



**USAID Business Enabling Project in Serbia  
Scope of Work for Consultant**

**Technical Assistance and Training for the Budget Users to Develop Programs, Projects,  
Objectives and Performance Indicators**

**Background**

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**About the Project**

USAID's Business Enabling Project ("BEP"), implemented by Cardno Emerging Markets USA and partners, is a five year initiative launched in January 2011. The purpose of the Project is to help the GoS of Serbia improve the competitiveness of the Serbian economy, its macroeconomic position and its private sector businesses. The Project will provide technical assistance, training, and other support to improve the business enabling environment, macroeconomic stability, and further develop financial markets. The Project is demand driven: all activities are based on the priorities of the private sector and GoS.

BEP Component 2, Macroeconomic Policy and Public Sector Financial Management, will help to advance reforms in financial management and fiscal policymaking that are relevant for business growth and competitiveness. This will include technical assistance to develop better economic forecasts, build capacity in performance-based budgeting, improving public debt management, and strengthen public private dialogue and awareness about key policy issues and developments.

The overall aims of BEP work in these areas will be to:

- 1) Make better use of public funds
- 2) Strengthen fiscal responsibility, planning, and transparency
- 3) Reduce fiscal risks
- 4) Improve the quality and scope of fiscal analysis and policymaking
- 5) Reduce the impact of GoS financing on business and the economy at large
- 6) Strengthen compliance with requirements for EU accession

**About the Counterpart**

The Ministry of Finance and Economy (MFE) and its Budget Department is the main public sector counterpart for BEP work under this component.

Needs of the Budget Department

Budgeting practices in Serbia need to be significantly improved to bring about more efficient use of scarce public resources. Adoption of program budgeting (PB) by 2015, as set out in the Budget System Law, will be an important part of the improvements. This budgeting approach will increase transparency and efficiency because it presents government finances in a way that enables better measurement of the benefits and costs of how funds are used. It provides a framework for longer-term planning and prioritization. In practical terms, it involves significant changes to the way the budget is classified, compiled, evaluated,



prioritized, and ultimately monitored. PB is an approach to budgeting that allows expenditures to be allocated according to intended use. In presenting expenditures this way, the government can better assess how money is spent and whether it is spent in line with high level strategic goals or performance requirements. Some of the benefits of the PB include the following:

- Provides a uniform framework for expenditure prioritization;
- Allows the government to identify not only inefficient spending, but to also under-performing areas that require more resources;
- Helps to improve the quality and outcome of government services by enabling “value-for-money” assessments
- Improves governmental fiscal coordination, which is essential for achieving nationwide social and economic goals
- Offers a budget that is more transparent and understandable to citizens

USAID BEP is supporting the Budget Department in the preparation stage and adoption of PB by budget users at the central level. Currently, BEP develop methodological instruction and programmatic framework through which the priority areas of financing (strategic goals) of budget users will be realized.

The BD is seeking assistance from BEP in facilitating the workshops with selected line ministries and to assist them to prepare their PB classification budget for 2014. Selected line ministries include:

1. Old pilot line ministries: Education, Health, Justice and state administration (state administration is currently PB user), Trade and Telecommunications (trade is currently PB user), Office for religion. They should upgrade program structures (in line with the new PB methodology) for 2014.
2. Some candidates for new pilots are: Ministry of justice and state administration – to include justice in PB, Ministry of Trade and Telecommunications – to include communications in PB, Ministry of foreign affairs, Ministry of culture and information, Office for KiM, Agency for environmental.

During the workshops, the budget users will develop and establish programs, projects, setting objectives and performance indicators, based on the methodological instructions. Programs will be linked to the priority areas of financing as defined by budget users.

This assignment will be part of the USAID BEP project’s Component 2 activities. The assignment includes work under Objective 1, *Improve GoS budgeting, fiscal policy analysis, and financial management efficiency.*



## Scope of Work

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The Consultant will plan and implement the work schedule in accordance with the requirements of SoW.

The Consultant will be expected to perform the following tasks during the period of assignment:

### Tasks:

#### 1) Review of Relevant Documents of Selected Budget Users

The consultant **will review**:

- Instructions for Priority Areas of Financing document;
- Strategic Plans;
- Annual Work Program;
- Instructions for the preparation of the Budget of the Republic of Serbia for 2014; forwards by Minister of MFE; **and prepare**:
- Draft training materials with suggested program structure / targets / indicators for the selected budget users, prepared in consultations with users.

Based on this review the consultant will provide training and workshops to help the budget users define their programs, projects, goals and indicators linked to the priority areas of financing.

#### 2) Deliver Trainings and Guide selected Budget Users in Defining Programs, Projects and Indicators Linked to Priority Areas of Financing

Provide on-site guidance and training to the civil servants involved in budget planning and preparation at the line ministries and other budget beneficiaries. The complete list of institutions participating in the consultations will be submitted to the consultant a week prior to the consultations.

Consultant will review draft programmatic proposals prepared by the budget users, or facilitate brainstorming and definition of draft structures. Also, the consultant will assist budget users in improving structures in line with best international practice in implementing program budget and performance measurement.

Methods and techniques will include applying the strategic planning and program budgeting methodology in a realistic scenario, i.e. proposing a set of programs/projects/performance indicators for budget users.

Expected outcome of the workshops is for budget users to establish the programmatic structure linked to priority areas of financing.

### Phases of STTA

#### 1. Review of Strategies, Priority Areas of Financing, Annual Work Program and Consultations with Selected Budget Users.

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**USAID**  
FROM THE AMERICAN PEOPLE

Projekat za bolje uslove poslovanja  
Business Enabling Project

**2. Deliver training and Facilitate Workshops with Budget Users to Define Programmatic Structures Linked to Priority Areas of Financing**

**Level of effort**

Maximum number of days cannot exceed **15 days**.

**Period of Performance**

Period of performance is from August 15, 2013 to October 1, 2013.

CV in English with clearly showing adequate background and stating references should be sent by e-mail to: [info@bep.rs](mailto:info@bep.rs), by August 8, 2013.