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1. BACKGROUND INFORMATION

1.1. Beneficiary

CEFTA WB6 Parties.

1.2. Contracting authority

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

1.3. Background

CEFTA framework is composed of multiple bodies made of representatives of the CEFTA Parties, supported and coordinated by the CEFTA Secretariat.

- **CEFTA 2006 Secretariat**

Implementation of CEFTA 2006 is supported by a permanent Secretariat located in Brussels established in accordance with the Article 40.2 of CEFTA 2006. The overall function of the Secretariat is to provide technical and administrative support to the Joint Committee and any body established by it, as defined by its mandate set out in the JC Decision 1/2018. The functions of the Secretariat can be summarized as follows:

- Support the supervision of the implementation of the CEFTA 2006 by deploying implementation monitoring mechanisms and recommending to the Joint Committee how to enhance the effectiveness of implementation and;
- Facilitate the administration of the implementation of the Agreement by: preparing the initial drafts of all documents discussed and adopted by the CEFTA Bodies; supporting the Chair in Office of CEFTA in the organisation and follow-up of all meetings of the Joint Committee and of other CEFTA Bodies; preparing and presenting technical opinions to the corresponding agenda items of the meetings of CEFTA Bodies or the ones organised by CEFTA Parties, other International Organisations; negotiating, co-ordinating, and reporting on donor funded assistance for trade related activities; acting as contracting authority by implementing procurement rules in tendering procedures; maintaining the official archive of the Agreement in liaison with the Depositary/Acting Depositary; supporting the implementation of the trade related components of the SEE 2020 strategy and Common Regional Market (CRM), and all other actions in the context of any other economic initiatives or in trade related international organisations related to CEFTA; liaising with the European Commission and other relevant partners and donors to secure and manage technical and financial assistance on behalf of the CEFTA Parties in the implementation of any strategy or plan which involves CEFTA Bodies and informing regularly the Joint Committee thereof.

- **CEFTA Bodies**

Joint Committee (CEFTA 2006, Article 40) is the only decision-making body established in accordance with Article 40 of CEFTA 2006 which supervises and administers the implementation of the Agreement. It is composed of the ministries in charge of trade from each Party and it is entrusted to supervise and administer implementation of the agreement. The JC meets at least once a year and can adopt decisions and recommendations. The JC is chaired by one of the parties and this function revolves on an annual basis in alphabetical order.

Committee of Trade Facilitation (JC Decisions 7/2014 and 1/2015) is tasked to develop and broaden cooperation among CEFTA Parties and to address the issues which are related to facilitation of the trade

in CEFTA with a view to reduce trade costs, while balancing trade facilitation with increasing requirements for safety and security measures in international and local supply chain.

Committee of Contact Points (JC Decision No. 1/2015) is tasked to support the smooth functioning of the Agreement and the fulfilment of the decisions, conclusions and recommendations of the Joint Committee both within the Contracting Party concerned and with all CEFTA stakeholders.

Subcommittees

- The Sub-committee on Non-Tariff Measures is tasked to identify non-tariff measures that can potentially have an economic effect on international trade in goods, changing quantities traded, or process or both, review those identified measures and propose measures for their elimination;
- The Sub-committee on Agriculture is tasked to contribute the promotion and facilitate trade in agricultural products within the region and to discuss and coordinate to the maximum extent the policies on agriculture and protection of plant health, animal health and food safety and other relevant areas in accordance with articles 11 and 12 of CEFTA 2006;
- The Sub-committee on Customs and Rules of Origin is tasked to simplify and facilitate customs procedures and to coordinate implementation of common rules of origin in CEFTA (in accordance with article 14.4 of CEFTA 2006); and
- The Sub-Committee on Trade in Services is tasked to strengthen and deepen cooperation in the field of trade in services by facilitating the implementation of the commitments stipulated in Articles 26–29 of the CEFTA 2006.

Working groups

- Working Group on Technical Measures is tasked to provide working level forum to address exclusively non-tariff measures stemming technical measures in particular sanitary and phytosanitary measures, and technical barriers to trade, and discuss at the expert level the methods and tools to eliminate the discriminatory measures constituting non-tariff barriers to trade. The group is also to initiate exploratory talks to conclude mutual recognition agreements in the relevant areas of technical measures conditional upon the full alignment with the relevant EU *acquis*, and implementation of the aligned legislation in line with the EU, WTO Agreements and other international agreements.
- Working Group on Risk Management is tasked to develop and broaden cooperation among CEFTA Parties particularly with a view to propose the possibilities of taking joint actions related to the management of public authorities and agencies involved in clearance of goods, as far as possible, aiming at facilitating trade while improving the overall quality and deterrence of customs, security, and safety controls and inspections.
- Working Group on Electronic Exchange of Information is tasked to develop and broaden cooperation among CEFTA Parties, particularly to address the issues related to the functioning and sustainability of the existing or new IT capacities and tools to be created between the CEFTA Parties in the framework of CEFTA and CEFTA Management Information System, and propose solutions for CEFTA with an aim to facilitate trade while improving the overall quality and deterrence of customs, security and safety controls and inspections.
- Working Group on Trade in Services Statistics, FATS and FDI Statistics is tasked to improve the quality of international trade in services statistics across the CEFTA Region and harmonise statistics with those of the European Union. Working Group on Trade in Services Statistics, FATS and FDI Statistics holds at least one meeting a year and in average two meetings per year.
- Joint CEFTA-RCC-ERISEE Working Group on Recognition of Professional Qualifications is tasked to deepen the cooperation between CEFTA Subcommittee on Trade in Services, Education Reform Initiative of South Eastern Europe (ERISEE) and RCC Social Agenda

Working Group (SAWG) in the area labour mobility, building on the mandates and previous activities of each structure.

- Joint CEFTA-RCC Working Group on Investment Policy and Promotion is established in the context of the SEE 2020 Strategy and the legal basis for cooperation on investment from the CEFTA 2006 (Articles 30-33), with the main purpose deepen trade and investment links, and support policies that are non-discriminatory, transparent and predictable and that enhance the flow of goods, investment, services and people within CEFTA.

1.4. Current situation in the sector

The Additional Protocol 5 (AP5) to the CEFTA Agreement aims at rationalizing and simplifying documentation and inspections related to all customs procedures. It also plans to reducing formalities in trade between the CEFTA members. Annex I of the Additional Protocol 5 foresees implementation of the common databases and central services including the CEFTA common database of Authorized Economic Operators (AEO).

Article 3 of AP5 stipulates that the recognitions of AEO Programmes and BCP/CCP documents based on EU compliance will require electronic exchange of documents between customs authorities and other agencies involved in goods clearance. Moreover, article 13 prescribes that such data shall be exchanged by making use of the established customs-to-customs data exchange infrastructure. Therefore, each CEFTA Party shall provide, for purposes of advance lodging, pre-arrival data and documents in electronic format, enabling the pre-arrival processing of these documents. Once applied, the implementation of these principles should significantly reduce administrative barriers to trade in CEFTA.

The CEFTA Parties accordingly agreed to recognise the Authorised Economic Operators' Programmes in each CEFTA Party, provided that both the legislation and implementation of each programme is fully in line with the relevant EU acquis.

Authorised economic operators (AEO) means an economic operator established in one of the CEFTA Parties, which is deemed reliable in the context of its customs related operations and that, therefore, is entitled to enjoy benefits in one or more CEFTA Parties.

The CEFTA Parties endeavour to provide, in line with the WCO SAFE framework of standards and the relevant EU provisions, the benefits for AEO with regard to safety and security as provided in Articles 9 to 11 of Annex III of the AP5. It is important to note that with regard to the protection of professional secrecy and personal data the principles of Article 27 of the AP5 shall apply.

In each CEFTA Party, AOE shall enjoy facilitations with respect to all customs controls as specified by Annex III of the AP5.

Further, the Joint Committee of the Central European Free Trade Agreement adopted on 18 December 2019 the Decision No 1/2019 on establishing the validation procedure for the recognition of CEFTA Parties' Authorised Economic Operators' Programmes with regard to the safety and security (AEOS). The Decision was adopted:

- Having regard to Annex III of CEFTA AP 5 setting up the requirements according to which the status of Authorised Economic Operator shall be granted by each CEFTA Party in line with, and facilitations to be granted to, Authorised Economic Operators as specified thereby;
- Having resolved to eliminate the obstacles to their mutual trade, in accordance with the provisions of the Marrakesh Agreement Establishing the World Trade Organisation (hereinafter referred to as "WTO"), and to progressively establish closer trade relations;
- Having resolved to conduct their mutual trade relations in accordance with the rules and disciplines of the WTO, whether or not they are Members of the WTO;
- Taking into full account of the importance of the positive contribution of trade facilitation to economic development;

- Emphasising the role of the EU alignment process in each CEFTA Party offering a common standard as reflected in Articles 3(3), 25, 26 and Annex III of the AP5 triggering the recognition of programmes, documents, and inspections among CEFTA Parties;
- Considering that no provision of this Decision may be interpreted as exempting the CEFTA Parties from their obligations under other international agreements, especially the WTO;
- Having resolved to strengthen trade-economic relations and mutual understanding among CEFTA Parties;
- Acknowledging the importance of international cooperation, and also the strive to expand regional cooperation;
- Considering that the CEFTA Parties are determined to improve safety and security in the trade in goods entering or exiting their territories, without hampering trade flows;
- Seeking to facilitate trade development through the introduction of modern forms and methods of inspection;
- Acknowledging the need to exchange data by employing electronic instruments with the aim of strengthening and improving the quality of risk analysis by CEFTA Parties;
- Underlining the necessity of investment on information and communication technologies to facilitate the electronic exchange of information among CEFTA Parties;
- Emphasising the importance of a complete review to be undertaken by each CEFTA Party confirming the readiness of its information and communication technology infrastructure for the implementation of the provisions of this Decision requiring the electronic exchange of data at the domestic level;
- Expressing the readiness of CEFTA Parties to cooperate with the European Union and other international donors willing to provide financial assistance to the necessary investments to cater to the information and communication technology needs of CEFTA Parties for the implementation of the Decision; and
- Considering that CEFTA Parties have an adequate level of professional secrecy and personal data protection;
- Considering that the recognition of AEOs is a key element of the WCO SAFE Framework of Standards to strengthen end-to-end security of supply chains and to multiply benefits for traders by recognition of AEOs the customs administrations involved agree to recognise the AEO authorisation issued under the other programmes and to provide reciprocal benefits to AEOs of the other programmes;
- Considering that CEFTA Parties should nominate experts for validation missions to other CEFTA Parties in order to allow for the recognition of AEOs, these experts will represent the CEFTA Secretariat and not their home administration.

The AEO programs of Partner economies is to be assessed in line with the procedures and requirements set out in the Decision of the CEFTA Joint Committee No. 1/2019 on establishing the validation procedure for the recognition of CEFTA Parties' Authorised Economic Operators' Programmes with regard to the safety and security (AEOS).

Observation and assessment of the AEO program and AEO processes of North Macedonia, Moldova and Serbia, to ensure that the AEO programs meet the requirements and criteria of the AP5 and the EU AEO program standards and to validate the effectiveness of the design and operation of those processes, were conducted in January, February and March 2021.

1.5. Related programmes and other donor activities

EU – CEFTA Secretariat “SEED+ Platform Implementation” 2021-2023

The purpose of this Project is to develop and implement IT systems required for regular and systematic data exchange among all CEFTA AP5 stakeholders as stipulated by the CEFTA Additional Protocol 5 and its Technical Annexes, whilst harmonising related legal and regulatory requirements and providing technical assistance, support and maintenance throughout project implementation period.

The following results are expected to be achieved:

1. SEED+ ICT infrastructure in place, secured and operational;
2. CEFTA TRACES NT, built on TRACES NT¹ source code provided by DG SANTE, operational and used by all relevant CEFTA authorities enabling (a) processing of phytosanitary, veterinary and pharmaceutical certificates in CEFTA Parties and (b) data, information and documents exchange including exchange of information on non-compliant consignments for animals and goods (food safety, veterinary and phytosanitary policy) thus facilitating the risk management of rejected consignments;
3. Customs SEED upgraded to Customs SEED+ by establishing additional data exchange links, upgrading customs SEED modules and improving regional customs risk management;
4. Green corridors initiative maintained and extended ensuring expansion of: data sets exchanged, number of agencies involved, products and economic operators, the number of involved BCP/CCPs, including those with the EU;
5. Collection and analysing of statistical data from SEED+ automatized enabling easy and user-friendly monitoring and evaluating of the implementation of trade facilitation instruments;
6. Users from all relevant CEFTA authorities trained and using the systems deployed, adequate technical and user documentation and operational instructions available, overall security of data and platform maintained and support and maintenance provided throughout the project implementation period.

EU - GIZ “Support to regional economic integration” 2020-2023

The aim of the Project is as follows:

- Improved operationalization of the Additional Protocol 5 (AP5) so as to capitalize on trade reforms already undertaken and facilitate cross-border trade for businesses
 - Thematic focus is on: implementation of Mutual Recognition Programmes (Authorised Economic Operators and border documents) and implementation of Joint Risk Management
- Operationalization of Additional Protocol 6 (AP 6) so as to create a more conducive business environment for trade in services
 - Thematic focus is on: intra-governmental cooperation for improving compliance of domestic regulations and procedures with AP6; interregional regulatory cooperation to address trade barriers identified by private sector
- Enhanced private sector engagement to derive the greater benefits from the facilitated framework conditions for trade in goods and services
 - Focus is on: evidence-based monitoring to track the implementation of trade-related reforms; public-private dialogue at regional level; promotion of benefits and opportunities to be gained from trade related measures and reforms supported under the project

EU – CEFTA Secretariat “Support to the CEFTA Secretariat” 2020 -2022

The Action seeks to contribute to enhancing competitiveness of the CEFTA Parties (overall objective) by supporting regional economic integration as envisaged in the MAP REA and CEFTA 2006 (specific objective). Regional economic integration will be improved by facilitating trade and investment flows in the region by strengthening main existing trade rules underpinning liberalisation of trade in goods and expanding liberalisation to new areas as envisaged by trade pillar of MAP REA. The

¹ <https://webgate.ec.europa.eu/cfcas3/tracesnt-webhelp/Content/Whatstraces/What%27s%20Traces.htm>

key enabler of trade facilitation in the region lies with rules and institutions of CEFTA and therefore, enhanced regional integration requires:

- Strengthened institutional capacity of the CEFTA Structures (incl. CEFTA Secretariat) for the implementation of the annual Chairmanship Programmes
- Improved CEFTA Trade Statistics System on goods, services and investment and CEFTA visibility and transparency
- Improved capacity of CEFTA Structures to implement CEFTA and the trade pillar MAP REA

USAID – “Trade Facilitation Project”

The aim of the Project is to enhance the CEFTA WB 6 Parties in the implementation of the WTO Trade Facilitation Agreement on the national level. The activities in the establishment of the NTFC, are complemented with the different activities for the fulfilment of obligations rising from the AP 5

The World Bank Group - “Trade Facilitation Support Program (TFSP)”

The World Bank Group’s Trade Facilitation Support Program (TFSP) was launched in June 2014. The Program provides implementation support for countries seeking assistance in aligning their trade practices more closely with the World Trade Organization Trade Facilitation Agreement (WTO TFA), which entered into force in February 2017. The work program for the upcoming two years includes:

- Collection of trade related fees and charges
- Support of joint border controls North Macedonia/Serbia and North Macedonia/Albania
- Repeat of the Time Release Studies implemented in previous years
- Support to selected national implementation of Authorized Operator Programs
- Capacity Building with selected national SPS agencies related to the development of risk-based border controls
- Likely some automation support (advanced tariff rulings, software for phytosanitary agencies)

Overall, this project should continue to work on the results already achieved and work closely with all on-going projects to avoid overlaps and ensure complementarity in all its activities. This particularly stands for GIZ - “EU4 Business: Support to Regional Economic Integration” project.

2. OBJECTIVE, PURPOSE & EXPECTED RESULTS

2.1. Overall objective

The overall objective of the project of which this contract will be a part is to improve safety and security in the trade in goods in CEFTA without hampering trade flows by helping timely and efficiently disseminate information on companies having AEO statuses where the competent authorities electronically share and exchange required data and documents, so that the companies can benefit from having such statuses in accordance with CEFTA agreements, protocols and decisions, without having additional burden of recurring data and documents collection and verification.

2.2. Purpose

The purpose of this contract is to establish CEFTA central database of AEO, a multilingual information system that will facilitate sharing of data and documents on AEO between Customs Administrations of the CEFTA Parties and enhance their cooperation in granting benefits to the companies having AEO statuses, as specified in CEFTA agreements, protocols and decisions, in particular the Decision No 1/2019 on establishing the validation procedure for the recognition of CEFTA Parties’ Authorised Economic Operators’ Programmes with regard to the safety and security (AEOS).

2.3. Results to be achieved by the contractor

The following results are expected to be achieved by selected Contractor:

1. Required cloud ICT infrastructure in place, secured and operational;
2. CEFTA central database of AEO, operational and used by all relevant CEFTA authorities, interconnection and interoperability and data exchange with the existing Parties' information systems secured and all required data migrated/entered/cleaned/harmonized from the existing Parties' information systems;
3. Collection and analysing of data automatized and enables easy and user-friendly monitoring and evaluating of the implementation of trade facilitation instruments;
4. Users from all relevant CEFTA authorities trained and using the systems deployed;
5. Source code, adequate technical and user documentation and operational instructions available;
6. Overall security of data and platform maintained and support and maintenance provided throughout the project implementation period.

3. ASSUMPTIONS & RISKS

3.1. Assumptions underlying the project

- Existing legal framework adequate and/or updated to support implementation of the central Database vision supported by all relevant CEFTA authorities;
- Relevant CEFTA authorities are committed to the implementation of the Database, in particular to data, information and documents sharing and exchange among CEFTA Parties;
- Competent people from relevant CEFTA authorities are appointed and are actively and timely contributing in shaping of all project's outputs;
- Relevant CEFTA authorities are committed to upgrade their own system functionalities, if needed, to support CEFTA data exchange.

3.2. Risks

- Political instability at the level of the Beneficiaries and/or instability of the senior management of relevant CEFTA authorities;
- Lack of political will to adjust required legal framework to the EU acquis;
- Lack of readiness and commitment of relevant CEFTA authorities to cooperate, share and exchange data, information and documents with other authorities and other CEFTA Parties;
- Lack of skills amongst the staff appointed for project implementation in the relevant CEFTA authorities;
- Travel restrictions and other restrictive measures imposed amid COVID-19.

4. SCOPE OF THE WORK

4.1. General

4.1.1. Description of the assignment

Project objectives and expected results will be achieved through technical assistance to the CEFTA Secretariat and the Beneficiaries for the realisation of the project activities. Technical assistance will include specification and configuration of appropriate ICT infrastructure (to be leased by the CEFTA Secretariat through a separate procurement process); making recommendation on required business processes reengineering and streamlining; development and deployment of highly modular, customized and localized Database, made interoperable with the existing Parties related systems enabling automatic data exchange; prototyping and testing; ensuring good competence, knowledge and capacity of the user

community in usage of the new systems by engaging them throughout project implementation, in particular in business processes reengineering, prototyping and testing, drafting operating procedures, training modules, user and administration manuals and conducting training; and providing operational support and a help desk services during operation and assistance phase. The expected overall impact is to contribute to the progressive CEFTA economic integration, by actively supporting harmonization of legislations and practices with a view to trade facilitation.

4.1.2. Geographical area to be covered

CEFTA WB6 Parties.

4.1.3. Target groups

Target groups are CEFTA Secretariat, CEFTA Structures and Beneficiary Administrations, in particular CEFTA Customs Administrations.

4.2. Specific work

In the *Inception phase (~2 months)*, a diagnosis of the initial situation and a proposal of business model will be elaborated and validated followed by an action plan for the introduction, implementation and deployment of CEFTA central database of AEO including prototyping, testing, training and maintenance. It is expected to:

- Conduct a series of workshops and meetings with CEFTA Secretariat and the designated stakeholders to validate proposed vision and business model presented in the Appendix 1 and propose detailed requirements specifications, including functional and non-functional requirements. The contractor is expected to propose the best solutions compliant with the inspiring practices from the EU, in particular the Database will have the features and functionalities similar to the currently existing IT systems from the European Union related to Authorised Economic Operators (AEO) and established by the Regulation (EU) No 952/2013 of the European Parliament and of the Council of 9 October 2013 laying down the Union Customs Code. The system will support English and CEFTA languages. The detailed requirements would build on all this and would describe in details how the database will be designed and deployed, including but not limited to: architectural overview, functional requirements, core business functions, database model, workflows, document templates, and statistical report matrices, user profiles, requirements regarding the user interface, interoperability requirements and technical specification of the data exchange interfaces with the external information systems and databases (EO, CDPS, SEED). The Contractor will also assess the existing systems, hardware and network connectivity in the beneficiary administrations to ensure it meets minimum requirements for the project implementation and report any deficiencies to the CEFTA Secretariat and designated stakeholders. The stakeholders will be responsible for remediating any problems identified.
- Work with the CEFTA Secretariat and the Beneficiaries to develop a detailed project management plan, including the implementation schedule, stakeholder engagement plan, communications management plan, and change management plan including the capacity building. The project management plan shall be continuously updated how the project progresses.
- Develop RASCI responsibility matrix, including identification of all designated project counterparts, as well as the staff to be trained (e.g. administrators, testers, IT staff, staff who review software, etc.).
- Organize weekly project management meetings, and any needed workshops throughout the project implementation period, to address any needs, risks and issues that arise during the implementation of the software.

In the *Development phase (~2 months)* the Database is developed, prototyped, tested, configured, installed, and deployed.

In the *Pilot phase (~2 months)* the Database is piloted with the CEFTA customs administrations. The Provisional acceptance for the successful piloting shall be issued prior full system roll-out.

In the *Operation phase (~2 months)* the Database is made operational in all CEFTA customs administrations supporting all business processes, any malfunctioning is solved, and interoperability is assured. The CEFTA customs administrations and the business community is trained/briefed to use the System and the Provisional acceptance has been issued for the System for the full deployment.

In the *Assistance phase (~2 months)*, continuous support and maintenance is ensured after the Provisional acceptance. During this phase, all bugs and malfunctioning of the Database will be corrected in timely manner, and overall security of data and platform shall be ensured.

Activities related to Result 1 - Required cloud ICT infrastructure in place, secured and operational

- Prepare technical specification for ICT infrastructure/platform that will host the Database, including Source Code Management (SCM) System.
- Provide assistance to the CEFTA Secretariat in leasing the ICT cloud infrastructure/platform that will host the Database. CEFTA Secretariat's datacentre (Microsoft Azure) is to be leased by the CEFTA Secretariat through a separate procurement process, but specified, configured and maintained by the Contractor.
- Configure ICT cloud infrastructure/platform and ensure overall security of platform and data.
- Until CEFTA ICT cloud infrastructure is operational, the Contractor is required to provide secured ICT infrastructure to support project activities, in particular prototyping and testing.

Activities related to Result 2 - CEFTA central database of AEO operational and used by all relevant CEFTA authorities, interconnection and interoperability and data exchange with the existing Parties' information systems secured and all required data migrated/entered/cleaned/harmonized from the existing Parties' information systems

- Following the inception period, CEFTA central database of AEO will be developed in accordance with the agreed specifications following Appendix 1. It will enable automatic data sharing on companies having AEO statuses so that the companies benefit from their statuses. The Database will have the features and functionalities similar to the currently existing IT systems from the European Union related to Authorised Economic Operators (AEO) and established by the Regulation (EU) No 952/2013 of the European Parliament and of the Council of 9 October 2013 laying down the Union Customs Code. The system will support English and CEFTA languages.
- The Contractor will draft test plan, test cases, user acceptance test specifications and all other related documents required for the successful achievement of testing and will set up testing environment for system prototyping to test the system functionalities. The Contractor will actively engage users during the whole system development by swift creation of modular working prototypes with tentative user interfaces and their deployment in the testing environment to enable longer time for testing and prototyping. Testing shall be done for each individual system's component and module with a focus on usability (user-friendliness check: the application flow and navigation will be tested and checked if users understand the application easily) and functionality (actual process, and all key services rendered by the system is mocked up end to end to see if the system stores data and generate reports properly). For the prototyping and testing of the system the Contractor may be requested to provide the hosting and make it available to the CEFTA Secretariat and the stakeholder representatives. CEFTA

Secretariat and the stakeholder representatives shall be trained to actively participate in system testing.

- The Contractor will configure and deploy the system to the CEFTA Secretariat Data Centre.
- The Contractor will develop interconnection and secure an interoperability and automatic data exchange with the existing Parties' information systems, in particular for obtaining data on AEO from Parties' information systems, but also for sharing data on AEO with CDPS and SEED. This will require tailored approach to each CEFTA Party.
- All required data on AEO from the existing Parties' systems should be migrated, entered, cleaned and harmonized.
- The Contractor will perform detailed load, recovery and security testing, and final test of the System functionalities, including integration testing at the level of CEFTA Party and full system integration.
- The Contracting Authority will sign the provisional acceptance of the whole system when all requested deliverables are delivered, the system works in line with the required functionalities, all required data are available in the Database and users are acquainted with the system.

Activities related to Result 3 - Collection and analysing of data automatized and enables easy and user-friendly monitoring and evaluating of the implementation of trade facilitation instruments

- Enable automatic collection of data from the system, data warehousing and analysing to monitor and evaluate the implementation of trade facilitation instruments;
- Provide technical support and develop tools for advanced analyses and statistics based on data from the system;
- Create open and user-friendly public reports and graphs on various issues deriving from data processed through the system.

Activities related to Result 4 - Users from all relevant CEFTA authorities trained and using the systems deployed

- In cooperation with the Beneficiary institutions and the CEFTA Secretariat, the Contractor shall identify training needs and provide training plan matrix, identifying trainings to be delivered per each stakeholder. The Contractor will draft a plan for the training sessions and provide training materials based on the identified needs and provide training for all system users.

Activities related to Result 5 - Source code, adequate technical and user documentation and operational instructions available

- The Contractor needs to document all implemented system components/modules through system, user and technical documents, installation instructions and administration guidelines, training materials, including database structure. All documentation should be available in digital format and written in English and CEFTA languages. The Contractor will update the aforementioned technical and user documentation with any changes made in the System in the course of the Contract.
- The Contractor will upload source code and documentation material into the established Source Code Management (SCM) System and make it available to the CEFTA Secretariat and designated stakeholders. This would include custom database structures, dictionaries, definitions, program source files, and any other custom symbolic representations which are necessary for the compilation, execution, and subsequent maintenance of the system.
- The Contractor shall provide technical support to all stakeholders by drafting operational guidelines and instructions for all system users to be adopted by the Beneficiary institutions. These documents shall define how each of the system modules will be used in connection to the standard operating/working procedures, in order to provide the best use of delivered software

modules and the system as a whole. Operational guidelines should be written in English and translated to official languages of the Beneficiary CEFTA Parties.

Activities related to Result 6 - Overall security of data and platform maintained and support and maintenance provided throughout the project implementation period

- The Contactor will provide technical assistance, operational support and a help desk services during the whole project implementation period to all end-users from all operational levels and ICT Departments from designated stakeholders' institutions, including but not limited to:
 - Technical assistance to the CEFTA Secretariat and the Beneficiaries to support smooth use of the system (including uploading and retrieving data, usage of application, manuals, trainings, answering questions).
 - Regular monitoring of the systems, including security maintenance of the overall infrastructure and modules, tracking statistics on the level of utilization and feedbacks for further improvements.
 - Data clearing and synchronization from/to Parties systems to/from the central database.
 - Corrective maintenance - modifying software to resolve issues discovered after initial implementation.
 - Adaptive maintenance - changing the software solution to enable it to remain efficient in a changing business environment.
 - Perfective maintenance - improving or increasing the software solution to improve overall performance.
 - Improvement maintenance – providing constant innovation.
- The Contractor will have remote access to the CEFTA ICT infrastructure to enable support and maintenance interventions. With the consent of Beneficiary institutions, the Contractor shall be provided with remote access to the Parties systems to enable support and maintenance interventions.
- The Contractor will provide users with telephone or email assistance by a qualified representative between 9:00 a.m. and 6:00 p.m. CET time. If a defect in the Software cannot be fixed remotely, the Contractor will make resources available by telephone or on-site to work with the users to solve the issue in the shortest time possible.
- The Contractor will make reasonable efforts to solve reported problems in accordance with the severity level classifications and the response times listed below, through the changes in the System or will suggest workarounds.

Category	Description	Response/Fix time
A	Catastrophic failure whereby the system is unable to support business processes.	2 hours/12 hours
B	Serious failure, but the system can still be used to support business processes. This may also be a Category A problem, but with a documented workaround.	1 business day/3 business days
C	A non-serious problem that does not affect business processes.	1 business day/5 business days

- All interventions should be recorded in the online tool for recording and management of faults and their resolutions. Once issues are resolved, they shall be marked as closed in the helpdesk software and details of the resolutions will have to be entered. The helpdesk software will contain a knowledge base that has to be made accessible to all users to support solution of common problems.

- The Contractor shall provide the guarantee that the system will work in line with the required functionalities.

4.3. Project management

4.3.1. Responsible body

The Secretariat of the Central European Free Trade Agreement 2006 will be responsible for the management of the contract.

4.3.2. Management structure

The Project Manager of the SEED+ project will be responsible for the management of the project. The Director of the CEFTA Secretariat will oversee the implementation of the contract.

The CEFTA Secretariat and the CEFTA Structures will ensure the smooth implementation of the project; more particularly they will monitor that the scope and features of the project match the objectives of CEFTA agreements and protocols.

All relevant agencies/regulatory bodies affected by the project activities will be involved, especially the CEFTA customs administrations. The Contractor will organize ad hoc technical or operational, local or CEFTA meetings, in the presence of representatives of the Beneficiaries and, if needed, representatives of CEFTA or of relevant DG's from the European Commission.

Additionally, in order to monitor and assess the progress made with regard to the implementation of the project, the Contracting Authority will organize Steering Committee Meetings after each reporting period, in the presence of representatives of the Beneficiaries, the CEFTA Structures and relevant EU services (DG NEAR, DG TAXUD, DG SANTE).

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

No facilities will be provided by the Contracting Authority.

5. LOGISTICS AND TIMING

5.1. Location

Project activities will be carried out in all CEFTA Parties. The operational base(s) in CEFTA Party(ies) will be defined by the Contractor in its proposal.

5.2. Start date & period of implementation

The intended start date is October 2022 and the period of implementation of the contract will be 10 months from the starting date. 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 partner Party, or of international organisations based in the Party, 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 expert has a crucial role in implementing the contract. These terms of reference contain the required key experts' profile. The tenderer shall submit CVs and Statements of Exclusivity and Availability for the following key experts:

Key expert 1: Team Leader/Lead Analyst (minimum 36 working days)

The Team Leader will be responsible for overall coordination and implementation of the project activities, also directly participating in such activities as required, especially those related to management and coordination of software development and quality assurance.

Qualifications and skills

- A university degree (Bachelor or equivalent) in the field of computer science, engineering, technical sciences, information technology or management. A Master in the respective field is considered as an advantage;
- Internationally recognized project management certification such as PMP, PRINCE2, ScrumMaster or equivalent is considered as an advantage;

General professional experience

- Minimum 15 years of professional experience in the area of ICT;
- Minimum 3 years of professional experience in managing software development projects;
- Experience as a Team Leader in at least one international technical assistance projects;

Specific professional experience

- Experience in at least one large software project, involving multiple stakeholders, in the last five years working in the field of business analysis, modelling and development of project design documentation;
- Experience in at least one software project, in the last five years, working on customs to customs data exchange;
- Working on EU AEO database would be considered as an advantage;
- Excellent English communication and reporting skills.

6.1.2. Non-key experts

The profiles of the non-key experts for this contract are as follows:

Pool of non-key experts – minimum of 50 working days

CVs for non-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, such as **database administrators, software developers, cloud experts, IT security experts, interoperability experts, software testers**, or any other field of expertise that the Contractor may consider important for the success and sustainability of the project.

The contractor must select and hire other experts as required according to the profiles identified in the organisation & methodology and these terms of reference. All experts must be independent and free from conflicts of interest in the responsibilities they take on.

The selection procedures used by the contractor to select these other experts must be transparent, and must be based on pre-defined criteria, including professional qualifications, language skills and work

experience. The findings of the selection panel must be recorded. The selected experts must be subject to approval by the contracting authority before the start of their implementation of tasks.

6.1.3. Support staff & backstopping

The contractor will provide support facilities to their team of experts (back-stopping) during the implementation of the contract.

Backstopping and support staff costs must be included in the fee rates.

6.2. Office accommodation

Office accommodation of a reasonable standard and of approximately 10 square metres for each expert working on the contract is to be provided by the Contractor.

The costs of the office accommodation are to be covered by the fee rates.

6.3. Facilities to be provided by the contractor

The contractor must ensure that experts are adequately supported and equipped. In particular it must ensure that there is sufficient administrative, secretarial and interpreting provision to enable experts to concentrate on their primary responsibilities. It must also transfer funds as necessary to support their work under the contract and to ensure that its employees are paid regularly and in a timely fashion.

The Contractor shall provide all required supplies, services, documentation, logistical support, etc. for the implementation of the contract, and all the costs should be included in the fee rates of its experts.

6.4. Equipment

No equipment is to be purchased on behalf of the Contracting Authority.

6.5. Incidental expenditure

The provision for incidental expenditure covers ancillary and exceptional eligible expenditure incurred under this contract. It cannot be used for costs that should be covered by the contractor as part of its fee rates, as defined above. Its use is governed by the provisions in the general conditions and the notes in Annex V to the contract. It covers:

- Travel costs and subsistence allowances for missions, outside the normal place of posting, undertaken as part of this contract. If applicable, indicate whether the provision includes costs for environmental measures, for example CO2 offsetting.
- Exceptional costs related to the organisation of workshops, trainings and seminars outside government facilities and other communication events, including the costs for interpretation and printing necessary documents and materials, could be covered by incidental expenditures with the authorisation of the Contracting Authority.

The provision for incidental expenditure is EUR 5,000. This amount must be included unchanged in the budget breakdown.

Per diem are daily subsistence allowances that may be reimbursed for missions foreseen in these terms of reference or approved by the Contracting Authority, carried out by the contractor's authorised experts outside the expert's normal place of posting. The per diem is a maximum fixed flat-rate covering daily subsistence costs. These include accommodation, meals, tips and local travel, including travel to and from the airport. Taxi fares are therefore covered by the per diem. Per diem are payable on the basis of the number of hours spent on the mission. Per diem may only be paid in full or in half (no other fractions

are possible). A full per diem shall be paid for each 24-hour period spent on mission. Half of a per diem shall be paid in case of a period of at least 12 hours but less than 24 hours spent on mission. No per diem should be paid for missions of less than 12 hours. Travelling time is to be regarded as part of the mission. Any subsistence allowances to be paid for missions undertaken as part of this contract must not exceed the per diem rates published on the website - http://ec.europa.eu/europeaid/funding/about-calls-tender/procedures-and-practical-guide-prag/diems_en - in force at the time of contract signature.

The contracting authority reserves the right to reject payment of per diem for time spent travelling if the most direct route and the most economical fare criteria have not been applied.

Prior authorisation by the contracting authority for the use of the incidental expenditure is not needed.

6.6. Lump sums

No lump sums are foreseen in this contract.

6.7. Expenditure verification

The provision for expenditure verification covers the fees of the auditor in charge of verifying the expenditure of this contract in order for the contracting authority to check that the invoices submitted are due. The provision for expenditure verification is EUR 3,000.

This amount must be included unchanged in the budget breakdown.

This provision cannot be decreased but can be increased during execution of the contract.

7. REPORTS

7.1. Reporting requirements

Please see Article 26 of the general conditions. Interim reports must be prepared every six months during the period of implementation of the tasks. The reports must be provided along with the corresponding invoice, the financial report and an expenditure verification report defined in Article 28 of the General conditions. There must be a final report, a final invoice and the financial report accompanied by an expenditure verification report at the end of the period of implementation of the tasks. The draft final report must be submitted at least one month before the end of the period of implementation of the tasks. Note that these interim and final reports are additional to any required in Section 4.1.2 of these terms of reference.

Each report must consist of a narrative section and a financial section. The financial section must contain details of the time inputs of the experts, incidental expenditure and expenditure verification.

To summarise, in addition to any documents, reports and output specified under the duties and responsibilities of each key expert above, the contractor shall provide the following reports:

Name of report	Content	Time of submission
Inception report	Diagnosis of the initial situation, proposal of business model and work plan for the project	No later than 2 months after the start of implementation

1 st Interim report	<p>The Provisional acceptance for the successful piloting issued.</p> <p>Short description of progress (technical and financial) including problems encountered; planned work for the next 4 months accompanied by an invoice and the expenditure verification report.</p>	No later than 1 week after the end of 6-month implementation period (after pilot phase)
Draft final report	<p>All requested deliverables are delivered, the system works in line with the required functionalities, all required data are available in the Database and users are acquainted with the system - the provisional acceptance of the whole system issued.</p> <p>Short description of achievements including problems encountered and recommendations.</p>	No later than 1 month before the end of the implementation period
Final report	<p>Short description of achievements including problems encountered and recommendations; a final invoice and the financial report accompanied by the expenditure verification report.</p>	Within 1 month of receiving comments on the draft final report from the project manager identified in the contract.

7.2. Submission & approval of reports

At the end of the project, The Contractor will supply the Contracting Authority with a specific device (CD ROM, USB, other support) together with the final report and including all project deliverables grouped by CEFTA Party and by component.

One hard copy and one electronic copy of the reports referred to above must be submitted to the project manager identified in the contract. The reports must be written in English. The project manager is responsible for approving the reports.

No report or document may be distributed to third parties without the prior approval of the Contracting Authority. The Contractor shall pay particular attention to the confidentiality of data. Reports, as well as press statements etc. prepared by the Contractor will make clear that any opinions expressed therein remain those of the Contractor and do not necessarily represent the opinion of the Contracting Authority.

8. MONITORING AND EVALUATION

8.1. Definition of indicators

Steering Committee Meetings, involving:

- Director of the CEFTA Secretariat,
- Project Manager of the SEED+ project,

- Technical Expert - Trade in goods,
- DG NEAR and/or TAXUD,
- Representatives of the Beneficiaries,

are to be organized for the presentation and approval of all the reports:

- Inception report
- Progress reports
- Final report

in order to assess the results achieved. If needed, representative of other stakeholders may be invited to the Steering Committee Meetings as observers.

8.2. Special requirements

Based on the sole discretion of the Contracting Authority, the Contractor accepts to enter into an additional contractual agreement with the Contracting Authority or a third party to replicate and rollout the Database in Moldova using the common infrastructure and systems established through this ToR and following the similar activities as prescribed in this ToR, in particular interconnection with in-Party information systems. The final goal of this additional agreement would be to have the Database equally implemented in all CEFTA Parties. Costs for the Database rollout to Moldova shall not exceed 12% of the total value of this contract.

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