



INDIVIDUAL CONSULTANT PROCUREMENT NOTICE

Date: June 12, 2017

Country: Republic of Moldova

Description of the assignment: National Consultant to conduct a feasibility study on the development and implementation of alternative payment, money/remittances transfer options in the Republic of Moldova.

Project name: Mainstreaming Migration into National Development Strategies (MOMID)

Period of assignment/services: 23 working days, during the period **10 July 2017 – 30 October 2017**

Proposals should be submitted **online by pressing the "Apply Online" button**, no later than **26 June, 2017**.

Requests for **clarification only** must be sent by standard electronic communication to the following e-mail: olesea.cazacu@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

Following the long-term emigration phenomenon, it is estimated that about a third of Moldova's population resides temporarily or permanently abroad. Related to the persisting outward flow of large ratios of the labour force are the well-established remittance flows, which currently correspond to between 25 and 30 percent of the Gross Domestic Product and makes Moldova one of the countries in the region which is most dependent on remittances. In fact, more than 25 percent of Moldovan households receive remittances, making up around 18 percent of their income.¹ For this, and other well-known reasons, migration and diaspora-related programmes are of significant importance to ensure both the economic, demographic and human development of Moldova.

Following the major bank fraud a couple of years ago (when the equivalent of one billion USD disappeared from three national banks), trust in the country's financial institutions has declined. The lack of trust is exacerbated by the fact that only 18 % of the adult population own a bank account and only 11 % are active users of the same account.² The banks thus struggle to make their traditional business model work. As a consequence, remittances to Moldova are largely sent through informal channels, such as through friends, relatives or bus drivers who travel back and forth from migrant countries of destination. Nevertheless, because of the sheer amount of remittances sent to Moldova from abroad, it could potentially be a huge market for any innovative system that could capture even a small proportion of it. Also, actions to reverse

¹ [Moldova Poverty Assessment 2016, Poverty Reduction and Shared Prosperity in Moldova: Progress and Prospects](#), World Bank Group, page xi

² Data is from 2014, according to the [World Bank's Global Findex Database](#)

this trend are being taken, as it has since long been a priority of the Moldovan government to increase the access to formal money remittance transfers.

Simultaneously, new technology enables mobile phones to offer convenient and reliable financial services, and thereby provide for the extension of payments, money transfers, savings, and credit to people who previously did not have access to such services. Mobile accounts have also proven to be far cheaper than traditional bank accounts. Moreover, despite low levels of financial literacy and inclusion, as well as being one of the poorest countries in Europe, Moldova enjoys wide-spread use of mobile phones (penetration rate was 126, 3 % in 2014)³ as well as one of the fastest and most connected internet services in the world.

Hence, there is reason to believe that Moldova has both high potential and much to gain from establishing digital financial services accessible through mobile devices. Merged with a system for transferring remittances, so called *mobile banking*,⁴ may therefore be one alternative to traditional payment solutions worth exploring. The *additive* form of mobile banking (common in Western Europe) simply connects mobile phones to existing bank accounts and allows for example management of bills. The *transformative* form of mobile banking, which would probably be most relevant for Moldova, aims at using mobile phones and network agents (such as postal offices or shops which sell mobile phone cards) to provide bank-like services. Through such a system, credit kept on the phone could potentially be used to directly buy goods, transfer money to other phones or be transformed into cash.

Indeed, digital payment systems are becoming increasingly popular around the world, with mobile money being available in 93 countries in 2015. Moreover, cross-border transactions were a very fast growing product last year, as mobile money services offering International Money Transfer (IMT) saw the volume of cross-border remittances increase by 51.8 %.⁵ This provides for a great opportunity to learn from the international experience concerning the type of systems which have succeeded, but also from them who have failed. Accordingly, Moldova should pay particular attention to the some of the challenges facing the industry, such as: overcoming complex regulatory barriers, dealing with the technical orientation of the potential client base, problems in setting up viable agent networks and managing the ability to open up the system into a wider range of banking services beyond simply paying bills and handling cash transfers.⁶

Against this background, UNDP and its international partners are seeking to identify innovative options whereby money can be safely and conveniently transferred, both from abroad and domestically within the country. Based on the feasibility study to be conducted by the commissioned Expert, it is envisioned that the identified alternative payment solution should be pilot tested in coordination with relevant stakeholders, and subsequently launched for full scale implementation.

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

This activity is part of a wider effort in which the implementing partners of the MOMID project are mainstreaming migration into national development strategies by exploring and creating synergies with ongoing development programming and other Migration and Development interventions. The general objective of the activity is to find the most suitable and innovative alternative model for payment / money transfer financial services to be applied in the Moldovan context.

³ According to the data of the National Regulatory Agency for Electronic Communications and Information Technology, found [here](#).

⁴ “Mobile banking” describes the use of the mobile phone as another delivery channel (in addition to a bank branch, ATM, Internet) to transact against an individual bank account.

⁵ 2015 State of the Industry, Mobile Money, The GSMA’s Mobile Money for the Unbanked (MMU) programme

⁶ See for instance “Feasibility Study on the Use of Mobile Phones for Facilitating International Money Transfers to Georgia”, IOM Georgia 2009

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

3. REQUIREMENTS FOR EXPERIENCE AND QUALIFICATIONS

I. Academic Qualifications:

- University Degree in Finance, Economics, Banking, Engineering or other relevant fields;

II. Years of experience:

- Minimum of 3 years of relevant experience in finance or banking;
- Experience in alternative finance and electronic money management systems will be an asset;
- Previous experience in development assistance or related work for the Moldovan Government, donor organization, international development finance institutions, consulting company or NGO;
- Experience of working in the Moldovan banking system and/or banking/financial regulator;
- Experience in working within the area of alternative payment systems and/or innovative technologies;
- Experience in conducting research.

III. Competencies:

- Solid knowledge of policies, laws and regulations governing financial services in Moldova as well as global and regional best practices in the field;
- Solid knowledge of banking and the operations of financial intermediaries;
- Knowledge of innovative payment systems and mobile money/banking, a solid understanding of the payment services systems including hardware, software, products, systems, platforms, players and other relevant aspects of finance;
- Strong analytical, research, and user-friendly reporting skills;
- Good communication, interpersonal and organizational skills, integrity;
- Good knowledge of Romanian and English (speaking and writing).

IV. Personal qualities:

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

UNDP Moldova is committed to workforce diversity. Women, persons with disabilities, Roma and other ethnic or religious minorities, persons living with HIV, as well as refugees and other non-citizens legally entitled to work in the Republic of Moldova, are particularly encouraged to apply.

4. DOCUMENTS TO BE INCLUDED WHEN SUBMITTING THE PROPOSALS

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

1. Proposal:

- (i) Explaining why they are the most suitable for the work;
- (ii) Provide a brief methodology on how they will approach and conduct the work (if applicable);

2. Financial proposal;

3. Complete P11 form, Personal CV including past experience in similar projects and at least 3 references.

5. FINANCIAL PROPOSAL

The financial proposal shall specify a total lump sum amount, and payment terms around specific and measurable (qualitative and quantitative) deliverables (i.e. whether payments fall in installments or upon completion of the entire contract). 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 will include a breakdown of this lump sum amount (including fees, taxes, travel costs, accommodation costs, communication, and number of anticipated working days).

Travel

All envisaged travel costs (if any) 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.

6. EVALUATION

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

- University Degree in Finance, Economics, Banking, Engineering or other relevant fields;
- Minimum of 5 years of relevant experience in finance or banking;

The short-listed individual consultants will be further evaluated based on the following methodology:

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.

* Technical Criteria weight – 60% (300 pts);

* Financial Criteria weight – 40% (200 pts).

Only candidates obtaining a minimum of 210 points would be considered for the Financial Evaluation.

Criteria	Scoring	Maximum Points Obtainable
<u>Technical</u>		
• University degree or equivalent in Finance, Economics, Banking, Engineering or other relevant fields. Advanced university degree will be an asset.	(Bachelor degree – 20 pts, Master degree – 30 pts, Ph.D. – 40 pts)	40
• At least 3 years of relevant experience in finance or banking;	(3 years – 30 pts, each additional year – 5 pts, up to maximum additional 10 pts)	40
• Experience of working in the Moldovan banking system and/or banking/financial	(no – 0 pts; every year of such experience – 10 pts, up to 40 maximum pts)	40

regulator;		
• Experience in alternative finance and electronic money management systems;	(no – 0 pts; every year of such experience – 10 pts, up to 40 maximum pts)	40
• Experience in conducting research;	(yes – each assignment 3 pts, up to max. 15 pts, no – 0 pts)	15
• Experience in development assistance or related work for the Moldovan Government, donor organization, international development finance institutions, consulting company or NGO;	(yes – each assignment 3 pts, up to max. 15 pts, no – 0 pts)	15
• Fluency in Romanian and English.	Romanian – 5 pts, English – 5 pts.	10
Desk Review Scoring		200
• Demonstrated knowledge of policies, laws and regulations governing financial services in Moldova as well as global and regional best practices in the field;	(yes – up to 20 pts, no – 0 pts)	20
• Demonstrated knowledge of banking and the operations of financial intermediaries;	(yes – up to 20 pts, no – 0 pts)	20
• Demonstrated knowledge and experience of innovative payment systems and mobile money/banking, a solid understanding of the payment services systems including hardware, software, products, systems, platforms, players and other relevant aspects of finance;	(yes – up to 20 pts, no – 0 pts)	20
• Communication and interpersonal skills	(yes – up to 10 pts, no – 0 pts)	10
• Initiative	(yes – up to 10 pts, no – 0 pts)	10
• Creativity and resourcefulness	(yes – up to 10 pts, no – 0 pts)	10
• Proven commitment to the core values of the United Nations, in particular, respecting differences in culture, gender, religion, ethnicity, nationality, language, age, HIV status, disability, and sexual orientation, or other status	(yes – up to 10 pts, no – 0 pts)	10
Interview Scoring		100
Maximum Total Technical Scoring		300
Financial		
<p>Evaluation of submitted financial offers will be done based on the following formula: $S = F_{min} / F * 200$ 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.</p>		200

Winning candidate

The winning candidate will be the candidate, 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