

Terms of reference (ToR) for the procurement of services below the EU threshold

The PUBLIC

Consultancy Services for Cost-Benefit Analyses	Project number/ cost centre: G-011829-001 Tender number 7000008519
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0. List of abbreviations

BMZ	German Federal Ministry for Economic Cooperation and Development
CBA	Cost-Benefit Analysis
DC	Development cooperation
GIZ	<i>Gesellschaft für internationale Zusammenarbeit</i>
MRD	Ministry of Regional Development
NC	Neighborhood Concept
PCI	Participatory, climate and urban-integrated
PIM	Public Investment Management (PIM)
SUD	GIZ's Sustainable Urban Development in Georgia project

1. Context

The “Sustainable Urban Development in Georgia” project (SUD) is funded by the German Federal Ministry for Economic Cooperation and Development (BMZ) and implemented by GIZ in cooperation with the Ministry of Regional Development (MRD). The project team is based in Tbilisi and through regional advisors in western Georgia. The project works in the municipalities of Batumi, Oni, Zugdidi, Samtredia and Gori.

The project promotes urban integration, citizen participation, climate orientation and strengthening investment planning and budgeting in the work of local governments. The primary objective of SUD is to develop participatory, climate and urban-integrated (PCI) investment projects that are ready for financing. It also supports the development of neighborhood development concepts (NCs) in partner cities as a step towards identifying specific investment projects (Portfolio of Solutions) in the topic areas of energy efficiency, mobility, waste management, public spaces and sustainable tourism. These project concepts should be above average quality in terms of climate orientation, public participation, urban integration, and gender sensitivity.

In SUD’s partner municipalities, project concepts have been developed in a participatory manner using the “Urban Lab” methodology. The **objective of this assignment** is to provide cost calculations for six selected project concepts focused on the municipalities of Batumi, Gori and Zugdidi. More specifically this includes general cost assessments and cost-benefit analyses (CBA).

2. Tasks to be performed by the contractor

The contractor will have two work packages:

- 1) Conduct **general cost assessment** for six project concepts provided by SUD, covering three municipalities: Batumi, Gori and Zugdidi.
- 2) Based on the cost assessment, perform a **cost-benefit analysis (CBA)** for each project concept, considering the socio-economic and contextual factors specific to each municipality

In the Georgian Public Investment Management (PIM) framework, the General Cost Assessment is the preliminary financial estimation that serves as the mandatory foundation for a full Cost-Benefit Analysis (CBA). Its core components include: investment costs, operational and maintenance costs and contingency reserves. It is based on Resolution of the Government of Georgia #65 (2023). As per the law, projects under 5 million GEL require only a simplified cost-benefit analysis, while those over 5 million require a more detailed project concept note (which includes a standard cost-benefit analysis).

The Cost-Benefit Analysis is the core economic tool used to evaluate the feasibility of public investment projects. Core indicators include net present value, internal rate of return and benefit-cost ratio. CBA in Georgia is defined by Government Decree #191 (and updated iterations like #141).

Both work packages will be developed in close consultation with the SUD project. A presentation of the final CBA to selected relevant stakeholders is also envisaged.

The deliverables include:

- Workplan to be agreed upon with SUD project
- 6 general cost assessments (for 2 project concepts in Batumi, 2 project concepts in Gori and 2 project concepts in Zugdidi)
- 6 cost-benefit analyses (for 2 project concepts in Batumi, 2 project concepts in Gori and 2 project concepts in Zugdidi)
- Final presentation to relevant stakeholders (SUD and potentially MRD)

Based on the expected volume of the project concept and in consultation with the SUD project, the contractor should apply either a simplified cost-benefit analysis (under 5 million GEL), or the standard cost-benefit analysis that is required for the detailed project concept note (over 5 million).

Milestones and timeline for:

Milestones/process steps/partial services	Deadline
Workplan	1 week after signing of contract
General Cost Assessment for 1 project concept	Draft: 3 weeks after signing of contract Final version: 5 weeks after signing of contract
Cost-benefit Analysis for 1 project concept (same 1 as above)	Draft: 5 weeks after signing of contract Final version: 6 weeks after signing of contract
General Cost Assessments for 5 project concepts	Draft: 9 weeks after signing of contract Final version: 11 weeks after signing of contract
Cost-benefit Analyses for 5 project concepts (same 5 as above)	Draft: 12 weeks after signing of contract Final version: 14 weeks after signing of contract
Final presentation to relevant stakeholders	16 weeks after signing of contract

The deadlines represent the maximum allowable time for delivery. If the final deliverables can be completed earlier, SUD will proceed with remuneration based on the submitted deliverables. All deliverables should be submitted in digital format in English and Georgian languages.

Period of assignment: From 01 June 2026 until 31 December 2026.

3. Concept

In the tender, the tenderer is required to show *how* the objectives defined in Chapter 2 (Tasks to be performed) are to be achieved, if applicable under consideration of further method-related requirements (technical-methodological concept). In addition, the tenderer must describe the project management system for service provision.

Note: The numbers in parentheses correspond to the lines of the technical assessment grid.

Technical-methodological concept

Strategy (1.1): The tenderer is required to consider the tasks to be performed with reference to the objectives of the services put out to tender (see Chapter 1 Context) (1.1.1). Following this, the tenderer presents and justifies the explicit strategy with which it intends to provide the services for which it is responsible (see Chapter 2 Tasks to be performed). The tenderer is encouraged to state on alternative (or better) ways to implement the work packages deviating from the initial steps as lined out in the ToR(1.1.2).

The tenderer is required to present the actors relevant for the services for which it is responsible and describe the cooperation (1.2) with them. This includes mapping of the actors (1.2.1) and strategy for establishing cooperation and then cooperation with them (1.2.2.).

The tenderer is required to present and explain its approach to steering the measures with the project partners (1.3.1) and provide results-based monitoring system – description of contractor's contribution to results monitoring and the associated challenges - related to participation and engagement (1.3.2).

The tenderer is required to describe the key processes for the services for which it is responsible and create an operational plan or schedule (1.4.1) that describes how the services according to Chapter 2 (Tasks to be performed by the contractor) are to be provided.

The tenderer is required to explain its approach for coordination with the GIZ project (1.6.1). In particular, the project management requirements specified in Chapter 2 (Tasks to be performed by the contractor) must be explained in detail.

The tenderer is required to draw up a personnel assignment plan (1.6.2) with explanatory notes that lists all the experts proposed in the tender; the plan includes information on assignment dates (duration and expert days) and locations of the individual members of the team complete with the allocation of work steps as set out in the schedule.

4. Personnel concept

The tenderer is required to provide personnel who are suited to filling the positions described, on the basis of their CVs (see Chapter 7), the range of tasks involved and the required qualifications.

The below specified qualifications represent the requirements to reach the maximum number of points in the technical assessment.

Team leader

Tasks of the team leader

- Overall responsibility for the advisory packages of the contractor (quality and deadlines)
- Coordinating and ensuring communication with GIZ, partners and others involved in the project, including communicating and presenting key outputs to the decision-makers
- Provides strategic and creative direction to the team of experts and co-leads elaboration of the deliverables
- Ensures the deliverables respond to the needs of the stakeholders and SUD project objectives
- Regular reporting in accordance with deadlines

Qualifications of the team leader

1. Education/training (2.1.1): university degree (Master or comparable) in economics, public finance or related fields.
- Language (2.1.2): C1-level language proficiency in English and Georgian.
- General professional experience (2.1.3): 10 years of professional experience in public finance or economics or related sector.
- Specific professional experience (2.1.4): Not applicable
- Leadership/management experience (2.1.5): 5 years of management/leadership experience as project team leader or manager in a company
- Regional experience (2.1.6): 5 years of experience in Georgia
- Development cooperation (DC) experience (2.1.7): 1 year of experience in DC projects
- Other (2.1.8): Not applicable

Short-term expert pool 1

Tasks of the short-term expert pool with minimum 3 maximum 4

- Develops the general cost assessments and cost-benefit analyses

Qualifications of the short-term expert pool

The tenderer must provide a clear overview of all proposed short-term experts and their individual qualifications.

- Education/training (2.6.1): **2** experts with university qualification (Master or comparable) in public finance, econometrics or economics (6/10 points), **1** expert with university qualification (Master or comparable) in urban planning or engineering (4/10 points)
- Language (2.6.2): **3** experts with C1 level language proficiency in English (5/10 points), 3 experts with C2 level language proficiency in Georgian (5/10 points)
- General professional experience (2.6.3): **2** experts with 5 years of professional experience in public finance (6/10 points), **1** expert with 5 years of professional experience in urban planning or engineering (4/10 points)
- Specific professional experience (2.6.4): **1** expert with 3 years' experience in developing general cost assessments (5/10 points), **1** expert with 3 years' experience in developing cost benefit analyses (5/10 points)
- Regional experience (2.6.5): Not applicable
- Development cooperation (DC) experience (2.6.6): Not applicable
- Other (2.6.7): Not applicable

The tenderer must provide a clear overview of all proposed short-term experts and their individual qualifications. These are the minimum requirements, based on the project area and the bidder's vision, the bidder could provide additional expertise by adding short-term experts (in summary, only three are required to fulfill the requirements, but up to 4 may be proposed)

5. Costing requirements

Assignment of personnel and travel expenses

Per-diem allowances are reimbursed as a lump sum up to the maximum amounts permissible under tax law for each country as set out in the country table in the [German](#)

Federal Ministry of Finance – tax treatment of travel expenses and allowances for international business travel as of 1 January 2026 (GERMAN ONLY).

Accommodation allowances are reimbursed as detailed in the specification of inputs below.

With special justification, additional Accommodation costs up to a reasonable amount can be reimbursed against evidence.

All business travel must be agreed in advance by the officer responsible for the project

Sustainability aspects for travel

GIZ has undertaken an obligation to reduce greenhouse gas emissions (CO₂ emissions) caused by travel. When preparing your tender, please incorporate options for reducing emissions, such as selecting the lowest-emission booking class (economy) and using means of transport, airlines and flight routes with a higher CO₂ efficiency. For short distances, travel by train (second class) or e-mobility should be the preferred option.

CO₂ emissions caused by air travel must be offset. GIZ specifies a budget for this, through which the carbon offsets can be settled against evidence.

The market for carbon credits is made up of a large number of providers, each with different claims as to their climate impact. The [Development and Climate Alliance](#) has published a [list of standards](#). GIZ recommends using the standards specified there.

Specification of inputs

Fee days	Number of experts	Number of days per expert	Total	Comments
Team leader	1		30	The team leader is responsible for overall coordination of this assignment. Further details can be found under Personnel Concept
Expert pool 1	1		130	Further details on the expert pool can be found under Personnel Concept.
Travel expenses	Quantity	Number per expert	Total	Comments
Total travel expense budget			Up to 1400 GEL	Travel to/from municipalities (Batumi, Gori & Zugdidi) for potential site visits. Travel will be reimbursed against evidence.
Other costs	Number	Price	Total	Comments

Flexible remuneration	1		Up to 10000 GEL	A budget of up to 10000 GEL is foreseen for flexible remuneration. Please incorporate this budget into the price schedule. Use of the flexible remuneration item requires prior written approval from GIZ.
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6. Inputs of GIZ or other actors

GIZ and/or partner municipalities are expected to make the following available:

- Spaces and equipment's for workshops and/or working sessions with the Urban Labs

7. Requirements on the format of the tender

The structure of the tender must correspond to the structure of the ToR. In particular, the detailed structure of the concept (Chapter 3) should be organised in accordance with the positively weighted criteria in the assessment grid (not with zero). The tender must be legible (font size 11 or larger) and clearly formulated. It must be drawn up in English (language).

The complete tender must not exceed 10 pages (excluding CVs). If one of the maximum page lengths is exceeded, the content appearing after the cut-off point will not be included in the assessment. External content (e.g. links to websites) will also not be considered.

The CVs of the personnel proposed in accordance with Chapter 4 of the ToRs must be submitted using the format specified in the terms and conditions for application. The CVs shall not exceed 4 pages each. They must clearly show the position and job the proposed person held in the reference project and for how long. The CVs can also be submitted in English (language).

Please calculate your financial tender based exactly on the parameters specified in Chapter 5 Quantitative requirements. The contractor is not contractually entitled to use up the days, trips, workshops or budgets in full. The number of days, trips and workshops and the budgets will be contractually agreed as maximum limits. The specifications for pricing are defined in the price schedule.

8. Annexes

Annex 1: Two selected project concepts for Batumi

Annex 2: Two selected project concepts for Zugdidi

Gori project concepts to be provided after start of contract.