

ANNEX II: TERMS OF REFERENCE

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1. BACKGROUND INFORMATION

1.1. Beneficiary

The Parties to the Central European Free Trade Agreement (CEFTA) 2006 (“Agreement”) (“CEFTA Parties”).

1.2. Contracting authority

The Secretariat of the Central European Free Trade Agreement 2006 on behalf of the CEFTA Parties (“the CEFTA Secretariat”).

1.3. Background

Action Plan for Common Regional Market (CRM AP) adopted by the leaders of the Western Balkans in Sofia in 2020 for the period 2021-2024. The Action Plan is based on four key areas: (1) regional trade area: free movement of goods, services, capital and people, (2) regional investment area, (3) regional digital area and (4) regional industrial and innovation area. Its principal result seeks to closely align rules and regulations of the region with the core principles governing the EU Internal Market based on the four freedoms approach through recognition arrangements, removing obstacles, and cutting costs and time needed for goods, services, capital and people to move freely across the region.

The implementation of this Action Plan is tasked to already existing regional and international structures. RCC and CEFTA Secretariats are recognised as the leading regional organisations to facilitate the implementation of this Action Plan, while other regional and/or international structures are included in specific actions in line with their scope of work and programme. In particular, CEFTA Secretariat provides support to carrying out the actions which seek to implement CEFTA 2006 and extend commitments and benefits to the EU and other trading partners¹.

On 8 November 2023, the European Commission adopted a new Growth Plan for the Western Balkans, with the aim of bringing the Western Balkan partners closer to the EU through offering some of the benefits of EU membership to the region in advance of accession, boosting economic growth and accelerating socio-economic convergence.

The new Growth Plan for the Western Balkans is based on four pillars, aimed at:

- I. Enhancing economic integration with the European Union’s single market, subject to the Western Balkans aligning with single market rules and opening the relevant sectors and areas to all their neighbours at the same time, in line with the Common Regional Market. Seven priority actions are suggested: (1) Free movement of goods; (2) Free movement of services and workers; (3) Access to the Single Euro Payments Area (SEPA); (4) Facilitation of Road transport; (5) Integration and de-carbonisation of Energy markets; (6) Digital Single Market; (7) Integration into industrial supply chain;
- II. Boosting economic integration within the Western Balkans through the Common Regional Market (CRM), based on EU rules and standards. Based on EU rules, CRM is seen a stepping-stone to the opportunities of the Single Market. CEFTA has been identified as key governance mechanism for the CRM implementation;

¹ For more information please consult Action Plan for Common Regional Market 2021-2024 available at: <https://cefta.int/wp-content/uploads/2020/11/Common-Regional-Market-2021-2024-Action-Plan.pdf>

- III. Accelerating fundamental reforms, including on the fundamentals cluster, supporting the Western Balkans' path towards EU membership, improving sustainable economic growth including through attracting foreign investments and strengthening regional stability;
- IV. Increasing financial assistance to support the reforms through a Reform and Growth Facility for the Western Balkans for the period 2024-2027, a proposal for a new instrument worth €6 billion, consisting of €2 billion in grants and €4 billion in concessional loans, with payment conditioned on the Western Balkans' partners fulfilling specific socio-economic and fundamental reforms².

1.4. Current situation in the sector

2024 CEFTA Chairmanship of Serbia has identified free trade in services as one of its key priorities. More specifically, the Chair in Office has committed to support the work of the electronic commerce package and among others to launch discussions on recognition of electronic signatures and other trust services within CEFTA.

Common Regional Action Plan 2021-2024 foresees the adoption of the framework for recognition of electronic signatures as well as other forms of eIDs and trust services based on the relevant EU *acquis*.

Additional Protocol 6 on Trade in Services adopted in 2019 has entered into force on 11 January 2021 provides legal framework for trade in services and cooperation among the Parties in this respect. Article 18 of the Additional Protocol 6 expressly regulates matter related to the cooperation on the electronic commerce. The key provision is provided in the paragraph 4 which sets a commitment of the CEFTA Parties to maintain a dialogue on regulatory issues raised by electronic commerce, which will, inter alia, address the following issues: (a) the recognition of certificates of electronic signatures issued to the public and the facilitation of cross-border certification services; (b) the liability of intermediary service providers with respect to the transmission, or storage of information; (c) the treatment of unsolicited electronic commercial communications; (d) the protection of consumers in the ambit of electronic commerce; (e) any other issue relevant for the development of electronic commerce.

CEFTA, Electronic Commerce: Roadmap for dialogue on regulatory issues was endorsed in 2020 as a framework for improvement of regulatory framework conditions for regional electronic commerce in the CEFTA region with several lines of activities laid down:

1. Setting up conducive regional regulatory environment based on EU standards and procedures
2. Recognition of electronic signatures
3. Customs cooperation to facilitate customs clearance of packages
4. Lowering transaction costs in payments and parcel delivery.

The E-commerce Roadmap identifies the specific matters that need to be addressed to enable an EU compliant recognition of electronic signatures and other trust services. This refers to the establishment of a general framework for recognition of electronic signatures and other trust services which would set up general standards (requirements) modelled according to eIDAS Regulation, setting-up a procedure for validation of compliance with agreed standards and ensure technical conditions, such as interoperability of trust service registers and technical links, to allow effective implementation of the framework.

1.5. Related programmes and other donor activities

² For more information please consult European Commission's Communication COM(2023) 691 from 8 November 2023 available at: https://neighbourhood-enlargement.ec.europa.eu/document/download/8f5dbe63-e951-4180-9c32-298cae022d03_en?filename=COM_2023_691_New%20Growth%20Plan%20Western%20Balkans.pdf

- “Open Regional Fund – Foreign Trade”, co-funded by the European Union and the German government, implemented by GIZ.
- “Supporting the development of a modern payment system and regional investment in the Western Balkans” implemented by the World Bank Group and funded by the European Union.
- “Support to WB6 Chamber Investment Forum” funded by the European Union and implemented by WB6 CIF.

2. OBJECTIVE, PURPOSE & EXPECTED RESULTS

2.1. Overall objective

The overall objectives (Impacts) to which this action contributes are :

- (i) increase socioeconomic growth in the region due to increased trade and investment;
- (ii) foster the implementation of the EU *acquis* pertaining to the EU Single Market to accelerate accession to the EU; and
- (iii) enhance good neighbourly relations.

Specific objective(s)

The specific objective (Outcome) of this contract is to:

Support the development of a CEFTA framework for recognition of electronic signatures as well as other forms of eIDs and trust services based on the relevant EU *acquis* and facilitate technical discussions among Parties for possible models of recognition of electronic signatures.

2.3. Results to be achieved by the Contractor

The Contractor is expected to conduct an assessment of the current level of compliance of the laws, regulations and administrative decisions in CEFTA Parties pertaining to eIDAS³ regulation, . In addition, European Commission report(s) and any assessment connected with the developments in the area of approximation with eIDAS regulation and trusted services should be considered.

The results will be presented in a report which will contain the overall assessment of the CEFTA Parties, as well as detailed assessment on approximation of the laws, regulations and administrative decisions concerning eIDAS regulation, current related activities and technical implementation and recommendations on any additional approximation, and possible models for recognition of the electronic signatures and other trust services within CEFTA in line with the eIDAS regulation, including an outline of the priority actions and timelines for each of the proposed models.

3. ASSUMPTIONS & RISKS

3.1. Assumptions underlying the project

- Availability and access to relevant documents

³ Regulation (EU) No 910/2014 of the European Parliament and of the Council of 23 July 2014 on electronic identification and trust services for electronic transactions in the internal market and repealing Directive 1999/93/EC

3.2. Risks

- Political issues leading to delays and impasses;

4. SCOPE OF THE WORK

4.1. General

4.1.1. Description of the assignment

The contractor will be tasked to assist the CEFTA Secretariat in supporting the work of the Subcommittee on Trade in Services and other CEFTA bodies in line with Serbia's Chairmanship priorities for 2024 in assessing the compliance of the CEFTA Parties' laws, regulations and administrative decisions concerning eIDAS regulation, analysing the existing agreements on the recognition of electronic signatures and other trust services, identifying the possible gaps for the full alignment with eIDAS and implementation of trust services and electronic identification, as well as providing recommendations for CEFTA recognition of electronic signatures and other trust services.

4.1.2. Geographical area to be covered

CEFTA Parties

4.1.3. Target group

The immediate beneficiary of this project is the CEFTA Secretariat. The final beneficiaries are the CEFTA Parties.

4.2. Specific work

The specific tasks of the Contractor would be as follows but not limited to:

- Contact relevant experts in Parties' competent institutions to acquire necessary input on relevant Parties' laws, regulations and administrative decisions, institutional framework and other relevant input for the assignment;
- Conduct desk research and analyse the current state of play on eIDAS implementation in the CEFTA Parties, including by reviewing relevant laws, regulations and administrative decisions as well as available EC reports, studies, analyses, strategic documents etc;
- Identify the possible gaps in the eIDAS implementation in CEFTA Parties, as well as provide recommendations on any additional legislative approximation with the EU acquis;
- Analyse the existing agreements on the recognition of electronic signatures and other trust services between CEFTA Parties and identify potential models and provide a recommendation for recognition model within CEFTA;
- Analyse the correlation between the potential CEFTA's recognition model of electronic signatures and the regional Digital Identity Wallet included in the new Growth Plan for the Western Balkans, and provide recommendations on the measures needed for the integration into the EU trust services;
- Participate in meetings of CEFTA Bodies and other relevant meetings where this topic is discussed.

4.3. Project management

4.3.1. Responsible body

The CEFTA Secretariat will be responsible for the management of the contract.

4.3.2. Management structure

The project will be overseen by the Technical Expert for Trade in Services. The Acting Director of the CEFTA Secretariat and the Senior Technical Expert for Trade in Services will oversee the implementation of the contract.

4.3.3. Facilities to be provided by the contracting authority and/or other parties

No facilities will be provided by the CEFTA Secretariat.

5. LOGISTICS AND TIMING

5.1. Location

The Contractor will be homebased.

The Contractor will be invited to participate to online or in-person technical meetings and other events of different CEFTA structures and present his/her work related to electronic signatures and other trust services.

If the meetings will take place in Brussels or in the CEFTA region: travel arrangements will be organised, and travel costs will be borne by the CEFTA Secretariat.

5.2. Start date & period of implementation of tasks

The intended start date is July 2024 and the period of implementation of the contract will be until December 2024. Please see Articles 19.1 and 19.2 of the special conditions for the actual start date and period of implementation.

6. REQUIREMENTS

6.1. Staff

Note that civil servants and other staff of the public administration of the CEFTA Parties, or of international/regional organisations based in the CEFTA Parties, shall only be approved to work as experts if well justified. The justification should be submitted with the tender and shall include information on the added value the expert will bring as well as proof that the expert is seconded or on personal leave.

6.1.1. Key experts

Key experts are defined, and they must submit CVs and signed statements of exclusivity and availability. All experts who have a crucial role in implementing the contract are referred to as key experts. The profile of the key experts for this contract should be as follows:

Key expert 1: Team Leader

Qualifications and skills

- University degree (postgraduate degrees are an advantage) in telecommunications, law, economics, business, or other areas directly related to the subject of work;
- Proficiency in English language (oral and written), knowledge of local CEFTA languages would be an asset;
- Full computer literacy, including good command of MS Office;

Professional experience

- At least 7 years of relevant experience in areas such as ICT legislation in EU, e-signature, eIDAS, trust services and interoperability framework;
- Experience with working on eIDAS implementation is an advantage;
- Proven legal analysis and research skills, analytical skills and ability to conceptualise and write concisely and clearly;
- Experience in writing technical papers on topics related to the assignment and reporting on complex multi-sector or multi-country strategy development and implementation.

6.1.2. Other experts, support staff & backstopping

CVs for experts other than the key experts should not be submitted in the tender but the tenderer will have to demonstrate in their offer that they have access to experts with the required profiles. The contractor shall select and hire other experts as required according to the needs. The selection procedures used by the contractor 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 costs for backstopping and support staff, as needed, are considered to be included in the tenderer's financial offer.

6.2. Office accommodation

Office accommodation for the expert working on the contract is to be provided by the contractor.

6.3. Facilities to be provided by the Contractor

The contractor shall ensure that experts are adequately supported and equipped. In particular he must ensure that there is sufficient administrative, secretarial and interpreting provision to enable experts to concentrate on their primary responsibilities.

6.4. Equipment

No equipment is to be purchased on behalf of the CEFTA Secretariat as part of this service contract or transferred to the CEFTA Secretariat at the end of this contract. Any equipment related to this contract which is to be acquired by the Contractor shall do it at his own cost.

7. REPORTS

7.1. Reporting requirements

The contractor will submit the following reports in English language in one original and one copy delivered by email:

- **Inception Report** of maximum 12 pages to be produced after 2 weeks from the start of implementation. In the report the contractor shall describe e.g. initial findings, progress in collecting

data, any difficulties encountered. The Inception Report should also contain a proposed structure of the assessment indicating the methodology, data to be collected with relevant sources and expected activities and tools to be used by the team of experts. The contractor should proceed with his/her work unless the contracting authority sends comments on the inception report.

- **Draft final report** shall be submitted no later than one month before the end of the period of implementation of tasks.
- **Final report** with the same specifications as the draft final report, incorporating any comments received from the parties on the draft report. The deadline for sending the final report is 2 weeks days after receipt of comments on the draft final report. The report shall contain outputs described in 2.3 and further details in 4.2. of this document provided in its annex. The final report must be provided along with the corresponding invoice.
- **The Reports should use the vocabulary as suggested by the CEFTA Secretariat.**

7.2. Submission and approval of reports

The report referred to above must be submitted to the project manager identified in the contract. The project manager is responsible for approving the reports.

8. MONITORING AND EVALUATION

Definition of indicators

The contractor will ensure internal quality control during the implementing and reporting phase of the assignment. The quality control should ensure that the draft reports comply with the above requirements and meet adequate quality standards before sending them to stakeholders for comments.

All deliverables shall be reviewed by the staff of the CEFTA Secretariat. The approved final report (output) will be subject to a quality assessment by the CEFTA Secretariat.

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