# **Terms of Reference:**

# **Educational Training on Corporate Governance for Mykolaiv City Council**

**The European Union Anti-Corruption Initiative (EUACI)**

The EUACI is a joint EU and Government of Denmark financed programme aimed at supporting Ukraine in its efforts to reduce corruption at the national and local level through the empowerment of citizens, civil society and state institutions. In January 2024, a new phase of the EUACI is launched. The strategic objectives are that: Corruption in Ukraine is reduced; Ukraine advances with anti-corruption reform; and Reconstruction in war-affected areas of Ukraine is implemented within a framework that incorporates transparency, accountability and integrity.

The EUACI has four intervention areas, namely:

* Support to independent state institutions fighting and preventing corruption;
* Transparency and accountability of the reconstruction process;
* Support cities in war-affected areas in enhancing integrity in the reconstruction process;
* Civil society and media in preventing and fighting corruption.

This specific assignment concerns the EUACI's support for Integrity Cities (intervention area 3).

**The Integrity Cities**

The six integrity cities with which the EUACI has entered into a partnership are Chernivtsi, Chervonohrad, Nikopol, Zhytomyr and Mariupol. At the moment, the EUACI has no activities in Mariupol. Mykolaiv is an addition to five Ukrainian cities that have been selected for the implementation of the Integrity Cities concept of the Programme. Based on the agreement with the Mykolaiv City Mayor, the EUACI envisages an Integrity Support Office of experts in the local municipality, headed by an advisor to the Mayor to support the integrity transformation, transparency, and accountability of the reconstruction process.

**Background**

As part of the Risk Minimization plan and following an Integrity Assessment, the Mykolaiv City Council, with the support of the EUACI, is implementing corporate governance reform for municipally owned enterprise (MOE) “MykolaivVodokanal.”As this enterprise prepares to establish supervisory board, internal audit functions, and compliance mechanisms for the first time, there is a critical need to build a solid foundation in corporate governance.

Employees of the City Council and MOE mentioned above, particularly those interacting with the board and assignments must be equipped with the necessary skills and understanding to navigate this new governance landscape effectively. The absence of corporate governance expertise could lead to inefficiencies, lack of accountability, and potential conflicts of interest, which can undermine the public's trust in these enterprises. By aligning with OECD standards, the educational training will ensure that this municipal enterprise will be governed with transparency, accountability, and a focus on long-term sustainability.

Moreover, the principles of integrity, transparency, and accountability are vital in the governance of municipal-owned enterprises. These principles not only ensure that public resources are managed effectively but also build trust between the enterprises and the community they serve along with international donors and partners. The educational training will emphasize these topics, teaching participants how to integrate them into the daily operations of municipal enterprise, create transparent processes, and implement accountability mechanisms that align with international standards.

Additionally, the training aims to engage the deputies of the Mykolaiv City Council, reducing the risk of them opposing the introduction of corporate governance reforms in Mykolaiv. By educating these key decision-makers, the task is to ensure they fully understand the importance and benefits of effective corporate governance for municipal enterprises.

It is in this context that the EUACI is seeking a Service Provider (Consultant or Consulting firm or NGO) that can work closely with the EUACI and its partner city to deliver the short-term training activities that will equip specific departments and team of MoE with the necessary skills and knowledge in corporate governance to implement the approved Corporate Governance Roadmap effectively, fostering transparency and accountability across the municipally owned enterprise of Mykolaiv City Council.

**These Terms of Reference (ToR) provide more details about the assignment.**

## Objective and results

The objective of the assignment is to conduct one two-day offline and one online training (max. 25 participants per each) with a duration of approx. 16 hours in total in October 2024 (exact dates are to be agreed separately with the City Council and EUACI).

**Expected Results:**

* Participants will gain a comprehensive understanding of the principles and practices of corporate governance, with a focus on the public sector and municipal enterprises.
* Employees will be able to collaborate effectively with the supervisory boards of municipal enterprises.
* The program will foster a culture of integrity, good governance, transparency, and ethical decision-making within the municipal enterprises.
* Mykolaiv city council deputies will be informed and educated on the benefits of establishing supervisory boards, reducing the risk of opposition and promoting informed decision-making.

**Participants should acquire the following knowledge and comprehension:**

* Key elements of the corporate governance model for municipal enterprises: the City Council as shareholder (owner), supervisory board, and executive body, distribution and balance of power, resources, authority, and responsibility among them.
* Documents regulating corporate governance matters: regulations, ownership policy, strategic plan, letter of expectations.
* Trancperency, proper internal control and audit procedures as integral components of the corporate governance model in an enterprise.
* Main tasks of the board.
* Role types within the Supervisory Board.
* Board committees: audit, remuneration, appointments, strategy.
* Board and committee meetings: planning, preparation, decision-making.
* The role of the Chairperson and Corporate Secretary in the Board's work.
* Board reporting and evaluation of its effectiveness.

**2. Scope of work**

The Service Provider will be required to:

* Provide a short concept note for the training sessions to be agreed with EUACI and Mykolaiv City Council.
* Develop an agenda and content for each training. Identify and provide trainers for each training session.
* Manage all venue and catering arrangements for offline training sessions. Coordinate all necessary arrangements for online sessions, including technical setup, platform access, and troubleshooting support as needed.
* Conduct 1 (two days, 12 hours) offline training session for employees of the Department of Housing, Department of Communal Property of Mykolaiv City Council, “MykolaivVodokanal” in Mykolaiv and 1 (4 hours) online training session for Deputies of Mykolaiv City Council.
* Gather feedback on the training sessions based on questionnaires.
* Prepare a short final report on the project.

1. **Deliverables:**

The Deliverables are presented below in Table 1 with a tentative schedule.

All results are expected to be provided in Ukrainian unless otherwise agreed. Electronic copies are sent by email to the particular EUACI contact person.

**Table 1:** Summary of deliverables/outputs and the tentative timeline for delivery.

| **#** | **Deliverable/Output** | **Timeline** | **Note** |
| --- | --- | --- | --- |
| 1 | Service provider's **training concept and program** | 1 week after the contract signing | To be approved by the EUACI.  The Program should contain:   * Topics, timing * Lectures * Expected outcomes |
| 2 | One two-day (12 hours) **training session** in Mykolaiv **and** 1 short **online training session** (4 hours in total) | 3 weeks after the contract signing | All logistics, accommodation, catering and other necessary arrangements to be covered by the Service Provider. |
| 3 | **Final report** | 4 weeks after the contract signing | A short summary of the outputs delivered under the contract.  To be approved by the EUACI. |

The timelines indicated in the table above are indicative. The Service Provider will reflect on and update the timelines for different activities while preparing and updating the Concept for training.

**4. Timing**

The expected duration of the assignment is 4 weeks, with a tentative start at the beginning of October 2024 and completion in November 2024.

**5. Payment**

Payment will be made in a maximum of two installments.

The first installment, representing a maximum of 30% of the total contract value, will be made after receipt of the Service Provider's Deliverable 1, and invoice.

The second and final payment will be made upon receipt and approval of the Final Report and a Final Invoice.

**6. Requirements for the Service Provider:**

1. Expertise in Training Development:

* Have at least 3 years of proven working experience in developing and delivering training programs on corporate governance.
* Ability to tailor content to participants' needs.

1. Subject Matter Knowledge:

* Proficiency in integrity, corporate governance, OECD standards, Ukrainian Law and practice.
* In-depth knowledge of OECD standards related to corporate governance.
* Understanding of their application in organizational settings.

1. Be able to ensure economic and technical capacities to perform the requested services as well as a relevant legal status to hire experts.
2. Compliance and Ethics:

* Adherence to ethical standards and legal requirements.
* Commitment to confidentiality and data security.

**7. Estimated budget**

The maximum budget available for this assignment is **up to EUR 7 000**. This amount includes subsistence allowance for fieldwork in the partner city as well as costs related to local travel, and other project-related costs such as venue renting, printing or catering. Bids will be evaluated in accordance with the criteria provided below:

Bids will be evaluated under the criteria provided below:

|  |  |  |
| --- | --- | --- |
| **#** | **Criteria** | **Weight** |
| 1 | Proposed budget | 20% |
| 2 | Relevant experience, skills, and competencies | 60% |
| 3 | Portfolio of projects | 20% |

**HOW TO APPLY**

The proposals with:

* Short description of the training methodology;
* CV of the trainer/or staff involved by the tender participant;
* Portfolio of relevant projects;
* Financial Offer (Proposed budget).

shall be submitted in electronic format only within the below deadline to the email ulytyb@um.dk, cc [yuliiamincheva@gmail.com](mailto:yuliiamincheva@gmail.com) indicating the subject line **“Educational Training on Corporate Governance for Mykolaiv”.**

**The deadline for submitting proposals is 4 Octoberber 2024, 18:00 Kyiv time.**

Any clarification questions for the bid request should be addressed: [ulytyb@um.dk](mailto:ulytyb@um.dk), cc [yuliiamincheva@gmail.com](mailto:yuliiamincheva@gmail.com) no later than 27 September 2024, 18:00 Kyiv time.

**Bidding language:** English.