

TERMS OF REFERENCE FOR A CAPACITY DEVELOPMENT PROGRAM FOR THE SPATIAL AND URBAN DEVELOPMENT AGENCY OF GEORGIA

A. Introduction

1. The Asian Development Bank (ADB) is supporting the Government of Georgia to develop planning and to build capability to better integrate climate change into development planning. Georgia is experiencing rapid economic growth, while at the same time willing to preserve its unique nature, landscape, and culture, which as a result, is placing pressure on governments to plan and develop territories in a long-term and sustainable manner. The government recognizes that in order to improve urban development, it must find ways of addressing: (i) unplanned and unregulated urban development; (ii) important territorial inequalities, (iii) socio-economic development opportunities, and (iv) the institutional capacity of the central and municipal administrations to plan and create livable cities.

2. In 2018, Parliament adopted the Georgian Code on Spatial Planning, Architectural and Construction Activities (hereinafter referred to as “the Code”) of which the main parts entered into force on June 3rd, 2019 in order to enable better spatial planning. The establishment of the Spatial and Urban Development Agency (SUDA) in 2022, a Legal Entity Under Public Law (LEPL), under the Ministry of Economy and Sustainable Development (MOESD) and endowed with a clear mission and resources, confirms that planning is now considered a national priority.

3. SUDA's main function is to develop and manage policies for Georgia's spatial and urban development. Its mission is to foster Sustainable Spatial Development of Georgia. SUDA's main pillars of work are the following: Produce and implement the National Spatial Development Plan of Georgia; Assist local municipalities to coordinate their land use master plans; Harmonise current relevant legislation with the OECD best practices; Increase awareness about the benefits and necessity of Spatial/Urban planning and its everlasting effect on climate change and sustainable development of the country; strengthen cooperation between state, academic and private agencies around spatial and urban planning.

4. In light of the challenges and government ambitions, ADB supports SUDA via a Capacity Development Program, to enhance SUDA's capacities to deliver on its mandate. The quality of planning documents and their embedding into the development process is essential to ensure that any future investment is driven by green, resilient, and low-carbon considerations while also meeting development needs. ADB and SUDA are seeking to engage a consultancy firm to provide advisory services to support SUDA – and key governmental Agencies and selected municipalities on an ad-hoc basis - in strengthening their capacity in spatial and urban planning, with a focus on long term and sustainable development.

B. Background

5. **Urban system and human settlements.** Since the early 2000s, the urbanization rate has been slowly but steadily increasing, going from 54.9% in 2009 to 60.3% in 2023¹. The urban system is dominated by the capital city Tbilisi (1.2 million inhabitants²) which accounts for more than the half of the urban population of the country and for 51,2% of GDP (2019) and by two secondary cities, Batumi (172,000 inhabitants), and Kutaisi (134,000 inhabitants). All other urban centers are of small scale and limited economic importance, and there is a general absence of economic activity outside of cities. Georgia lacks urban centers serving as subregional social and economic hubs for rural areas. Most secondary cities experienced

¹ <https://www.geostat.ge/en/modules/categories/41/population>

² <http://regions.geostat.ge/regions/tbilisi.php?lang=en>

sharp deindustrialization after the collapse of the Soviet Union and still lack significant density, increasing the challenge of providing them with basic services and utility networks.

6. SUDA has undertaken in early 2024 a **re-organization and development of a new strategy** to better respond to pressing needs. Four key centers of knowledge are planned to be integrated in the new structure, namely: Spatial Planning and development; Biogeography and physical environment; GIS and innovations; Socio-economy and infrastructure. The creation of strong coordination between those four centers and with project teams will be crucial. Equally, project management systematization will be required to streamline the efforts of the Agency staff currently reviewing documents. SUDA is committed to addressing these areas and strengthening the agency's capabilities, aiming to become a recognized center of expertise in its field, focusing on gradually internalizing more project responsibilities.

7. **Sub-national planning and enforcement.** Currently, less than 15% of municipalities are provided with spatial development plans, which are mostly limited to the largest cities, while most regions and landscapes remain unplanned, and thus subject to unregulated construction activities. Georgia has recently strengthened its decentralization process with solid legal foundations; under the Decentralization Strategy, the role of municipalities in spatial and urban development is key. However, enforcement of existing plans at the local level is limited, with insufficient capacities at the municipal level. Therefore, SUDA is now helping municipalities produce their municipal spatial plans and in the future, municipalities should be able to develop, update and monitor their own plans. At present stage, municipal stakeholders may benefit from an increased understanding of SUDA's activities and mediation for improved and more timely engagement. The transition from centrally led planning activities to a more decentralized system is yet to be started but crucially needed.

8. **Urban planning principles.** Although the system of urban development planning has undergone changes, current planning procedures, regulations, and standards still largely reflect the central —top-down planning approach. In particular, the process is still heavily oriented towards the use of prescriptive end-state master plans. Urban planning needs to adopt modern, integrated, multisector approaches. In particular, it should include plans that are more flexible in responding to the market-led economy and accord greater role to communities in determining the future of their urban areas through participatory consultations. It should also systematically consider climate change risks (vulnerabilities, exposure, hazards); plans are currently developed without consideration to future climate impacts, which hinders the integration of climate adaptation and disaster risk management principles into urban development. In addition, there is no regional spatial scale, limiting the integration of landscapes, watersheds, and other ecological units into planning documents. Territorial approach is still absent, and intermunicipal planning and cooperation are just nascent.

9. **Urban planning capacity.** Changes in the planning system will need significant technical support to train a new generation of urban planners, widespread dissemination of information, and training in new ways of urban planning. Planning capacities are still nascent, with no university training available and to date, the majority of the city's professionals working in planning are architects or engineers rather than urban planners. They come from a design-based background that perpetuates the detailed construction-based master plan approach rather than modern, broad-based planning, which embraces economic, social, and environmental considerations. SUDA itself experiences personnel resource constraints and some limitations in terms of qualified field experts, which significantly impacts project execution. Another notable challenge is the inadequate process of developing Terms of Reference (TOR), with a lack of involvement from key personnel, insufficient research conducted, and limited communication with third parties throughout the process. This shortfall impacts project timelines, compromises TOR quality, and reduces overall efficiency for both the agency and contractors.

10. **Integrated planning** is yet to be mainstreamed, as line ministries conduct their own programming separately. Currently, there is a lack of integrated protocols, approval mechanisms, and information sharing among the main players directly involved in urban plan formulation and implementation. There is a need to strengthen the link between SUDA and other public agencies, in particular with the Ministry of Regional Development and Infrastructure (MRDI) and the Municipal Development Fund (MDF, implementing urban services and infrastructure projects in municipalities), as well as with the Ministry of Environmental Protection and Agriculture (MEPA, reviewing and approving the mandatory Strategic Environmental Assessment (SEA), and custodian of disaster risk and climate change data). SUDA is still building its legitimacy and capacity to advise, regulate, and implement urban development approaches to overcome long-term economic, social, and environmental problems. There is room for improvement in establishing an improved communication channel and raising awareness about the Agency's work in public agencies, aiming for smoother collaboration and resilient urban infrastructure planning.

11. **Planning software and spatial data integration.** Updated management and design software - in particular, a comprehensive Geographic Information System (GIS) - are fundamental tools for making decisions in planning. Some GIS databases are already being assembled by SUDA. However, it is being used primarily for data storage and mapping in a static format, rather than as an analytical and multi-scalar tool or for assisting in information sharing and decision-making. Spatial data and existing maps portals³ are scattered between several agencies and ministries with a lack of coordination and integration (e.g. Municipal Services Development Agency (MSDA); the National Agency of Public Registry (NAPR) currently developing the National Spatial Data Infrastructure (NSDI) and a Geoportal). The digital portal developed by Tbilisi City Hall (<https://maps.tbilisi.gov.ge/>) is viewed as an example to be followed by other municipalities in the country.

12. **Legal and regulatory framework.** SUDA is currently revising the Code and some changes are being proposed for adoption in 2024. The proposed revisions should create a significantly better planning and legal environment for upgrading city development, and it should harmonize with other laws related to urban planning and development, along with the capacity to enforce them through adequate regulations.

C. Objectives

13. The objective of the Capacity Development Program is to strengthen SUDA's development strategies and plans by building its capacity and mechanisms in spatial and urban planning based on international standards and European practices. With enhanced capacities and strengthened urban planning function, planning outputs and spatial knowledge should progressively be more integrated into policy making and development processes, and become a tool for vision and implementation. Through its multi-disciplinary work, SUDA should be able to position itself as a provider of strategic advice to government agencies, municipalities, territorial stakeholders (e.g. economy, energy, housing, environment, university fields), and to improve linkages with decision-makers.

14. The Program will provide SUDA with modern, integrated, multisector approaches. The program will involve provision of training materials, working group, study tour and workshops focused on disseminating methodologies for and experiences in strategic planning, urban planning processes, GIS and organizational reform. Planning and mapping instruments will also transition to digital, online, flexible and multi-scalar tools, with standardized methods. In the mid-term, the program will also lay the ground for a larger capacity development

³ <http://nsdi.gov.ge/ge/> ; <http://maps.municipal.gov.ge> ; <http://atlas.mepa.gov.ge> ; <http://maps.gov.ge> ; <https://ms.gov.ge/> ; <http://napr.gov.ge> ; <https://maps.tbilisi.gov.ge/>

program and shall provide SUDA with a framework and key recommendations for capacity development, competencies and skills upgrade in the next three years.

15. The main beneficiary of this program will be SUDA's staff. Specific activities will also involve key governmental agencies (e.g., National Environmental Agency, MDF, Resort Development Agency) to ensure that planning practices are progressively understood and integrated in infrastructure, economic and development planning. Given the limited experience of municipalities and their limited staffing, years of support and technical assistance will be required from national agencies to raise the capacity of municipalities.

D. Scope of services and activities

16. The Capacity Development Program will have three key components with the following outputs.

Table 1: Major activities and outputs

| Activities | Deliverables | Indicative Completion dates |
|---|--|-----------------------------|
| Output 1 – Enhancement of technical skills for urban planning and development of master and local plans (<i>main beneficiary: SUDA, and selected stakeholders on ad-hoc basis</i>) | | |
| Mobilization and kick-off meeting | | |
| Data collection, interviews and review of plans, strategies | | Month 1 |
| Initial assessment of capacity needs and design of the program | Training methodology and plan | |
| Inception Report workshop | Inception report | Month 1.5 |
| Preparation of training materials for specific topics Roll out of training sessions and workshop series, incl. examples of planning approaches and best practices (a) | <i>Continuous (average of 1 training session / month on selected topic and 2 key workshops).</i> | Months 2-9 |
| Development of Guidelines for planning production practice (based on training outcomes), including: <ul style="list-style-type: none"> - How to prepare a plan (e.g. TOR production) - Where to plan (develop criteria for location selection) - How to implement (e.g. outsourcing) - How to mediate and facilitate stakeholders' engagement (e.g. public hearings) - How to monitor (propose a monitoring system of municipal plan implementation) | Guidelines for planning production practice | Month 9 |
| Finalization of training materials for future use Development of an 'urban and territorial glossary' (ENG-GEO) | Training series report incl. material ENG-GEO Urban Glossary | Month 10 |
| Output 2 – Strengthening of urban planning function with efficient organizational arrangements and partnership development (<i>main beneficiaries: SUDA, key Government Agencies, selected municipalities</i>) | | |
| 2.1. On-the-job training and recommendations for organizational improvement | | |
| Consultation with SUDA and targeted municipalities, and situation review of selected projects | | Month 1 |
| Assessment of SUDA organizational and institutional bottlenecks and gap analysis | Assessment report | Month 3 |

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|---|---|------------|
| Advisory services to strengthen SUDA staff in charge of different stages of the planning process | <i>Applied to 2 or 3 selected on-going projects (cf. Annex 1)</i> | Months 2–9 |
| Organization of workshops/ group discussions with key stakeholders of SUDA's network <ul style="list-style-type: none"> - Decision-makers (Deputy Minister level) - Middle managers/ focal points of SUDA in public Agencies - Contractors - Selected municipalities (e.g. the ones who will start developing plans in 2024-25) - Etc. | | |
| Preparation of guidelines to improve institutional coordination from planning to implementation, incl. communication material to better engage with municipalities and government Agencies. | Guidelines on institutional coordination incl. short communication material | Month 5 |
| Preparation of a set of recommendations <ul style="list-style-type: none"> - improve SUDA's internal organization, - institutional reform (e.g. how to transition from very centralized to decentralized planning competencies) | Report with recommendations on organizational and institutional reforms | Month 7 |
| 2.2. Development of partnerships, peer-learning and twinning opportunities | | |
| Analysis of qualified planning agencies and SUDA peers | | Month 1-3 |
| Facilitate the formalization of partnerships (or network) with peers (b) | Report on partnership opportunities / contact list | Month 4-10 |
| Benchmarking of EU experiences about Planning agencies organization, institutional set up, legal framework. | Benchmarking report and best practice compilation | Month 4 |
| Organization of a study tour ⁴ in a selected country/ city for peer-learning ⁵ (internal organization, relations with other public stakeholders, participatory approach, spatial data management, etc.) | Report on lessons learned | Month 5 |
| Output 3 – Establishment of a shared urban database and upgrade of urban planning tools (main beneficiary: SUDA) | | |
| Assessment of SUDA mapping system and staff capacity; Review of the national standards for collecting, storing, updating and sharing spatial data, with a focus on NSDI and NAPR Geoportal (c) Definition of improvements, methodology, and equipment needs (hardware and software) | Assessment report | Month 1-3 |
| Purchase required equipment for SUDA ⁶ | <i>To be turned over to SUDA</i> | Month 4 |
| Prepare training contents and material on Spatial data management and GIS | | Month 4-6 |
| Propose specific solutions and protocols to ensure that planning activities supervised by SUDA are prepared using the same: <ul style="list-style-type: none"> - base maps, with standardized coordinates and data sources. - visual rendering (map colors, layout and format) | Database protocol Mapping standards and visualization protocol | Month 4-8 |

⁴ The study tour budget will be on provisional sums.

⁵ The study tour will take place in an ADB member country <https://www.adb.org/who-we-are/about> (see regional and non-regional members)

⁶ Goods (computers, printers, GIS software, drone, servers, etc.) represent approximately 35% of the total budget. They are on provisional sums and will be reimbursed on actual invoice.

| | | |
|--|---|-----------------|
| Provide technical and institutional advice to <ul style="list-style-type: none"> - transition from old to new GIS database, and harmonize / integrate existing mapping material into one single online platform within SUDA, - enhance the Geoportal development (complementing NAPR portal, establishing a geospatial center, etc.) | Roadmap for Online platform and Geoportal development (IT technical and institutional requirements) | Month 5-9 |
| Setting-up of computers and software Deliver training for SUDA staff in charge of GIS and mapping | Training report and material | Month 6-10 |
| Preparation of a consolidated final report, with training materials, lessons learned from capacity development activities (outputs 1, 2, 3) and roadmap (short term, mid-term, long term) with recommendations for the next three years. | Final consolidated Capacity Development report | Month 10 |

- (a) Topics will be agreed upon at inception stage with SUDA.
- (b) Countries for consideration: Germany, France, Switzerland, Austria, Poland, Hungary, Serbia. This is a tentative list, to be refined at inception stage and based on potential for long-term partnerships and twinning opportunities.
- (c) This will involve undertaking a gap analysis of the current development in NAPR (NSDI and Geoportal), understand the NSDI implications (planned to be effective in July 2024) for SUDA and for municipalities who will have to provide inputs. The assessment will also analyse the role of SUDA in the Geoportal under development and the potential improvements (especially around urban / spatial / planning data) towards geospatial data integration.

17. This assignment is intended to be undertaken in a participatory manner and as such the Consultant shall ensure regular liaison with all key stakeholders to ensure smooth implementation of the project. The Consultant will communicate on a regular basis with SUDA about the work schedule and keep stakeholders informed in advance of missions and activities.

E. Deliverables

18. The consultants shall submit to SUDA / ADB the following key project deliverables. All reports and deliverables shall be carried out in full consultation with relevant parties and stakeholders. All learnings will be consolidated into reader-friendly material and the consultant should ensure that it is stored in a dedicated depository for future reference and staff's use.

Table 2: Deliverables and Milestones

| Deliverable | Expected Submission Date | Payment milestones |
|--|-----------------------------------|--------------------|
| <ul style="list-style-type: none"> • Inception report incl. project schedule, initial capacity needs assessment and design of the training program | Within 1.5 months of mobilization | |
| <ul style="list-style-type: none"> • Assessment report <ul style="list-style-type: none"> - SUDA organizational and institutional bottlenecks and gap analysis - Agencies and peers' identification - SUDA mapping system (database, GIS, online platform) - Spatial data national standards and Geoportal | Within 3 months of mobilization | 20% |

| | | |
|--|--|-----|
| - Equipment needs. | | |
| • Benchmarking report EU (planning agency organization and institutional set up) (A) | Within 4 months of mobilization | |
| • Training material for 4 technical sessions and 1 multistakeholder workshop • Study tour report • Guidelines on institutional coordination incl. short communication material (B) | Within 5 months of mobilization | 35% |
| • Report with recommendations on SUDA organizational and institutional reforms (C) | Within 7 months of mobilization | |
| • Database protocol, and Mapping standards and visualization protocol (D) | Within 8 months of mobilization | |
| • Guidelines for planning production practice (E) • Training material for 4 technical sessions and 1 multistakeholder workshop; and for GIS and mapping • Roadmap for Online platform and Geoportal development (F) • ENG-GEO Urban Glossary | Within 9 months of mobilization | |
| • Consolidated final report, incl. - training materials and Glossary - lessons learned from capacity development activities and study tour - partnership opportunities / contact list - All recommendation reports and guidelines (A, B, C, D, E, F) - Roadmap for capacity development (2025-2027) | Within 10 months of mobilization | 45% |
| • Monthly progress briefs | Within one week at the end of each month | |

F. Team requirements

19. ADB / SUDA will select and engage Consultants in accordance with ADB Procurement Policy and the associated Staff Instructions for ADB Administered Consulting Services and Technical Assistance Staff Instructions.

20. Consultants will be engaged through a single firm or a group, or consortium of firms and organizations, who will be able to deliver the services required. ADB/ SUDA is looking for a dynamic and energetic team that can bring grounded and robust proposals to the SUDA. Consultants are encouraged to include individuals that will bring a high level of drive and enthusiasm to the project and to promote diversity in the selection of project team members. All national consultants must be proficient in English and Georgian.

21. The consultant firm shall demonstrate technical competence and geographical experience based on project references:

- Experience on international market, at least 10 years,
- Significant experience in capacity development program and advisory services to public agencies on institutional and organizational reforms about urban development, at least 5 projects,
- Significant experience in urban design, urban planning, regional planning and policy support, at least 10 projects,
- Experience in twinning and partnership development,
- Experience in Eastern Europe, Western Europe, and post-soviet countries; previous experience in Georgia is an advantage.

22. The project team is expected to be comprised of a core team with 3 key international expert positions (9.5 person-months) and 4 key national expert positions (25.5 person-months), and a technical team with 3 non-key international expert positions (1.5 person-months) and 4 non-key national expert positions (2 person-months) as summarized in Table 3.

23. The Capacity Development Program will be implemented over 10 months and is expected to start on 15 August 2024 and finish on 15 June 2025. The program will finance consulting services, workshops, training, travels (study tour), equipment, and software. The main fields of expertise will be spatial and urban planning, organizational reform, capacity building, and the GIS.

Table 3: Indicative Team Composition and Estimated Inputs

| CORE TEAM – KEY EXPERTS | | | | |
|--------------------------------|--|------------|--|-------------|
| | International | PM | National | PM |
| 1 | Urban Planner - institutional specialist / Team Leader | 5.0 | Urban planner / Deputy team leader | 8.0 |
| 2 | GIS / IT management specialist | 3.0 | Capacity building / training facilitator specialist | 4.0 |
| 3 | | | GIS / IT management specialist | 5.0 |
| 4 | | | Translator - Interpreter / urban management specialist | 6.5 |
| | Total | 8.0 | | 23.5 |

| TECHNICAL TEAM – NON-KEY EXPERTS | | | | |
|---|---|------------|--|------------|
| | International | PM | National | PM |
| 1 | Housing / real estate development specialist | 0.5 | Urban Economist | 0.5 |
| 2 | Participatory planning/ stakeholder engagement specialist | 0.5 | Transport and mobility Specialist | 0.5 |
| 3 | Rural planning specialist | 0.5 | Infrastructure programming specialist | 0.5 |
| 4 | Urban development specialist | 1.5 | Climate change, risk management and environment specialist | 0.5 |
| | Total | 3.0 | | 2.0 |

24. In addition to these professional resources, it is strongly advised that the consultants put in place sufficient supporting resources (e.g. logistics coordinators, secretary etc.) to help assure the smooth running of the assignment. Consulting firms may present alternative staffing arrangements to suit their approach (number and nature of the experts) to achieve the objectives and to meet the requirements set out in these TOR, subject to not significantly exceeding the total person-month inputs, and to justifying any such proposals.

25. Position-specific requirements will be provided at Request for Proposal stage.

G. Implementation arrangements

26. **SUDA** will be the executing and implementing agency for the program. With the support of the Project Implementation Unit (PIU), it will administer the project and supervise the implementation of the assignment. It is the primary route for all communication, reports,

and project management aspects. The consultant will report to SUDA. The precise details of the communication structure will be advised at the project inception stage.

27. SUDA can make a large meeting room available for training and meetings. Rental of venue will be needed only for large workshops.

28. All project reports shall be written in Georgian and English and shall be provided in both printed and electronic form. The consulting firm shall provide five printed copies of each report to SUDA. Electronic versions of the reports should be submitted in both MS Word and PDF formats. The consulting firm shall also provide SUDA with the final electronic version of all source files under self-explanatory file names and directory structure (including data collected, spreadsheets and models etc.).

Annex 1 – List of on-going projects in 2024 supervised by SUDA that could be subject of on-the job training.

| Location | Plan Type | Deadline for completion |
|-----------------|---------------------------|--------------------------------|
| Ureki | Master Plan | 28/12/2024 |
| | Development Plan | |
| Tianeti | Spatial Plan | 13/12/2024 |
| Bakuriani | Spatial Plan | 26/11/2024 |
| Ateni | Spatial Plan | 15/10/2024 |
| Manglisi | Development Plan | 12/12/2024 |
| Borjomi | Master Plan | 01/05/2025 |
| | Development Plan | |
| Muashi | Detailed Development Plan | 24/12/2024 |