

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

CONFIDENTIAL

Support for the operationalisation of the Government Investment Department in Zambia	Project number/ cost centre: G-012050-001-0000
	Tender number 10052999

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0. List of abbreviations

AG	Commissioning party
AN	Contractor
AVB	General Terms and Conditions of Contract for supplying services and work
FK	Expert
FKT	Expert days
KZFK	Short-term expert
ToRs	Terms of reference

1. Context

The Multi-Donor Project “Strengthening Good Financial Governance in Zambia IV” (GFG IV) is jointly co-financed by the German Federal Ministry for Economic Cooperation and Development (BMZ) and the European Union. It is implemented by the Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ). The project’s duration is from 01.07.2023 to 30.06.2027.

GFG IV aims to support the Government of the Republic of Zambia (GRZ) to implement its planned public financial management (PFM) reforms aimed at restoring fiscal sustainability and improving efficiency and effectiveness of public resource allocation, and spending, for better public service delivery. The objective of the project is to strengthen public financial management in Zambia. To achieve this objective, the project focuses on 3 main intervention areas – (1) improving budget credibility, (2) strengthening domestic resource mobilization, including tax policy and tax administration, as well as (3) increasing GRZ’s capability to steer and implement comprehensive cross-cutting PFM reforms and processes. These main intervention areas are addressed via six outputs.

The Government is in the process of updating the framework surrounding the governance, management and monitoring of State-Owned Enterprises (SOEs) to improve budget credibility through improved management of investments and fiscal risks. Currently, there are 48 SOEs in Zambia, of which 36 are under the supervision of Industrial Development Corporation (IDC), itself an SOE, and 12 are under direct supervision of the Ministry of Finance and National Planning (MoFNP). With the enactment of the State-Owned Enterprises Act (2026), government has mandated the establishment of a Government Investment Department (GID) within MoFNP, whose functions are prescribed as follows:

- (a) develop the policies, guidelines, strategies and standards relating to the governance of state-owned enterprises;
- (b) develop a performance management framework for a state-owned enterprise;
- (c) review the portfolio of a state-owned enterprise and make recommendations for reforms and restructuring of a state-owned enterprise;
- (d) review state shareholding in a state-owned enterprise;
- (f) review recommendations to incorporate a state-owned enterprise;
- (g) review proposals for recapitalisation of state-owned enterprises;
- (h) conduct a periodic review of the financial and operational performance of a state-owned enterprise in line with the performance management framework and performance contracts;
- (i) assess the fiscal risks of a state-owned enterprise;
- (j) develop and publish a comprehensive annual aggregate state-owned enterprise performance report;
- (k) keep and maintain records for information on the financial statements, dividends, grants and recapitalisation of a state-owned enterprise;
- (l) monitor compliance of a state-owned enterprise;

Within the context of the internal reorganisation of the MoFNP, the design of the GID has been further specified, calling for the installation of one director and two assistant directors, each heading one section under the department: the Governance and Economic Affairs section and the Financial Investments and Analysis section respectively.

Currently, the staff performing some of the functions as prescribed under the SOE Act consist of a limited number of officers stemming from a small, specialised unit under the former Investment and Debt Management Department, which has been transformed into the Debt Management Office (DMO), ceding responsibility for government investments. In order to fulfil the demands of the law, the GID needs to be staffed and further operationalised. As a first step, this will require the drafting of job descriptions as per guidance from the approved structure, public sector HR standards and international best practice, as well as defining the necessary skills potential candidates for the new department will have to possess. To this end, GIZ seeks a consultant to support the process for the operationalisation of the GID as outlined above. The consultant is also expected to make recommendations on placing the existing staff allocated to the GID.

2. Tasks to be performed by the contractor

The contractor is responsible for providing the following services:

- Conduct a desk review on international / regional best practices of the set-up of SOE oversight offices / bodies and provide recommendations for the set-up of the GID based on the outcome;
- Interview stakeholders involved in and / or affected by the set-up of the GID, including but not limited to the Debt Management Office, the Treasury Counsel, the Risk Management Unit, the Industrial Development Cooperation, selected SOEs, MoFNP HR and Cabinet Office (Public Management Service Division and Management Development Division) to
 - Review the allocated functions within the GID and its two Sections and suggest possible breakdown of functions into tasks / groups of tasks to be allocated to the established staff positions,
 - Identify gaps or overlaps of mandates and responsibilities between departments and divisions within MoFNP, SOEs and IDC,
 - Identify any gaps or omissions in functions / tasks in reference to international best practice;
 - Review existing functions / tasks undertaken by the GID (as-is analysis) and establish development needs with regards to newly established mandate
 - Note any implications in terms of work processes, and future business process design in particular with regards to monitoring and reporting of SOEs (future performance management system),
 - Note any implications in terms of change management requirements in particular with regards to division of labor, cooperation requirements, information flows, etc;
- Based on Zambian public service HR standards and requirements, draft job descriptions for the established positions within the GID crucial skills and experiences required to successfully fill these positions;
- Make recommendations for placing existing staff within the GID based on the analysis as outlined above;
- Provide recommendations to MoFNP senior management on identified gaps, opportunities, challenges, inter- and intra-institutional cooperation, as well as proposal of next steps;
- Cooperate with a senior international public sector HR expert as guided by GIZ to deliver tasks outlined above; specifically during the mission to Lusaka and when drafting job descriptions and skills requirements.

Certain milestones, as laid out in the table below, are to be achieved during the contract term:

Milestones/process steps/partial services	Deadline/place/person responsible
Kick-off meeting with GID management staff and GIZ	1 week after contract start, virtual, consultant
Conduct desk review and present results to GID management staff and GIZ	3 weeks after contract start, home country / virtual, consultant
Conduct interviews in Lusaka as outlined above	5 weeks after contract start, Lusaka, consultant
Brief GID management staff and, where applicable, MoFNP senior management on results of interviews	6 weeks after contract start, Lusaka or virtual, consultant
Draft GID job descriptions and submit for review	8 weeks after contract start, home country, consultant
Provide feedback on proposed job descriptions	10 weeks after contract start, Lusaka, GID / GIZ
Submit written recommendation of placing existing GID staff based on job descriptions / skills requirements	12 weeks after contract start, home country, consultant

Brief GID management staff and MoFNP senior management on results and provide recommendations on issues identified as well as next steps	14 weeks after contract start, virtual, consultant
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Period of assignment: from 30.10.2026 until 30.06.2027.

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) (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.

The tenderer is required to present and explain its approach to **steering** the measures with the project partners (1.3.1).

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.

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
- Managing interactions with Zambian public sector HR counterparts and senior international HR expert and ensuring standards are applied for drafting of job descriptions
- Providing recommendations on change management interventions where required
- Overall steering of the project and managing of senior stakeholders
- Regular reporting in accordance with deadlines

Qualifications of the team leader

- Education/training (2.1.1): university degree (German 'Diploma'/Master) in economics, accounting, business, law or equivalent
- Language (2.1.2): C2-level language proficiency in English
- General professional experience (2.1.3): 10 years of professional experience in managing, overseeing or advising State-Owned Enterprises
- Specific professional experience (2.1.4): 5 years of professional experience in advising public sector actors on SOE management or oversight
- Leadership/management experience (2.1.5): 2 years of management/leadership experience in the public sector
- Regional experience (2.1.6): 5 years of experience in PFM projects in Africa, Asia or Latin America (region) (50%), of which 1 project in Zambia (country) (50%)
- Development cooperation (DC) experience (2.1.7): 10 years of experience in the provision of PFM advisory services in DC projects
- Other (2.1.8): 5 years of experience managing senior stakeholders in the public sector

Key expert 1

Tasks of key expert 1

- Analysing and recommending the skills, experiences and trainings required for GID staff regarding SOE oversight, performance management, public sector accounting and monitoring & evaluation
- Undertaking as-is analysis
- Assigning functions, tasks groups, tasks and possible allocations to individual roles and responsibilities in line with the mandate of the department and international best practice
- Managing interactions with Zambian SOE counterparts and integrating insights into recommendations for a future performance management system

Qualifications of key expert 1

- Education/training (2.2.1): Master's degree in economics, accounting, business, law or similar
- Language (2.2.2): C2 -level language proficiency in English
- General professional experience (2.2.3): 10 years of professional experience in public financial management
- Specific professional experience (2.2.4): 2 years of professional experience in public sector change management and HR (20%), 2 years of professional experience in public sector accounting (40%), 2 years of professional experience in public sector M&E (40%)
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- Regional experience (2.2.6): 3 years of experience in PFM projects in Africa, Asia or Latin America (region) (50%), of which 1 project in Zambia (country) (50%)
- Development Cooperation (DC) experience (2.2.7): 5 years of experience in DC projects

Soft skills of team members

In addition to their specialist qualifications, the following qualifications are required of team members:

- Team skills
- Initiative
- Communication skills
- Socio-cultural skills
- Efficient, partner- and client-focused working methods
- Interdisciplinary thinking

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 circular from the German Federal Ministry of Finance on travel expense remuneration (downloadable from 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.

There are many different providers in the market for emissions certificates, and they have different climate impact ambitions. The [Development and Climate Alliance \(German only\)](#) has published a [list of standards \(German only\)](#). GIZ recommends using the standards specified there.

Specification of inputs

Fee days	Number of experts	Number of days per expert	Total	Comments
Designation of TL	1	25	25	10 expert days in the country of service delivery (Zambia) 15 expert days in the home country (remote)
Designation of key expert 1	1	25	25	10 expert days in the country of service delivery (Zambia) 15 expert days in the home country (remote)
Travel expenses	Quantity	Price EUR	Total EUR	Comments
Fixed travel budget	1	10.000,00	10.000,00	A budget is earmarked for travel to the following countries: Zambia. A fixed budget of EUR 10.000,00 is earmarked for

				settling travel expenses against evidence. You can find further information on the travel expense budget in the 'Price schedule' document. Please use the 'Explanations' column in the price schedule to break down the individual items. Settlement is possible only until the budget is depleted.
Transport	Quantity	Price EUR	Total EUR	Comments
CO₂ compensation for air travel	1	280,00	280,00	A fixed budget of EUR 280,00 is earmarked for settling carbon offsets against evidence.
Other costs	Number	Price EUR	Total EUR	Comments
Flexible remuneration	1	2.000,00	2.000,00	A budget of EUR 2.000,00 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.

6. Inputs of GIZ or other actors

The consultant will report directly to Assistant Director GID as well as the responsible advisor of the GFG programme. Either party (the consultant, Director GID, GFG advisor) can call for bi- or trilateral meetings to steer the consultancy during its implementation as is deemed necessary. Any documents produced will be shared with all parties mentioned above for comments / approval.

GID will also be responsible for the following tasks:

- Formation of a Steering Committee from MoFNP management and any other institutions deemed relevant
- Provision of a contact person for day-to-day communication with GIZ and the Consultant.
- Provision of relevant information and documentation to the Consultant when requested within 5 working days that is relevant for fulfilling the tasks outlined above at the start of the consultancy.
- Ensuring the availability of relevant staff for meetings, interviews and workshops, including the Steering Committee where required.
- Ensuring that feedback is provided to the Consultant on submissions within 5-7 working days.

GIZ will be responsible for the following tasks:

- Administrative steering of the contract, including support in travel arrangements for the Consultant.
- Provision of either a GIZ driver and vehicle or alternative transport for meetings with stakeholders outside MoFNP.
- Provision of venue and catering for any workshops required to implement the deliverables as outlined above based on previous request from GID and approval by GFG.

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.

The complete tender must not exceed 6 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.

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. Option

After the services put out to tender have been completed, important elements of these tasks can be continued or extended. Specifically:

A training needs assessment and training plan for the GID can only be completed once the department is staffed; it is however dependent on the analysis performed in the tasks outlined above and a logical next step in the operationalization of the GID, as recommendations for placing and training the newly recruited staff members will be required.

Similarly, the analysis performed as outlined above will form the basis for drafting a procedures manual for the GID. This will require the input of all staff members, so it is equally dependent on filling the allocated positions.

Should the GID establishment be staffed by more than 50% when the tasks outlined above are completed, this extension of the services required will become relevant and necessary.

Type and scope

The contractor is responsible for providing the following optional services:

- Conduct a training needs assessment and draft a training plan for GID staff members
- Draft a procedures manual for the GID in consultation with relevant stakeholders including but not limited to the Debt Management Office, the Treasury Counsel, the Risk Management Unit, the Industrial Development Cooperation, and selected SOEs

Requirements

Exercising the option will depend on staffing levels in the GID as confirmed by GIZ. The decision on continuation is expected to be made in the period 01.01.2027 to 31.03.2027. If the option is exercised, it is anticipated that the contract term will be extended to 31.12.2027.

The option will be exercised by means of a contract extension on the basis of the individual approaches already offered.

Quantitative requirements for the optional services

Designation of TL	1	25	25	
Designation of key expert	1	25	25	
Travel expenses	Quantity	Price EUR	Total EUR	Comments
Fixed travel budget	1	10.000,00	10.000,00	A budget is earmarked for travel to the following countries: Zambia. A fixed budget of EUR 10.000,00 is earmarked for settling travel expenses against evidence. You can find further information on the travel expense budget in the 'Price schedule' document. Please use the 'Explanations' column in the price schedule to break down the individual items. Settlement is possible only until the budget is depleted.
Transport	Quantity	Price EUR	Total EUR	Comments
Carbon offsets for flights	1	280,00	280,00	A fixed budget of EUR 280,00 is earmarked for settling carbon offsets against evidence.
Other costs	Quantity	Price EUR	Total EUR	Comments
Flexible remuneration	1	1.000,00	1.000,00	A budget of EUR 1.000,00 is earmarked for flexible remuneration. Please incorporate this budget into the price schedule. Use of the flexible remuneration item requires prior written approval from GIZ.

Requirements on the format of the tender for the option

Please complete both spreadsheets in the price schedule, i.e. one for the main service and one for the optional service.