

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

CONFIDENTIAL

**Artificial Intelligence in Practice: Strategic Areas of Action and Priorities for the Responsible Transformation of Technical Cooperation Partner Institutions**

**Project number/  
cost centre:  
23.2274.1 /  
S-012426**

**Tender number  
10015692**

0.	List of abbreviations .....	2
1.	Context.....	3
2.	Tasks to be performed by the contractor .....	4
2.1	Objective of the assignment .....	4
2.2	Tasks' components .....	5
2.3	Main steps of the task .....	6
3.	Concept.....	10
	Technical-methodological concept .....	10
4.	Personnel concept.....	10
	Team Leader.....	10
	Key expert 1 .....	11
5.	Costing requirements .....	12
	Assignment of personnel .....	12
	Workshops, events and trainings.....	13
6.	Requirements on the format of the tender .....	14

## **0. List of abbreviations**

AG	Commissioning party
AN	Contractor
AVB	General Terms and Conditions of Contract for supplying services and work
BMZ	German Federal Ministry of Economic Cooperation & Development
FK	Expert
FKT	Expert days
KZFK	Short-term expert
ToRs	Terms of reference

## 1. Context

Albania is in an early but accelerating stage of adopting artificial intelligence (AI). This is reflected in growing political attention, initial regulatory steps, and increasing interest from public institutions in using AI to improve governance and service delivery. During government consultations in November 2025, the chief negotiator of the *State Agency for Strategic Programming and Aid Coordination (SASPAC)*—the institution responsible for donor coordination—also expressed interest in expanding the use of AI to strengthen the public sector in cooperation with German technical assistance.

Although Albania does not yet have a dedicated AI law or a comprehensive national AI strategy, several foundations are emerging. Digital government continues to expand through the *E-Albania* platform, public administration is experimenting with data-driven solutions, and universities and the private sector are gradually building capacity in information technology and machine learning.

In the *Oxford Insights Government AI Readiness Index*<sup>1</sup>, Albania ranks 81st globally, behind several regional and Eastern European countries that already have national AI strategies and action plans. The country performs relatively well in the use of AI in the public sector (68.95 points) and in governance structures (51.67), reflecting basic institutional and regulatory frameworks. However, weaker results appear in AI infrastructure (48.44) and societal and institutional resilience (46.09). However, significant gaps exist in political capacity (23.00) and technology development and diffusion (28.55), both critical for long-term AI growth.

Overall, Albania remains at an early stage of building its AI framework, with most initiatives limited to pilot projects and no formally adopted national strategy. By comparison, countries such as Estonia, Ukraine, and Croatia have launched structured initiatives or national strategies, while Serbia ranks 39th globally and is among the top 20% of countries most prepared for AI after years of digital reforms and investments. The index highlights Albania's progress in digital public services but emphasizes the need for clearer policies and more concrete actions to keep pace with regional developments.

AI could help modernize public services, improve policy planning, strengthen institutional coordination, and increase transparency—areas where the country still faces structural weaknesses. At the same time, Albania must align with the rapidly evolving EU framework for digital and AI governance, including the EU AI Act, cybersecurity regulations, data protection standards (particularly alignment with the GDPR), and digital market rules.

As a result, Albania's ability to adopt and regulate AI is becoming directly relevant to its EU accession process. Strengthening national AI capacities—legally, institutionally, and technically—will help align the country with EU standards, improve administrative performance, enhance competitiveness, and support progress toward EU membership.

Despite the progress made so far, Albania's institutional, regulatory and technical capacities for managing and utilising AI remain limited. Public institutions, private actors and development organisations are increasingly recognising the potential of AI for data-driven

---

<sup>1</sup> [Government AI Readiness Index 2025 - Oxford Insights](#)

planning, predictive analytics and improved service delivery, yet the necessary framework conditions, standards and safeguards for a responsible and effective roll-out are largely lacking.

As a result, the current use of AI in public administration is fragmented, cautious and inconsistent. Opportunities to improve evidence-based decision-making processes, accelerate administrative procedures and strengthen monitoring and evaluation are not being fully exploited. At the same time, risks relating to data protection, algorithmic bias, cybersecurity, ethical implications and institutional readiness are not being systematically addressed.

Against this backdrop, German development cooperation has the opportunity to position itself in the emerging field of AI governance and to further develop the AI capabilities of partner institutions in a targeted manner for the digital transformation within the framework of the Albanian technical cooperation portfolio.

## **2. Tasks to be performed by the contractor**

The tendered task is intended to assess how increased use of artificial intelligence (AI) can improve effectiveness, efficiency, and quality of public services across selected partner institutions of German Technical Cooperation (TC) in Albania.

It shall analyse institutional AI readiness (the extent to which organisations are prepared to use AI), identify the opportunities and risks of AI deployment, and determine priority use cases within the framework of German technical cooperation that have a clear impact on development policy. Through the close involvement of partner institutions, the assessment of the regulatory environment and the development of a practice-oriented roadmap for greater AI integration, the initiative supports the strategic positioning and advisory services of German development cooperation in the field of AI, thereby simultaneously supporting the digital transformation of Albanian partner institutions. The outcome will provide concrete and actionable guidance for responsible, EU-compliant and partner-oriented AI integration.

### **2.1 Objective of the assignment**

The contractor is responsible for providing the following work results:

Development of a study on AI in practice to examine the strategic and practical relevance of AI in key areas for organisational transformation and develop priorities for the responsible use of AI within the TC partner institutions in Albania.

The study on the application of AI tools as a basis for the strategic and practical relevance of AI in partner institutions, with priorities for the responsible use of AI within the institutions, must be developed by taking into consideration the following:

(i) Development of a sound understanding of AI – including key advancements, risks, economic readiness and the specific impacts on sectors.

(ii) Description of AI tools and development of AI solutions.

(iii) Definition of strategic priorities for the adoption of AI and development of a roadmap focusing on responsible integration, institutional readiness and internal capacity building.

The target group consists of Albanian partner institutions, whose capacity to use AI tools is being developed. This includes line ministries and subordinate authorities, as well as SASPAK as the partner for donor coordination, and national institutions responsible for digital administration, cybersecurity and data protection.

The task will promote a shared understanding of the potential of AI, the current state of AI readiness, existing challenges, and initial concrete applications within the framework of German technical cooperation.

The structured and informed implementation of AI technologies enables faster, more comprehensive and more precise public services, whilst also contributing to improved transparency, security and data protection. By supporting the responsible and effective introduction of AI in public institutions, the task is to enhance the quality of service delivery and strengthen citizens' trust in state systems.

## **2.2 Tasks' components**

The tendered task is structured around four interlinked components, which together provide a comprehensive assessment and an implementation-oriented roadmap for the use of AI in Albania.

### **a. Assessment of the support needs and AI readiness of partner institutions**

- Mapping of existing practices, capacities and digital systems within the partner institutions.
- Conducting institutional and sectoral analyses to assess digital maturity, data quality, governance structures and organisational readiness for AI integration.
- Assessing the partner institutions' visions regarding the integration of AI, as well as their expectations regarding potential support from German technical cooperation.

### **b. Analysis of opportunities and risks**

- Identification of key AI use cases with the potential to improve advisory services, public service delivery, and the relationship between AI, economic development and sustainability in the following areas:
  - Sustainable economic development
  - Climate resilience
  - Basic services for sustainable urban development
  - EU integration
- Analysis of ethical, data protection, cybersecurity and institutional risks in accordance with EU legislation, including the GDPR and the EU AI Act.

### **c. Best practices & feasibility analyses for a pilot project**

- Prompting & vibe coding for practical use cases from the partner system and selected AI tools.
- Selection of 2–3 promising AI use cases across different sectors or cross-cutting themes, such as text-to-image, in collaboration with partner institutions.
- Conducting feasibility analyses on data requirements, human resource capacities (and associated training needs), technical prerequisites and potential development policy impacts.

- Provision of clear decision-making criteria for the implementation of pilot measures.

#### **d. Roadmap**

- Organisational AI Readiness – AI strategy, human-machine collaboration, implementation and governance – with the identification of specific action points within the respective organisational contexts.
- Establishment of strategic priorities for the introduction of AI and the joint development of a roadmap focusing on responsible integration, institutional readiness and internal capacity building.
- Development of an implementation-oriented AI roadmap with short-, medium- and long-term action steps.

#### **Expected positive outcomes:**

- Greater institutional readiness among Albanian partners to adopt AI tools.
- Clear prioritisation of feasible AI initiatives with measurable development policy benefits.
- Improved strategic positioning of German technical cooperation in Albania in the field of digital transformation.
- Enhanced quality and efficiency of the public sector in Albania through targeted AI integration.

### **2.3 Main steps of the task**

#### **Inception Meeting**

Organising a digital inception meeting with GIZ Albania, intended for:

- Stakeholder Mapping
- Work plan validation
- Methodology validation

The results of the Inception meeting are to be collected in the inception report, to be subsequently submitted to GIZ.

#### **AI in Practice Workshop**

In close coordination with GIZ Albania, organise & moderate a 2-days physical Workshop in Tirana with at least 40 participants of the identified relevant stakeholders from Albania's public institutions.

Participants will build a foundational understanding of key AI concepts, experiment with Generative AI (GenAI) tools such as Large Language Models (LLMs), and apply practical frameworks for AI readiness, governance, and organisational transformation. Through structured, hands-on exercises, they will explore how AI can directly strengthen Partners' mandate. By the end of the workshop, the participants will have defined priority interventions - both at the strategic level and as concrete use case designs - laying the groundwork for responsible, future-ready, and ROI-assured AI adoption.

#### **Learning Objectives:**

1. Develop a solid understanding of the global state of AI - covering key advances, risks, economic readiness, and the specific implications for different sectors<sup>2</sup>.
2. Experiment with Generative AI (GenAI) tools to conduct user research, ideate, develop, and validate an AI solution aligned with partners mandate, while also creating practical tools for implementation.
3. Define strategic priorities for AI adoption and co-develop a high-level roadmap focused on responsible integration, institutional readiness, and internal capacity development.

The participants' final outcome is a group presentation that delivers a compelling narrative for partners to engage with AI. It will define a relevant AI use case (including a clickable prototype), outline an initial transformation strategy, and present a high-level implementation roadmap.

### **Content of the AI Study**

Based on the result of the Workshop, the contractor shall then initiate the theoretical & practical research to create the core deliverable of this contract, a report of a minimum of 20 pages, subdivided into 4 chapters:

#### **a) Current landscape**

Describe AI at three levels – society, organisation/tools and the individual – based on the capacity development approach.

- Map existing practices, capacities, and digital systems in selected partner institutions.
- Conduct institutional and sector analyses to assess digital maturity, data quality, governance structures, and organizational readiness for AI integration.
- Capture institutional strategies, visions and expectations regarding AI integration and potential support from German Development Cooperation.
- Determine the regulatory and legal frameworks already in place for AI governance in Albania and their level of alignment with EU standards (e.g. EU GDPR (Regulation (EU) 2016/679), Federal Data Protection Act (BDSG))

#### **b) Opportunity and risk analysis**

Describe the Links between AI, economic development and sustainability, including technical implementation. Identify priority AI use cases to improve public service delivery, focusing on:

1. EU Integration: e.g. public administration reform, legal harmonisation, translation tools, regulatory alignment.
2. Economic Transition: e.g. SME support, labour market analysis, skills forecasting, entrepreneurship support.

---

<sup>2</sup> • EU Integration and Institutional Capacity Building  
• Economic Transition and Private Sector Development  
• Climate Action and Environmental Sustainability  
• Livable Cities and Urban Governance  
• Digital Transformation and Good Governance

3. Climate Action: e.g. climate data modelling, disaster risk management, precision agriculture, emissions tracking.
4. Livable Cities: e.g. smart urban planning, traffic optimisation, citizen engagement tools.
5. Digital Transformation: e.g. digital public services (E-Government), transparency tools, automated M&E, chatbots for service delivery.

Analyse the risks of AI adoption in the areas of Gender and social bias, Dependency on proprietary tools, Data protection (including GDPR), cybersecurity, and Institutional risks in line with evolving EU legislation (EU AI Act).

#### c) Best practices and feasibility for piloting

Describe practical use cases from the partner system and selected AI tools

- Conduct hands-on exploration of practical AI tools and methods (e.g., prompting exercises) relevant to partner contexts.
- Shortlist 2–3 promising AI use cases and perform feasibility analyses
- Provide clear decision criteria for Albanian public sector institutions to pilot AI tool implementation.

The contractor should check, for example, these tools:

Function	Description / Use Case
AI Legal Assistant	An AI which can automate legal tasks and generates basic contracts or appeals. (for Albanian Laws)
Text to Video Generator/ Image to Video/ Whiteboard animation	An AI tool/s that can generate content
AI Agent	To research the potential use of AI Agents for automatization of tasks
AI Document Summarizer	To summarize long reports, PDFs, and contracts instantly
AI-Powered Research Assistant	Finds and synthesizes academic research for evidence-based proposals
AI Design Generator	Creates visuals, presentations, flyers or reports using AI-generated templates or which updates the existing document
Data Cleaning & Structuring	An AI which cleans and standardizes Monitoring & Evaluation data
AI Tutoring & Training Generator	Builds interactive training decks from text or ideas
Task Automation Bot	Automates workflows across tools (e.g., form to calendar)
AI Transportation	AI related to improving urban mobility
AI Grant Writer / Proposal Generator	Generates project proposals and aligns them to donor frameworks
AI Scheduling Assistant	Optimizes scheduling & blocks dates for meetings
Geospatial AI	An AI which analyzes large datasets (e.g., satellite imagery) to provide insights for urban planning or disaster risk reduction.
Climate risk forecasting using ML	Identify future risks to infrastructure and agriculture from climate change



#### d) Roadmap development

Describe the Organisational AI Readiness – AI strategy, human-machine collaboration, implementation and governance – with the derivation of concrete intervention ideas within the respective organisational contexts

- Define the organizational AI readiness pillars tailored to institutional contexts
- Develop a practical roadmap with short, medium, and longterm priority steps for responsible AI integration, institutional preparedness, and internal capacity development.

#### Final Online Workshop

In close coordination with GIZ, organise an online Workshop in Tirana with at least 60 participants of the relevant stakeholders from Albania's public institutions, as well as donor representatives of BMZ. Present the main findings of the report in an executive Power Point Presentation, detailing concrete potential interventions along the developed roadmap.

<b>Milestones/partial works</b>	<b>Deadline/place/person responsible</b>	<b>Criteria for acceptance</b>
<b>Inception phase</b>	<b>Deadline:</b> 1 month after contract signature <b>Place:</b> remote <b>Person Responsible:</b> Contractor Team Leader	Inception report delivered to GIZ digitally with stakeholder mapping; work plan and methodology
<b>AI in Practice Workshop</b>	<b>Deadline:</b> 2 months after contract signature <b>Place:</b> Tirana <b>Person Responsible:</b> Contractor Team Leader	A 2-day workshop with all relevant partner institutions and 40 participants has taken place in Tirana
<b>Draft Report with Executive Summary</b>	<b>Deadline:</b> 4 months after contract signature <b>Place:</b> Tirana and remote / <b>Person Responsible:</b> Contractor Team Leader	Analytical sections structured around the 4 chapters, Tool overview and categorisation (e.g. use case matrix) Strategic and operational recommendations to improve the efficiency of sectors delivered to GIZ digitally as an English-language Word Document (minimum 20 pages)
<b>Results presentation of the study</b>	<b>Deadline:</b> 5 months after contract signature <b>Place:</b> Online <b>Person Responsible:</b> Contractor Team Leader	Final Online Workshop with all relevant partner institutions and at least 60 participants has taken place in Tirana; PPT presentation sent to GIZ
<b>Final Study</b>	<b>Deadline:</b> 6 months after contract signature <b>Place:</b> Tirana and remote / <b>Person Responsible:</b> Contractor Team Leader	Integration of amendments in final study

Period of assignment: from 01.07.2026 until 31.12.2027.

### **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): Bidders shall link their approach to the objectives defined in Context and demonstrate an explicit strategy to deliver the tasks in Chapter 2.
- Cooperation (1.2): Describe relevant actors (e.g., SASPAC; institutions for digital administration, cybersecurity, data protection; line ministries/agencies) and how cooperation will be organized.
- Steering and monitoring (1.3): Explain the approach to steering measures with project partners (1.3.1) and contributions to results-based monitoring (1.3.2), including indicators and sources of verification.
- Key processes and operational plan (1.4): Provide a schedule describing work steps to deliver services, reflecting milestones and partner contributions.
- Knowledge management and scaling (1.5): Describe contributions to knowledge management for partners and GIZ and how lessons learned enable scaling.

### **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 qualifications below represent the requirements to reach the maximum number of points in the technical assessment.

#### **Team Leader**

##### Tasks of the **International** Team Leader

- Overall responsibility for the results of the contractor (quality and deadlines)
- Coordinating and ensuring communication with GIZ, partners and others involved in the tasks
- Reporting in accordance with deadlines

### Qualifications of the Team Lead

- Education/training (2.1.1): Master's degree in public administration, information systems, computer science, data science, or related field.
- Language (2.1.2): English C1;
- General professional experience (2.1.3): 10 years in public sector reform or digital transformation.
- Specific professional experience (2.1.4) 2 previous projects including roadmap development for public / private sector change management / digital transformation.
- Leadership/management experience (2.1.5): 3 years as project team leader/manager.
- Regional experience (2.1.6): 5 years of experience in Eastern Europe/Western Balkans; Albania experience is an asset.
- Development cooperation experience (2.1.7): 5 years in DC projects.
- Other (2.1.8): 2 prior projects including risk assessment frameworks for AI, proven experience workshop facilitation (3 workshops organized).

### **Key expert 1**

Tasks of the **National** AI specialist / data scientist

#### Tasks of key expert 1

- Contact with Albanian Institutions and the administrative organisation of the Workshops
- Assist in defining data requirements and pilot decision criteria;
- Advise on cybersecurity and data protection implications in Albania.

#### Qualifications of key expert 1

- Education/training (2.2.1): Master's in computer science, data science, AI/ML, or related field.
- Language (2.2.2): English C1, Albanian Mother tongue
- General professional experience (2.2.3): 5 years in applied AI/ML.
- Specific professional experience (2.2.4): 3 years in public sector AI use cases, prompting/workflow design, and risk mitigation.
- Management experience (2.2.5): 2 previous projects, proving experience coordinating technical workstreams.
- Regional experience (2.2.6): 3 years of experience in Eastern Europe/Western Balkans is an asset.
- Development cooperation experience (2.2.7): 2 previous projects in DC context.
- Other (2.2.8): 2 previous projects proving knowledge of secure data architectures and ethics-by-design.

#### Soft skills of team members

- Team skills;
- communication skills;
- efficient, partner- and client-focused working methods;
- interdisciplinary thinking.

## 5. Costing requirements

### Assignment of personnel

The following basic calculations for the contract for works are a reference value based on the acceptance criteria for each partial work/milestone specified in Chapter 2 (Tasks to be performed by the contractor).

Since the contract to be concluded is a contract for works, we would ask you to offer your services at a lump sum price. The lump sum must include License fees for software (calculated as a lump sum per month) and the travel costs.

In addition, the assessment of the financial bid is also based on the underlying daily rate. Please also provide the underlying daily rate. A breakdown of days is not required.

Milestones/partial works	Estimated expert days for orientation	Deadline/place/person responsible
<b>Inception Phase.</b>	2	<b>Deadline:</b> 1 month after contract signature <b>Place:</b> remote <b>Person Responsible:</b> Contractor Team Leader
<b>AI in Practice Workshop</b>	4	<b>Deadline:</b> 2 months after contract signature <b>Place:</b> Tirana <b>Person Responsible:</b> Contractor Team Leader
<b>Draft Report with Executive Summary.</b>	7	<b>Deadline:</b> 4 months after contract signature <b>Place:</b> remote <b>Person Responsible:</b> Contractor Team Leader
<b>Results presentation of the study</b>	2	<b>Deadline:</b> 5 months after contract signature <b>Place:</b> remote <b>Person Responsible:</b> Contractor Team Leader
<b>Final Study</b>	3	<b>Deadline:</b> 6 months after contract signature <b>Place:</b> remote <b>Person Responsible:</b> Contractor Team Leader
<b>Total expert days</b>	<b>18</b>	

Any travel linked to a contract for works should be included in the following table.

Travel expenses	Quantity	Number per expert	Total	Comments
<b>Per-diem allowance in country of assignment</b> <i>If an on-site assignment takes place over the weekend, per diem allowances for weekends can be reimbursed between the fee days.</i>	3	1	3	
<b>Overnight allowance in country of assignment</b> <i>If an on-site assignment takes place over the weekend, overnight allowances for weekends can be reimbursed between the fee days.</i>	2	1	2	
Transport	Quantity	Number per expert	Total	Comments
<b>International flights</b>	1	1	1	Travel to the place of delivery of the work Albania

### Workshops, events and trainings

The contractor implements the following workshops:

- AI in Practice Workshop (2 days)

Within the workshop, the contractor will cover the financial cost of:

- Venue booking (including technical set up)
- 2 Coffee Breaks and Lunch for Min. 40 participants
- Moderation/ Facilitation
- Translation services

- Final Presentation of Results (Online)

In the organisation of the two workshops, the contractor is required to:

- Avoid single-use plastics / disposable packaging, very small packaging units or disposable cutlery and glasses.
- Avoid procurement of new event-specific items (e.g. give-aways, decorative elements) as far as possible.

Please describe in your concept how you implement the minimum standards specified above.

## **6. 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 15 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).

As the contract to be concluded is a contract for works, please offer a fixed lump sum price that covers all relevant costs (fees, travel expenses, etc.). The price bid will be evaluated on the basis of the specified lump sum price. In addition, please also provide the underlying daily rate. A breakdown of days is not required.