



Terms of reference

Job title: International and National Consultants in pollution charge system

Duty Station: Home based (two missions to Moldova; the first mission is anticipated for the Second half of November 2012, the second for the first half of February 2013)

Reference to the project: Strengthening capacities to undertake Environmental Fiscal Reform to meet national and global environmental priorities

Contract type: Individual Contract (IC)

Expected workload: 30 days for the International Consultant, 40 for National Consultant

Starting date: 5th Nov. 2012

Job content

Background

The medium size Project „Strengthening capacities to undertake Environmental Fiscal Reform to meet national and global environmental priorities is financed by the Global Environment Facility (GEF), with UNDP Moldova as GEF Implementing Agency and the Ministry of Environment of the Republic of Moldova as Executing Partner.

This project sets out to build capacities for implementing environmental fiscal reforms (EFR) that will produce increased national and global environmental benefits through the adoption of selected charges, subsidies, fees, fines, taxes and other appropriate instruments. It will initiate and pilot EFR instruments targeted to meeting Rio Convention objectives and ensure their integration within national plans and policies, especially in national taxation and decentralization process in Moldova. The reforms will focus on creating conditions, financial incentives and disincentives, and decreased opportunity costs to undertake actions that deliver environmental outcomes. The expected outcome is that EFR will be adopted as an important element of Moldova’s development policy, whereby improved economic, financial and fiscal instruments and their use would strengthen regulatory and other approaches to environmentally sound and sustainable development, with a particular emphasis of meeting obligations under the three Rio Conventions (Climate Change, Biodiversity, and Desertification). The project will also contribute to and complement a broader national decentralization reform process, including policy planning at the national level, redesigning of competencies and responsibilities of local and sub-national governments and reforming local government revenue systems.

Specific for the assignment

Environmental charges are mainly regulated by the Law on Payment for Environmental Pollution No. 1540, dated 25.02.1998, with the last amendments made in 2008

(<http://lex.justice.md/index.php?action=view&view=doc&lang=1&id=311615>). The payments for environmental pollution set in this law serve as the revenue basis for the National and Local Environmental Funds. The rates of the charges for environmental pollution are set by the Parliament. The types of charges for environmental pollution that currently exist in the Republic of Moldova are the following:

- Payment for emission of pollutants of the stationary sources
- Payment for emission of pollutants from mobile sources
- Payment for emission of pollutants by the cars not-registered in the Republic of Moldova
- Payment for discharge of pollutants
- Payment for stocking production waste

- Payment for import of goods that cause environmental pollution when used

Scope of Assignment

The assignment will include analysis of current pollution charge system with a review of existing environmental charges and taking into consideration lessons learnt in international and local practice with the focus on facilitation of eco-technology investments and continued earmarking of charge revenues to the National Environmental Fund.

Besides a desk review of the relevant documents the consultant will undertake two missions to the country in full collaboration with the UNDP Country Office. The missions will include consultations with key partners in the Government of Moldova, responsible for pollution charge system as well as relevant sectorial ministries, including those involved in planning and finance and if needed relevant national institutions, including research and academia.

The current pollution charge system is overly complicated and targets too many pollutants. The efficiency of applying fees and fines for pollution should be improved significantly by optimizing the existing charge system and focusing on fewer pollutants and targeting major polluters. Product taxes are currently levied on imported products only and should be enhanced to cover domestic production, consider the introduction of the producer responsibility, and ideally include other important aspects of EU Directives on batteries, end of life vehicles, packaging and electric & electronic equipment.

For the fulfillment of the above-mentioned objectives, a team of one International Consultant and one National Consultant will be formed, who will have the following responsibilities:

- Undertake analysis of existing legal and institutional framework related to the pollution charge system;
- Undertake analysis of environment related policies;
- Elaborate a detail reform concept proposal on an improved pollution charge payment system;
- Provide recommendations on improved legal and institutional framework
- Bring in lessons learnt in international and local practices for efficient pollution charge system operation
- Advise on overall EFR reform efforts and implementation of EFR instruments supported by the project, including oversight of project activities related to the reform of subsidies in the agriculture and energy sector, ensuring overall consistency of proposed reforms

Tasks

The International Consultant will be expected to undertake the following tasks:

1. Elaborate a detailed work plan with clear responsibilities of each team member.
2. Undertake a desk review of all relevant documents for background information and initial situational analysis (list not exhaustive):
 - National Development Strategy
 - National program to ensure environmental security for 2007-2015
 - The Law on Environmental Protection
 - Law on Environment Pollution Payment
 - Sectorial Development Strategies
 - Relevant EU legislation and policies
3. Lead and manage the process of analysis and elaboration of Pollution Charge System Reform Concept.
4. Develop a detailed reform concept for Moldova's pollution charge system based on analysis of environmental, economic and fiscal effects of current charges, good international experience in implementing such charges (for ex. in Poland, Czech Republic, Western Europe), creating effective links to Moldova's commitments under CBD, CCD and FCCC, based on national priorities and in line with the ongoing EU approximation process
5. Elaborate concepts and draft legislation for selected new environmental charges, especially product charges with earmarked revenues to the National Environmental Fund, taking into account the use of revenues for financing the development of reuse and recycling systems for taxed products.
6. Review the existing pollution charges system and propose its optimization (currently there are more than 100 charge positions) by focusing on few major groups of polluters in order to ease its use by institutions in charge of inspection and evaluation of such charges.

7. Review other existing environmental charges, taking into account good international practices in implementing such instruments.
8. Elaborate amendments to the existing legal framework and required supporting documents for accepted recommendations.
9. Facilitate and inform the political process to implement the proposed reform.
10. Participate at round table meeting(s) to discuss the findings and proposals for Pollution Charge System Reform.
11. Review ToR and outputs related to project activities in other EFR areas, including reform of environmentally harmful subsidies, and provide overall strategic guidance on the implementation of EFR and instruments as supported by the project.

The National Consultant will be expected to undertake the following tasks:

1. Assist and support International Consultant in desk review of all relevant documents.
2. Identify and obtain all required policies documents as well as any regulatory act that has to be analyzed under the assignment.
3. Assist International Consultant in elaboration of the Concept Paper on Pollution Charge System Reform.
4. Under the guidance of the International Consultant, conduct the economic, fiscal and environmental impacts analysis for short and long term periods for proposed charges.
5. Under the guidance of the International Consultant, elaborate amendments to the legal framework and required supporting documents for Governmental approval.
6. Prepare and participate at round table meeting(s) on Pollution Charge System Reform.
7. Throughout the assignment, to ensure a sound consultation process with the local stakeholders.

Conduct of work

- The International Consultant will report directly to the national project manager. The International Consultant with support of the Project Team and National Consultant will obtain the appropriate national policy and legal documents and access the appropriate stakeholders for consultation on the project implementation.
- The International Consultant and National Consultant will anchor the recommendations in evidence and information extracted from existing national policy documents, international good practices and in stakeholder consultations in-country.

Expected Deliverables

	Deliverable	Deadline
1	Assessment of existing pollution charge system and potential for improvements based on desk review of legal framework and policy documents	By 18 Nov. 2012
2	Draft detailed Concept Proposal on Pollution Charge System Reform based on analysis of environmental, economic and fiscal effects of current charges, creating effective links to meet Rio Convention requirements, incl. consultations with national stakeholders	By 9 Dec. 2012
3	Economic and environmental impact assessment and analysis of the cost-effectiveness of proposed recommendations and new instruments for the: <ul style="list-style-type: none"> - Short-term period; - Medium and long-term period. 	By 20 Dec. 2012
4	Specific recommendations for implementation of most feasible options focusing on issues such as effective and maximized contribution to targets and goals of FCCC, CBD and CCD, and based on national priorities	By 31 Jan. 2013
5	Preparation of and participation at round table discussions on the findings and recommendations (1 day)	By 15 Feb. 2013
6	Recommendations on legal and regulatory framework	By 15 Mar. 2013

	improvement with formulated amendments and explanatory notes	
7	Final detailed Concept Proposal on Pollution Charge System Reform	By 15 Mar. 2013
8	Ongoing technical guidance and oversight related to other related EFR activities supported by the project.	Ongoing until Dec. 2013

Competencies:

Technical work

- Thorough understanding of national policies and programs, fiscal and financial instruments as they relate to pollution charges.
- Demonstrated knowledge, analytical skills and relevant experience in evaluation and implementation of pollution charges, including international aspects and mitigation options.
- Sound, practical understanding of market economics and how a proper pollution charge system can contribute to environmental protection.
- Experience in drafting strategic documents.
- Ability to pick up new terminology and concepts easily and to turn information from various sources into coherent concepts and draft legislation.
- Experience with the implementation of EU Directives on batteries, end of life vehicles, packaging and electric & electronic equipment in Central and Eastern European countries.

Partnerships

- Maturity and confidence in dealing with senior and high-ranking members of international, regional and national institutions.
- Displays cultural, gender, religion, race, nationality and age sensitivity and adaptability.
- Good oral communication skills and conflict resolution competency to manage inter-group dynamics and mediate conflicting interests of varied actors.
- Excellent written communication skills, with analytic capacity and ability to synthesize project outputs and relevant findings for the preparation of quality project reports.

Results

- Promotes the vision, mission, and strategic goals of UNDP.
- Builds strong relationships with clients, focuses on impact and result for the client and responds positively to feedback.
- Good team player, self-starter, has ability to work under minimum supervision and maintain good relationships.

Qualifications:

Education

Advanced university degree in public finance, economics, environment or closely related field.

Experience

International Consultant

- At least 10 years substantive professional international experience in the areas of environmental taxation and green subsidies ;
- Substantive professional knowledge of environmental taxation and green subsidy policies in Eastern Europe and the European Union;
- Established network of contacts with key project stakeholders and experts, especially on international level;
- Good knowledge of Rio Conventions;
- Experience on development and optimizing pollution charge system;
- Experience in developing sector related policy documents and legal framework amendments;
- Previous work experience with UNDP is an advantage.
- Previous work experience in Moldova and the region is an advantage

Language:

English; excellent English writing skills; knowledge of Romanian and/or Russian would be an asset

National Consultant

- At least 5 years substantive professional experience in areas related to environmental taxation;
- Established network of contacts with key project stakeholders, especially on national level;
- Experience on developing sector related policy documents;
- Experience on elaborating legal framework amendments;
- Previous work experience with UNDP is an advantage.

Language

Romanian and English