

Terms of Reference
Support to Government of Moldova
to Millennium Challenge Corporation Compact Elaboration
(Financial Management and Administrative Director)
Interim position

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.

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 efficiency of the public sector resource management, strengthening the social protection system, providing investments for education and 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 grant of USD 24.7 mln from MCC, 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 usually reflected in a Compact Agreement that defines responsibilities and includes measurable objectives and targets to assess the progress in economic growth and poverty reduction. As an eligible country, 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, a team established within the Government Office of Republic of Moldova (MCA 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 infrastructure and investment climate were 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. In February 2008, MCA Moldova has formally submitted to MCC a country proposal targeting at the reduction of identified constraints. The proposal had 4 investment projects, 2 of them had been selected by MCC for further study and refinement (Due Diligence), and namely the Roads Rehabilitation Project and Transition to High Value Added Agriculture Project.

During 2008-first half of 2009, further work has been carried together by MCC and MCA Moldova on refinement of the abovementioned two projects (Agriculture and Roads). Multiple background studies have been performed, including:

- Feasibility Study for proposed segments of roads
- Feasibility Study of 16 Central Irrigation Systems (CIS) proposed for rehabilitation
- Land rights and land market access study
- Access to Agricultural Finance Study
- Irrigation Management Transfer Study
- Legal study in the area of Water User Associations and Water Law
- Agricultural Market Overview
- Farms Survey in proposed 16 CIS

The draft final project design was consequently developed and in July 2009, the MCC Investment Committee has reviewed the refined proposal and forwarded it to Investment Board, which notified US Congress on its intention to begin negotiations of Compact Agreement with the Government of Moldova. In September 2009, the two-week period of Congressional notification has ended with no objections recorded from US Congress. In November 2009, Government of Moldova and MCC have successfully completed negotiations of Compact agreement, and defined the design of Compact's project and budget.

The final Compact Program design as of November 2009 consists of:

A. Roads Rehabilitation Project (Sarateni-Sorooca-Drochia Junction road)

B. Transition to High Value Agriculture Project, made of the following Activities

1. Rehabilitation of up to 11 Central Irrigation Systems Activity, targeting the rebuilding of up to 11 CIS that take water from Prut and Nistru rivers, with command area of approximately 15,500 hectares (for the 11 CIS)
2. Irrigation Sector Reform Activity, targeting at transferring the management of rehabilitated CIS from state to newly formed Water Users Associations and at installing sustainable water management based on river basin principle.
3. Access to Agricultural Finance Facility for enabling investments in post-harvest infrastructure.
4. Growing the Sales of High Value Agriculture Products, an activity targeting the expansion of agricultural marketing opportunities for farmers and agribusiness, to be co-financed under Compact and implemented by USAID.

It is expected that the Compact Program will be signed at the beginning of 2010. In the meanwhile, the Government of Moldova will officially set up and launch Millennium Challenge Account, or MCA-Moldova, as public national entity responsible on 5-year implementation of Compact Program in Moldova. The MCA-Moldova will administer the Compact, directly or throughprocured Contractors, including but not limiting at, the activities related to:

- General program administration and oversight
- Supervision of contractors and works
- Assisting contractors and suppliers in their relationships with government sector
- Procurement and financing of contractors and activities
- Monitoring and evaluation
- Audit

2. Description of Assignment

2.1 General Description and Scope

The incumbent will act as Interim Financial and Administration Director.

The overall scope of assignment is duly execution of tasks on MCA Moldova/MCC agenda pertaining to the Financial and Administration project activities as currently expressed in the draft Compact Agreement and in existing preliminary working plans. Special focus will be made on doing needed work to successfully launch the MCA Moldova (implementing entity) activities and getting detailed financial and work plans in place.

He/she will work as part of current team of consultants, including the MCA Moldova Compact development team. Needed documents and start-up support will be provided.

2.2. Principal tasks and responsibilities

- Manage the flow of finances and provide administrative support the accountable entity to be established by the Government of Moldova (“GoM”), to be known as the Millennium Challenge Account – Moldova (the “MCA”)
- Work with the fiscal agent selected by the MCA (the “Fiscal Agent”) in the development and implementation of permanent financial and administrative policies, procedures, and structures in the MCA, until the hiring of the permanent Chief Financial Officer/Financial Management Director for the MCA (“CFO/FMD”) and other senior staff by the MCA.
- Serve as principal liaison with the Fiscal Agent and the Director of Fiscal Accountability of the Millennium Challenge Corporation (“MCC”) to ensure the sound introduction and initial implementation of financial management by the Team for Developing the Compact Program and by the MCA.
- Oversee, monitor, and evaluate the performance and review and approve deliverables and invoices of the Fiscal Agent until the MCA Chief Financial Officer/Financial Management Director assumes duties.
- Lead the design and implementation of the financial management functions within the MCA, including determination of staffing requirements, and development of procedures manuals, to the extent needed prior to hiring the permanent CFO/FMD.
- Lead the design and implementation of other administrative policies, procedures, and functions within the MCA, including the recruitment and hiring of permanent MCA staff, in compliance with MCC requirements and Moldovan legislation.
- Assist in the implementation of tax exemptions as set forth in the compact and to develop the policies and procedures required in the MCA to ensure MCC funds are exempt from all taxes.
- Assist in the selection of a qualified bank that will provide local banking services to the MCA.

- Continue the development of the operating budget for the MCA, ensuring that there are detailed justifications of positions needed, salaries and benefits proposed, and office space required.
- Assist in preparing, carrying out, and monitoring relevant portions of the MCA's work plans.
- Ensure that contracts, including insurance policies, required for the smooth operation of the MCA are executed and maintained.
- Assist in preparing financial reports and other documents relevant to core team operations and MCA establishment and operations for relevant GoM and MCC officials.
- Carry out other finance- and administration-related duties as assigned until the CFO/FMD assumes duties.
- Other tasks as assigned by the MCA Moldova Compact Development Team.

2.3 Results

Key expected results for the contracting period are:

A. The initial financial management for the Team for Developing the Compact Program and for the MCA Moldova is introduced.

B. The financial management functions within the MCA, including determination of staffing requirements, and development of procedures manuals, to the extent needed prior to hiring the permanent CFO/FMD are designed and implemented.

C. Relevant administrative policies, procedures, and functions within the MCA, including the recruitment and hiring of permanent MCA staff, in compliance with MCC requirements and Moldovan legislation are designed and implemented.

D. A qualified bank that will provide local banking services to the MCA Moldova is selected.

E. The operating budget for the MCA, ensuring that there are detailed justifications of positions needed, salaries and benefits proposed, and office space required is developed.

F. Relevant to the finance and administration portions of the MCA Moldova work plans are prepared.

G. Financial reports and other documents relevant to core team operations and MCA establishment and operations for relevant GoM and MCC officials are prepared.

3. Time frame, duration of contract and institutional arrangements

The public entity MCA Moldova, financed from Compact funds, will be officially launched in the next several months. MCA Moldova will then employ a strong team of professionals through open competitive procurement, for full 5 year Compact time frame.

The present TOR covers the interim position, until the Compact funds are made available and MCA Moldova runs open procurement for full positions. The contract carries no expectation of renewal or insurance of transfer to full term, however, an incumbent who demonstrates excellent performance will be strongly encouraged to apply for full 5 year position.

The timeframe for the work of the incumbent under this assignment is from January to March, 31st 2010. The incumbent will work under the leadership of interim MCA Moldova Team Leader.

4. Qualification Requirements

- To have a university diploma in accounting (preferred) or finance.
- To have at least 5 (five) years of relevant professional experience, preferably including experience in a senior management position in finance in a project or company having an annual budget of more than \$2 million USD or as an auditor in an accounting firm with international experience.
- To have demonstrated experience in applying the practices, procedures and systems of financial management in a government or private sector entity.
- To have demonstrated experience in budget preparation and execution.
- To have demonstrated experience in managing or carrying out an accounting function involving purchasing goods and services; maintaining accounting records; processing payments to vendors, employees and other entities; processing receipts and reimbursements; maintaining accounting books and records; and performing monthly, quarterly and year end closings, reconciliations and reporting processes.
- To be proficient in operating a variety of office software, such as Word, Excel, PowerPoint and project management.
- Fluent in spoken and written Romanian;
- To have excellent oral and written communication skills in English.
- Ability to work in multinational and multipartite environment;
- Experience in donor-financed projects and in drafting terms of reference is a plus;

5. Requirements of the position

- To be free of all conflicts of interests that could endanger the integrity of the program.
- To have good character and to show moral integrity.
- To have good analytical skills.
- To be able to assess actual needs against original budget projections to ensure that expenditures are cost effective and reflect value for money.
- To work well as a member of a team and with a variety of people.
- To be ready to work at an intensive pace and under pressure.
- To agree to work beyond normal working hours when required.
- To read, write, speak and understand English well.

The place of work is in Chisinau; travel to project sites may be required (some international travel maybe required as well).