

MINISTÉRIO DA ECONOMIA E FINANÇAS

**Institutional Support Project for Customs Administration and Public Expenditure
Management – ISP CAPEM**

TERMS OF REFERENCE

**Technical assistance to undertake training needs assessment and prepare a
training plan**

I Background

São Tomé and Príncipe is a small island nation in the Gulf of Guinea facing significant economic challenges. The country seeks to diversify its economy beyond tourism and agriculture, attract foreign investment, and achieve sustainable economic growth. In this context, the Ministry of Economy and Finance (MEF) plays a fundamental role in ensuring sound fiscal management, promoting economic growth and achieving national development goals. To this end, it is crucial that the MEF has the necessary human resources, systems and process capacities to carry out its responsibilities effectively and efficiently. The Ministry of Economy and Finance is committed to continuously improving its capacity to effectively manage public finances and fulfill its mandate.

In 2019, a PFM assessment was carried out according to the PEFA (*Public Expenditure and Financial Responsibility*) methodology. This assessment identified a low level of capacity in public financial management and a very limited effectiveness of the reforms initiated since the last PEFA in 2013. Therefore, based on this diagnosis and other sectoral analyses, a public financial management reform strategy was developed for the period 2020-2023, through an Action Plan for the Reform of Public Financial Management (PARFIP II). The Office of Public Finance Reform (BRFP) is responsible for coordinating the execution of the strategy and action plan.

Note that the work carried out has been based on the actions contained in PARFIP II and the Public Finance Management Reform Strategy 2020-2023, pending the finalisation and approval of the new Public Finance Management Reform Strategy for the period 2026-2029.

The Government recognises the existence of capacity gaps in key areas that limit the implementation of planned reforms, including the mobilisation of internal resources and the management and supervision of public expenditure, and has since requested support from the African Development Bank Group (AfDB) to strengthen selected institutions related to public financial management (PFM). In this regard, the Institutional Support Project for Customs Administration and Public Expenditure

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Management (ISP-CAPEM) will focus on strengthening institutional capacities to improve expenditure management, customs administration and public expenditure management.

The ISP-CAPEM is aligned with the national development priorities of São Tomé and Príncipe, whose main objective is to create the conditions for rapid economic growth, capable of producing enough jobs and guaranteeing the well-being of the population through the reduction of poverty and malnutrition. It aims to strengthen the country's social cohesion and stability and is based on seven pillars, including political stability, sustainable economic growth, and adequate infrastructure to support economic development.

Employee qualifications and training were another important factor in the government's response.

II. General and specific objectives of Technical Assistance (TA)

General objective

To support the MEF in assessing capacity needs, providing a comprehensive analysis of current human capacity strengths and weaknesses, identifying capacity gaps critical for execution of organization mandates, and develop a training plan with indicative costs estimates for implementing plan. The Plan should indicate potential service providers and training institutions taking into account the criticality of value for money delivery of services, South-to-South sharing of experiences and peer learning from regional bodies to which the country is aligned to.

Specific objectives

The main objectives of Technical Assistance are as follows:

- Assess the current capacity of recipients in key functional areas, including:
 - Public Financial Management (PFM)
 - Planning, budgeting and budget execution
 - Revenue management
 - Public expenditure management
 - Public debt management
 - Financial reports and audits
 - Human resources management

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- Information Technology (IT) Infrastructure and Systems
- Monitoring of Public companies
- Identify gaps and weaknesses in MEF's capabilities that hinder its effectiveness.
- Develop and present a comprehensive capacity development plan that defines specific actions, timelines and resource requirements to address identified capacity gaps.

III. Working methodology/expert tasks:

The consultant will be responsible for the following tasks:

- Analyze relevant documents, including strategic plans, annual reports, PFM manuals, budget documents, internal audit reports, and relevant legislation;
- Data collection and analysis
 - Collect quantitative data for gap analysis through various methods such as questionnaires and document analyses.
 - Perform qualitative data analysis through interview transcripts and focus group discussions.
 - Compare MEF and other project beneficiaries' capabilities with established best practices or international standards.
- Identify gaps and weaknesses in the capacities of recipient entities that hinder their effectiveness.
- Make recommendations for capacity-building interventions based on their importance and potential impact.
- Prepare a capacity assessment report: The report should present the findings of the assessment, including:
 - An overview of MEF's current capabilities in key functional areas.
 - A detailed analysis of the identified gaps and weaknesses;
 - Priority recommendations for capacity-building interventions.
 - A draft capacity development plan, including specific actions, timelines and financial resource requirements;
 - Present findings and recommendations to the MEF: Clearly communicate the results of the evaluation to key stakeholders in an engaging and informative manner.

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- Develop a comprehensive capacity development plan, in English or French, and Portuguese, which outlines the specific actions, timelines and resources needed to address the identified capacity gaps. The plan must include :
- Specific training programs for each beneficiary institution: Adapt training programs to address identified skills and knowledge gaps.
 - Process improvement initiatives: Describe specific steps to improve inefficiencies identified in processes.
 - IT System Upgrades or Enhancements: Recommend specific upgrades or enhancements to IT systems based on identified weaknesses.
 - Human Resources Management Strategies: Recommend strategies to address staffing challenges, skills development needs and performance management practices.
 - Resource mobilization strategy: Develop a strategy to mobilize the resources needed to implement the capacity development plan, including financial resources, staff and technical expertise.
 - Monitoring and evaluation framework: Establish a framework to monitor progress in the implementation of the capacity development plan and evaluate its effectiveness.

IV. Profile of Required Expert

The consultant must meet the following technical requirements:

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I. Education Qualification:

- A minimum of a master's degree in Economics and Finance, and related fields. A postgraduate certificate in public finance or related fields will be an added advantage.

II. Skills:

- Proven experience of at least 10 years in conducting capacity needs assessments of public sector institutions, particularly Ministries of Finance, in developing plans to strengthen institutional capacity and provide technical assistance to government institutions;
- A solid knowledge of public financial management principles and practices;
- Experience in relevant areas, such as PFM systems, human resources management and IT;

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- Proven ability to collect and analyze data effectively;
- In-depth knowledge of: (i) the theory and practice of institutional capacity development and (ii) international experience in these areas is an advantage;
- Excellent communication and technical report writing skills;
- The expert must have a complete oral and written command of the Portuguese language, in order to be able to interact with interested parties and write the expected reports and products. Knowledge of English and especially French is an advantage.

V. Criteria for the selection of consultants

The Consultant will be selected in accordance with the African Development Bank's selection procedures as specified in the Bank's Procurement Framework, dated October 2015 and is open to all eligible bidders as defined in the Procurement Framework available on the Bank's website at <http://www.afdb.org>.

The evaluation of recruitment will follow the criteria detailed below.

CRITERION	Weight
General Qualifications and Suitability for the Proposed Task: i. Academic qualifications (10) ii. Qualification relevant to the mission/task (10) iii. Number of Years of Qualification (10)	30
Work experience and relevant knowledge: i. Relevant Consulting Experience (15) ii. Number of years of relevant experience as a consultant (15) iii. Commitment to similar assignments/tasks and regional experience (15) iv. At least 7 (seven) years' experience in Public Finance Management (10)	55
Fluency in Portuguese, spoken and written (15)	15
Total	100

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Applicants should send a curriculum vitae (CV) and a brief expression of interest summarizing their understanding of ToR and how to approach the task.

VI. Expected results:

The key deliverables of the assignment include the following s:

- a. **Inception Report:** Containing a comprehensive view of the proposed consultancy strategy and methodology, including training actions. The document includes a preliminary structure for the final report, outlining the main sections and a work plan with a detailed timeline.
- b. **Preliminary Report:** Presentation of a preliminary report with the findings of the initial report and policy recommendations. The preliminary capacity assessment report must incorporate the Capacity Building Training Plan for each beneficiary institution and it also incorporates preliminary comments from the procuring entity and other stakeholders, allowing for adjustments if necessary for the final phase.
- c. **Final report:** A comprehensive document consolidating all the activities, conclusions, recommendations and documents developed throughout the consultation. This report will report include the Training Plan for Capacity Building at the level of beneficiary institutions and integrating MEF feedback. It should include the defined approach for this integration, and should be presented in a PowerPoint action, summarizing the main aspects of the consultancy, highlighting the benefits of implementing plan and the next steps for the beneficiary.

VII. Beneficiary Institutions

1. Coordination and Monitoring Office of the Tender System - COSSIL;
2. Court of Auditors -ToC;
3. General Inspectorate of Finance-IGF;
4. Office for the Reform of Public Finances-GARFIP;
5. Department of Information Technology-DITEI;
6. Department of Public Accounting;
7. Others Departments related with Public Finance.

VIII. Duration and place of the mission:

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The duration of the assignment is 40 working days. The consultant will have a maximum of 10 days mission to STP for consultations, data collection, presentation of preliminary findings and recommendations. The draft assessment report will be presented virtually to stakeholders with a view to get their feedback before submitting to MEF for review and adoption. The consultant will undertake a final mission for 5 working days to present the draft final report to MEF for review and adoption. The time schedule is summarised in table below.

Activities	Duration (Days)	Local
Submission of inception report	5	Virtual
Field mission to identify and assess the training needs of beneficiaries	10	Physical
Design and Write the Beneficiary Training Program Report	10	Virtual
Presentation of draft report to beneficiaries	2	Virtual
Presentation and discussion of the detailed draft final report to MEF	5	Physical
Submission of the final version of the detailed training program to beneficiaries	8	Virtual

IX: Mission Organisation and Responsibilities

The consultant will work under the supervision of GARFIP, and in collaboration with the Project Coordination Unit. GARFIP will provide office space with internet access to the consultant during field missions. It will also facilitate in organising meetings for the consultant.