

Terms of Reference

Support to the Government of the Republic of Moldova to Development of Millennium Challenge Corporation Compact Proposal (Water supply/ Sanitation Expert)

1. Background

The Millennium Challenge Account (MCA) is an initiative of the United States to support policies and programs that advance a country's progress in achieving sustainable economic growth and poverty reduction. For the accomplishment of these purposes, the MCA provides considerable grant financing for selected investment proposals, developed by eligible countries (Compact proposals).

The Republic of Moldova has undertaken a number of structural reforms, among which the regulatory reform project leading to eased administrative burdens and more transparent regulation of the entrepreneurs; the central public administration reform project leading to a more effective and efficient governance; and the public finance management project aiming at increased accountability and transparency with regard to public finances. Besides these important projects, the Republic of Moldova has to strengthen its capacity to respond to the challenges of European integration.

The engagements of the Government of Moldova to continue the needed actions and reforms towards improving the investment climate, raising the efficiency of the public sector resource management, strengthening the social protection system, providing investments for education and health public health, as well as corruption control, offers a new boost for private sector development aimed to contribute to rendering quality services to people and ensuring a sustainable country growth.

To provide further incentive for policy reform, Millennium Challenge Corporation (MCC) established a Threshold Program for countries that demonstrate a significant commitment in meeting the eligibility criteria. By awarding a MCC grant of USD 24.7 mil., the Republic of Moldova has been accepted to implement its Threshold Country Plan targeted to fight and prevent corruption in various areas.

On November 8, 2006, the MCC Council selected the Republic of Moldova as an eligible country for Millennium Challenge Account development assistance. Recognizing that development is achieved by country's own efforts, policies, and people, Millennium Challenge Corporation (MCC) gives the opportunity to identify priorities for achieving sustainable economic growth and poverty reduction in a broad consultation with the society.

The MCA program is reflected in a Compact that defines responsibilities and includes measurable objectives and targets to assess the progress in economic growth and poverty reduction. As an eligible country, now Moldova was invited to develop and submit to

Millennium Challenge Corporation (MCC) a proposal that can form the basis for future negotiation of Compact.

During Spring/Summer 2007, Republic of Moldova conducted a deep analysis of binding constraints to economic growth as a first step in developing country's proposal to MCC. The analysis identifies core barriers to growth and development and provides a logical basis for future proposal. According to it, the weak infrastructure (including water-to irrigation infrastructure) and investment climate are the binding constraints at the moment. The analysis' results were widely discussed, tested and confirmed during extensive public consultation events in June-July 2007. In September 2007, MCC formally acknowledged the good quality of report.

2. Description of Assignment

2.1 Objectives

The Water Supply Infrastructure Expert will be a part of the Moldova's core team of consultants (MCA Moldova Team) established for developing the Compact proposal to Millennium Challenge Corporation. The incumbent will work under guidance and in collaboration with economists/development experts of the team and report to the MCA Moldova Team Leader.

Specific objective of the assignment is to develop the water supply/ sanitation infrastructure investment component as a part of full Compact proposal, through a series of actions that will include but not limited to: cost estimation, cost-benefit analysis, discussions on prioritization and choice between several alternatives, public consultations, proposal drafting and demonstrating how the program will lead to economic advantages in benefit of all society of Moldova.

Expert's activity should contribute to the fulfillment of the strategic objective – development and official submission of Moldova's Compact Proposal by end December, 2007.

2.2 Inputs

The Water Supply Infrastructure Expert is expected to provide ongoing advice and assistance in proposal development and program design by fulfilling the following tasks:

A. Identify and discuss feasible scenarios of investments in water supply / sanitation infrastructure

Under this task, the Water Supply Infrastructure Expert is directly involved in identification and design of the potential water supply / sanitation investment components, which would have a pronounced effect on the incomes of a large group of beneficiaries. It is expected that water supply / sanitation investment component should come with feasible scenarios of how the improved water supply / sanitation infrastructure would interact with market demand for water and ultimately result in new business opportunities; and propose a mechanism for it.

Potential projects are subject to discussion with interested and relevant stakeholders and have to be informed by cost-benefit analysis and beneficiary analysis.

B. Draft the Water Supply / Sanitation Component of Compact Proposal

Based on the informed analysis mentioned above, the Water Supply Infrastructure Expert together with the MCA core team will develop the Water Supply/ Sanitation Investment Component of the Compact proposal.

2.3 Results

The result of the assignment is Moldova's Compact proposal forwarded to the MCC. The proposal should be based upon the constraints analysis, results of public consultations and discussions, and relevant analyses, including cost-benefit analysis, environmental analysis, social impact and gender analysis.

2.4 Deliverables:

The Water Supply Infrastructure Expert together with the MCA core team is responsible for delivering the following paper:

- a. Chapter on water supply / sanitation investments of the Moldova's Compact proposal, with necessary calculation and explanations attached as annexes.

3. Time frame and institutional arrangements

The timeframe for the work of the Water Supply Infrastructure Expert is **November 1st, 2007 until January 31st, 2008**. Extension is possible but will depend on the progress of Compact development in general, and will be governed by different TOR.

The MCA core team is working under the leadership of the First Deputy Prime-Minister of the Republic of Moldova and the MCA Moldova Team Leader. The MCA Moldova Team Leader will periodically review the performance of the Water Supply / Sanitation Expert and inform the UNDP /Moldova Office accordingly.

4. Qualification Requirements

- § University degree in Engineering, Economics or other relevant field;
- § Good knowledge of water supply/ sanitation infrastructure issues;
- § Minimum 5 years of relevant experience in supply/ sanitation infrastructure;
- § Experience in drafting TOR/business/project proposals is an advantage;
- § Good report writing skills;
- § Fluent in spoken, written Romanian. English is desirable but not crucial;
- § Good computer skills (MS Office).