



Terms of Reference (TOR)

for National Consultant

on

Implementation of NPO Sector Terrorist Financing Risk Assessment Methodology

Tirana, Albania

June 01, 2021

TERMS OF REFERENCE AND SCOPE OF SERVICE

1. Background

Partners Albania for Change and Development is an Albanian organization with over twenty years of experience combining local knowledge with innovative tools and techniques to build platforms for communities, civil society organizations, government and business, and facilitating participatory processes to advance constructive change towards sustainable development. Partners Albania is a member of Partners Network, a partnership of 19 independent, local organizations in Europe, the Americas, Africa and the Middle East working for peaceful and democratic change. Partners Albania is also a member of several European and regional networks.

During the last two years, PA has been working on empowering Albanian NPOs to proactively engage in efforts to protect the *legal enabling environment in the context of the Anti-Money Laundering/Combating the Financing of Terrorism (AML/CFT) process*. During 2020-2021 PA conducted a mapping of the legal framework, regulation and government policy documents and plans, and a baseline study of the Albanian AML/CFT laws, regulation and government implementation measures affecting NPOs, as well as a wide educational campaign. Several local and regional workshops were organized with NPOs, responsible public institutions, and other actors to raise awareness, increase understanding and enhancing capacities of NPOs about the AML/CFT frameworks and its impact over the civic space, as well as establishing and enhancing cooperation of NPOs with AML/CFT related policy makers and MONEYVAL for streamlining proportional approaches towards civil society regulation and build up partnership with state institutions for enabling collaborative and participatory approaches. Several awareness raising spots have been prepared and widely broadcasted online on PA social media channels.

In continuation of these efforts, Partners Albania is implementing “NPOs Sector Financial Terrorism (ML/FT) Risk Assessment” project, through the support of GIZ Global Project ‘Combating Illicit Financial Flows’, aiming to support national institutions in conducting NPOs Sector Financial Terrorism Risk Assessment.

The main objectives of the project are:

1. To increase awareness and understanding of public institutions on those activities and characteristics of the civil society organizations which put them at risk of money laundry and terrorist financing abuse;
2. To raise awareness and understanding of NPOs and public institutions on the threats and potential FT risks in the NPO sector;

3. To promote and strengthen participatory processes between NPOs and public institutions in the fight against money laundering and terrorism and establish a mechanism for cooperation between the two sectors which otherwise do not cooperate with each other;
4. To increase skills and competences of NPOs and public institutions in the identification of potential FT risks within the NPO sector.

2. Objective of the ToR

The main objective of these Terms of Reference is to contract a National Consultant (referred to as “The Consultant”), being a Consultancy Company or Individual Expert, to assist with the implementation of the FT NPO Risk Assessment Methodology to support national institutions in conducting NPOs Sector Financial Terrorism Risk Assessment. The NPO Sector Risk Assessment Methodology will be designed by Greenacre Group, a global consultancy that has designed and implemented the methodology in several countries, based upon official FATF documentation. It is based on the standard risk assessment model of assessing *inherent risk* (in line with Paragraphs 8.1 (a) and (b) of FATF methodology), and *residual risk* (in line with Paragraphs 8.1 (a) and (b) of FATF methodology). The methodology will reflect FATF recommendation for a collaborative approach to assessment and policy making, recognizing the shared interests of government and civil society in reducing TF risk whilst protecting civil society freedoms.

The methodology will be design to:

- Address the features and types of NPOs which by virtue of their activities or characteristics, are likely to be at risk of terrorist financing abuse and identify the nature of threats posed by terrorist entities to the NPOs which are at risk; and
- Review the adequacy of measures, including laws and regulations that relate to the subset of the NPO sector that may be abused.

The NPO Risk Assessment Methodology will be implemented through the main processes:

1. Methodology development
2. Identification and establishment of a working group with representatives from CSOs and government to implement the methodology.
3. Data Collection, including an NPO Sector Survey, official data request and survey on TF in NPO sector to relevant government officials, and survey of financial institutions on TF risks in the NPO sector.
4. Assessing Inherent Risk to identify those categories of NPOs likely to be at high risk of terrorist financing and the nature of threats posed to those NPOs, in line with FATF guidelines.
5. Assessing Residual Risk to assess the effectiveness of mitigating measures in reducing terrorist financing risks and to develop recommendations for a joint evidence-based strategic action plan.

6. Preparation of the Inherent and residual Risk Assessment reports
7. Training and mentoring on the implementation of the methodology

This will be achieved through a collaborative and participatory process, where key actors from public institutions and NPO sector will be identified and will be invited to work together in a joint mechanism for cooperation. The national consultant will coordinate the implementation of the methodology under the supervision of Partners Albania, and will work with the international consultant to guide, assist and facilitate the working group to conduct several processes and tasks, according to their mandate, involving them in individual and joint activities during the implementation of the task.

3. Tasks

1. Provide context information and analysis of the Albanian legal framework on FT issues and effectiveness of mitigating issues taken by the government, as requested for the implementation of the NPO Risk Assessment Methodology.
2. Plan and coordinate the trainings and meetings of the Working Group for the implementation of the risk assessment methodology including data collection and analysis, assessing Inherent and Residual risk
3. Keep minutes of the meetings and prepare trainings and meetings reports.
4. Prepare the Inherent and Residual Risk Assessments reports based on data collected during the implementation of the methodology, following the templates and with the support provided by the International Consultant.
5. Translate training and other materials provided by the international expert for the trainings.
6. Plan and participate in the trainings on the implementation of the methodology (half-day background and context training for NPOs, half-day training on Scope exercise; two-day training on Phase One, two-day training on Phase Two).
7. NPO Risk Assessment report writing (Inherent Risk and Residual Risk reports).

4. Experience and qualification of the Consultant

The desired qualifications of the Consultant for this assignment are the following:

- Previous working experience in relevant technical areas and with the NPO sector in Albania;
- Proven working legal experience with NPO sector in Albania;
- Very good understanding of national legislation on AML and FT issues, and the legal framework regulation the NPO sector in the country;
- Fluency in English, both oral and written;

5. Technical and Financial Proposal/Documents

- Technical proposal should include an understanding of the scope of work, description of the

expertise provided and the expected work to be done in accordance with the scope of work and expected deliverables.

- The financial proposal must provide specific information related to all costs for the implementation of the task. A detailed budget in EURO should be presented as part of the financial offer.

6. Supervising authority

The Consultant will work under the supervision of Partners Albania for Change and Development, to which the Consultant will directly report with regards to the implementation of the task.

7. Contractual Arrangements

Based on the contractual arrangements between Partner Albania and GIZ, the project will be implemented in two phases (phase I from April till September 2021, and phase II from October 2021 till December 2021). Therefore, the services of the Consultant for the implementation of this assignment will be contracted out through two separate service contracts, conditioned upon signing of the grant contract for the 2nd phase of the project between Partners Albania and GIZ.

8. Submission of the proposal

The deadline for submitting the proposal is **17 June, 2021, at 16.00 hrs.**

Interested candidates should submit the following documents to the e-mail address: partners@partnersalbania.org

- An expression of interest to provide the required service;
- Technical and financial proposal;
- CV highlighting the expertise related to this ToR