

## INDIVIDUAL CONSULTANT PROCUREMENT NOTICE

Date: **September 25, 2015**

**Country:** Republic of Moldova

**Description of the assignment:** **International consultant** in the area of risk assessment of corruption in public procurement

**Project name:** Strengthening the corruption prevention and analysis functions of the National Anticorruption Center (NAC)

**Period of assignment/services:** up to 32 working days during October 2015 – January 2016

Proposals should be submitted by pressing the "Apply Now" button no later than October 9, 2015.

Requests for **clarification only** must be sent by standard electronic communication to the following e-mail [olga.crivoliubic@undp.org](mailto:olga.crivoliubic@undp.org). UNDP will respond by standard electronic mail and will send written copies of the response, including an explanation of the query without identifying the source of inquiry, to all applicants.

### 1. BACKGROUND

One of the most vulnerable sectors, which is exposed to corruption risks, is public procurement. A recent analysis of corruption risks in public procurement in the EU (*Identifying and reducing corruption in public procurement in the European Union*<sup>1</sup>), notes a number of practices having a negative character towards the procurement process, including bid rigging, providing illicit commissions, conflicts of interest, intentional mismanagement or ignorance, etc. According to the estimations conducted in five different sectors, corrupt/grey cases in public procurement generate a public loss of 18 % of their projected costs.

In 2014, the EU updated the existing legislative framework adopting new directives on public procurement in order to ensure better legal protection for the financial interests of the EU public procurement process. In order to strengthen the anti-corruption actions, European Anti-Fraud Office (OLAF) has introduced new indicators on the entire scope of the procurement process, called "Red Flag" to warn Member States and contracting authorities to respond appropriately to effectively prevent fraud and corruption in the system.

In Moldova, the Court of Accounts reports show that public procurement remains a sector with a high risk of inefficient use of public funds. National procurement system is characterized by a series of negative practices, resulting from poor management of the public procurement process. Weaknesses in the sector are determined by the low capacity of actors involved in procurement process to prevent fraud and corruption practices.

<sup>1</sup>[http://ec.europa.eu/anti\\_fraud/documents/anti-fraud-policy/research-and-studies/identifying\\_reducing\\_corruption\\_in\\_public\\_procurement\\_en.pdf](http://ec.europa.eu/anti_fraud/documents/anti-fraud-policy/research-and-studies/identifying_reducing_corruption_in_public_procurement_en.pdf)

The sociological research "Corruption in Moldova: perceptions and experiences of businessmen and households" conducted in 2014 by Transparency International - Moldova<sup>2</sup>, indicates the persistence of informal payments offered by economic operators to public officials to win tenders of about 10% of the amount of contracts.

A recent research Public Acquisitions in Moldova: Problems and Solutions (2014) developed by a local think-tank Expert-Group, suggests that the legal and normative framework, even if not perfect, is not the main cause generating risks and loss in public procurement. The experts say that main causes are the weak system of control over the procurement process and results and an inadequate risk management. The contracting authorities pay little attention to the analysis of the existent constraints with the view of developing new measures to improve the situation. The experts also mention that the system of public procurement is strongly affected by the situation in justice sector, passivity of the law enforcement institutions, opacity in political competition, traditions, quality of business sector, etc.<sup>3</sup>.

Assessment of corruption risks across different sectors, including public procurement, is part of the National Anticorruption Strategy of the Republic of Moldova 2011 – 2015<sup>4</sup>, approved by Parliament Decision no. 154/21.07.2011. The Strategy highlights that prevention of corruption in public procurement procedures requires excluding the privilege of influence given to economic operators concerning the conditions for submission of bids, increasing transparency of the organization and conduct of public tenders, preventing conflict of interests and their respective treatment while selecting the auction winner, etc.

NAC has a clear mandate to prevent corruption including through the provision of the methodological and other support in conducting corruption risk assessments within public authorities and institutions through training and consultation, monitoring and analysis of data on corruption risks and coordinating the development as well as the execution of the integrity plans.

UNDP, through its project *Strengthening the corruption prevention and analysis functions of the National Anti-corruption Center* (NAC) aims to strengthen the capacities of NAC in the field of risk assessment of corruption and provision of methodological support to identify and reduce corruption in public procurement, offering as the tools raising awareness and training for contracting authorities managers and staff, as well as for private sector entities. For this, the project intends to engage an international consultant that working in a team with a national consultant and in close collaboration with the relevant NAC's units will carry out a comprehensive assessment of corruption risks in public procurement and elaborate an optimal risk indicator system based on the "red flag" concept., using the *OECD Methodology for assessment of national procurement systems*.

## **2. SCOPE OF WORK, RESPONSIBILITIES AND DESCRIPTION OF THE PROPOSED ANALYTICAL WORK**

The main objective of the assignment is to perform a comprehensive assessment of corruption risks in public procurement, including mapping of integrity risk areas and recommended measures for integrity/corruption risks mitigation; and elaboration of an optimal risk indicator system based on the "red flag" concept.

The consultant will use as reference the *OECD Methodology for assessment of national procurement systems*.

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<sup>2</sup><http://transparency.md/ro/cefacem/publicatii/216-sondaj2014>

<sup>3</sup> <http://expert-grup.org/en/biblioteca/item/969-achizitii-publice-moldova&category=180>

<sup>4</sup>[http://cna.md/sites/default/files/snadoc/national\\_anti-corruption\\_strategy\\_2011-2015\\_republic\\_of\\_moldova.pdf](http://cna.md/sites/default/files/snadoc/national_anti-corruption_strategy_2011-2015_republic_of_moldova.pdf)

The assignment will consist of two missions. The first mission (tentatively scheduled to take place on 27 October – 6 November 2015) will involve the review of relevant background documents, national legislation, materials, and reports prior to and during the mission, focus group discussions and in-depth interviews involving officials from NAC, Public Procurement Agency, Court of Accounts, Ministry of Finance, line ministries, other relevant institutions. It may also include interviews and/or focus group discussions with key external partners and civil society organizations to discuss possible solutions based on their familiarity and knowledge of Moldovan public procurement system. The second mission, which will be undertaken at least one month after the first mission, will involve the presentation of the draft assessment report of corruption risks in public procurement with required inputs/recommendations and an optimal risk indicator system based on the “red flag” concept, discussion of the recommendations and their validation. Final assessment report will be submitted to the NAC and UNDP after the second mission. The international consultant will work in a team with a national consultant.

**For detailed information, please refer to Annex 1 – Terms of Reference.**

### **3. REQUIREMENTS FOR EXPERIENCE AND QUALIFICATIONS**

#### **I. Academic Qualifications**

- Master’s Degree or equivalent ( 5 years of university studies ) in Economics, Finance, Law or other relevant field;

#### **II. Years and sphere of experience**

- At least five years of relevant experience in consultancy area in public procurement process and proven experience in anti-corruption area in audit and/or anticorruption agencies or other relevant institutions.
- At least one year of experience in implementing similar missions in new EU Member or candidate states or CIS region

#### **III. Competencies**

- Proven extensive knowledge of corruption phenomenon, efficient mechanisms for its combating and prevention;
- Knowledge of effective mechanisms for identifying and reducing corruption in public procurement;
- Practical experience in risk assessment and/or anti-corruption expertise of the regulatory framework;
- Knowledge and experience in application of the OECD Methodology for assessment of national procurement systems is a strong advantage;
- Extensive demonstrated experience in developing analytical studies/reports related to public procurement/corruption risks in public sector;
- Previous successful experience of working with UN agencies is an advantage;
- Effective communication and strong analytical skills;
- Knowledge of English; knowledge of Romanian or Russian would be an advantage.

#### **IV. Personal qualities**

- Proven commitment to the core values of the United Nations; in particular, is respectful of differences of culture, gender, religion, ethnicity, nationality, language, age, HIV status, disability, and sexual orientation, or other status;
- Responsibility
- Capacity of collaboration and teamwork
- Flexibility
- Punctuality

#### **4. DOCUMENTS TO BE INCLUDED WHEN SUBMITTING THE PROPOSALS**

Interested individual consultants must submit the following documents/information to demonstrate their qualifications:

1. Proposal: explaining why they are the most suitable for this position and providing examples reflecting the competencies for each of the qualification requirements (particularly providing details on the previously implemented similar projects and assignments and previous experience in the fields related to this consultancy as described in the terms of reference);
2. Financial proposal: in (USD, specifying a total lump sum amount and the number of anticipated working days);
3. Personal CV including past experience in similar projects and the contact details of at least 3 reference persons.

#### **5. FINANCIAL PROPOSAL**

The financial proposal shall specify a total lump sum amount, and payment terms around specific and measurable (qualitative and quantitative) deliverables. Payment will be made upon the successful completion of the tasks assigned and submission of the assessment report. Payments are based upon output, i.e. upon delivery of the services specified in the TOR. In order to assist the requesting unit in the comparison of financial proposals the financial proposal shall include a breakdown of this lump sum amount (including fee, taxes, communication costs, travel, per diems, and number of anticipated working days).

##### **Travel**

All envisaged travel costs must be included in the financial proposal. This includes all travel to join duty station/repatriation travel. In general, UNDP should not accept travel costs exceeding those of an economy class ticket. Should the IC wish to travel on a higher class he/she should do so using their own resources.

In the case of unforeseeable travel, payment of travel costs including tickets, lodging and terminal expenses should be agreed upon, between the respective business unit and Individual Consultant, prior to travel and will be reimbursed.

Two trips to Moldova are envisaged under this assignment.

#### **6. EVALUATION**

Initially, individual consultants will be long-listed based on the following **minimum qualification criteria**:

- Master's Degree or equivalent ( 5 years of university studies ) in Economics, Finance, Law or other relevant field;

- At least five years of relevant experience in consultancy area in public procurement process and proven experience in anti-corruption area in audit and/or anticorruption agencies or other relevant institutions.
- At least one year of experience in implementing similar missions in new EU Member or candidate states or CIS region

The long-listed individual consultants will be further evaluated by a Selection Committee based on the following short-listing criteria:

Short-listing Criteria	Scoring	Max. Points Obtainable
Master's Degree or equivalent (5 years of university studies) in Economics, Finance, Law or other relevant field	(Master – 30 pts., PhD – 35 pts.)	35
At least five years of relevant experience in consultancy area in public procurement process and proven experience in anti-corruption area in audit and/or anticorruption agencies or other relevant institutions	(5 years – max. 35 pts, more than 5 years – up to 50 pts, 5 pts – for each additional year)	50
At least one year of experience in implementing similar missions in new EU Member or candidate states or CIS region	(one year – max 15 pts., more than one year – up to 25 pts., 5 pts – for each additional year)	25
Extensive demonstrated experience in developing analytical studies/reports related to public procurement/corruption risks in public sector	(no – 0 pts., to some extent – up to 20 pts., yes – up to 40 pts.)	40
TOTAL		150

The first five candidates who passed short-listing evaluation criteria with the best score shall be invited for interview and pass cumulative analysis.

#### Cumulative analysis

The award of the contract shall be made to the individual consultant whose offer has been evaluated and determined as:

- a) responsive/compliant/acceptable, and
- b) having received the highest score out of a pre-determined set of weighted technical and financial criteria specific to the solicitation.

1. Technical evaluation (max 300 points) – 60%;
2. Financial evaluation (max 200 points) – 40%.

Only candidates obtaining a minimum of 70% score of the technical evaluation (at least 210 points) would be considered for the Financial Evaluation.

Technical Criteria	Scoring	Max. Points Obtainable
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<b>Interview</b>		
Proven extensive knowledge of corruption phenomenon, efficient mechanisms for its combating and prevention;	(no – 0 pts., to some extent – up to 25 pts., yes – up to 50 pts.)	50
Knowledge of effective mechanisms for identifying and reducing corruption in public procurement	(no – 0 pts., to some extent – up to 35 pts., yes – up to 70 pts.)	70
Practical experience in risk assessment and/or anti-corruption expertise of the regulatory framework	(no – 0 pts., to some extent – up to 35 pts., yes – up to 70 pts.)	70
Knowledge and experience in application of the OECD Methodology for assessment of national procurement systems is a strong advantage	(no – 0 pts., to some extent – up to 20 pts., yes – up to 40 pts.)	40
Knowledge of English; knowledge of Romanian or Russian would be an advantage.	(English – 10 pts; Romanian – additional 10 pts; Russian – additional 10 pts;)	30
Effective communication and strong analytical skills	(no – 0 pts., to some extent – up to 10 pts., yes – up to 20 pts.)	20
Responsibility, capacity of collaboration and teamwork, flexibility, punctuality	(no – 0 pts., to some extent – up to 10 pts., yes – up to 20 pts.)	20
<b>Maximum Total Technical Scoring</b>		<b>300</b>
<b>Financial</b>		
Evaluation of submitted financial offers will be done based on the following formula: <b><math>S = F_{min} / F * 200</math></b> S – score received on financial evaluation; Fmin – the lowest financial offer out of all the submitted offers qualified over the technical evaluation round; F – financial offer under consideration.		<b>200</b>

#### Winning candidates

The winning candidates will be the candidates, who has accumulated the highest aggregated score (technical scoring + financial scoring).

#### **ANNEXES:**

##### **ANNEX 1 – TERMS OF REFERENCES (TOR)**

##### **ANNEX 2 – INDIVIDUAL CONSULTANT GENERAL TERMS AND CONDITIONS**