

**German Financial Cooperation with Albania
“Multifunctional Centre Kamza (MFC Kamza)”**

Terms of Reference for Consulting Services

0 Preamble 2

1 Background 2

 1.1 Project information 2

 1.2 Project Status 2

 1.3 Relationship between PEA and Consultant 3

2 Scope of services of the Consultant 3

 2.1 PROJECT MANAGEMENT 3

 2.2 FINANCIAL MANAGEMENT 4

 2.3 COMPONENT I: WORKS SUPERVISION 4

 2.4 OPTIONAL SERVICES 6

 2.5 REPORTING 8

3. Time-Frame of consulting services 8

4. Staff / Expertise required 8

5. Financial Offer 9

Annexes

- 1. List of not completed work items; July 2024
- 2. List of background documents

0 PREAMBLE

In the following ToR, the Consultant's tasks necessary for the execution of the services are outlined as clearly as possible. However, the Consultant should bear in mind that the list of tasks and activities can by no means be considered as a complete and comprehensive description of the Consultant's duties. It is the Consultant's responsibility to verify the scope of services indicated and to critically review the fields of action and tasks outlined below and include necessary adjustments and modifications on the basis of his/her own professional judgement and his experience. It is understood that the Consultant shall perform all work necessary to achieve the objectives of the Project.

1 BACKGROUND

1.1 PROJECT INFORMATION

The Government of Albania (GoA) has requested the German Government to support the establishment of the Multifunctional Training Centre (MFC) in Kamza as a pilot for further expansion of the intended MFC network in Albania. The focus of this Financial Cooperation (FC) intervention is the rehabilitation, extension, and capacity upgrade of the existing VET school at Kamza to become a fully-fledged MFC. The Ministry of Economy, Culture and Innovation (MEKI) is the Project Execution Agency (PEA) for the Project.

The **purpose** of Project is to contribute to improving the employability and socio-economic integration of graduates and participants of the training courses. The Project will improve employability of unemployed adults, as well as upgrade skills of youth and adults already in employment. Furthermore, the availability of a better-trained workforce shall promote the development of the local and regional industry, commerce and trade.

To this end, the German Government has committed a total of 6.5 Mio. EUR (initial commitment 4.5 Mio. € and extension of 2 Mio. €), among others to:

- finance an implementation consultant,
- build two new buildings (workshops and classrooms), and
- procure necessary equipment.

1.2 PROJECT STATUS

By the time of preparing the ToR at hand, project activities including construction works, have been abandoned/stopped since mid-2024. To date, the project has implemented the following measures:

- I. Construction of two new campus buildings
- II. Implementation of tender procedure for equipment

Measures and tasks not yet completed entail:

- Completion of construction measures (item I above):

- The civil construction is almost completed but necessary steps to close all works are yet outstanding (list of non-completed works in the annex).
- Commissioning and for handing over of VET school to MEKI.
- Equipment (item II above): A tender procedure was implemented, and evaluation report completed for 2 out of 5 lots. Closure of contracts with the two suppliers identified in tender procedure for equipment, supervision of equipment delivery and installation is not finalised.
- Post-Construction Services including support to MEKI during Defects Notification Period (DNP) and Project Closure.

1.3 RELATIONSHIP BETWEEN PEA AND CONSULTANT

MEKI is the Project Executing Agency (PEA) for the project. A Project-specific implementation unit has not been established on the side of the PEA. The Consultant is assumed to provide experienced project management services on behalf of the PEA.

All works of the Consultant shall be carried out in close cooperation and liaison with the PEA and the school administration.

The consultant will be contracted by the PEA. It is therefore ultimately the PEA who will receive, discuss, and approve all documents prepared by the Consultant. The only exemption to this is the Consultant's sign-off role for disbursement requests to KfW, confirming the correct use of funds as part of compliance. In general, the consulting services shall be rendered in a flexible, accountable, results-oriented and transparent manner.

2 SCOPE OF SERVICES OF THE CONSULTANT

The objective of the requested consulting services is to support the PEA in the finalisation of the project activities. The greater part is related to supervision of services (civil construction and equipment installation) in the role as FIDIC Engineer (resident engineer). The activities must be implemented in due course, as the disbursement deadline for KfW payments ends in December 2025. It is the responsibility of the consultant to raise an early alert to KfW if payments after this deadline are anticipated.

A key task of the consultant at the beginning of the consultancy services will be the organisation of a joint kick-off meeting with MEKI, school administration, KfW and the consultant. This will be crucial for the effective planning of coordination and services.

MEKI and the consultant shall draft within the first two weeks of the assignment a time schedule outlining the milestones that will serve as the principal guideline until the end of 2025. This draft time schedule shall be sent to KfW for review. After four weeks MEKI and the consultant shall submit the final time schedule to KfW for no objection.

2.1 PROJECT MANAGEMENT

The following tasks will have to be carried out throughout the entire assignment of the Consultant:

- Support to PEA in the management of the project regarding all technical, financial and reporting matters.
- Coordination with the PEA, the school administration, municipality and all other relevant local institutions and organisations as well as with KfW.
- Support PEA and participate in visibility activities (if any).
- Continuous follow-up of time schedule, budget and forecast of services, tasks and deliverables.
- Inform the PEA and KfW immediately if relevant problems or potential/ foreseen tumble blocks occur.

Deliverables:

- Milestone time schedule and updates (as part of Monthly Progress Reports, see below)

2.2 FINANCIAL MANAGEMENT

The Consultant has an important role in monitoring disbursements, triangulating the project's works and supply measures with contractual arrangements and respective disbursements and in co-signing disbursement requests to KfW.

- Examine contractors' invoices, change orders, verification and tests on sites.
- Cost control: Assess the budget status and discuss potential modifications to the original budget estimate with the PEA and KfW based on current and planned invoices. All modifications are subject to PEA's prior review and approval and no objection by KfW.
- Support the management of the project budget as well as the management of the work and supply contracts by assessing the project progress with regard to invoices and contractual stipulations, if necessary, applying penalties subject to PEA's prior review and approval.
- Monitor the project budget with regard to its disbursement status. Prepare the financial reporting to the overall project report.
- Endorse the disbursement requests for the payment of the civil works contractors and the suppliers.
- Inform the PEA and KfW immediately if relevant problems or potential/ foreseen tumble blocks occur.

Deliverables:

- Financial reports, budget vs. cost, updates (as part of Monthly Progress Reports, see below)
- Disbursement requests (according to works and supply contracts)

2.3 COMPONENT I: WORKS SUPERVISION

Details of the Works Contract:

- Contractor 4A-M Shpk
- Contract signature 31.01.2022
- Contract value 3,445,602.57 EUR (without VAT), VAT 580,000.07 EUR
- Works progress xxx %
- Payments so far xxxxx EUR

- Contractor's open claims of xxx EUR

The Consultant will supervise and oversee the remaining measures related to the construction works (Contractor 4A-M), including the following aspects:

- Act as the Engineer in the meaning of Harmonized Pink FIDIC conditions of the Contract.
- Check and confirm that the defects envisaged in the Snag List of the previous consultant are remedied by the Contractor.
- Clarify with Employer if suspended construction works shall be completed or removed from the contractual scope.
- Optional: Supervise suspended works according to the approved Detailed Design and contractual requirements
 - Suspended works: Shuttering elements, parking markings, external waste bins, bike racks, seating cubes, planter, pathway.
- Check and approve the materials before installation or execution of works.
- Provide the final check and ensure that all of works are completed according to the contract requirements.
- Prepare the Project Completion Report, PCR, together with the Final Project Report (both reports to be covered in one single document) containing information on the project budget, costs, implementation of the project (including the design and tender phase), indicators, etc. (details to be discussed in the kick-off meeting).
- Prepare and issue the Taking Over Certificate in accordance with FIDIC regulations.
- Check and approve the final balance of the Contractor, taking in consideration the documentation already available for all the variations, instructions and measurements completed by the previous consultant.
- Manage and negotiate together with the Employer the Contractor's claims.
- Issue the Final Payment Certificate.
- Assist the Handing over Committee of the Employer in the final handing over of the buildings in accordance with Albanian Legislation
- Assist during the Defects Notification Period (DNP) and Closure of Project, after the issuance of the Taking Over Certificate: address all post-construction activities up to the final acceptance of works through the Performance Certificate.
- On expiry of the DNP the Consultant shall assist the Employer in issuing a Certificate confirming that the constructions/installations were completed successfully in accordance with the specified performance level (Performance Certificate).
- Carry out inspections during the DNP to ensure the execution of all remedial works by the Contractor: Conduct 3 monthly inspections of two days each during the defect liability period, preparing Inspection Reports for the Employer and KfW.
- Prepare any Snag List if defects are encountered and coordinate with the Contractor for the repair of them.
- Manage Contractor's Claims
- Verify and certify contractor's invoices.
- Support the PEA in authorization of payments to contractor. Such payments will be made according to KfW regulations through direct disbursement to the contractor after submission to KfW of appropriate disbursement requests by the PEA. Prepare/draft disbursement requests for the PEA.
- Prepare Operations and Maintenance documentation based on the contractor's documentation.
- Ensure that remaining construction works are done while respecting the timeline and the planned budget.

Deliverables:

- Monthly Progress Reports
- Project Completion Report, PCR (Construction Supervision Report)
- Final Project Report, FPR (the two reports can be combined in one report)

2.4 OPTIONAL SERVICES

Details of Equipment Tender (including supply and installation):

- Contract award for Lot 1 (automotive didactic equipment) and Lot 4 (health & hospitality equipment) is pending (supplier is selected, finalization of contract, pre-award discussion and contract award to be done). Lot 5 (school furniture) will be procured by MEKI.
- Lot 1: Supplier Power Industries, Albania, 591,430.85 EUR, delivery time CIP 180 days.
- Lot 4: Supplier Graidco, Netherlands, 313,237.22 EUR, delivery time CIP 180 days.
- Estimated time required for installation, commissioning and testing of Lot 1 and Lot 4 equipment is 1,5 months.
- Lot 2 and Lot 3 (both automotive training equipment) tenders cancelled. Revision of supply scope required.

The optional services (component II and II) will each require a thorough assessment of the feasibility of implementation before the deadline of disbursements on 31. December 2025. This assessment will have to be made at the start of the consultant's assignment so that no time is lost. Activating the optional services will require PEA approval and KfW no objection for each individual option. The tasks related to the optional services will have to be implemented in parallel to Component I of the present ToR.

2.4.1 Component I: Procurement and Supervision of Installation of Supplies (Lots 1 and 4)

As the procurement procedures of the public sector in Albania will have to be harmonized with KfW procurement guidelines and as the PIU cannot be expected to have the respective KfW experience, the Consultant shall drive the procurement process and assure compliance with KfW guidelines and standards as well as other compliance issues like sanctions and exclusion lists.

During project implementation so far, an **equipment tender** with 4 lots was implemented. For two lots, the evaluation was finalised, approved by MEKI and no objected by KfW. However, no contracts have been closed with the two selected bidders yet.

The Consultant will undertake the following tasks:

- Assess the status of negotiation with the bidders, verify the minutes of pre-award discussion and manage further negotiation process in cooperation with MEKI (if necessary)
- Prepare negotiated draft contracts based on KfW agreed standard and submit to KfW for no objection.
- Manage technical contracts, variation orders, commissioning, provisional and final acceptance.
- Supervise and coordinate delivery of supplies with MEKI and MFC Kamza school management.

- Assess technical prerequisites for delivery and installation of equipment at school premises and coordinate with suppliers, accordingly, verify needs for temporary storage at the school (if necessary).
- Supervise installation of equipment.
- Manage activities regarding claim management, commissioning, testing of equipment, taking over, handing over, issuing of acceptance certificates, DNP, etc. as described under Section 2.1 above.
- Coordinate supplier start-up training and provide other specific training inputs to enable teachers for its proficient use.
- Coordinate with GIZ on timing for further teacher training
- Verify and certify supplier's invoices.
- Support the PEA in authorization of payments to supplier by verifying and co-signing respective disbursement request. Such payments will be made according to KfW regulations through direct disbursement to the supplier after submission to KfW of appropriate disbursement requests by the PEA. Prepare/draft disbursement requests for the PEA.
- Prepare Equipment Installation Supervision Report (if Component II option will be activated, this report can be part of the above-mentioned Project Completion Report of the construction supervision)

2.4.2 Component II: Procurement and Supervision of Installation of Supplies (Lots 2 and 3)

Component III can only be activated if:

- sufficient funds remain after finalisation of Component I and II so that procuring additional equipment is justified;
- the disbursement deadline has not ended before payments will have to be made for Component III; and
- KfW has given no objection for the implementation of component III.

For the two remaining lots, the evaluation was not completed due to unclear remaining budget. Based on the remaining budget and the BoQs for lots 2 and 3, the potential for additional procurement of equipment shall be assessed. Services to be conducted by the consultant are:

- Analyse the remaining project funds.
- Select, together with MEKI, items from lots 2 and 3 that can be funded from remaining funds and prepare realistic cost estimate.
- Develop a realistic timeline for procurement and installation of identified additional equipment. Develop and propose a procurement strategy in line with KfW procurement guidelines. KfW's procurement guidelines in their latest version: <https://www.kfw-entwicklungsbank.de/PDF/Download-Center/PDF-Dokumente-Richtlinien/FZ-Vergaberichtlinien-V-2021-EN.pdf>
- Preparation of tender documents for procurement.
- Tendering; bid evaluation and awarding of contracts for equipment.
- Prepare the bid evaluation report(s).
- Support MEKI in pre-award discussions with the selected supplier(s) and prepare corresponding minutes.
- Further to the above, all activities as outlined under Section 2.2 Component II apply to Component III.

2.5 REPORTING

The following reports and deliverables are payment triggers. They do not represent the entirety of reporting deliverables.

Report	Delivery	No. of copies (soft)	
Monthly Progress Reports	10 calendar days after the period of reporting		
Final Project Report - Draft	1 month after end of last DNP or end of all project activities (whichever is last)	PEA	KfW (only soft copy)

3. TIME-FRAME OF CONSULTING SERVICES

Given the very tight time frame for project implementation, the Consultant shall start activities as soon as possible. All project activities must be completed by 30. November 2025. The payment of retention money to all contractors must be issued based on the respective bank guarantees by 31. December 2025.

The consultancy services will end by 31. December 2025.

The PEA will ensure necessary post-construction services during the Defects Liability Period (DLP) for the equipment supplies in 2026.

4. STAFF / EXPERTISE REQUIRED

The supervision and procurement tasks outlined above can be performed by an individual Consultant with the relevant experience or a team of experts (Consulting Company).

There will be one overarching project management through a **principal project manager** to take care of the coordination of all components. The principal project manager shall be based in Albania and speak Albanian and English fluently.

The Consultant shall ideally have expertise with the implementation of KfW projects and KfW procurement procedures.

All experts shall have excellent knowledge of English, both written and spoken.

The Consultant must have the relevant expertise to provide qualified support to MEKI in managing claims, disputes, and arbitration if resolution by amicable settlement may become necessary.

Task responsibility	Qualification Requirement
Overall management, coordination, communication with PEA, VET school administration of Kamza, municipality of Kamza, other relevant governance bodies, monitoring and reporting etc.	<ul style="list-style-type: none"> MBA or MSc in Architecture or civil Engineering >5 years professional international experience in managing construction projects Site supervision In depth know how of FIDIC contracts, in particular procedures for milestones as Commissioning, Taking

Task responsibility	Qualification Requirement
	Over, Testing, Issuance of corresponding certificates, etc. <ul style="list-style-type: none"> • Claim Management • Project Closure procedure • Financial management • Experience in implementation of KfW projects is an asset. • Fluent in English and Albanian • Based in Albania
Manage the procurement cycle for equipment	<ul style="list-style-type: none"> • BA Engineering, IT/ Informatics, Economics, Business, Management, Law or similar, • >5 years of professional experience, • experience with donor procurement guidelines, preferably with KfW, • procurement of TVET equipment or other supplies

5. FINANCIAL OFFER

The financial offer shall be based on the following parameter:

- Full-term presence of the Consultant in Albania during the first two calendar months of implementation and from October through December 2025 (5 months full-term in total – to be implemented by one expert or distributed between more experts) is expected. The payment will be time-based. One calendar month is 22 person-days.
- Between the second month of project implementation and October, 10 person-days per calendar month should be allocated to the project.
- The financial offer should cover component I and an option for component II.
- The contract will be time-based; timesheets to be signed by PEA.
- Shall component III be activated, the PEA will request a separate financial offer.

Commented [AU1]: OK.

Annex 1 List of not completed work items; July 2024

Works in the building B1

Description	Unit	Quantity	Unit price	Price in ALL	Price in Euro
Demolition of finishing in Building 1, for the infrastructure lines of the new laboratories (new supply for electrical, water & discharge of laboratories equipment)	LS	1.00	500,000	500,000	4,036.16
Demounting of existing kitchens equipment. The equipment are to be dismantled carefully and relocated as per instruction by the supervisor.	LS	1.00	200,000	200,000	1,614.47
Rehabilitation of finishing in Building 1, for the new infrastructure lines of the new laboratories - at ground floor (new supply for electrical, water & discharge of laboratories equipment)	LS	1.00	500,000	500,000	4,036.49
Rehabilitation of finishing in Building 1, for the new infrastructure lines of the new laboratories - at first floor (new supply for electrical, water & discharge of laboratories equipment)	LS	1.00	300,000	300,000	2,421.70
Rehabilitation of plaster in Building 1, for the new infrastructure lines of the new laboratories - at ground & first floor (new supply for electrical, water & discharge of laboratories equipment)	LS	1.00	300,000	300,000	2,421.70
Painting - inner walls in rehabilitated rooms in B1, color dirt white/light gray - to be approved by architect	m ²	1,170	180	210,600	1,700.03
Painting - inner ceilings in rehabilitated rooms in B1, color white - to be approved by architect	m ²	812	300	243,600	1,966.42
Rehabilitation of existing electrical panels	ls	1.00	450,000	450,000	3,632.55
Rubber sheathed cable L.S.O.H.,FG16OM16 0.6/1 KV, 3x2.5mm ² with all accessories needed for a correct installation as required from applicable standards and regulations and manufacturer recommendations, complete, ready to use.	ls	1.00	225,000	225,000	1,816.27
Rubber sheathed cable L.S.O.H.,FG16OM16 0.6/1 KV, 3x4mm ² with all accessories needed for a correct installation as required from applicable standards and regulations and manufacturer recommendations, complete, ready to use.	ls	1.00	180,000	180,000	1,453.02
Group of two (2) Sockets type shucko 16A, 220V, to be installed in workshop, with all accessories needed for a correct installation as required from applicable standards and regulations and manufacturer recommendations, complete, ready to use.	cope	12.00	2,700	32,400	261.54

Annex 2 – List of background documents

The following documents will be made available to the consultant after contract award:

- Detailed Designs and BoQs
- Contract with civil works contractor 4A-M
- Documentation submitted by works contractor 4A-M (claims, variation orders)
- Tender documents for equipment tender
- Evaluation report of equipment tender
- Monitoring reports from the previous consultancy services
- Snag list

