

ANNEX II: TERMS OF REFERENCE

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1. BACKGROUND INFORMATION

1.1. Partner country

Albania

1.2. Contracting authority

Agjencia Kombëtare e Rinisë (National Youth Agency - NYA)

1.3. Country background

Albania is an EU candidate country experiencing significant transformation in the social and institutional dimensions, including youth development and mental health policies. As a country with a young population and ongoing structural reforms, youth mental well-being is increasingly recognized as a policy priority, especially in the aftermath of COVID-19 and recent natural and economic disruptions.

The government is committed to aligning its national strategies with EU priorities, including the European Pillar of Social Rights and health equity frameworks. However, regional disparities, limited mental health infrastructure, and underdeveloped cross-sector cooperation mechanisms still pose challenges in effective policy implementation.

1.4. Current situation in the sector

Mental health services for young people in Albania remain underdeveloped, with a lack of preventive programs, weak referral systems, and insufficient interinstitutional coordination. The youth sector has made progress in participation and empowerment initiatives, yet mental health support is rarely integrated into youth policy frameworks.

National youth strategies acknowledge the importance of well-being but operationalisation remains fragmented. At the regional level, coordination between civil society, education institutions, and public health actors is inconsistent. The current setting provides an opportunity to mainstream mental health into youth development policies through evidence-based, participatory processes supported by EU cooperation.

1.5. Related programmes and other donor activities

The proposed contract is complementary to existing national and regional efforts supported by the EU and UN agencies, particularly in the fields of youth policy reform, public health, and civic engagement. It aligns with ongoing Erasmus+ and IPA initiatives targeting youth empowerment and draws synergies with regional exchanges under Interreg Europe's thematic priority on social inclusion and well-being.

2. OBJECTIVES & EXPECTED OUTPUTS

2.1. Overall objective

The overall objective (Impact) to which this action contributes is:

To improve regional public policies that enhance mental resilience, emotional well-being, and psychosocial support systems for youth in vulnerable and transitioning regions across Europe.

This contract contributes to that goal by strengthening the institutional and communication capacities of the National Youth Agency (NYA) in Albania through structured stakeholder engagement and evidence-based knowledge exchange.

2.2. Specific objective(s)

The specific objective(s) (Outcome(s)) of this contract are as follows:

- To support structured regional and interregional stakeholder exchange focused on youth mental health policy and practice;
- To raise public awareness and institutional visibility of mental health issues affecting Albanian youth through communication materials and public dissemination;
- To improve NYA's capacity to deliver compliant communication outputs within the framework of Interreg Europe-funded initiatives.

2.3. Expected outputs to be achieved by the contractor

The contractor will be paid on the basis of delivery of the following outputs:

- **Biannual internal expenditure verification reports** (one every six months), aligned with the project's official reporting periods, covering all costs incurred by the National Youth Agency (NYA) under the HARMONY project.
- Verification of the **eligibility, accuracy, and completeness** of financial documentation for each reporting period, including budget checks, justification of expenditure, and identification of any potential ineligible costs.
- Provision of a **final summary control report** after the last project reporting cycle, offering a comprehensive overview of the financial implementation and ensuring full closure of financial obligations.
- **Ongoing advisory support**, when necessary, to respond to clarification requests from the First Level Controller (FLC), the Lead Partner, or the Interreg Europe Joint Secretariat.

Note: The expert must remain engaged throughout the full project duration and must deliver one report every six months, **covering all official reporting periods until the end of the project**, including the final closure report.

3. ASSUMPTIONS & RISKS

3.1. Assumptions underlying the project

- The NYA will ensure timely and complete access to all necessary financial and administrative documentation.
- The expert is familiar with Interreg Europe eligibility rules, financial reporting standards, and procurement requirements.
- Project activities and expenditures will be implemented according to the approved timeline, allowing for predictable six-month reporting cycles.

3.2. Risks

- Delays in internal processing of documents could postpone the expert's verification activities.
- Changes in the reporting calendar or unforeseen delays in project activities might require flexible rescheduling of verification tasks.
- Staff turnover or limited internal coordination may slow down the preparation of supporting documentation.
- Updates to programme rules or templates may necessitate additional guidance or adjustments in the verification methodology.

4. SCOPE OF THE WORK

4.1. General

4.1.1. Description of the assignment

The assignment consists of delivering external expertise in expenditure control and financial verification in support of the National Youth Agency (NYA), as Project Partner 2 (PP2) in the EU-funded Interreg Europe project *HARMONY – Health and Resilience: Mental Empowerment for New Youth*.

The external expert will verify the eligibility and documentation of project expenses incurred by NYA, covering all financial reporting periods from the date of contract signature until project closure. The expert will provide advisory support to NYA's internal staff and contribute to the financial reliability and accuracy of project implementation.

4.2. Specific work

The contractor shall perform the following tasks:

A. Expenditure Verification (biannual):

- Conduct internal verification of expenditures every six months, aligned with the official Interreg Europe reporting periods.
- Review all financial documentation for each reporting period, including invoices, contracts, public procurement files, timesheets, travel reimbursements, and proofs of payment.
- Cross-check each expense for eligibility in line with the project's approved budget and Interreg Europe rules.

B. Risk Identification and Guidance:

- Flag any potential ineligible or irregular costs, and provide written recommendations for their adjustment or correction.
- Identify missing or weak supporting documentation and advise NYA staff on corrective actions.

C. Final Summary Control Report:

- Prepare a final verification report summarising findings from all reporting periods, identifying any financial risks, and confirming the overall eligibility and conformity of NYA's expenditure by project end.

D. Advisory Support to FLC and Lead Partner (if required):

- Provide clarifications or supporting explanations to the First Level Controller (FLC), Lead Partner, or Joint Secretariat in case of follow-up or questions related to NYA's financial reports.

4.3. Project management

4.3.1. Responsible body

The responsible contracting authority is the **National Youth Agency (NYA)** – Albania, acting as Project Partner 2 (PP2) in the HARMONY project consortium.

4.3.2. Management structure

The contractor will work under the supervision of the NYA Financial Manager and the Project Coordinator. Coordination will be maintained with the NYA team responsible for document preparation and reporting. All deliverables will be reviewed and validated by NYA prior to submission to the FLC or Lead Partner.

5. LOGISTICS AND TIMING

5.1. Location

The expert will be based in Albania or may operate remotely. The primary location of implementation is **Tirana, Albania**, where the National Youth Agency (NYA) is based.

All verification activities may be performed remotely, with digital access to documentation, unless in-person visits are requested by NYA or deemed necessary for specific financial files. Occasional in-person coordination meetings may take place at NYA's office in Tirana.

5.2. Start date & period of implementation of tasks

- **Intended start date:** September 2025
- **Period of implementation:** 24 months (September 2025 – August 2027)

Note: The contract will remain active until the **final expenditure verification is completed**, covering **all six-month reporting periods** throughout the project duration, including the **final closure report**. If the financial reporting calendar is extended due to project delays, the contract duration may be adjusted accordingly by mutual agreement, ensuring full expenditure coverage.

6. REQUIREMENTS

6.1. Personnel

Note that civil servants and other staff of the public administration of the partner country, or of international/regional organisations based in the country, shall only be able to provide input as experts if well justified. The justification should be submitted with the tender and shall include information on the added value the expert will bring as well on any potential interference or conflict of interest of the proposed expert in his/her function as expert and his/her present or previous functions working as civil servant. Moreover proof should be submitted that the expert is seconded or on personal leave.

The selection procedures used by the contractor to select the experts who provide input to the contract must be transparent, must guarantee the absence of professional conflicting interests and the absence of any discrimination based on former or current nationality, gender, place of residence, or any other ground. The findings of the selection panel must be recorded.

All experts must be independent and free from conflicts of interest in the responsibilities they take on.

6.1.1. Experts

There are no fixed minimum requirements for experts, but the contractor must ensure that the proposed individual(s) meet the following profile:

- A university degree in **Finance, Accounting, Economics**, or a related field.
- A minimum of **5 years of professional experience** in financial control, auditing, or public sector budget verification.
- Proven experience with **EU-funded projects**, ideally with **Interreg Europe, Cohesion Policy programmes**, or similar.
- Strong familiarity with eligibility rules, public procurement procedures, and supporting documentation requirements under EU grants.
- High-level proficiency in **English** and **Albanian**, both written and spoken.
- Strong analytical, documentation, and communication skills.
- Ability to work independently and meet strict reporting deadlines.

All experts must be **independent and free from conflicts of interest** in the responsibilities they undertake under this contract.

6.1.2. Support facilities & backstopping

The costs for support facilities, including backstopping, are included in the tenderer's financial offer.

6.2. Office accommodation

No office accommodation will be provided by the contracting authority. The expert is expected to work from their own premises.

6.3. Facilities to be provided by the contractor

The contractor (or expert) must ensure access to:

- Secure and reliable digital infrastructure for handling financial documents.
- All tools necessary for preparing professional reports (e.g., PDF editors, spreadsheets, document management software).
- Communication means for regular contact with NYA staff (e.g., video conferencing platforms, email, cloud-based folders).

All facilities must be self-financed. The contract will be implemented under a **global price** model; no additional costs for equipment or logistics will be reimbursed separately.

6.4. Equipment

No equipment is to be purchased under this contract. Any tools, hardware, or software used to complete the assignment must be provided and maintained by the contractor.

7. REPORTS

7.1. Reporting requirements

The contractor shall submit the following deliverables in English, in both editable and PDF formats:

- **Inception Note** (within 2 weeks of contract start):
A short note outlining the expert's verification methodology, document checklist, and internal timeline aligned with NYA's reporting calendar.
- **Biannual Expenditure Verification Reports** (total: 7 reports):
One report every six months, covering all expenditure incurred by NYA during the corresponding period. Each report must include:
 - A summary of total expenditures verified
 - Eligibility and documentation checks
 - Identified issues or ineligible items
 - Recommendations for corrections or improvements
 - Confirmation of compliance or warnings for risk areas
- **Final Control Report** (after final project reporting):
A comprehensive financial verification summary, covering the entire project implementation period. The report must assess overall eligibility, identify patterns of irregularities (if any), and confirm NYA's readiness for financial closure.
- **Ad-hoc clarification memos** (if requested):
Brief written responses or summaries to support NYA during FLC reviews or Lead Partner checks.

All reports must be submitted digitally via email and uploaded to NYA's designated project storage system. Print versions are not required.

7.2. Submission and approval of reports

All deliverables will be submitted to the **Project Financial Manager** and the **Project Coordinator** at the National Youth Agency.

Reports will be reviewed within **10 working days** of receipt. Feedback, if necessary, will be returned once. Upon satisfactory revision, or in the absence of feedback within the 10-day period, reports will be considered approved.

Payment will be issued only after formal written acceptance of each biannual report and the final control report.

8. MONITORING AND EVALUATION

8.1. Definition of indicators

The performance of the contractor will be assessed based on the following indicators:

- **Timeliness of delivery:**
 - 100% of expenditure verification reports submitted within the specified deadlines (every 6 months).
- **Coverage and completeness:**
 - All eligible expenditures covered in each report, with comprehensive checks and clear documentation.
- **Compliance with financial rules:**
 - Reports aligned with Interreg Europe eligibility requirements and financial guidance.
- **Clarity and usefulness of recommendations:**
 - Practical, actionable, and clear recommendations provided in each report.
- **Responsiveness:**
 - Timely support provided when clarification requests arise from the FLC, Lead Partner, or other project authorities.
- **Final summary quality:**
 - The final control report must fully reflect the financial trajectory of the project and demonstrate quality assurance in expenditure control.

8.2. Special requirements

- The contractor must ensure full confidentiality of financial and administrative documents.
- All reports must be submitted in **editable format** (e.g., .docx or .xlsx) and **non-editable format** (.pdf).
- The contractor must adhere to data protection and privacy requirements when handling staff-related documents (e.g., payslips, contracts, timesheets).
- In case of disputes over eligibility or budget interpretation, the contractor shall provide documented justifications based on Interreg Europe guidance and PRAG rules.
- The contractor is encouraged to flag best practices or structural issues observed during the verification, contributing to institutional learning at NYA.

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