**The Project is funded by European Union and implemented
by United Nations Development Programme**

Support to Confidence Building Measures
Susținerea Măsurilor de Promovare a Încrederii
Поддержка мер по укреплению доверия

This project is funded by
the European Union

Empowered lives.
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TERMS OF REFERENCES

Job title: National Consultant to support the development of the statistical classification of the economic activities on the left bank of the Nistru River

Duty station: Home based and minimum 5 missions to Tiraspol

Languages Required: Russian needed, English would be an asset

Reference to the Project: Support to Confidence Building Measures Programme

Expected Duration of assignment: December 2017-March 2018, up to 50 working days

Background

The Support to Confidence Building Measures Programme (SCBM Programme) is funded by the European Union and implemented by the UNDP Moldova since 2009. The overall objective of the Programme is to contribute to an environment of trust and cooperation across the Nistru River generating new perspectives on shared interests and a shared future by people from both banks of the river while responding to their pressing development needs.

The EU-funded Support to Confidence Building Programme, implemented by UNDP, is to support the development of skills and improvement of professional performance of statisticians on both banks of Nistru River to produce accurate and reliable statistical data.

As per the support to data production, the SCBM Programme aims to assist the statisticians in accomplishing their function on complying with the *international standards* and best practices. An additional incentive for such an effort would be the *growing demand of qualitative data* on behalf of local and international data users which are necessary to describe the current status of affairs in different fields of economic activity and sectors, to identify the occurring shortcomings and prevent potential factors of risk, to justify the improvement measures and governance decisions to be undertaken by authorities and with community's participation.

Under the current assignment, the Programme aims to respond to the request of statisticians from the left bank of the Nistru river to implement the international and European requirements on statistical classification of the economic activities, combined with building of local capacities and learning from the advanced experience of other countries.

Specific Context

Statistical classifications are a key requirement for the production of reliable, comparable and methodologically sound statistics. The development and implementation of a modern system of economic and social statistical classifications is one of the solutions for presenting the current state of economic development in a specific region, reflection of the new types of economic activities and the existing socio-economic conditions of the population. It also ensures the compatibility of data in different statistical domains (e.g. economics, demographics, labour, health, education, social welfare, geography, environment and tourism) at all levels within a country, inter-regional and across countries comparison.

At the international level, the mandatory tools required for the production of the comparable and reliable business and economic statistics, include a list of core classifications[1]. One of the most important of these, includes the

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[1] Central Product Classification (CPC) of UN or Statistical Classification of Products by Activity (CPA) of EU), complemented by the lists of industrial (mainly manufactured) goods (generated through the PRODCOM survey), https://unstats.un.org/unsd/cr/registry/regcst.asp?CI=31&Lg=1, https://siccode.com/en/pages/statistical-cpa, http://ec.europa.eu/eurostat/statistics-explained/index.php/PRODCOM_survey_on_production_of_manufactured_goods

classification by types of economic activities, either regulated by the UN Statistical Commission (ISIC[2]) or by the Eurostat (NACE[3]).

The alignment of national classifications with the above-mentioned classifications includes a long and resourceful transition period with considerable adjustments to be applied. Also, the change of economic statistical classifications implies the revision of the legal and regulatory framework, and the involvement of many other institutions besides the statistical office (e.g. fiscal authorities, registers of legal entities, etc.) and influences their activity process as well.

One topic of cooperation in the area represents the **international statistical classifications on economic activities**. On the right bank, the National Bureau of Statistics (NBS) made the transition to its first version of the Classification of Economic Activities in Moldova (CAEM), compliant with NACE, in 2001, then to CAEM 2005 compliant with NACE revision 1, and in 2012 - the CAEM revision 2[4], harmonised with NACE revision 2 (the latest).

The statisticians on the left bank of the Nistru River use a local version of statistical classification[5] that has been lately assessed by an international expertise as outdated and not being in line with the international standards (UN-ISIC and EU-NACE), some concepts not being covered by its structure and a lot of information around the core of the classification is missing (like definitions, sufficient explanatory notes and precise using rules). With this status of affairs, the need for transition to a modern classification of economic activities to be carried out on the left bank of the Nistru river is acknowledged by the local statisticians and other specialists from the region. This classification would help to collect data from the businesses and establishments by the types of economic activities which reflect the technological developments and structural changes of the modern economy, enabling the modernisation of the local business statistics through more comparable and relevant data.

The work on this topic started with capacity building for the statisticians from the left bank and data users , that was provided by the SCBM Programme in May 2017. It aimed to present the EU and UN concepts, standards and requirements towards the implementation of the mentioned classifications into local statistics, their advantages, as well as international best practice and experience on using classifications for production of economic and business statistics. Also, the current status of the used local classifications has been assessed and a roadmap on the most optimal pathway for the implementation of the related international statistical classification of economic activities into the local statistics has been provided. It included the stages to be passed, timeframes, actions to be carried out, resources needed and actors to be involved.

Scope of Work and Expected Outputs

Under the current assignment, the EU-funded Support to Confidence Building Programme, implemented by UNDP is to hire a **national consultant to provide technical assistance and expert support** to the SCBM Programme and its implementing partners **for the methodological set-up of the statistical classification of economic activities from the left bank of the Nistru River in compliance with the international and EU standards and preparatory works for its further implementation** on the left bank of the Nistru river.

The scope of the Consultant's work is to:

I. provide **technical assistance** in the development of the methodological framework and toolkit for the statistical classification of economic activities relevant for the left bank of the Nistru River, in compliance with international and EU requirements in the respective field;

II. **support the development** of explanatory materials required for the successful preparation of the classification's implementation on the left bank of Nistru river;

III. **provide** overall **guidance** to the involved specialists and ensure **expert view** on preparation activities undertaken by the implementing partners;

IV. contribute to **building of internal capacities** of the statisticians from the left bank of Nistru River as it regards the improvements needed to ensure the compliance with international requirements on statistical classification related to business statistics.

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[2] ISIC - International Standard Industrial Classification of All Economic Activities, https://unstats.un.org/unsd/cr/registry/regcst.asp?Cl=27&Lg=1

[3] NACE - Statistical classification of economic activities in the European Community, http://ec.europa.eu/eurostat/documents/3859598/5902521/KS-RA-07-015-EN.PDF

[4] http://www.statistica.md/pageview.php?l=ro&idc=385&

[5] "Классификатор отраслей народного хозяйства" (КОНХ), http://gov-pmr.org/item/3722

The National Consultant will provide support throughout the preparation and methodological framing of the local version of classification of economic activities, based on his/her deep knowledge of international/EU standards and best practices, own practical experience on their application, as well as the documents and resources made available by the Programme's counterparts on the left bank of Nistru.

Also, the National Consultant will ensure a high level of analytical work, efficient communication and cooperation with the UNDP staff and the implementing partners, for the successful fulfilment of the formulated tasks. He/she is expected to perform a team-work in close collaboration with the technical staff from the statistical services from both banks and the relevant stakeholders.

The experience of the statisticians from the right bank and their lessons learned from the respective process will be considered. The consultancy results will be further used for programmatic purpose of UNDP and the follow-up activities on the made recommendations will be carried out.

Key Tasks and Responsibilities

To achieve the envisaged objectives, the National Consultant, under the overall supervision of the SCBM Programme, will have the following major responsibilities and will perform the following activities:

1. **Desk review** of the available background and reference materials related to: the organisation of the business statistics on the left bank and typology of statistical activities conducted, questionnaires/forms, regulatory documents related to the business statistics, assessment of the current status and roadmap on preparation and implementation of the classification of economic activities, etc. *[remotely]*

2. Propose refined **own approach and working methodology** for the accomplishment of the current assignment, a detailed action plan and timeframe, describe Consultant's expected activities and results/outputs, inputs expected from the SCBM staff, and its implementing partners, communication approach, planning of the missions to Tiraspol; *[remotely]*

3. Carry out **consultation and communication with relevant counterparts and stakeholders,** throughout the assignment, with regard to the topics and issues related to stages of classification's preparation covered by the current assignment *[remotely and during missions to Tiraspol, throughout the whole assignment].*

Consultations & communication <u>partners</u> would include:
  - o Specialists from the statistical services (central and territorial units) on both banks on the Nistru river, in particular from the left bank;
  - o Representatives of policy and decision-making institutions, as well as CSOs, analytical think-tanks – as potential users of the Classification's outputs;
  - o Potential users of the Classification.

Overall <u>purpose</u> of this activity is to help to:
  - maintain dialogues with all concerned stakeholders;
  - raise awareness on the left bank of the Nistru river (main groups of data users, as well as potential financial, and operational supporters) about the benefits offered by Classification;
  - identify data users' needs and users' views on transition to the new Classification;
  - advocate for the Classification's importance and need as a tool for quality and comparability of business and economic statistics.

Possible <u>methods</u> of communication may include: induction or ad-hoc technical meetings, technical discussions and exchange of experience, field visits, in-depth interviews and/or focus-groups with stakeholders, etc.

4. Provide **expert support** in the development of the methodological framework, tools and principles for the statistical classification of economic activities relevant for the left bank of the Nistru river, that will enable the statistical service from the left bank of the Nistru to successfully implement the new Classification later. The National Consultant will **consider** their **compliance** with the international/EU requirements in the respective field and incorporation of advanced international and Moldova's best practices. *[remotely and during missions to Tiraspol]*

The <u>minimum mandatory</u> set of documents to be drafted by the National Consultant will consist of:

  - <u>Methodological framework</u> – containing the explanatory notes, describing the Classification's structure, concept definitions, local technical rules technical rules and methods to be applied when using this new classification. This will represent the local version of classification drafted based on ISIC or NACE and adapted to the local context *[estimated volume for <u>adapted document</u> around 200 pages, A4 format]*

- Correspondence table between the present classification and the new local classification – it will include the cross table with transition codes (links) from the old classification to the new one *[estimated volume of the newly developed document around 20 pages, A4 format]*

All the above outputs will be customised to the region's specific context and circumstances, will be validated with the SCBM Programme staff and relevant implementing partners and will be provided as a ready-made set for publication.

5. To **contribute** with own **inputs** on development (by the implementing partner) of additional materials required for the successful preparation of the classification's implementation on the left bank of Nistru river. *[remotely]*

These supporting materials might include (but not be limited to):

- Requirements to create the electronic file with activities or detailed outputs of reported businesses (grouping and listing all variables needed to code the various activities of the units) – needed for re-codifying of activities. It might include: identifiers of the units, activities in present classification or products/outputs, related data (values), variables that can be used to calculate the main activity (like detailed turnover per activity or output, staff per activity, staff costs);

- List of variables that are missing in the current statistical reports and which are needed for the new classification (in particular to code main activities using the top-down method and respecting the stability rules decided) to be collected;

- Questionnaire and instruction to be used for collection of needed variables, missing in the present statistical reports, but which should be coded in the new classification;

- etc.

6. To **provide** overall **guidance** to the involved specialists and ensure **expert view** on preparation activities undertaken by the implementing partners. In this respect, the National Consultant will have to: *[remotely and during missions]*

- Advise on the structure of the new Classification and the appropriate levels of details;

- Check/confirm the presence of core technical issues to be reflected in the justification documents that will accompany the regulatory framework for the new Classification,

- Provide explanations regarding the pros and cons and consequences of the new Classification's structure and implementation;

- Facilitate the capacity building of the statistical staff (from the Tiraspol office and territorial units) involved in the preparation of the Classification (it might include on-job training and/or discussions);

- Analyse the results of data from the present reporting and those collected additionally from establishments on the missing variables and undertake the fine-tuning of the respective classification's description;

- Provide recommendations and support on the scheduling of follow-up activities on further implementation of Classification.

7. Develop the **activity report** on provided consultancy, including stages passed, resources used, results obtained versus expected, impact of obtained results, risks overcome, problems faced, lessons learned, conclusions and next stage recommendations (the structure of the report will be in advance agreed with the SCBM Programme). *[remotely]*

Expected results/Deliverables

The results expected from the Consultant's service provision are:

ITEM #	DELIVERABLES *(provision of deliverables of required content and quality is the only criteria for expert's payment)*	Estimate Work days *(used at the submission stage)*	Tentative timeframe *(subject to coordination with the implementing partners)*
1.	Detailed own **approach** and working **methodology** *(incl. detailed action plan, timelines and dates of outputs' delivery, inputs expected from the SCBM and implementing partners, planning of the missions to Tiraspol, additional preparatory tools, communication handouts)*	Up to 2 days	08.12.2017

2.	**Draft inception report** on consultations with relevant counterparts and stakeholders *(incl. overview of the current region's economic policies, legislation, available business statistics, identified data, expert's vision for the Classification structure)*	Up to 4 days *(1 mission)*	14.12.2017
3.	**Methodological framework and principles** needed for implementation of the new Classification of economic activities on the left bank of Nistru *(including Methodological framework, Correspondence table)*	Up to 25 days *(220 pages, 2 missions)*	15.01.2018
4.	**Overall guidance and inputs on supporting materials** required for the successful preparation of the Classification *(incl. on items in activities # 5-6)*	Up to 10 days *(1 mission)*	25.01.2018
5.	**Brief report (note) on the results of missing variables collection**	Up to 7 days *(1 mission)*	15.02.2018
6.	**Narrative activity report** on accomplishment of assignment, follow-up recommendations and planning, all related documentation	2 days	27.02.2018
	TOTAL	**Up to 50 days**	

All the deliverables should be agreed with the SCBM Programme and should be provided in Russian (hard and electronic copies).

Estimated Duration of the Contract

The activities under the present assignment are expected to commence in **December 2017** and be completed by mid- **March 2018**. The volume of consultancy has been estimated at up to **50 working days overall** (full days of 8 hours) (*could be revised if justified accordingly*) during which all the activities and outputs/results envisaged under the present assignment are expected to be performed and minimum **5 missions** to Tiraspol to be undertaken.

Note: *The estimated number of working days is assumed to be sufficient/ feasible for the envisaged volume of work and is proposed as a guideline for this assignment. The provision of envisaged deliverables approved by the Project partners and concerned national stakeholders would be the only criteria for the Contractor's work being considered completed and eligible for payment/s.*

Organizational setting

The National Consultant is expected to work under the guidance of and in close cooperation with the SCBM Programme team and its counterparts, for substantive and logistic aspects of the assignment, and under the direct supervision of the Project Manager, keeping them informed on the progress on regular basis.

The selected consultant will follow the agreed time schedule and will be accountable for the delivery of quality outputs to the Project Manager, who will approve contractor's deliverables. The consultant will work both inside and outside the Programme office.

Financial arrangements

Payments will be disbursed in instalments upon submission and approval of deliverables and certification by the Project Manager that the services and products were satisfactorily performed.

Performance evaluation

The Consultant's performance will be evaluated against such criteria as timeliness, responsibility, initiative, communication, accuracy, and quality of the products delivered.

Travel and other logistic arrangements

The consultant is expected to carry out field research, capacity building activities and discussions with Programme's stakeholders that would involve travel across the river, and should budget for it accordingly. At least 5 missions to the implementing partner's venue are envisaged (by SCBM Programme's transport), including round trips to Tiraspol (about 70 km distance from Chisinau to Tiraspol).

Qualifications and Skills Required

The consultant is expected to comply with the following qualification criteria:

Education:
- Master **degree** (or equivalent) in statistics, economics, accounting and/or other science related to areas relevant for the assignment;
- Other formal education relevant for the assignment (confirmed by certificates);

Experience:
- At least 10 years of relevant **professional experience** (expertise, executing function, consultancy, advising, etc.) in or related to **statistical activity** (preferably official/Government statistics system);
- At least 5 records of practical experience related to the development (or participation at) **analytical and methodological works** in the area of economic or business activity involving data (methodologies for calculation of statistical indicators, designing of questionnaires, classifications and business registers, assessments, evaluations, reviews, thematic analysis, legislation adjustments, etc.); *[confirming documents will be mandatory provided]*
- Experience of **work with international organizations**/projects, including UN and/or European, and **public institutions** and service providers (incl. multi-stakeholders), in particular in the areas relevant to the assignment;

Competencies and Skills:
- Good knowledge of **international/European standards, legislation and best practices**, European Statistical System, terminology and definitions used in the field of economic and/or business statistics (confirmed by experience records in EU member, candidate or potential candidate countries);
- Knowledge of the **development context** in Moldova and/or the left bank of Nistru river;
- Strong **analytical,** writing and training **skills**;
- Excellent written and spoken Russian;
- Knowledge of English will be an asset;

Personal Qualities and other requirements:
- Good interpersonal skills, solid judgment/decision making, initiative and creativity;
- Ability to analyse, plan, communicate effectively orally and in writing, draft reports, solve problems, organize and meet expected results, adapt to different environments (cultural, economic, political and social);
- Availability to work with UNDP and Project's national stakeholders during the indicated/approved period;
- Proven commitment to the core values of the United Nations, in particular, respecting differences of culture, gender, religion, ethnicity, nationality, language, age, HIV status, disability, and sexual orientation, or other status.

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.

Submission of proposals

The submission package will consist of:
1. Technical Proposal explaining how applicant responds to each of the qualification requirements and why he/she is the most suitable for the work, as well as a short vision on achievement of tasks.
2. Personal information (as a detailed CV or as a Personal History Form /P11) including records on past experience in similar projects/assignments and concrete outputs obtained;
3. Financial proposal (in USD, specifying a total lump sum amount and the number of anticipated working days).
4. Documents that confirm Applicant's records of practical experience related to the development (or participation at) analytical and methodological works in the area of economic or business activity (copies or links to documents with statistical concepts, definitions, methodologies, questionnaires, statistical analysis – developed by the Applicant)