

## Terms of reference

### Draft Service Contract – Terms of Reference Quality Programme Phase III: Further Strengthening of Quality Management, Capabilities, and Infrastructure in Lebanon

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## **1. BACKGROUND INFORMATION**

### **1.1. BENEFICIARY COUNTRY**

Lebanon

### **1.2. CONTRACTING AUTHORITY**

Presidency of the Council of Ministers

### **1.3. RELEVANT COUNTRY BACKGROUND**

The European Union is the major trading partner of Lebanon. The Association Agreement between the European Union and Lebanon, in force since April 2006, foresees the establishment of a bilateral Free Trade area through the progressive elimination of tariff and non-tariff barriers. The Agreement stipulates, among others that

- Divergences in standardisation, metrology, quality control and conformity assessment will be reduced;
- Legislation will be approximated and;
- Consumer protection schemes should be made compatible.

Under the Neighbourhood Policy Action Plan, a number of specific actions have been agreed in order to create the conditions to facilitate Lebanon's integration into European, other regional, and world trade. Moreover, trade facilitation and the improvement of the business environment and the competitiveness of companies are priorities in both the National Indicative Programme 2007-2010 and the Reform programme presented by the government to the international conference in Paris of January 2007.

Among the priorities for action set by the EU-Lebanon Action Plan, fall the improvement of business conditions and the enhancement of Lebanon's export potential.

Furthermore, Lebanese manufacturers and service providers meet substantial problems in demonstrating compliance of their products and services to an increasingly complex and developing set of international regulations and standards. The Lebanese quality infrastructure and the regulatory framework still have significant weaknesses, resulting in slow harmonisation of trade regulations and lack of properly functioning key institutions. The current limited and unsustainable access of Lebanese products abroad is an indicator of the need for reform and structural strengthening of the quality infrastructure.

### **1.4. CURRENT STATE OF AFFAIRS IN THE RELEVANT SECTOR**

In 2003, the European Commission and the Government of Lebanon signed a Financing Agreement for a multi-component Quality Programme (Phase I) with a total value of € 15.4 million. The main beneficiary of this programme was the Ministry of Economy and Trade, which has created a special technical unit for its implementation. The Quality Programme was implemented between October 2004 and August 2008. Due to the fact that the Quality Programme operated under some very difficult external and internal political circumstances, not all its activities could be realised. It was, therefore, succeeded by the Sustaining Quality project (Phase II), a € 2.1 million project that was executed between January 2008 and October 2009.

Nevertheless, building a sustainable quality infrastructure is a long term endeavour, because it requires a profound change of systems and mentality. The European Commission has recognised that fact and has made funds available for a third phase of the Quality

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Programme, as part of the support to the private sector development under the Neighbourhood Policy Action Plan, to be divided between a Twinning Project and a Technical Assistance Project.

The objective of the EU funded Quality Programme is to build and improve the quality infrastructure in Lebanon. This encompasses all its aspects: metrology, standards, testing, quality management, certification and accreditation needed for conformity assessment of products and services in the voluntary and regulated areas. It includes both public and private institutions and the regulatory framework within which they operate.

With the Quality Programme, up to now, the foundations have been laid for the development of a quality infrastructure and a quality culture.

However, the system is still incomplete. In some areas, such as standardisation, certification, testing, inspection, market surveillance, awareness, etc..., a good progress has been made and implementation is taking effect; whereas, in other areas, such as accreditation, food safety, technical regulations, etc..., no effective implementation has taken place yet.

### *1. Legislation*

There is at the moment no comprehensive system of legislation in force in Lebanon that deals with technical regulations and conformity assessment. In the Quality Programme and the Sustaining Quality, all quality related legislation was reviewed in terms of compatibility with international practices. Consequently, a complete package of new laws and decrees, as well as amendments to existing laws has been drafted, providing the foundations for a coherent and internally consistent national regulatory framework for the protection of health and safety, for both food and industrial products. Due to political disagreements, the Parliament was not in session for a long time during the lifetime of the programme, which caused substantial delays. The draft laws are now in different stages of the governmental and parliamentary decision making process. Once enacted, these draft laws need to be put into effect.

### *2. Accreditation.*

The national accreditation council, COLIBAC, is presently a non-operational entity. The internal by-laws and/or Decrees are enacted. Once the appointment of the Director-General and the core staff are made by the government, COLIBAC can start its operations with limited experience.

Although a complete organisational setup was prepared and technical assessors were trained, COLIBAC needs guidance in becoming an operational accreditation body, capable, among others, to support the developments related to the ACAA priority sectors. The longer term objective for COLIBAC is to become a signatory of one or more of the mutual recognition agreements/arrangements, which would greatly support the export potential of the Lebanese industry.

### *3. Conformity Assessment Bodies –testing laboratories*

The laboratory domain of the quality infrastructure is a well-developed part. There is quite a number of testing laboratories in both the public and private sectors, including laboratories at several Lebanese universities. However, testing laboratories cannot cover all the needs of industries, as well as those of authorities for market surveillance. Within the Quality Programme (Phases I & II), a selected group of laboratories received new equipment and training related to new testing methods, as well as for the implementation of laboratory quality management systems and preparation for accreditation. Five laboratories have now achieved the status of an internationally accredited laboratory and three laboratories have reached the pre-assessment stage of accreditation. The Sustaining Quality project introduced the subject of proficiency testing on a broader national scale and provided

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training to laboratories and the first nationally organised proficiency tests were held. A group of seven laboratories has been identified and will be supported with technical assistance to implement quality management systems and to prepare for accreditation. This group includes three laboratories at the oil installation facilities, three laboratories from the regional Chambers of Commerce, which will be supported jointly with QCC-USAID project, and one university laboratory. In order to demonstrate the link between the testing capabilities and market needs, market surveillance and regional development the laboratories will be requested to develop and implement a business plan.

### *4. Conformity Assessment Bodies – inspection and certification*

In the field of inspection and certification an initiative was developed in the Sustaining Quality project. There are a sufficient number of organisations for the certification of management systems in Lebanon, but in the other fields there were hardly any national activities. A number of organisations interested in becoming conformity assessment bodies for the inspection and certifications of products, as well as the certification of persons, were identified. They have received training and consultancy and some of them are now ready for accreditation.

Future activities will be focussing on increasing the number of accredited conformity assessment bodies.

### *5. Standardisation*

The national standards body, LIBNOR, went through an extensive reorganisation process and changed into an internationally oriented and WTO based standards organisation. It has become a full member of ISO and an affiliated member of CEN. Applications for membership of IEC and CENELEC are pending. The completion of the reorganisation is dependent upon the adoption of the new Law on Standardisation. The main objective for LIBNOR is to increase the scale of its operations, e.g. in terms of increasing numbers of technical committees, numbers of participants in standardisation activities, a modest, but active role in international standardisation, etc.

### *6. Metrology*

Metrology in Lebanon is a rather underdeveloped field of activity. The new Metrology law was adopted in August 2011; however, there isn't any metrology institute yet. There are currently few laboratories that perform some activities related to calibration. In the field of legal metrology, very little work is done (e.g. on petrol pumps and tankers). The lack of expertise and traceability of measuring instruments are major obstacles. The new Metrology law prepared during the previous phases of the Quality Programme, will deal with the organisation and responsibilities in the fields of scientific, industrial and legal metrology.

### *7. Market Surveillance.*

Several ministries have formal responsibilities for the control of food products. However, most of them lack resources and professional expertise. As a result, market surveillance in Lebanon is rather inadequate. A possible solution would have been the establishment of a national Food Safety Authority as a coordinating and supervisory body for the food chain. However, the draft Law on Food Safety, which creates the basis for a national food safety system, became stalled in Parliament due to political disagreements. In order to create some form of effective control, the Sustaining Quality Project developed an alternative scenario through technical assistance to the Consumer Protection Directorate (CPD) of the Ministry of Economy. CPD has in principle the legal basis for a broad ranging surveillance of foodstuffs in all stages of the food chain, as well as for non-food products. Moreover, it received a substantial increase in staff. A plan to take advantage of this development was proposed, centring on a new organisational setup, and on a new approach to organising and implementing market surveillance activities. However, so far it did not reach its objectives.

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The implementation of this reorganisation plan for CPD and further professionalization of the organisation are still a priority.

The prospects for a review and revival of the Law on Food Safety look promising under the present political circumstances. That could also mean that the concept of a Food Safety Authority will be back on the drawing board, as well as the design of an effective system for control over the food chain in which the different ministries (e.g. Agriculture, Health, Economy, and Tourism) have their distinctive role to play. The future upgrading of organisational structures, and the increase in the professionalism of the staff are subjects that need attention.

### *8. Quality Policy and QUALEB*

The process of upgrading the Lebanese quality infrastructure is under the guidance and monitoring of the Quality Unit at the Ministry of Economy and Trade. This unit develops initiatives at the national level to create the conditions for a quality infrastructure through policy development and legislation. This step aims to build up the capacities of the institutions that are part of the quality infrastructure and to promote awareness for quality among organisations in the private, non-profit and public sectors. The Quality Unit takes also responsibility for the organisation of the Lebanese Excellence Award. The Quality Unit consists at the moment of a director, six staff members and four support staff. A decree has been drafted to transform the Quality Unit from a project related organisation into a national quality council under the tutelage of the Ministry of Economy and Trade.

A national quality policy has been prepared, covering all aspects of quality infrastructure development, and promoting a quality culture. Due to the political situation in the country, it has not yet been adopted by the government. The implementation of that policy after the approval of the government is a central task of the present Quality Unit (and future national quality council), for which it needs assistance and capacity building.

### *9. Technical Information Centre*

During the first phases of the Quality Programme, the needs in terms of Technical/Trade Information Centres have been assessed and identified, but the tender for technical equipment was lost due to the 2006 war. As the existing Trade Information Centre at MOET currently lacks an organised structure, the support will focus on establishing a basic system to collect data, creating an automated linkage between concerned institutions and stakeholders and setting up of procedures to update the database and publish the information, in accordance with the EU's latest practices. A special issue is the support to Lebanese exporters with regard to information on technical regulations and conformity assessment procedures in other countries. Such information is functional for facilitating compliance of Lebanese products with the requirements already at the manufacturing stage and should also contribute to a reduction in the rejections of products during importation. The strengthening and upgrading of the Technical Information Centre (TIC) at the Ministry of Economy and Trade will be required.

### *10. Excellence Award*

The core of the quality culture resides in the understanding and implementation of the basic principles of quality management and excellence through continuous improvement. Organisations in Lebanon in the private sector, non-profit and public sectors need to be made aware of the advantages that such methods and models present. Consequently, they need to be educated in their application. At the centre of this approach stands the Lebanese Quality Management Model (LQMM) that is based on the European Foundation for Quality Management (EFQM) model. LQMM is a comprehensive framework that organisations can use to evaluate their processes and results and that shows possible areas for action to improve their performance and consequently to better serve the needs of their customers.

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This model is also the basis for the Lebanese Excellence Award (LEA). The LEA scheme is becoming a high-profiled activity that is motivating Lebanese organisations to apply relevant requirements in order to improve their processes and consequently getting public acclaim and recognition for achieving higher levels of excellence.

### *11. Quality in the Public Sector.*

Profit and non-profit organisations are leading the implementation of quality management and excellence in Lebanon, while the public sector is lagging behind. Currently, there are only two public sector organisations with a certified quality management system according to the ISO 9001:2000 standard (the Quality Unit and the national standards body, LIBNOR). Yet at many levels there are continuous interactions between the different sectors. If the profit and non-profit sectors keep the pace of development, the gap with the public sector will widen. An underperforming public sector could eventually become a negative factor in economic development. Therefore, an effort should be made to introduce quality management in the public sector as a means to improve the provision of services through a small number of pilot projects. This will allow the upgrading of quality service in the selected public sector entities and will help in creating the momentum for adoption of QMS in other public sector administrations and institutes.

### *12. Educational sector*

The managers and process operators of tomorrow are the students of today. Students should become acquainted with the basic concepts of quality management and excellence in order to understand modern trends in business operations. Teaching these subjects in universities should be supported through the development adequate teaching materials.

### *13. Quality Awareness*

Awareness is an essential part of the building of a quality infrastructure. The activities undertaken in the different fields of the project and the results achieved should be brought to the attention of the stakeholders through targeted actions, while at the same time strengthening the image and responsibilities of "QUALEB".

As mentioned at the beginning of the current section the commitment of the European Union to support the ongoing development of the Lebanese Quality Infrastructure will be implemented by means of a Technical Assistance Project and a Twinning Project. These two projects that will run more or less in parallel will each take care of a number of the above mentioned fields. That makes coordination of planning an implementation under the leadership of the Director of the Quality Unit imperative.

The fields mentioned above are to be covered by this contract and a parallel Twinning as follows:

#### **Technical Assistance Project**

Legislation

Accreditation

Food Safety

Quality Policy and QUALEB capacity building

Excellence Award

Quality in the Public Sector

Awareness

#### **Twinning Project**

Conformity Assessment (including Testing Laboratories, Inspection and Certification Bodies, and Notified/Designated Bodies)

Standardisation

Metrology

Market Surveillance

Technical Information Centre

Educational sector

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### 1.5. RELATED PROGRAMMES AND OTHER DONOR ACTIVITIES

The Quality Programme III is intended as a continuation of the previous project 'Strengthening Quality Management, Capabilities and Infrastructure in Lebanon' (Europe Aid/117725/D/SER/LB) and its extension the 'Sustaining Quality' project (PAO/SR2/MOET/QUALEB/SERV/01/2007), which were implemented from October 2004 to October 2009. The Quality Programme Phase III will be implemented through a twinning project and a technical assistance service contract, based on the nature of the identified activities and their current status.

There are few other projects, some of which have been completed in the meantime (most of them finished during 2008), but the results of which may influence future developments and some others, which are still under implementation:

- 'Support to the SME Division of the Ministry of Economy and Trade' (Europe Aid/120155/D/SER/LB), focussed on the business environment for small and medium-sized companies through legislation, business development centres and financing facilities.
- 'Support to the Euro-Lebanese Centre for Industrial Modernisation' (Europe Aid/120265/D/ SER/LB), dealt with improving business development among others through enhancing product quality, exports, strategic management, production improvements, etc.
- Technical Assistance to the Agricultural Development Project (Europe Aid/119802/D/SER/LB), provided support to improve the marketing channels, including exports, for the fruits and vegetables sectors.
- 'Institutional Strengthening of the Consumer Protection Directorate' (Twinning Grant Agreement LB04/AA/HE/02). This twinning project dealt with issues of the organisation of market surveillance functions in the Ministry of Economy and Trade, as well as with training of inspectors.
- 'Market Access and Compliance of Lebanese Exports' (EFTA/UNIDO). The MACLE project started in March 2007 and ended in September 2010. It was concerned with supporting developments that are complementary to the Quality Programme, such as increased quality for packaging and labelling, equipping two laboratories for testing packaging and packaging materials, voluntary quality marking schemes and providing some equipment to the legal metrology department at CPD, etc.
- 'Assistance to the Lebanese meat and milk-processing sector in their efforts to gain increased market access – Food Safety Project' (Italy, UNIDO). This project finished in December 2009. It was financed by bilateral funding from the Italian government and managed by UNIDO. The project was part of UNIDO's Integrated Programme for Lebanon to enhance the competitiveness of the Lebanese industry, of which also the MACLE project is a part. There was a strong connection with the Sustaining Quality Project, because there was a large measure of overlap between the initial formulation of the new project (dating from 2004) and the ToRs of the Sustaining Quality project, especially on issues of food safety regulation. Coordination between QUALEB and the Sustaining Quality project on the one hand and the UNIDO Food Safety project on the other hand, resulted in minimising the overlaps.
- The Agricultural Product Quality Control and Certification (QCC) Program funded by USAID (U.S. Agency for International Development) to expand the availability and quality of accredited and certified laboratories and product plants in Lebanon. The Agriculture Cooperative Development International/Volunteers in Overseas Cooperative Assistance (ACDI/VOCA) is in charge of implementing this assistance and it is planned that the Chambers of Commerce of Saida, Tripoli and Zahle receive this assistance under the programme, jointly with QUALEB-MOET, from 13 December 2010 up to July 20, 2012. The

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cooperation between the Quality Unit at MOET and the programme is highlighted in the Memorandum of Understanding that was signed by MOET and USAID.

## **2. CONTRACT OBJECTIVES AND EXPECTED RESULTS**

### **2.1. OVERALL OBJECTIVE**

The overall objective of the project is to increase the competitiveness of the Lebanese private sector by facilitating conformity of Lebanese products and services with international standards.

### **2.2. PURPOSE**

The purpose of the project is to increase conformity of Lebanese products with technical quality requirements and international standards for health, safety and environment.

### **2.3. RESULTS TO BE ACHIEVED BY THE CONSULTANT**

1. Establishment of a well developed and consolidated Lebanese quality legislative, regulatory and policy framework infrastructure.
2. Existence of a comprehensive and efficient quality Institutional infrastructure: a) The National quality institutional infrastructure will be reinforced; b) QUALEB's role as the Lebanese quality management focal point will be strengthened, as well as its market surveillance functions, c) capacity will be built within the Lebanese quality-related institutions, laboratories and bodies responsible for conformity assessment, standardisation, accreditation, metrology, testing, market surveillance, food safety and consumer protection.
3. A national awareness exists in quality issues.

## **3. ASSUMPTIONS & RISKS**

### **3.1. ASSUMPTIONS UNDERLYING THE PROJECT INTERVENTION**

1. It is assumed that the quality related regulations that have been drafted, will be approved by the government and/or adopted by the Parliament during the implementation period of the project;
2. It is assumed that ministries and governmental bodies have, or will make available a sufficient level of human and material resources; they have expressed and are showing a firm commitment to implement the quality related regulations.
3. It is assumed that all beneficiaries and sub-beneficiaries are fully aware of the programme and their roles from the start of the programme and that they will take all necessary measures to support the implementation of the programme and achieve the results, including the supply of sufficient human, material and financial resources.
4. It is assumed that the Quality Unit will continue its activities and will be transformed into an independent National Quality Council, a Public Institute under the tutelage of the Ministry of Economy and Trade and will be coordinating all quality matters at the national level.
5. It is assumed that concerned organisations in Lebanon are committed to play a role in the conformity assessment process, as conformity assessment bodies and as designated bodies.
6. The Ministry of Economy and Trade is committed to maintain and pay the already existing permanent team of at least four Lebanese managers, (including the Director), six staff members, two administrative assistants and two general support staff to ensure a minimum level of counterpart presence to international experts, as well as a minimum management capability. The Ministry will ensure that the above (Lebanese) positions are

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adequately staffed at all times and that all managers (including the Director) are promptly replaced in case of resignation, or dismissal of any of the permanent team members. Moreover, the Ministry will undertake to gradually increase the staff of the Quality Unit / National Quality Council to a level consistent with its mission in order to achieve long term sustainability.

### **3.2. RISKS**

1. The political situation in Lebanon is precarious and closely tied in with political developments in the wider context of the Middle East. Any disturbance in the internal or external political environment could affect the project results.
2. Reluctance among ministries to cooperate and coordinate with one another, or with to be established regulatory bodies in the field of market surveillance, and especially for food products.
3. Insufficient commitment from staff in stakeholders' organisations and low priority of project activities relative to normal daily routines, and lack of full support from top management;
4. Delays due to bureaucratic and procedural processes (especially for the issuance of regulations).

## **4. SCOPE OF THE WORK**

### **4.1. GENERAL**

#### **4.1.1 Project description**

The project will build on the results achieved and developments initiated by the Quality Programme and the Sustaining Quality Project in the period from October 2004 to October 2009. The overall beneficiary of the project is the Ministry of Economy and Trade.

The activities under the present project serve the same objective and purpose as the first phase of the Quality Programme. The first goal is to contribute to the growth in exports of products and services from Lebanon to international markets in general and EU market in particular. Lebanese producers should be able to supply their foreign clients with products and services that are in conformity with the technical regulations of the country of destination, and that fulfil their clients' needs. That would require, not only an understanding of the technical regulations of other countries in the framework of a company's marketing and export policies, but also a quality infrastructure that is able to help entrepreneurs with providing conclusive and internationally accepted proof of conformity to regulations. Moreover, it requires an understanding on the side of Lebanese producers and traders that lasting commercial relationships are built on serving the client's needs today and also tomorrow by continuous improvements to products and services, and to adapt them to changing needs, which are the essence of quality and excellence.

The second goal is concomitant to the first. Like most countries, Lebanon has some technical regulations for products. Technical regulations set standards for the protection of health and safety of the users of the products, and for the protection of the environment. However, the technical regulations in Lebanon are rather limited in number and scope and do not provide the Lebanese consumers with the same level of protection as consumers in other countries. The improvement rests on the implementation of new legislation, which will necessitate producers and importers to adapt products and services to the required safety levels, as well as a quality infrastructure that can help to provide proof of conformity. Moreover, it requires also an operational market surveillance system that can adequately and intelligently scan the market for unsafe products, and will also partly have to rely on the technical infrastructure to provide proof of unsafe situations.

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Creating a viable quality infrastructure, implementing new legislation and technical regulations, scanning export markets, establishing effective control mechanisms, and understanding the basics of quality and excellence are necessary conditions for achieving the goals of higher export growth and better consumer protection. The foundations for the quality infrastructure have been established in the first and second phase of the Quality Programme. It should be completed during the third phase. In all aspects of the quality infrastructure, ongoing developments will have to be continued with the aim of achieving a sustainable system. Organisations need to have reached a level of competence and accomplishment that will enable them to continue with the further development of their activities without continuous external support.

### 4.1.2 Geographical area to be covered

Lebanon

### 4.1.3 Target groups

The target groups for the project are:

- The Ministry of Economy and Trade and in particular the Quality Unit (the future national quality council);
- Ministries with tasks and responsibilities in the field of product safety, market surveillance, quality, etc., such as the Ministry of Public Health, the Ministry of Industry, the Ministry of Agriculture, the Consumer Protection Directorate at MOET, etc...;
- Conformity assessment bodies (testing, inspection, and certification organisations);
- Organisations in the private sector, the non-profit sector and the public sector
- Business associations, Syndicates, Chambers of Commerce;
- The national accreditation body, COLIBAC
- The national standards organisation, LIBNOR
- The Food Safety Authority (only if the Food Safety Law is adopted before or during the project);
- Consumer organisations, other NGO's and donor organisations;
- Educational institutions (universities, vocational institutes and schools)

## 4.2. SPECIFIC ACTIVITIES

The project will provide technical assistance in the following areas:

### 4.2.1. Legislation and Technical regulations

A complete set of legislation for product safety and quality infrastructure organisations has been prepared during the first and second phases of the Quality Programme. After adoption by the Parliament of the draft laws, their implementation will become the first priority. As the first two phases of the project focused mainly on structuring and building a quality related legal framework, including drafting new legislation and amending existing ones, QUALEB Phase III will work on the implementation of the adopted legislation, in terms of proposing necessary secondary regulations and implementing decrees, besides delivering a series of training courses on the new set of legislation.

#### *Decree on Quality Infrastructure*

For sustainability purposes and to guarantee the continuity and sustainability of QUALEB in the long term, beyond the EU technical assistance period, a draft decree on quality infrastructure was prepared during the second phase of the project. This decree aims at the establishment of a Lebanese Quality Council, which will pursue the development and implementation of the activities previously launched by the project.

According to legal procedures, the draft decree was sent for review and comments to the State Council and the Civil Service Board. Their comments have been taken into

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consideration; the draft decree will be sent to the Council of Ministers for final approval and adoption.

### *Law on Metrology*

During the first and second phases of QUALEB, the draft law on metrology was completed. The draft law will replace old regulations and set the rules governing this field, to ensure proper measurement operations according to international requirements, and guaranteeing consumer protection and fair competition. The final draft was approved by the Council of Ministers on 21 July 2010 and transferred to the Parliament, where it was discussed and approved. The Metrology Law No. 158 was promulgated and published in the official Gazette No. 39 dated 25/8/2011.

Meanwhile, a long list of secondary legislation that was prepared during the second phase of the project needs to be further elaborated during the Twinning Project in order to implement specific parts of the law.

### *Accreditation legal framework*

During the previous phases of the project, the legal documents that are necessary for the actual functioning of COLIBAC were all prepared (including the amendment to the Accreditation Law, the By-laws, the internal regulations, etc...). The follow up on the adoption and implementation of the accreditation related legal framework will be needed during the third phase of the project, within the overall support dedicated to COLIBAC.

### *Law on Standardisation*

During the first and second phases of QUALEB, the project supported LIBNOR in drafting the new Law on Standardisation, amending the old text and setting the principles and major objectives of national standards and the procedures for adopting and enforcing them, in addition to the provisions related to LIBNOR, its responsibilities and financial resources. As standardisation will be part of the Twinning Project, the adoption of the law and its follow-up are the responsibility of the LIBNOR in cooperation with the Twinning Project team.

### *Law on Technical Regulations and Conformity Assessment*

During the 1st and 2nd phases of QUALEB, the project drafted the technical regulations and conformity assessment law that identifies the procedures for adopting technical regulations and the conformity assessment of a product to these regulations, in addition to highlighting the responsibilities of economic entities that place products in the market.

The final draft was approved by the Council of Ministers on 6 October 2010 and transferred to the Parliament by Decree number 5519 dated 14 December 2010, where it is in the final stage of discussion.

Meanwhile, the relevant secondary legislation shall be finalised during the 3rd phase of the project, in order to efficiently implement the technical regulations and conformity assessment law.

Throughout the 3rd phase of the project, there will be a need for training on the new legislation at both public and private sectors' levels.

### *General Product Safety and Market Surveillance legal framework*

During the second phase of QUALEB it became obvious that the current Consumer Protection Law cannot properly deal with all aspects of the safety of goods, in particular goods that fall outside the scope of specific regulations. Also the operation of market surveillance bodies lacks a comprehensive and generic basis. For that reason a Law on general product safety and market surveillance was drafted complementing the Consumer Protection Law. In the meantime the EU adopted Regulation 765/2008, dealing among others with general principles and practices of market surveillance. The draft law needs to be reviewed in the light of this new EU Regulation in order to make the system more mutually compatible. As market surveillance is a subject within the Twinning Project the

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primary responsibility for completing and implementing the new legislation lays with the Twinning Project team. However, in view of the consequences this law will have for among others the implementation of the Law on Technical Regulations, and most likely also for the system of controls in the food sector, the drafting of this legislation should be a joint activity of both teams in close cooperation with the most related stakeholders

### *Law on Food Safety*

The rationale of the food safety law is to combine the numerous Lebanese regulations dealing with food safety and general public health, as these current regulations lack updated information and processes and do not guarantee a proper protection of consumers' rights, in terms of safe food. Moreover, there are several ministries and institutions that bear responsible for the implementation of such regulations, but without much coordination and cooperation. The new food safety law was elaborated and completed to unify and harmonise the existing laws in a single piece of legislation, including all regulations guaranteeing food safety and establishing the competent authorities in charge of enforcing the law's provisions.

After its approval by the Council of Ministers and transfer to the Parliament in 2006, this draft faced several obstacles at the level of the Parliament's committee discussions, and was not actively perused under the political circumstances of that period. At the moment there is a stronger political drive at the new Council of Ministers level to regulate food safety in Lebanon and the prospects for the adoption of (a reviewed version of) the Law on Food Safety have increased. Once approved, there will be a need to issue relevant implementing decrees and deliver training on the new legislation.

During the second phase of QUALEB, the project initiated work on designing the structure of the Lebanese Food Safety Authority, including implementing decrees and internal regulations. This activity was suspended due to the lack of agreement among concerned parties on the final version of the new law.

If the new food safety law is adopted, QUALEB will rework, during its third phase, the relevant secondary legislation and deliver practical training to concerned public officials on the provisions of the new law.

The support in terms of legislation and technical regulations will be as follows:

- Assistance to ministries on the development of new technical regulations in compliance with the Law on Technical Regulations, Part of the new technical regulations will be transpositions of a selection of at least six European New Approach Directives, some of which will belong to the scope of the ACAA;
- Support to the work and coordination of tasks of the new National Committee on Technical Regulations;
- Creating awareness in public sector organisations, among others through training to legal and technical experts in ministries, including market surveillance bodies, on technical regulations and European directives in order to improve the process of drafting and implementing regulations and inspecting products, among others by providing at least two general training courses on the principles of the Law on Technical Regulations, and a minimum of one training course for each of the six new technical regulations to explain the legal and technical content and related standards.
- Providing consultancy to potential Notified/Designated bodies that will play a role in the implementation of the technical regulations on the requirements for designation;
- Supplying information to economic operators on what the technical regulations will mean to them and on how to apply the technical regulations by means of information packages and at least one information seminar per technical regulation;
- Assistance to reviewing laws, if needed, and drafting implementing decrees in needed areas, such as, conformity assessment, accreditation, and food safety, etc.

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### 4.2.2. Accreditation:

The tasks to be undertaken are:

- Advice and coaching to the management and staff of COLIBAC in managing, organising and implementing the process of accreditation in accordance with relevant international standards (ISO 17011) and practices;
- Training of staff, technical assessors and lead assessors for performing accreditation audits in accordance with the international requirements for selected fields of accreditation (e.g. ISO 17025, ISO 17020, ISO 17024, etc.), by means of two general introductory training courses, one training course for each of the selected fields of accreditation, as well as a theoretical and a practical training course for lead assessors;
- Training of a selected number of lead assessors (at least two) at a European accreditation body (e.g. at UKAS),
- Setting up and implementing a formal training programme for new assessors,
- Study visits for staff, management and Board of Directors, among others to European accreditation bodies and to an international accreditation organisation, such as ILAC, IAF, or EA;
- Supervising the implementation of accreditation audits and providing on-the-job training to assessors;
- Assisting COLIBAC in applying for membership in international accreditation bodies; this could be provided through pre-assessments against their requirements, key performance indicators and corrective actions' implementation.

It is planned that COLIBAC will receive the necessary computer hard- and soft-ware and accessories for its office through a separate supply tender. The consultant may be required to provide technical assistance in determining the needed equipment and writing specifications for the supply tender.

There is a risk of COLIBAC not being fully operational and in a position to absorb the support actions. In such case a reallocation of these resources into other activities might be foreseen.

### 4.2.3. Food Safety

The development of an integrated approach to food safety, to replace the current highly fragmented and ineffective system, is dependent on the adoption of the draft Law on Food Safety. It is expected that the current project will outline the elements of the approach to food safety, as well as the conditions to be fulfilled and the resources to be available. However, given the scope and the sheer size of the task to set up a viable and effective system of official controls over the food chain, the present project can only deal with a limited number of aspects, focussing mainly on system design and pre-conditions as well as training.

No matter how needed the development of a good system of food safety controls is from the point of view of consumer protection, great care must be taken not to undermine the agricultural development of Lebanon, its export capabilities, and its internal market position. A good system must achieve the difficult objective of serving both aspects. Therefore, the support will focus on the following activities:

- Provide assistance to develop a structure and the basic procedures of the national Food Safety Authority, which will enable an effective and efficient functioning of that organisation in fulfilling its tasks based on the new law.
- Develop a strategic plan, setting forth the longer term development of the organisation and its departments, detailing the planning structure and processes, and defining

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business information needs to monitor business objectives. The strategic plan needs to be translated into management plans, and operational plans for the organisation as a whole and for each of its departments, including detailed job descriptions.

- Assist in drafting the bylaws for the organisation, based on the proposed organisational model.
- Develop a plan for effective control mechanisms within the food production chain and define the modalities for their structure, operation, and interactions, taking into account the current division of control tasks among ministries, and perform a gap analysis, needs analysis and training needs analysis for each of the ministries.
- Identify and list the secondary legislation that needs to be amended, or developed in order to have a complete set of legislation for food safety. Assist in drafting of such secondary legislation, if needed.
- Initiate an impact analysis of sanitary and phytosanitary measures, as well as other methods for implementing food safety in order to identify the most important, most beneficial and/or least costly measures. It is the intention to rank potential measures on their impact on food safety and their effects on agricultural production and export capabilities in order to provide strategic guidance to the authorities in Lebanon in setting their food safety strategy.
- Provide some training to inspectors of different ministries involved in controls over the different stages of the food chain, e.g. training course on HACCP systems control techniques.

### 4.2.4. Capacity Building at the Quality Unit – QUALEB

The tasks will include:

- Provide expertise to QUALEB to make assessments of developments in the quality infrastructure and the quality culture in Lebanon, which can be used as inputs for reports of the Quality Unit on the national quality infrastructure (e.g. annual report), and for the future related projects or initiatives;
- Provide expertise to QUALEB to support to updating the national quality policy;
- Provide expertise to QUALEB to promote the integration of quality as an element of different aspects of government policy through the organisation of a series of four seminars for high ranking civil servants to discuss quality management as part of government policy and ministerial policies, as well as a series of six seminars for civil servants on quality policy;
- Support to the further development of the Quality Unit's quality management system to pursue the implementation of the ISO 9001:2008 standard.
- Training staff of the Quality Unit through participation in training activities in the fields of quality management and Project Cycle Management (PCM), and conformity assessment, through on-the-job training, through specially organised training, if needed, and through study visits to quality infrastructure organisations and quality organisations in EU countries, e.g. to one or more of the smaller, new EU Member States, or candidate countries to learn about their approach to quality infrastructure development
- Support to the Quality Unit in order to participate in international related organisations (e.g. EFQM, EOQ, UNECE) and in at least three international conferences on quality (ASQ-World Conference on Quality & Improvement, the International Conference for Quality Managers, 56<sup>th</sup> EOQ congress, etc) to strengthen the international role of the Quality Unit and quality in Lebanon;

### 4.2.5. Excellence – Lebanese Excellence Award

The tasks will include expertise to help expand gradually the Lebanese Quality Management Model (LQMM) to a higher level of compliance with comparable European excellence

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models and consequently upgrade the Lebanese Excellence Award requirements and procedures, as well as the related information materials:

- Assistance to the LEA Office for the annual organisation and management of the award process, including the organisation of the annual award ceremony;
- Assistance to improving the integrity of the LEA process by introducing additional quality assurance measures;
- Assistance to the LEA Office to create its own financial process by establishing a fee-based participation grid that will allow the Office to collect and manage funds through annual contributions disbursed by LEA applicant or interested organisations;
- Training of new and existing LEA assessors:
  - One training course per year for existing LEA assessors to calibrate their assessment and scoring skills
  - One short training course per year as introduction of new applicants for LEA assessors
  - One training course per year for training and examination of new LEA assessors;
- Organising at least three days of training and/or seminars per year in which one or more aspects of the application of the LQMM, for example 'process and performance management', 'mission, vision, strategy and policy design', 'how to perform self-assessment' will be presented and discussed. Organise each year for a maximum of three days a training course or a series of training courses on the subject of 'benchmarking' and/or 'performance measurement'.
- Two series of training courses on the method of "Balanced score cards". Each series consists of a sequence of 5 different training courses of 3 days covering the complete approach.
- A series of 6 seminars for selected CEO's on management, innovation and creativity
- Consultations to potential organisations applying the LQMM and/or participating in the LEA;
- Continuous training to relevant staff of the LEA Office and Quality Unit through participation in the abovementioned training courses and seminars, and through on-the-job training.

### 4.2.6. Quality in the Public Sector

The tasks will include:

- Training courses on the principles and practices of quality management:
  - One training course on the basics of ISO 9001 management systems development
  - At least two courses on each of Common Assessment Framework (CAF) model and on Total Quality Management
  - Two training courses on ISO 9004 concerning continuous improvement
  - One training course for internal auditors
  - Three training courses on change management
- Introducing the concept of measuring customer satisfaction and service output performance through two training courses on and implementation of service performance measurement techniques;
- Providing consultancy to a number of selected public sector organisations (minimum three and maximum five) in a highly practice oriented way and with development of strong motivational factors to introduce quality management systems and continuous improvement (e.g. on the basis of the LQMM);
- Organising at least four meetings of a discussion group consisting of managers and quality managers for the exchange of experiences in implementing management systems;
- Financial contribution to the certification fees.

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### 4.2.7. Quality related awareness

The tasks will include:

- Support to the preparation and organisation of:
- An annual international conference on quality related subjects, preferably with three international speakers
- The annual award ceremony for the Lebanese Excellence Award, a public event in combination with the international conference;
- An annual national conference on quality related subjects, preferably with one international and two local speakers;
- Two one-day seminars annually on quality related subjects with two local speakers per seminar;
- Three half-day discussion meetings per year for selected CEO of organisations on topics related to business management, creativity, innovation, excellence with one distinguished international speaker per event;
- Two essay competitions on a quality and excellence related subject throughout the duration of the programme, one for university students and one for students of vocational schools
- Audiovisual productions related to quality and excellence topics, in particular the Lebanese Excellence Award, within the framework of a well-planned promotional campaign;
- Develop the QUALEB website into an interactive communication platform; train and provide the necessary sustainability tools to QUALEB personnel to keep the website up to date.
- Develop the capability of the Quality Unit to publish and distribute information in electronic format and support the editing of at least three issues of the QUALEB Info Newsletter per year in that manner.
- Support to the upgrade in general of the presentation and visibility of the Quality Programme, such as brochures, flyers, backdrop, pop-up stands, business cards, stationary, promotional gifts, announcements in newspapers, designs, etc

## 4.3. PROJECT MANAGEMENT

### 4.3.1. Responsible Body

The Contracting Authority shall be the Presidency of the Council of Ministers (PCM) and on its behalf, the Project Administration Office (PAO). The final beneficiary shall be the Ministry of Economy and Trade (MoET).

The Project Manager will be the Director of the Quality Unit at the Ministry of Economy and Trade. The Quality Unit will be responsible for monitoring the implementation of the project on behalf of the Contracting Authority.

### 4.3.2. Management Structure

The Project will be overseen by a Steering Committee (SC), which will be set up at the start of the project.

The SC will include:

- A representative of Ministry of Economy and Trade, the Director of the Quality Unit;
- A representative of the Contracting Authority;
- A representative of the Delegation of the European Commission as an observer;
- A representative of the Consultant;

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The SC will meet at least once every six months and will review the project's progress. It will provide comments and propose solutions when necessary. The Committee may invite other organisations to attend meetings, when this will bring added value to discussion, direction and outcomes of the Project.

### 4.3.3. Facilities to be provided by the contracting authority and/or other parties

The experts will be located in the premises of the beneficiary body in order to ensure a high-level of day-to-day interaction. The Beneficiary will provide for adequate office space, including office furniture of a reasonable standard, access to (but not the user costs of) international telephone lines and internet connections, in order to accommodate the key experts, the short-term experts, and the support staff of the project. The Consultant may undertake to place some of the experts at other places, such as the premises of sub-beneficiaries, in consultation with the Beneficiary.

## 5. LOGISTICS AND TIMING

### 5.1. LOCATION

The operational base for the implementation of the contract is the Ministry of Economy and Trade in Beirut, and more in particular the offices of the Quality Unit, from which the whole territory of the country can be covered. Key-experts and non-key experts can undertake any visits and missions needed for the execution of the contract in other parts of the country. Short-term experts may be assigned to the offices of any of the project's sub-beneficiaries, inside or outside the capital city.

### 5.2. Commencement date and period of implementation

The intended commencement date is June 2012 and the period of execution of the contract will be 30 months from the commencement date. Please refer to Articles 4 and 5 of the Special Conditions for the actual commencement date and period of implementation.

## 6. REQUIREMENTS

### 6.1. PERSONNEL

#### 6.1.1. Key experts

All experts who have a crucial role in implementing the contract are referred to as key experts. The profiles of the key experts for this contract are as follows:

#### **Key expert 1: Senior Policy Advisor / Team Leader**

Reports to the Director of the Quality Unit/ Quality Programme

#### *Tasks*

- Planning of activities and inputs of key-experts and non-key experts, coordination of tasks and responsibilities between experts, monitoring technical outputs of experts;
- Support to the promotion of the project objectives and communication in coordination with the Quality Unit;
- Timely reporting, required by the present contract;

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- Supervision of administrative, financial and logistic support of the project, as far as they are related to the tasks of the Consultant and coordinating them with the quality management system of the Quality Unit;
- Providing advice and guidance to the Director and the staff of the Quality Unit on a day-to-day basis on policy and issues with regard to the development of a quality infrastructure and quality culture in Lebanon, in line with EU best practices;

### *Qualifications and skills*

- A university degree in a relevant subject (e.g. management, public administration, economics, engineering), or equivalent combination of study and experience;
- Strong communication skills and ability to communicate with people at all levels;
- Fluency in speaking, writing and reading English. Working knowledge of French. Arabic would be an asset;
- Good editing skills are essential;
- Fully computer literate.

### *General professional experience*

- At least 15 years of general professional experience;
- Working experience during the last 10 years mainly related to two or more of the fields belonging to the quality infrastructure;
- Knowledge of and previous involvement in legislative and regulatory review related to the creation of conformity assessment systems;
- Experience in development of government to industry relations, would be an advantage;

### *Specific professional experience*

- At least five years of operational experience as a key-expert in at least two projects related to development of quality infrastructure, and in particular, to the development of policy and regulatory frameworks in the field of trade facilitation and conformity assessment and preferably in developing countries (preferably ENPI countries);
- Experience as team leader in at least one EU funded project related to quality infrastructure and quality culture

## **Key Expert 2: Senior Advisor for National Accreditation Body**

### *Tasks*

- Implementation of activities related to accreditation (activity 4.2.2)

### *Qualifications and skills*

- A university degree in a subject relevant to inspection and certification of products and/or to testing and calibration in laboratories (e.g. engineering, physics, chemistry, bio-medical science, food science), or equivalent;
- Strong communication skills and ability to communicate with people at all levels;
- Fluency in speaking, writing and reading English;
- Fully computer literate.

### *General professional experience*

- At least 15 years of general professional experience;
- At least 8 years of experience in accreditation of laboratories and/or inspection and certification bodies, preferably as an employee of a national accreditation body;
- At least two years of experience in a management function at a national accreditation body;

### *Specific professional experience*

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- Qualification as a lead assessor, preferably from an accreditation body that is a member of EA, and experience in conducting audits as a lead assessor;
- At least 3 years experience with the technical assistance and capacity building in the field of accreditation in developing countries (e.g. EU accession countries, ENP countries); experience with providing assistance and coaching to the management of an accreditation body would be an advantage;
- Qualification as a trainer in conformity with the training guidelines of EA, and at least 2 years experience in training (including examination and certification) of assessors.

### **Key Expert 3: Senior Advisor on Quality Management and Excellence**

#### *Tasks*

- Implementation of activities related to quality management promotion (4.2.5 Excellence and 4.2.6 Quality in the Public Sector)

#### *Qualifications and skills*

- A university degree in a subject relevant to management (e.g. business administration, economics, finance, engineering), or equivalent;
- Strong communication skills and ability to communicate with people at all levels;
- Fluency in speaking, writing and reading English;
- Fully computer literate;

#### *General professional experience*

- At least 15 years of general professional experience;
- At least 10 years of experience in a business or other organisational setting mainly related to quality management;
- At least 10 years of experience as a consultant with the implementation of quality management and business excellence models;

#### *Specific professional experience*

- At least 5 years knowledge of on-going developments in the field of business excellence in the world, but with emphasis on the developments in Europe. Having written publications on quality management and excellence models in the last five years, or having experience as an invited speaker at international forums would be a distinctive advantage;
- A European excellence organisation committee member and/or senior assessor of a leading European foundation;
- At least 3 years experience with the development and organisation of national quality awards;
- At least 3 years experience as a consultant with technical assistance and capacity building in the field of national quality awards in developing countries (e.g. EU accession countries, ENP countries).

### **Key Expert 4: Senior Advisor on Food Safety**

#### *Tasks*

- Implementation of activities related to food safety (4.2.3 Food Safety)

#### *Qualifications and skills*

- A university degree in a subject relevant to food safety (e.g. agriculture, food technology, animal science, nutrition and health, life sciences, etc.), or equivalent;
- Strong communication skills and ability to communicate with people at all levels;
- Fluency in speaking, writing and reading English;

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- Fully computer literate;

### *General professional experience*

- At least 15 years of general professional experience;
- At least 10 years of experience in an organisation dealing with food safety policy development (e.g. ministry, national food safety authority) and/or implementation (e.g. one of the inspection bodies charged with official controls of food);
- At least two years of experience in a management function in one of the abovementioned organisations;

### *Specific professional experience*

- At least 5 years experience in the current system of EU food safety policies and legislation, and their organisation and implementation;
- At least 5 years experience with the technical assistance and capacity building in the field of food safety policies, legislation and control systems in developing countries (e.g. EU accession countries, ENP countries);

Note that civil servants and other staff of the public administration of the beneficiary country cannot be recruited as experts, unless prior written approval has been obtained from the European Commission.

### **6.1.2. Other experts**

The Consultant will provide inputs for at least 1200 working days of non-key experts. CVs for experts other than the key experts are not examined prior to the signature of the contract. They should not be included in tenders.

The Consultant shall select and hire other experts as required, according to the profiles identified in the Organisation & Methodology. The experts must clearly indicate their profile in order to be allocated the relevant rate in the budget breakdown.

The Consultant should pay attention to the need to ensure the active participation of local professional skills where available, and a suitable mix of international and local staff in the project teams. All experts must be independent and free from conflicts of interest in the responsibilities accorded to them.

The selection procedures used by the Consultant to select these other experts shall be transparent, and shall be based on pre-defined criteria, including professional qualifications, language skills and work experience. The findings of the selection panel shall be recorded. The selection of experts shall be subject to approval by the Contracting Authority.

Note that civil servants and other staff of the public administration of the beneficiary country cannot be recruited as experts, unless prior written approval has been obtained from the European Commission.

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### 6.1.3 SUPPORT STAFF & BACKSTOPPING

Backstopping and support staff costs must be included in the fee rates of the experts.

### 6.2. OFFICE ACCOMMODATION

Office accommodation of a reasonable standard for each expert working on the contract shall be provided by the Beneficiary.

### 6.3. FACILITIES TO BE PROVIDED BY THE CONSULTANT

The Consultant shall ensure that the experts are adequately supported and equipped. In particular, it shall ensure that there is sufficient administrative, secretarial and interpreting provision to enable experts to concentrate on their primary responsibilities. It must also transfer funds as necessary, to support its activities under the contract and to ensure that its employees are paid regularly and in a timely manner.

If the Consultant is a consortium, the arrangements should allow for the maximum flexibility in the project implementation. Arrangements offering each consortium member a fixed percentage of the work to be undertaken under the contract should be avoided.

### 6.4. EQUIPMENT

No equipment is to be purchased on behalf of the Contracting Authority / beneficiary country as part of this service contract or transferred to the Contracting Authority / beneficiary country at the end of this contract. Any equipment related to this contract which is to be acquired by the beneficiary country must be purchased by means of a separate supply tender procedure. If needed, the Consultant will provide the necessary assistance to the PAO to identify equipment needs and specifications.

### 6.5. INCIDENTAL EXPENDITURE

The provision for incidental expenditure covers the ancillary and exceptional eligible incidental expenditures incurred under this contract. It cannot be used for costs which should be covered by the Consultant as part of its fee rates, as defined above. Its use is governed by the provisions in the General Conditions and the notes in Annex V of the contract.

It covers:

- Costs for training courses, seminars and other meetings and conferences, which can reasonably be attributed to their organisation, such as, but not limited to: rooms, halls, catering, simultaneous interpretation, technical facilities and support, invitations, distribution, decorations, photos, design and printing of programmes, announcements of events;
- Costs related to documents, such as, but not limited to: translation, printing and copying, purchase of documents, such as books, standards, guidelines, related to quality, management, excellence, quality infrastructure, etc...;
- Costs for participation in study tours to gain first hand practical insight and experience, professional missions and meetings with (counterpart) institutions abroad and/or participation in meetings of international organisations in the field of quality and quality infrastructure for the staff of beneficiaries and sub-beneficiaries. The costs may include, for example, per diems, travel costs, participation costs, organisation costs, etc... All tours shall be justified and approved through Terms of Reference submitted to the Contracting

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Authority. In addition the costs for the participation in external professional training courses held in Lebanon for the staff of beneficiaries;

- Costs related to maintain a functional QUALEB website, such as registration fees, web hosting fees, software for web based publishing, web design, integration of website with office systems, etc...
- Costs of certification for public sector organisations participating in activity 4.2.6 'Quality in the Public Sector'.
- Costs to promote the visibility of the Quality Programme and the European Union, for example, but not limited to brochures, flyers, backdrop, pop-up stands, business cards, stationary, promotional gifts, announcements in newspapers, designs, media presentations.

The Provision for incidental expenditure for this contract is EUR 322.000. This amount must be included without modification in the Budget Breakdown.

Any subsistence allowances to be paid for missions undertaken as part of this contract from the base of operations in the beneficiary country must not exceed the per diem rates published on the website of the European Commission at the start of each such mission.

[http://ec.europa.eu/europeaid/work/procedures/implementation/per\\_diems/index\\_en.htm](http://ec.europa.eu/europeaid/work/procedures/implementation/per_diems/index_en.htm)

### 6.6. EXPENDITURE VERIFICATION

The Provision for expenditure verification relates to the fees of the auditor who has been charged with the expenditure verification of this contract in order to proceed with the payment of further pre-financing instalments if any and/or interim payments if any.

The provision for expenditure verification for this contract is EUR 30.000. This amount must be included without modification in the Budget breakdown.

This provision cannot be decreased, but can be increased during the execution of the contract.

## 7. REPORTS

### 7.1. REPORTING REQUIREMENTS

Please refer to Article 26 of the General Conditions. Interim reports must be prepared every six months during the period of implementation of the tasks. They must be provided along with the corresponding invoice, the financial report and an expenditure verification report defined in Article 28 of the General Conditions. There must be a final report, a final invoice and the financial report accompanied by an expenditure verification report at the end of the period of implementation of the tasks. The draft final report must be submitted at least one month before the end of the period of implementation of the tasks.

Each report shall consist of a narrative section and a financial section. The financial section must contain details of the time inputs of the experts, of the incidental expenditure and of the provision for expenditure verification.

To summarise, in addition to the documents, reports and output which could be specified under the duties and responsibilities of each key expert above the Consultant shall provide the following reports:

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Name of report	Content	Time of submission
<b>Inception Report</b>	Analysis of existing situation and plan of work for the project	No later than 1 month after the start of the implementation
<b>6 month Progress Report</b>	Short description of progress (technical and financial) including problems encountered; planned activities for the ensuing 6 months accompanied by an invoice and the expenditure verification report.	No later than 1 month after the end of each 6 month implementation period
<b>Draft Final Report</b>	Short description of achievements including problems encountered and recommendations	No later than 1 month before the end of the implementation period.
<b>Final Report</b>	Short description of achievements including problems encountered and recommendations; a final invoice and the financial report accompanied by the expenditure verification report.	Within 1 month of receiving comments on the draft final report from the Project Manager identified in the contract.

### 7.2. SUBMISSION AND APPROVAL OF REPORTS

Two copies of the reports referred to above must be submitted to the Project Manager identified in the contract. The reports must be written in English. The Project Manager is responsible for clearing the reports prior to the approval of the Contracting Authority.

#### **Inception Report**

The Consultant shall submit to MoET and PAO a draft inception report no later than one month after the start of the implementation. This report will contain among others, a planning of activities and inputs and a list of deliverables to be supplied. MoET and PAO shall review the inception report and discuss it with the consultant. Based on these discussions, the consultant shall update the inception report within one week. The final inception report shall be cleared by the Project Manager within ten working days from the date of its submission prior to the approval of the Contracting Authority.

## **8. MONITORING AND EVALUATION**

### **8.1. DEFINITION OF INDICATORS**

For the purpose of monitoring and evaluation information on indicators should be provided with each Progress Report. For the indicators, please refer to the attached Logical Framework Matrix.

Alternative and/or additional indicators for the monitoring system could be proposed and approved with the Inception Report.

### **8.2. SPECIAL REQUIREMENTS**

N/A.