;
- Perform any other duty as may be assigned by the Programme Manager

iv. Qualifications and expertise:

- University degree in economics or related discipline (BA or equivalent);
- At least 10 years of professional experience in or with institutions that have been responsible for the design and implementation of tax and customs policies;
- Previous working experience in the Region related to this ToR;
- Excellent communication skills, facility in working with teams;
- Fluency in English;
- Knowledge of the local language would be a distinct advantage;

v. Application Process

Interested applicants are requested to submit their applications to UNDP Office in Podgorica by e-mail to consultancy.me@undp.org by Wednesday, 4th August 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 EUR or USD) requested for the work envisaged in the section "Duties and Responsibilities".*

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