



ANNEX II: TERMS OF REFERENCE

Licenses, Development & Training Dynamics Business Central

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1. BACKGROUND INFORMATION

1.1. Beneficiary country

N/A

1.2. Contracting Authority

The Secretariat of the Union of the Mediterranean (UfM).

1.3. Relevant background

Background Information

The Secretariat of the Union for the Mediterranean (UfM – Contracting Authority) was created by the 43 Euro-Mediterranean Heads of State and Government in Paris on 13 July 2008. Foreign Affairs Ministers in their meeting in Marseille on 4 November 2008 decided that the headquarters of the UfM would be in Barcelona.

Vision

The Union for the Mediterranean (UfM) is a multilateral partnership with a view to increasing the potential for regional integration and cohesion among Euro-Mediterranean partners. The Union for the Mediterranean is inspired by shared political ideas that will revitalize efforts to transform the Mediterranean into an area of peace, democracy, cooperation and prosperity. The UfM will contribute to reinforcing co ownership of new Mediterranean relations and achieving visibility through economic projects.

Mission and Mandate

The mandate and missions of the UfM have been defined in the Paris and Marseille Declarations as well as in the Statutes adopted on March the 3rd, 2010. It is recalled that the mandate of the UfM is of a technical nature, focusing on identifying, processing, promoting and coordinating projects, which are in line with the principles and rules of international law, which enhance and strengthen the cooperation and impact directly on the livelihoods of citizens.

As stated in the Paris and Marseille Declarations, the central mission of the UfM is to increase, promote and ensure the coordination of regional, sub-regional and transnational UfM projects in order to improve the socio-economic development, regional integration, sustainable development and the exchange of knowledge among and within the countries of the UfM.

It is also recalled that in launching the UfM, the Heads of State and Government identified six priority areas. These are the following: The Secretariat of the Union for the Mediterranean

- De-pollution of the Mediterranean
- Maritime and land highways
- Civil protection
- Alternative energies: Mediterranean solar plan
- Higher education and research, Euro-Mediterranean University
- The Mediterranean Business Initiative.



UfMS organisation and ICT infrastructure

The UfM is currently composed of 70 staff members distributed among 3 departments as support functions and 6 divisions dealing with the above priority areas (Business Development, Transport and Urban Development, Energy & Climate Action, Environment and Water, Higher Education and Research, Civil and Social Affairs).

The main activities are in addition to overall functioning, studies and projects technical assistance, monitoring and fundraising missions, and organisation of technical meetings and project conferences.

UfM ERP System context

Currently UfM operates with Bizagi software (Financial System) which handles workflow authorization and repository documentation and Dynamics Business Central (Accounting System) that keeps the financial records of the activities of the organisation.

Microsoft Dynamics NAV is an enterprise resource planning (ERP) application from Microsoft, installed by UfM in 2015, upgraded to on-premises Dynamics 365 Business Central BC14 in 2020 and migrated to Dynamics BC cloud in 2025. Dynamics BC (Accounting System) objective is to allow UfM to register according with IPSAS, its activities into the appropriate set of modules offered by the system and get an overall view of trends and organization data through detailed reporting.

BC is designed to record, according to recognised standards, the operational and financial information that would be subject to audit procedures. It is used to monitor activities and check the financial data either real and committed. It covers the main features:

- Interconnection of different type of transactions in accordance with a unique set of chart of accounts.
- Set out different dimensions to recreate budget programs, activities and funds assigned.
- The financial platform addresses among others the management of cash, fixed assets, general ledger, purchase ledger, income, projects and taxes.
- Optimise the pull of information permitting customize the execution, with multi-dimension set up and create own reports to provide deep insight of the organization.
- Register complex codifications and assuring integrity and accuracy.

2. OBJECTIVE, PURPOSE & EXPECTED RESULTS

2.1. Overall objectives

The overall objectives of the assignment are to provide services support either IT or technical, upgrade the platform, improve and implement features offered by the program including training, better use of the platform to gain efficiency, develop specific improvements to link with Financial Approval System of UfM and include fees of the licenses.

2.2. Purpose

The purpose of this FRAMEWORK CONTRACT is planned to carry out the improvement of the use of the system, upgrade the application according to the specifications developed by UfM and to solve/optimize features.



2.3. Results to be achieved by the Contractor

The main outputs of the assignment are:

- 1- **License Maintenance**
- 2- **Upgrading of the system**
- 3- **Hotline support**
- 4- **Developments**
- 5- **Training:** provide training to the users of the system, to be online
- 6- **Subscriptions:** of tools/software upon request

3. ASSUMPTIONS & RISKS

n/a.

4. SCOPE OF THE WORK AND METHODOLOGY

4.1. General

Based on previous services undertaken during the period 2015-2021, the assignment is referred to two different categories of services, one related to regular service and upgrade performance and the other consisting in Contractor hours to be consumed as needed.

In accordance with this specification the scope is categorized as follows:

A. Regular service

- 1) Subscription of users to Dynamics Business Central

B. Contractor hours

- 2) Support, training and small adjustments of BC
- 3) Developments: analysis, set up and test
- 4) Developments: programming
- 5) Yearly fee to assure compatibility Microsoft upgrading with normal use of BC

C. Subscriptions

4.2. Specific activities

The specific activities under the present contract are provided in the following list but are not strictly limited to it within the above-described scope. Under this assignment, the Contractor is required to perform the activities as follows:

A. Regular service

1. BC cloud users 'subscription. The intention of UfM is to contract upfront 3-year package of the team and essential users. The requirement includes 2 packages to cover the use of the software until 2032.

B. Contractor hours

2. Support, training and small adjustments: to solve installation issues, technical doubts and support recurrent processes as closing year, forms customization, etc. This element includes training users, of the use of the system or the new developments. These services are expected to be done remotely.
3. Developments: analysis, programming, set up and test, including interfaces. Developments to improve the use, accuracy and automatization of the activities. UfM uses an approval a monitoring platform. This platform will be Mendix



4. Add-on package: this element is considered to be an annual fee that intends to cover the possible instability caused by periodical upgrades that Microsoft releases.

4.3. Developments

Under this category, the CA will require specific works to avoid redundancy of information, excel spreadsheets or other manual processes. As part of the methodology, in the technical offer, Contractor will include a description of developments already tested and installed or ready to release in the next 9 months that suppose a benefit in terms of efficiency in the process of a normal finance/administrative operation or related to public sector.

In the next months, the CA will implement Mendix as approval and monitoring platform, the Contractor will ensure that the proposed service provides the necessary technical capacity connecting and integrating Dynamics Business Central with Mendix or other platform that is used for the same purpose. The technical offer shall describe the proposed approach, methods and resources for ensuring the effective integration and interoperability between the relevant systems.

4.4. Implementation of the framework contract

Category A

As per Microsoft scheme: on-cloud basis. It is based on 3-year package.

Category B

The category B is considered to be implemented under Administrative and individual evaluation and properly required to the contractor, except for the Add-on package. The CA will assign the necessary priority according to internal objectives and budget to the different components of this category.

The component B5 is referred to a number of hours that would be assigned yearly, regarding normal consumption and previous experience. It is a common practice that this element is acquired upfront in package of hours.

The element of Add-on package (B8) is referred to the service of assurance of the normal use of the system when Microsoft upgrades occur. In this case, it is not considered as use of Contractor hours rather than a fixed annual fee.

This Framework contract will be implemented by means of Administrative Orders that will trail the following procedure:

Process for the request:

- Administrative Order by e-mail: Specific improvements/modifications/customizations or trainings required by the Contracting Authority (CA) including timetable, deadlines and maximum budget available.
- Technical and Financial Offer presented by the Framework Contractor, quoting the number of hours, the price in line with the Awarded Contract and the proposed team in charge of the assignment. For trainings the offer will include the content, dates of the session and the modality.



- Evaluation and approval of the Offer received by the Contracting Authority.
- Development of the assignment and deployment by the Contractor.
- Testing period: to be considered individually.
- Acceptance by the Contracting Authority.
- Follow up of possible eventualities
- If the development required further analysis the Contractor will work closely with the UfMS staff, through discussions, interviews, etc. either at UfM premises or remotely.

The CA will agree with to the Contractor on the scope of related processes and detailed timeframe related to each dedicated assignment/specific request- administrative order. The Contractor will propose an appropriate team with required skills and experience to performance agreed assignment.

Category C

Upon request, purchase digital subscriptions or online tools/software such as new software, use of AI and based on specific request of the CA.

The Contractor shall submit the corresponding third-party supplier invoice(s) and/or supporting documentation to the CA as evidence of the actual cost incurred. Reimbursement shall be made only against valid supporting documentation.

4.5. Project management

4.5.1. Responsible body

The Contracting Authority is the UfMS. The Finance and Support services will act as Responsible body.

4.5.2. Management structure

The contractor is directly responsible to the Finance and Support services.

5. LOGISTICS AND TIMING

5.1. Location

The assignment will be in Barcelona at the premises of the UfM.

5.2. Commencement date & Period of implementation

The intended commencement date is November 2026 and the period of implementation of the contract will be 48 months from this date. The contract shall be implemented upon request/administrative order by the Project Manager. The request shall specify the services required as well as the period of implementation for their performance.

6. REQUIREMENTS

6.1. Personnel

Note that civil servants and other staff of the public administration of the partner country, or of international/regional organisations based in the country, shall only be able to provide input as experts if well justified. The justification should be submitted with the tender and shall include information on the added value the expert will bring as well on any potential interference or conflict of interest of the



proposed expert in his/her function as expert and his/her present or previous functions working as civil servant. Moreover proof should be submitted that the expert is seconded or on personal leave.

The selection procedures used by the contractor to select the experts who provide input to the contract must be transparent, must guarantee the absence of professional conflicting interests and the absence of any discrimination based on former or current nationality, gender, place of residence, or any other ground. The findings of the selection panel must be recorded.

All experts must be independent and free from conflicts of interest in the responsibilities they take on.

6.1.1. Experts

Expertise's required for this assignment is as follows:

Qualifications, skills and experience of the experts' team:

- University degree in related fields (finance, social sciences, project management, accounting, IT, information science, etc.).
- At least 5 years of professional experience in financial, accounting and projects management with substantial practical experience in monitoring or implementation of Dynamics Business Central.
- Experience in IT project management (implementation, monitoring, evaluation,) proven experience in programming.
- Experience in the management of a multidisciplinary team.
- Demonstrated experience in development accounting/financial software.
- Knowledge and understanding of budgeting, accounting and reporting of the contact person from the Contractor would be considered as an advantage.
- Skills to train a team, capable of share knowledge and identify/suggest different solutions.

It is the responsibility of the Contractor to compose and propose experts' team which has an appropriate mix of expertise's and skills required for this engagement.

6.2. Facilities to be provided by the Contractor

The Contractor shall ensure that 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 fashion.

The Contractor will be responsible for:

- Project backstopping, administration and financial management.
- Provision of the experts and the necessary support staff, as defined in the Terms of Reference,
- Quality control and timely delivery of all outputs in line with the agreed work plan.

Within the unit price per hour the Contractor has to cover:

- All support staff and backstopping costs.
- All necessary equipment for the team of experts.



6.3. Office accommodation

Office accommodation for each expert working on the contract is to be provided by the Provider. All cost foreseen in the performance of the project, including travel costs to/from UfM premises shall be borne by the Provider and included in the financial offer.

6.4. Equipment

No equipment is to be purchased on behalf of the Contracting Authority as part of this service contract or transferred to the Contracting Authority at the end of this contract.

6.5. Incidental expenditure

Incidental expenditure is not foreseen.

7. REPORTS

7.1. Reporting requirements

The Contractor will submit, upon request by the CA, in specific cases, the following report for each Administrative Order placed.

Name of report	Content and time of submission
Specific Order Report	Short description of achievements including problems encountered and recommendations; a final invoice. In case of training, list of assistance and content of the specific request.

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All deliverables should be in electronic format (**pdf version**)

7.2. Other conditions

This assignment is a unit price/Framework contract.

For the specific request under developments (4) and trainings (5), the Contracting Authority shall make payments as lump-sum following its request, for each assignment upon approval of deliverables.

Hotline support (3) and licences maintenance (1) would be considered as advance payment. In case of Hotline hours not consumed, will be carried over to the following period. If at the expiration date of the contract, there are hours to be consumed, they would be available to be used by the Contracting Authority.

Upgrades shall make payments as lump-sum upon approval of deliverables. A specific calendar of payments would be agreed (pre-financing...).

The offer of the contract, technical and financial offers of the specific request and the reporting can be submitted in Spanish.

7.3. Implementation of the Contract

The services will be implemented by Administrative Orders placed by the Project Manager. The request shall specify the services required.