

**Terms of Reference**  
**Consulting Services for the Institutional Development of the Serbian Tax Administration's Human Resources Function**

## **1. BACKGROUND**

The Tax Administration Transformation Program defines the framework for the beginning of the Tax administration reform from 2015-2020, adopted in 2015 by the Government of the Republic of Serbia. In the further implementation procedure, the Government of the Republic of Serbia adopted in December 2017 the Action Plan of the Transformation Program for the period 2018-2023. year, in which the mission, vision, and reform activities of the STA were presented.

Strengthening reform efforts, focusing on significant structural changes, and strengthening administrative capacity are done to provide predictable public revenues of the central budget of the Republic of Serbia, local government budgets, and mandatory social security funds. In that sense, as a support to the intensification of the reform efforts of the Tax Administration, as a budgetary instrument of the reform of the Tax Administration, the Loan Agreement between the Republic of Serbia and the International Bank for Reconstruction and Development was realized.

This loan represents a five-year project, Tax Administration Modernization Project (TAMP), that started in 2019, funded through a World Bank loan to the Government of Serbia, which has as its primary objective to contribute to the achievement of STA's future vision: namely, to become an organization characterized by paperless operations, a taxpayer-friendly administration providing world-class services, equipped with sharp, ICT-enabled risk-based compliance and enforcement activities, allowing the Serbian Tax Administration (STA) to effectively use its limited resources to optimize revenue mobilization for the Republic of Serbia.

The TAMP is conceived as an institutional reform project focusing on core tax administration functions and comprising four components: (1) Legal Environment; (2) STA Organization and Operations; (3) ICT Systems and Records Management Modernization; and (4) Project Management and Change Management. The TAMP will finance technical assistance, training and capacity building, investment in IT systems, and data management.

**Component 1: Legal Environment.** The component will ease the range of constraints in the overall legal and tax administration policy environment where STA operates, helping to plug loopholes; align Serbian legislation with EU standards; support a comprehensive approach to risk-based management, and improve tax compliance. The component will finance advisory support to remove impediments in the legal environment to ensure the effective functioning of the STA and will focus on tax laws and regulations and information governance and exchange.

**Component 2: STA Organization and Operations.** The component will improve various functional areas identified as weak in the Serbia Tax Administration Diagnostic Assessment (TADAT): taxpayer registration, risk management; voluntary compliance; tax dispute resolution; and the overall operational effectiveness.

**Human Resource Environment and Capacity Building:** This sub-component will improve undertake the manner of performing activities and organizing the work of the human resources

function resulting in streamlining of the inefficient human resource support system and development of the specifications for the enhancement of the existing HR Management Information System (HR-MIS) to transform it into a fully functioning HRMIS system. This component will strengthen the STA's operational efficiency and effectiveness by modernizing all tax collection operational functions, administrative support systems, such as human resource management and taxpayer services. Component activities will involve business process re-engineering and capacity building of STA staff.

**Component 3: ICT System and Records Management Modernization:** The component will improve and expand the services provided by the ICT system and address the STA's serious records management issues, including dealing with the significant paper records backlog.

**Component 4: Project Management and Change Management.** The component will focus on the modernization of the Serbian Tax Administration, requiring a mix of business process and performance improvements and ICT solutions.

The STA carried out several activities to implement the Transformation Program and the Action Plan in the previous period. Activities on the development of the STA were not caused by the obsolescence of the existing technical and technological basis of the ICT system. Still, they were the result of the need to improve the business functions of the STA and the introduction of new business functions that did not exist or were not sufficiently developed in the STA.

The STA has managed to improve the existing business model by (1) improving the current collection of public revenues, (2) translating all tax returns from its jurisdiction into electronic form, (3) by establishing a taxpayer-oriented relationship and creating an organizational unit that it deals with, (4) the implementation of organizational change to reduce the number of organizational units of basic activities from 78 to 37, to reduce costs and the existence of a still adequate presence in the field. Within the Project: "Strengthening the institutional capacity of the Tax Administration of Serbia through technical assistance for the development of human resources management systems" (EuropeAid / 131429 / C / SER / RS), the Human Resources Management Strategy of the STA for 2015-2018 was developed, but never implemented due to Government decision on hiring freeze and later due to COVID19 situation.

A consolidated report was prepared to consolidate measures aimed at improving the human resources management function in the STA in four covered areas of HRM (personnel planning and retention of key groups of employees - tax inspectors, enhancing the process of filling vacancies jobs and organizations of the Human Resources Department by the best European practices in this field), as part of the project Public Finance Reform - 2030 Agenda funded by GIZ (Deutsche Gesellschaft für Internationale Zusammenarbeit GIZ-Office Belgrade).

The report was based on the following statements and proposals prepared within the project and include:

1. Proposal a four-year staffing plan for key groups of employees (STA Audit Sector) in the Tax Administration of the Republic of Serbia for the period 2021-2024. (25/11/2020);
2. Retention plan for key groups of employees in the Tax Administration of the Republic of Serbia (from November 26, 2020);
3. Report on the analysis of the recruitment process in the Tax Administration of the Republic of Serbia with a proposal of measures for improvement (March 2021);

4. Proposal of a new sector organization for Human Resources in the Tax Administration of the Republic of Serbia (April 2021).

The report was prepared as a type of the Action Plan that contains measures to improve the efficiency of the human resources management function in the STA for the coming period and can be linked to the Tax Administration Transformation Program for 2021-2025 adopted by the Government of the Republic of Serbia in May 2021, i.e., for strategic goal 3 - Profiling a new tax officer of an exceptional level of professionalism and competence as a result of further development of human resources function and some elements of a planning activity (PA) 11.1: Tax administration through selection, recruitment, capacity building and professional development, performance management, and system by implementing measures, to retain quality tax officials, provides a high level of professionalism and competence of employees and thus creates a new generation of tax officials.

In the incoming period, challenges towards the STA in the area of a human resource require the development of strategic management, which in practice should present a concrete set of measures and activities that will provide efficient recruitment processes for more civil servants (through the mechanism of adopting the Annual Personnel Plan), professional training and quick introduction of new employees, redeployment of employees by changes in the organizational structure of the STA through the mechanism of adopting the Annual Personnel Plan, retaining the highest quality employees in the STA, etc.

The current act on internal organization and systematization of workplaces requires a significant increase in the number of employees in strategically essential jobs. Following the Transformation program 2021-2025, fulfilling the first strategic goal of establishing business processes following best international practice through the BPR TAMP project activity requires developing a new four-year staffing plan for all key groups of employees to ensure appropriate staff structure.

Human resource management is key to successfully implementing the 2021-2025 Transformation Program following the highest standards. Extremely high formal and essential requirements, which are part of employees' competencies, impose before the Tax Administration the need to institutionalize the transfer of knowledge and skills needed to perform the work of taxpayers. The improvement of special professional training will be approached through an appropriate organizational form that will provide special training programs according to the needs of the STA while implementing the STA Transformation Program 2021-2025. By that, the transformation and improvement of the existing organizational forms will be carried out, in the competence of which are the tasks of professional training.

## **2. OBJECTIVES OF THE ASSIGNMENT**

The principal purpose of the Assignment is to ensure that the STA develops an organizational structure, leadership and managerial capabilities, human resource management policies, change management philosophy, and integrity measures that enable it to achieve its goal of becoming a modern tax administration.

The objectives of the assignment are to:

- Improve the STA organizational structure to facilitate effective management of the headquarters and regional units to ensure adequate control and proper implementation

of new and strategically essential functions, such as risk management, human resource management, and human resource development with particular attention to activities that support the core functions, as identified in the consultancy on Business Process Reengineering of the STA;

- Ensure that the STA has professional, highly motivated, ethical, and service-oriented staff to adjust to the new, modern tax environment;
- Develop the leadership and managerial capacity in the STA to lead the change process; to synchronize, coordinate and reinforce the planned change activities; to develop strategies and structures that support change and encourage continuous improvements in performance; and to communicate key change messages to internal and external stakeholders;
- Develop functional specifications for the enhancement of the existing HRMIS (HR Management Information System).

### **3. SCOPE OF WORK**

The Consultant will perform the following:

#### **Overall Organizational Structure and Functions**

- (a) Analysis of the overall institutional governance structure and functions of the STA with focus on identifying deviation of the existing situation vis-à-vis good international practice for a modern, efficient, and effective tax administration (gap analysis of the current situation and good international practice to identify negative and positive sides of the existing situation).
- (b) Present at least three examples of the best international practice of efficient human resources function in tax administrations—evaluating various options for an organizational structure. Following the gap analysis, recommendations are to be identified, including potential reorganization and consolidation of the tax administration based on a functional rationalization of personnel and systems.
- (c) Business process reengineering of the human resources function. This implies optimization of existing and introduction of new business processes, design, and implementation of a new, improved organizational structure of the Human Resources Sector following the good international practice.

#### **HR Development, Policies, and Management Practices**

- (d) Review of HR policies regarding human resources management, particularly as they relate to STA core functions, including recruitment/selection of staff members, as well as putting in place a rotation system for tax officials (i.e.: (i) strategic workforce planning, (ii) career management from recruitment through retirement, including the rotation system, (iii) performance management, and (iv) training system);
- (e) Review of HR practices (within STA and the national framework – through the analysis of the existing federal and institutional legislation and best international practice governing the field of human resource management) to identify gaps between the current and future Human Resource Strategy, together with practical recommendations on ways of removing or managing those gaps. Special attention will be paid to the employment process in the STA (recruitment, selection, induction) and establish integrated performance management of employees through coordination of top managers, human resources managers, and direct managers who will support qualitative changes within the Tax Administration.

- (f) Improve strategic Human Resource planning in terms of the number of employees, structure, competencies of employees needed to achieve organizational goals and procedures that ensure quality planning. Develop a new four-year staffing plan for all key employee groups. The human resources plan must contain quantitative, qualitative, and timeframe components. The planning process must be based on two critical subprocesses: needs and supply forecasting;
- (g) Perform a systematic analysis of work in the Tax Administration, standardization of work by the existing situation. Create a typology of jobs (typical jobs for all STA functions) through making a catalog of all jobs in the STA with a proposal for a future typology that simplifies business procedures;
- (h) Develop comprehensive Human Resource strategy, including suggested options for increasing flexibility to address inefficient staff deployment within the STA, development of a workforce planning and strategy aiming at rationalization of the organizational structure taking into account the need for new staff and deployment of more staff for audit and collection. To the extent possible and information is available, this strategy should incorporate findings (and likely conclusions) from the ongoing Business Process Reengineering BPR consultancy (adopted General Business Model of the STA) that is underway at the same time as this Assignment. This strategy will also address HR planning, career management, performance, and HR management.
- (i) Draft an Action Plan for the adopted Strategy Implementation
- (j) Develop a plan for progressive personnel replacement as part of the modernization process;
- (k) Develop a methodology for monitoring of the tax authorities performance efficiency and effectiveness (note: there are two performance aspects: one at the institutional level and another for individuals);
- (l) Review and prepare recommendations on strengthening ethics policies, integrity, and anti-corruption programs for the STA, including investigative techniques, and revising, if needed, the Code of Ethics;
- (m) Establish employee performance management and employee development system designed and implanted following EU framework of tax competencies, defining clear criteria in terms of education, skills, work experience, and evaluation of previous work, based on selection and promotion of STA staff will be performed.

#### **Enhancements to HR-MIS IT system**

- (n) Undertake a general review of the STA's current HR-MIS IT system with the insight of the situation in this field, to include the activities already undertaken by the Government of Serbia and the Ministry of Finance;
- (o) Develop functional specifications for the enhancement of the existing HR Management Information System (HR-MIS), which has the goal of centralizing and automating all business processes of the HR function;
- (p) Specifications must be in a format defined by the STA working team.

#### **Training**

- (q) Undertake training needs assessment and development of a training strategy;
- (r) Undertake training needs assessment for urgent training and develop a training plan for employees;
- (s) Training of trainers that will train the STA's staff in Human Resource Management. To achieve the objective, the Consultant shall:

- i. prepare a plan of training of trainers, objectives, timing, examples, practical exercises, training materials, and a testing system to evaluate the trainers' knowledge and the effectiveness of the train the trainers program;
  - ii. develop training programs to be delivered by the trained trainers to the STA's staff;
  - iii. Undertake Train the Trainers event, the number, and frequency to be consistent with the establishment of a training capacity;
  - iv. Together with the trained trainers, carry out pilot training events for new STA employees (new employees or reassigned) in numerous modules/courses for the appropriate number of employees per module to be defined by the STA;
- (t) Training and other materials shall be prepared in Serbian for all trainees as needed;
- (u) Training for tax officials in the area of gender sensitivity.

**Support to the implementation of the adopted HR Strategy**

- (v) Support to the STA in implementing the HR Action Plan concerning institutional development.

**4. DELIVERABLES**

The deliverables of the Consultant are:

#	Deliverable	Timeline	Number of Copies (on each language)	Languages
1	Inception Report with Work Methodology	Week 3	5	English/Serbian
2	Presentation of international best practices in the HRM field	Week 6	5	English/Serbian
3	Draft Analysis of the deviation of the existing and preferable situation (gap analysis of the current situation and international best practices)	Week 8	5	English/Serbian
4	Gap analysis between STA existing and preferable	Week 9	5	English/Serbian

<b>#</b>	<b>Deliverable</b>	<b>Timeline</b>	<b>Number of Copies (on each language)</b>	<b>Languages</b>
	organizational state and presentation			
5	Draft of the HR Strategy	Week 16	5	English/Serbian
6	HR Strategy	Week 17	5	English/Serbian
7	Draft of Action plan implementing HR Strategy	Week 21	5	English/Serbian
8	Action plan implementing HR Strategy with presentation	Week 22	5	English/Serbian
9	Draft of the revised four-year staffing plan	Week 27	5	English/Serbian
10	Four-year staffing plan	Week 28	5	English/Serbian
11	Draft of training needs assessment	Week 32	5	English/Serbian
12	Training needs assessment	Week 34	5	English/Serbian
13	Draft of training strategy	Week 38	5	English/Serbian
14	Training strategy	Week 40	5	English/Serbian
15	HRMIS technical specification	Week 42	5	English/Serbian
16	Report on conducted training of trainers in the field of HRM	Week 52	5	English/Serbian

#	Deliverable	Timeline	Number of Copies (on each language)	Languages
17	Draft Document on business processes design – HRM	Week 58	5	English/Serbian
18	Design of HR business processes with and presentation	Week 60	5	English/Serbian
19	Draft Final Report	Week 62	5	English/Serbian
20	Final Report with presentation	Week 64	5	English/Serbian
21	Final Report on assistance in the implementation of the HR Strategy	Week 104	5	English/Serbian

## 5. TIMING AND LOCATION

The duration of the Assignment will be approximately 24 months from the Commencement Date. The Contract will be performed in Serbia.

## 6. REQUIREMENTS TO THE CONSULTANT

The Consultant should have sufficient resources and expertise to perform the services described in the Terms of Reference.

### PERSONNEL

The Consultant will provide a dedicated Team Leader who will be responsible for the contract management and coordination. The Consultant will additionally provide a project team of qualified and experienced personnel to deliver the specified scope of work, followed by:

- (a) Organization Structure and Functions;
- (b) HR Policy, Strategy, and Management;
- (c) Training;
- (d) HR-MIS business analysis.

The engaged experts' time input is estimated to be 96 person-months. These figures are indicative, and the Consultant is required to develop the most effective and efficient staff timing and deployment for each task following the proposed methodology.

The Team Leader is expected to be supported by an implementation team of experts with outstanding and relevant professional qualifications, experience, and proven track records in the following tasks:

- (a) Conducting a comprehensive functional review and in-depth analyses of organizational structure, functional descriptions, and making detailed recommendations for the future organizational structure of the tax administration;
- (b) Developing HRM policies and strategy to ensure effective planning for and transition to modern HRM practices with streamlined structures and systems that improve managerial control, internal communication, accountability, and inter-functional cooperation; developing HR institutional capacity in line with a new merit-based remuneration system, mainly related to salary, performance review and conditions of service for public sector organizations; and development of a well-structured HR manual that incorporates developments mentioned above, and providing training and workshops for HR managers;
- (c) Reviewing the existing HRM Information System (HR-MIS) and drafting of functional requirements for a new modern system;
- (d) Developing and assisting with the implementation of both internal and external communications' strategies to disseminate information to staff and the public on tax authority modernization;
- (e) Developing and conducting periodic stakeholder surveys;
- (f) Reviewing and strengthening ethics policies and integrity, anti-corruption programs for the STA; and revising, if needed, the Code of Ethics; training managers and staff in anti-corruption methods and investigative techniques.

## **7. ORGANIZATION AND REPORTING**

The Consultant shall work and report under the direct jurisdiction of the Project Manager. The Project Manager will facilitate the Consultant's access to data, information, and key actors in the assignment.

During the project, the Consultant shall prepare:

- a) Monthly Consultant activity reports;
- b) Periodic reports (regular and interim);
- c) Final Report.

### Monthly and Periodic Reports

The Consultant must prepare monthly and periodic reports during the assignment:

- a) Regular monthly report. A status report shows all activities during the reporting period and shows results and progress in their achievement. Also, the activities planned for the next reporting period, the total time spent on defined tasks by the Consultant, and a summary review. This report shall also contain a list of risks identified by the Consultant and appropriate mitigation strategies (through a previously standardized template received from the TAMP Project Manager). The

report must be submitted no later than the fifth day of the current month for the previous month and must be approved by the Project Manager.

- b) Interim report – upon request by the STA or Ministry of Finance or completion of a milestone. Status report where all activities during the required period are shown, together with results achieved. This report should also contain a list of risks identified by the Consultant and mitigation plans. The TAMP Project Manager will review the report, and final approval will be by the STA Transformation Committee.

### Final Report

Upon completing the assignment, the Consultant will prepare a Final Report. The Draft of the Final Report is to be submitted in the English and Serbian languages after the completion of all activities and successfully approved all the key documents and contains a concise overview of all activities which were completed during the implementation of the assignment, analysis of results and impact on the organization (primarily on the STA), risk analysis and ways in which they were managed during the performance of the assignment.

Upon approval of the Draft, the Consultant will submit the Final Report with all critical documents attached that were the subject of approval by the TAMP Project Manager. The Final Report is to be submitted in the English and Serbian languages by Section 5: Deliverables.

### **Submission and approval of reports and other materials**

The basic approach for the acceptance of deliverables should be as follows:

- a) The Consultant prepares each deliverable and submits it in the English and Serbian languages to the members of the STA working team and Project Manager for approval;
- b) The STA working team members review the deliverable with the Project Manager and distribute the deliverable to the relevant business sector(s). Those who review it on behalf of the STA must submit their comments or accept the content of the deliverable within a maximum period of 15 (fifteen) calendar days. Changes and remarks are entered using the functions of MS Word “Comment” and “Track Changes,” as needed. Consolidated comments and remarks, the Project Manager submits to the Consultant in writing, electronically, not later than three working days following the receipt of all comments;
- c) The Project Manager can extend this deadline for an additional 5 (five) working days, upon the reasonable request by the Consultant;
- d) In the case of STA not submitting remarks within 15 (fifteen) calendar days, the deliverable shall be considered approved in its original form;

- e) If STA submits comments, the Consultant changes/revises the deliverable and submits it to the STA working team members and Project Manager in writing, electronically, within 7 (seven) calendar days;
- f) The procedure is repeated until the STA approves the deliverable, in a maximum of 3 (three) cycles;
- g) The Consultant submits the consolidated deliverable to the STA, in the English and Serbian languages electronically and in printed form;
- h) The consolidated deliverable is submitted to the STA Transformation Committee for approval;
- i) Upon adopting the deliverable by the STA Transformation Committee, the Project Manager notifies the Consultant;
- j) If some questions and problems remain unsolved in the approval process, the Project Manager will prepare a proposal to resolve such problems and send it to the STA Transformation Committee. The STA Transformation Committee will then decide what the best way to address the questions and problems is;
- k) For shorter deliverables, where there is expected disagreement of those who review and accept them, a working team revision of the deliverable can be applied. In that case, the deliverables are sent and reviewed. Still, instead of the consolidation in writing, a meeting is convened where the content of the deliverable is read and discussed, and the participants give their comments on the spot. At the end of the meeting, all disagreements are expected to be resolved.

## **8. MONITORING AND EVALUATION**

Contract Performance will regularly be monitored by the STA in coordination with the PIU through directly contacting the Team leader and experts, reviewing periodic reports, and periodically evaluating the results achieved.

The Contract will be considered satisfactorily completed if the objectives and specified results have been achieved, the activities have been carried out as required by the Terms of Reference, and the necessary reports have been produced on time.

## **9. FACILITIES & SERVICES TO BE PROVIDED BY THE STA AND CONSULTANT**

### **STA**

Regular access to STA premises, facilities, systems, equipment, processes, procedures, records, and relevant tax officials will be provided. Additionally, the STA will make available suitably qualified and experienced experts for each subject area under this Contract who will work on a full-time basis with the Consultant's team.

The STA will provide the Consultant's team office space with appropriate equipment (projector and/or video-conference link, network access) and premises to hold training events, workshops, and seminars for trainers and STA's staff.

## **Consultant**

The Consultant will be responsible for:

- (a) The administrative and financial management of the Contract;
- (b) The performance and conduct of the Team Leader and experts assigned (team members);
- (c) Arranging living accommodation for the team members and other staff involved in the delivery of the contract;
- (d) Arranging international and local transportation for the team members and other involved staff;
- (e) The services related to interpretation and translation of the contract deliverables following the Terms of Reference and the STA's requirements.

## **10. QUALIFICATIONS**

### **Qualification criteria – Consultant (Company)**

The right to participate is restricted to a Consultant who:

- (a) must be a legal entity;
- (b) must have proven public sector experience in the area of human resources reform and development of at least one European country, and has to prove its experience with a list of successfully finished projects in the last five years (2016-2020):
  - i. at least two successfully completed projects, with a minimum value of 400,000 EUR each, where the assignment, or a part thereof, was dedicated to the development of human resource strategy, the definition of HR structure or development of human resource policies; and
  - ii. at least one successfully completed project with a minimum value of 400,000 EUR, where the assignment, or a part thereof, was dedicated to the development of training curriculum and execution of training with a vast number of trainees.
- (c) The Consultant must have a minimum of 20 employees with relevant experience in the field and conducted similar assignments in the last five years (2016-2020).  
Proof: submit the contract/certificates of employees on the engagement on subject projects;

**Key Experts must have the following qualifications:**

### **Team Leader**

The proposed Team Leader must have:

- (a) University Degree in the field of social sciences and humanities;
- (b) Minimum 15 years of general working experience;
- (c) Minimum 10 years of experience in the field of consulting, team/project management, and leadership position;
- (d) Proven knowledge in analyzing large-scale, in-depth, functional reviews, analyses of organizational structure, change management practices, and human resource systems in public sector organizations;

- (e) Proven experience in implementation of similar projects and projects with similar assignments presented in Terms of Reference – minimum two projects in last five years (2016-2020);
- (f) Proven experience in implementation of projects in the public sector – minimum three projects;
- (g) Proven experience in implementation of donor projects (WB, EU, USAID, or similar) will be taken as an advantage;
- (h) Possession of ISO21500, PMP (Project Manager Professional) or Prince2;
- (i) Fluency, both written and verbal, in English;
- (j) Excellent presentation skills;
- (k) Masters or Ph.D. will be taken as an advantage;
- (l) Knowledge of Serbian will be taken as an advantage;
- (m) Previously, working with tax administrations or similar government agencies will be advantageous.

### **Senior Human Resource Strategy Expert**

- (a) University Degree in the field of social sciences and humanities;
- (b) Minimum 15 years of general working experience;
- (c) Minimum 10 years of experience in the field of human resource consulting, human resource strategy, human resource policies, and practices in the public sector;
- (d) Proven experience in implementation of similar projects and projects with similar assignments presented in Terms of Reference – minimum two projects in last five years (2016-2020);
- (e) Proven experience in implementation of projects in the public sector – minimum three projects;
- (f) Fluency, both written and verbal, in English;
- (g) Excellent presentation skills;
- (h) Masters or Ph.D. will be taken as an advantage;
- (i) Knowledge of Serbian will be taken as an advantage;
- (j) Previously working with tax administrations or similar government agencies will be taken as an advantage.

### **Senior Human Resource Management, Re-engineering and Training Expert**

- (a) University Degree in the field of social sciences and humanities;
- (b) Minimum 15 years of general working experience;
- (c) Minimum 10 years of experience in the field of human resource consulting, human resource strategy, human resource policies, and practices in the public sector;
- (d) Proven experience in preparation of training curriculum and conducting the training of large scale of employees – minimum two projects in last five years (2016-2020);
- (e) Proven experience in implementation of projects in the public sector – minimum three projects;
- (f) Fluency, both written and verbal, in English;
- (g) Excellent presentation skills;
- (h) Masters or Ph.D. will be taken as an advantage;
- (i) Knowledge of Serbian will be taken as an advantage;
- (j) Previously working with tax administrations or similar government agencies will be taken as an advantage.

## 11. SELECTION OF THE CONSULTANT FIRM

The Consultant firm will be selected by QCBS (Quality-and Cost-Based Selection) method set out in the World Bank's Procurement Regulations for IPF Borrowers (July 2016, revised November 2017 and August 2018).

The following criteria will evaluate the Proposals:

#	Criteria	Weight
1	<b>Experience of the Consultant firm relevant to the assignment</b>	<b>5</b>
2	<b>Adequacy and quality of the proposed Methodology and Work Plan in responding to the Terms of Reference</b>	<b>50</b>
3	<b>Key Experts' qualifications and competence for the assignment</b> Key Expert: Team Leader [points 15] Key Expert: Senior Human Resource Strategy Consultant [points 10] Key Expert: Senior Human Resource Management, Re-engineering, and Training Consultant [points 10]	<b>35</b>
<b>The Key Experts' qualifications shall be evaluated according to the following sub-criteria and their belonging weights:</b>		
a)	General qualifications (general education and experience)	20%
b)	Adequacy for the Assignment (relevant experience in the industry and similar assignments with a focus on the public sector, previous experience with international donors)	60%
c)	Relevant experience (working level fluency in local language/knowledge of local culture, etc.)	20%
4	<b>Transfer of knowledge (training) program (relevance of approach and methodology)</b>	<b>5</b>
5	<b>Participation by nationals among proposed Key Experts</b>	<b>5</b>

The minimum passing score is 75 points.

The STA will publish Request for Expression of Interest, and upon evaluation of received EoI, five to eight best-evaluated firms will receive Request for Proposal. Those firms will be called to submit technical and financial proposals.

The firm will be selected following the Quality and Cost-Based Selection (QCBS) method. QCBS is a competitive process among short-listed firms that considers the quality of the proposal and the cost of the services.

## 12. TERMS OF PAYMENT

The Contract will be the Standard World Bank Lump Sum Contract. The payments for services will be based on the deliverables/reports approved by the Project Manager and Project Director. The Contract costs will include remuneration and reimbursable expenses referring to the assignment.