

Terms of Reference (ToR)

For

Engagement of a Company for Legal Support of Grantees

of

**Incubation and Grant Management for Glass Waste Solution
from Lab of Tomorrow**

under

**Circular Economy for Sustainable Urban Development in
Albania**

TERMS OF REFERENCE AND SCOPE OF SERVICE

1. Background

Partners Albania for Change and Development (PA) is an Albanian NGO, established in 2001. PA mission consist in the support of civil society and facilitation of inter-sector cooperation to strengthen democratic institutions and advance economic development in Albania. PA is a member of Partners Global, a network of 20 independent organizations in Europe, the Americas, Africa, and the Middle East, working for peaceful and democratic change.

PA has built its operations in four key programmatic areas, namely:

1. Enabling Environment and Sustainable Development of CSOs, contributing to the empowerment of civil society actors and civic engagement through *capacity building* programs, *monitoring and advocacy* for an enabling legal and practical environment for CSOs operation, and *financial support* for the sector.

2. Entrepreneurship and Social Innovation, developing and supporting the ecosystem of entrepreneurship and social enterprises (SEs) through research, advocacy, financial support mechanisms, expertise, and networking opportunities.

3. Philanthropic Activity and Support Infrastructure, developing and promoting philanthropic activity in the country through research, advocacy actions for an enabling environment, awareness raising, and promotion activities on the economic and social value of philanthropy.

4. Transparent and Accountable Participatory Governance contributing to development and growth of civil society practitioners and public administration officials in their efforts to building strong institutions, manage open and transparent processes and overcome corruption.

PA has vast experience in designing and managing EU-funded projects and sub-granting schemes in the frame of EU projects. Since 2012, PA has implemented **more than 20 projects funded by the EU**. The organization also works for the *development of Social Enterprises* (SEs) and start-ups, generating social impact through a) research; b) advocacy; c) education and public awareness; d) financial support to 3-rd parties.

As part of the EU for Circular Economy and Livable Cities Project, implemented by GIZ Albania, Partners Albania has been selected as a grant manager to implement, the first of its kind, a Circular Business Incubation program, following the format of the [Lab of Tomorrow program](#). The grant is aimed at supporting local SMEs which are working or are users of glass packaging and aspire to develop circular solutions to tackle glass waste.

We are pioneering this initiative through the EU for Circular Economy and Livable Cities project (EU4CELC), co-financed by the European Union (EU) and the German Federal Ministry for Economic Cooperation and Development (BMZ), and implemented by GIZ Albania in collaboration with the Ministry of Tourism and Environment (MoTE)

The project's objective is to transform Albania's waste management practices by establishing sustainable systems that prioritize glass reuse and recycling. Through targeted legal and financial measures, along with private sector engagement, the project seeks to reduce environmental degradation, lower reliance on imported glass, and promote a circular economy. This initiative involves the private sector through innovation challenges and incubation programs, with an emphasis on creating and implementing circular glass solutions.

The project has established four venture teams composed of registered businesses and NGOs operating on HORECA, Wineries, Breweries, Agrotourism, Glass Recycling, Crafting and Waste Management sectors.

1. Team one, composed of wineries, breweries, and international glass recycling specialists, plans to establish a collection system for glass bottles. This system will involve creating centralized collection points for breweries, wineries, and the HoReCa sector, followed by the washing and reuse of the bottles. The reusable bottle system offers cost savings by minimizing the resources required for manufacturing.
2. Team two, composed of HoReCa and Agrotourism businesses, seeks to create a circular system for glass reuse and recycling in Gjirokastra. This initiative involves processes such as washing, crushing, and selling glass products in partnership with local stakeholders. Key advantages include supplying affordable reusable jars and bottles to local markets and artisans, as well as offering a range of crushed glass to local artists for their creative endeavors.
3. Team three, composed of ceramic and glass artists, aims to turn glass waste into sustainable, functional art while promoting material innovation. By building a network of artists and glass industry professionals, the initiative will establish a hub dedicated to art and circular economy activities. This will include artist-led workshops to demonstrate techniques and offer vocational training opportunities.
4. Team four is composed of businesses and NGOs in the waste management sector. Their initiative focuses on collecting glass waste from the HoReCa sector and industrial glass from manufacturers in Durres and Tirana, then repurposing it for use across various industries. The recycled glass could be provided to pool construction and maintenance companies, construction material suppliers, architects and interior design firms, as well as furniture manufacturers, fostering sustainability and innovation in these fields.

As part of the assistance, the project will offer an incubation program to support venture teams explore into the technical aspects of glass recycling, refine their business models, and address operational challenges associated with scaling sustainable solutions. Following the program, successful teams will be selected to receive financial support in the form of grants to further develop and implement their business solutions. A grant contract will be signed with a legal entity, which could be either one of the team members or a new entity formed by all members.

Partner Albania with the help of a legal company will guide the teams in establishing and formalizing the most suitable legal structure to ensure implementation of the business ideas in compliance with the legal framework in place, smooth operations, while also maintaining flexibility for future business growth. Clearly defining the legal relationship between venture partners is crucial to ensure alignment with grant application procedures. Financial systems must be established in compliance with tax laws while maximizing financial benefits related to glass recycling. Lastly, the entity should be advised on

obtaining the necessary licenses for glass recycling and waste management in accordance with the Albanian Legislation.

2. Objective of the ToR

The primary goal of these Terms of Reference is to engage a legal company to advise the four venture teams (around 5 businesses each) on the optimal legal structure to implement the business idea, apply for the financial support from the EU4CELC project, enable efficient operations, and allow for future business expansion.

The venture teams should receive tailored legal recommendations based on their needs and in compliance with the present and upcoming integrated waste management law. In addition, key legal documents for entity formalization (new or existing) should be drafted as needed, ensuring compliance with local commercial legislation. Furthermore, the entity should be made tax-compliant and eligible for any tax benefits related to sustainability or recycling. Ad hoc assistance may be required during the incubation period, between November 2024 and February 2025, based on the team's business needs.

As part of the tender documentation, the company is expected to submit a methodology for the service, including the delivery approach, and the legal framework referred to while fulfilling the tasks.

The expertise is expected to be conducted online and on site with at least one onsite visit per team. Three teams are located in Tirana and one in Gjirokastra. The travel arrangements and related costs for visits outside Tirana will be made by the Company.

The expertise will be provided in the Albanian language.

There is an allocation of up to 40 man-days for the entire assignment. The initial phase should be completed **within two weeks** of the contract award date, during which a decision must be made by the venture teams regarding the legal structure, on whether to form a new entity or to establish a partnership between the entities within each venture team. Additionally, the feasibility of the business idea within the current legal framework should be assessed by the legal company. During the incubation period, teams may require further assistance, which could extend support until February 2025, anticipated at least two days of support per each venture team depending on the needs of the business.

3. Duties and Responsibilities

The company contracted should fulfill the duties and responsibilities below:

- A comprehensive legal and licensing assessment - Verify the legal form of the venture teams participants and their compliance with the local regulations. Assess specific licenses or permits needs to operate legally on waste management, glass recycling industry, etc.
- Determine the most appropriate legal registration form for each venture (e.g., limited liability company, partnership, NGO etc.)
- Draft the list of foundational documents for the legal entity as needed (clear documentation on ownership, governance, licenses and operational guidelines)
- Ensure compliance with local waste management regulations (local waste disposal, extended producer responsibilities draft law, and environmental laws, avoiding potential fines or penalties.)
- Ensure that the entity complies with local regulations related to sustainability, environmental protection
- Formalizing Partnerships, Tax Compliance, and Eligibility for Tax Benefits (Legally binding agreements formalizing partnerships or collaborations, with clear terms that protect the interests of all parties. Advise on Eligibility for Tax Benefits Related to Sustainability)

3.1 Final Deliverables:

By the end of the assignment period, the company should deliver the following documents in the form of a report for each venture team:

1. **The list of documents and respective templates** for the recommended legal form/structure
2. **Partnership agreements** formalizing collaborations within the venture.
3. **Compliance documentation** with local waste management laws.
4. **List of applicable tax benefits and incentives** tailored to the glass recycling industry or business structure.
5. **Other documentations** tailored to the venture's specific needs

4. Budget and Funding

The total budget allocated for this service shall not exceed **12,500 EUR (VAT included)**. The selected entity will receive funding in accordance with the approved budget as per the financial plan. Payments will be made based on the achievement of agreed-upon milestones and deliverables.

5. Experience and qualification of the Company/Eligibility Criteria

The qualifications of the Company for this assignment are the following:

- Must be a legally registered entity with at least 7 years of experience in commercial law in Albania, including expertise in contractual and agreement frameworks, regulatory compliance, legal requirements, structuring partnerships and collaborations, providing guidance on employment law and labor contracts, data privacy compliance, and related matters.
- Experience in licensing, standards, registration with the Office of the Registrar of Trademarks, branding, patent protection, and other relevant areas.
- Experience in drafting and reviewing partnership agreements and business collaboration contracts, ensuring clarity of terms, legal safeguards, and risk mitigation, with a preference for expertise in recycling, environmental permits or waste management.
- Familiarity with local waste management, environmental regulations and green initiatives

6. Contracting Authority

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

7. Contractual Arrangements

The initial assignment is expected to be conducted within *November 2024*, while the total assignment is expected to be completed within *February 2025*. The Company Experts must be available during the time frame foreseen. The Company must be independent and free from conflicts of interest in the responsibilities they take on.

8. Submission of the documents

The deadline for submitting the application is 08.11.2024, 15:00 hrs.

Application documents must be in English and sent via e-mail to the following address:
partners@partnersalbania.org

Partners Albania for Change and Development embraces diversity in its hiring, welcoming individuals of all religions, ethnicities, genders, and orientations to apply.