

CALL for EXPERT No ZO/2020/08

Solidarity Fund PL within the framework of the EU funded „EU4Skills” Programme and in accordance with art.4, point 8 of the law of the Republic of Poland of 29 January 2004 on public procurement invites interested experts to apply for a position/ assignment of:

„Expert on regional funding and budgeting of VET”

1. Background information

The EU4Skills programme is a multidonor programme funded by the EU and its member states: Germany, Finland and Poland. The aim of the programme is to assist the reform of TVET sector in Ukraine. Programme’s activities focus on modernization of the content of education and improvement of its quality as well as on the reform of VET governance.

Vocational education has been clearly designated in Ukraine as a regional responsibility, and both Regional Councils (elected bodies) and Regional State Administrations (executive bodies) now have the responsibility for developing strategies, allocating funding and ensuring operational management of regional VET systems. However, regional governments lack the experience, capacity and resources to not simply maintain the status quo but to introduce methods and approaches that would transform VET systems and institutions in line with the national reform principles, regional development priorities and the requirements of dynamically shifting regional economies and labour markets.

Solidarity Fund PL (SF PL) is a Programme’s partner organization and its work package under the EU4Skills Programme primarily focuses on strengthening capacities of the regions to manage their VET provision networks and on helping the regions to conduct evidence-based policies in the VET sector. This work package (referred later as “SF PL Work Package”) contains 5 major activities, namely:

2.11 – Development of Labour Market Intelligence System

1.2. – Development of 7 regional VET action plans

1.6. – Development of VET funding mechanism

1.7. - Development of VET budgeting mechanisms

2.11. – Support to development of career guidance service provision

Most of the abovementioned activities will be implemented in 7 focus regions of Ukraine. However, the models and solutions developed will also be promoted across the whole country.

Expert engagement under this Terms of Reference will be related to activities 1.6. – Development of VET funding mechanism and 1.7. - Development of VET budgeting mechanisms

During the past decade the situation in funding of vocational education has changed dramatically. While the national funding has been decreasing, the local expenses on vocational schools have been growing. The change has been particularly significant after the start of the process of financial decentralization. For instance, the funding from local and regional budgets grew from a little over 4bn UAH in 2014 to over 8bn UAH in 2018 while the national funding dropped from over 1bn. UAH to a little over 100mn UAH in the same period. By 2018 funding of the TVET has largely been passed to the local authorities; some institutions get funding from the regional authorities and small portion of funding comes from the national government as a form of support for the specialisations of the national importance. However, one of the drawbacks of this has been constant underfunding, especially for capital expenses. Local and regional budgets simply do not have sufficient resources to support inefficient VET networks.

While the decision to decentralise the funding of vocational education is consistent with the best international practices, opting for funding from local authorities as opposed to the regional ones is not.

Some municipalities historically had a large number of vocational schools, yet their increase in income did not match the increased need in funding vocational schools. This created tensions in several towns, particularly in 2016. These tactical problems are being solved on case by case basis with additional funding allocated by the national government.

The bigger challenge is the fact that funding of vocational education from the municipal budget makes little sense from the point of view of development of vocational education. As it is now, major portion of funding for the VET comes from the local/regional budgets. If this remains the case, allocation among the regions is not an issue. This change would require reconsidering current approach to tax collection. As the idea of funding the TVET from the regional budgets has been discussed within the past two years, it was blocked as the regional budgets in the process of decentralisation don't have sufficient funding. Yet, as regional funding is appropriate for reaching the policy goals in TVET, the tax collection would have to be modified to ensure that regional budgets have sufficient funding available to appropriate for TVET.

The majority of funding to TVET should come from the regional budgets. This would coincide with the best international practices as well as with the current needs of the Ukrainian society in TVET. The funding from the national level would best be used to steer policy concerning TVET. Funding from the local sources can best be viewed as a way to compensate for the benefits of having the functioning VET schools / programs in the areas. Given the different objectives of the funding from different levels, the allocation principles would differ as well.

If the major portion of funding is coming as offered from the regional budget, the most appropriate allocation mechanism would be formula-based funding which takes into account a variety of factors, including class sizes, types of occupations taught, equipment and materials needs, instructor input etc. The decision on the formula can be taken on the

regional level. The national government can provide the methodological support to the development of the formula, basic recommendations and benchmarks, yet the final decision on the formula can be the decision of the regional authorities. This would respect the spirit of decentralisation and decrease political and administrative pressure on the central government.

As the suggestion is to provide funding from the national budget as a way to steer policy, that is to incentivize certain behaviour on behalf of the institutions / regional authorities, it is appropriate to allocate funding based on open competition.

Funding from the local (municipal) sources can be used for covering minor expenses for utilities, maintenance of the buildings, study materials

Funding will also become more flexible and will be geared towards increasing performance and motivation VET networks to become more efficient.

Under this activity, the national and regional stakeholders as well as VET schools will be provided with comprehensive assistance in revamping the currently existing legal frameworks, procedures and mechanism for funding the VET systems at both national and regional levels as well as the budgeting and financial planning ones at institutional level. Emphasis will be put into making the new funding systems more flexible, student-centered, open to stakeholder (incl. private sector) engagement, gender-sensitive and responsive to the needs of various target groups. It is anticipated that performance-based approaches will be introduced alongside with national tools to ensure regional systems transformation and network optimization.

2. The tasks under planned assignment are as follows:

1. To provide advice and consultations to national and regional stakeholders in developing of methodologies, procedures, approaches, practices related to gender-sensitive funding and budgeting of regional VET systems and VET schools within a decentralized context.
2. To provide assistance to regional administrations and other VET stakeholders in 7 regions of focus in participatory development and drafting of regional VET funding and budgeting documents, procedures and plans, including relevant monitoring, compliance, auditing and performance assessment procedures and mechanisms.
3. Development and delivery of capacity development interventions at national and regional levels aimed at improving the ability of relevant stakeholders to utilize new funding and budgeting procedures and practices in an effective, transparent and gender-sensitive manner.

3. Duration of the assignment:

Ca. 1 Mar 2020 – 30 May 2021 – up to 115 working days

4. Maximum daily rate and information about price:

4.1. The maximum price for the service can be 200 euros per day.

4.2. The price should be specified in EURO and rounded to two decimal places. The price should be given in total, assuming 115 contract days as part of the project.

4.3. The price should include all costs incurred by the Contracting Authority as part of the service provided by the Contractor (taxes, compulsory social security, health and retirement contributions), as well as the costs of accommodation in Ukraine, food, insurance, local travel (unless travel is ordered separately by Contracting Authority), computer equipment, cellular communication and software (word processor / spreadsheet).

4.4. Settlements between the Contracting Authority and the Contractor will be conducted in PLN or UAH depending on the Contractor's place of tax residence and in relation to the current Euro exchange rate of the National Bank of the Contractor's place of tax residence.

5. Minimal requirements

- a) High education (at least bachelor level or equivalent)
- b) At least 10 years of experience in working with development and implementation interventions related to public finance and budgeting systems;
- c) At least 3 years specific experience in reforming public finance and budgeting systems and mechanisms in the education sector;
- d) Previous experience in co-operation with non-central administration in Ukraine (regional administration in particular) for improving financial planning, budgeting and accounting procedures and mechanisms
- e) Fluency in Ukrainian and Russian (C1), Knowledge of Polish language is an additional asset;

Offers from service providers that do not meet the minimum criteria will be rejected for formal reasons.

6. Place(s) of Assignment

Ukraine, Kyiv

7. Reporting

The Contractor shall provide to Solidarity Fund PL:

- timesheets
- Invoice (according to template);
- Short monthly report on work progress

8. Criteria for selection of the Applicant (max. 60 points)

a) the degree of compliance with the requirements set out in point 3.2. of the Request - 0-40 points, the degree will be assessed by the Commission appointed by the President of the Solidarity Fund PL. The number of points will be the average of the members' ratings rounded to one decimal place.

b) price - 20 points

Assessment under the criterion „price” will be based on the following formula:

$$P = P_{min} / P_{of} \times 20 \text{ points}$$

where:

P_{min} - the lowest proposed price

P_{of} – price presented in the examined offer

P – the number of points awarded to the examined offer under the price criterion, rounded to the full number.

9. The application must contain Application FORM (templates attached), signed and scanned in PDF format

10. SUBMISSION

Application must be submitted by 2 March 2020 at 10.00 Warsaw time to the address:
sekretariat@solidarityfund.pl

Information on the outcome of the procedure will be sent to the e-mail address indicated by the applicant and will be published on Solidarity Fund PL web-site (English version)
www.solidarityfund.pl

Please be advised that by submitting an application you agree to share the content of the application with other applicants who could submit an appropriate request to the SF PL (except for personal data, which will be anonymized).

Please be advised that the administrator of personal data contained in the submitted applications is the Solidarity Fund PL with headquarters in Warsaw, ul. Wołodyjowskiego 69a, 02-724 Warsaw. The data will be processed on the basis of art. 6 clause 1 point. c of the law on personal data protection for the purpose related to public procurement procedure. You have the right to access the personal data provided, the right to rectify personal data and the right to request the administrator to limit the processing of personal data, subject to the cases referred to in art. 18 clause 2 of the law. You have the right to lodge a complaint with the President of the Office for Personal Data Protection. Please be advised that Solidarity Fund PL has appointed a personal data protection inspector who can be contacted at:
iod@solidarityfund.pl.