



## INDIVIDUAL CONSULTANT PROCUREMENT NOTICE

Date: **February 13, 2013**

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**Country:** Republic of Moldova

**Description of the assignment:** National Consultant in improved subsidies system in energy sector in Moldova

**Project name:** Strengthening capacities to undertake Environmental Fiscal Reform to meet national and global environmental priorities

**Period of assignment/services:** Starting March 11<sup>th</sup> 2013, estimated volume of work –45 working days

Proposals should be submitted **on-line**, by following the “**Apply online**” link, no later than **February 24, 2013**.

Requests for **clarification only** must be sent by standard electronic communication to the following e-mail: [ruslan.surugiu@undp.org](mailto:ruslan.surugiu@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.

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### 1. BACKGROUND

The economic cost of energy subsidies can represent a significant burden on a country's finances, can weaken its growth potential and encourage wasteful energy consumption. Governments support the production or consumption of energy in many ways: from providing grants or low-interest loans to tax exemptions and price controls that lower the cost of energy production, or raise the price received by energy producers or lower the price paid by energy consumers.

The removal of environmentally-harmful subsidies is key in moving towards a greener path of economic development. This has been recognized by the OECD countries, including in the G20 context. In 2009, the G-20 leaders committed to rationalize and phase out over the medium term inefficient fossil fuel subsidies that encourage wasteful consumption. This requires that governments undertake systematic efforts to identify and measure energy subsidies and their economic, social and environmental impacts.

Existing analysis shows that OECD countries subsidize energy production mostly, while in non-OECD countries, most energy subsidies go to consumers - usually through price controls that hold end-user prices below the full cost of supply. This could be the case of Moldova as well.

Moldova is poorly endowed with energy resources and it imports almost all of its primary energy (e.g. from Russia, Ukraine, Romania). Despite the fact that over the transition period Moldova has rationalized energy prices and largely cut blanket subsidies and cross subsidies, there is some evidence that energy subsidies, including consumer subsidies to heat and electricity are still significant in the country. Some

studies (e.g. World Bank) indicate that a large part of these existing subsidies actually accrue to the non-poor in the country. At the same time, there is some evidence of a new subsidy growth for energy service providers over the past several years. Rationalizing further such subsidies can encourage the development of clean energy in Moldova.

The OECD and UNDP Moldova are launching work on identifying and measuring energy subsidies in Moldova with the objective to assist the Moldovan government to better understand the nature of their policies supporting fossil fuel and stimulate a debate on possible reforms of such subsidies in the country. This will be done by reviewing and estimating the volume and coverage of such subsidies and identifying their environmental impacts particularly in terms of greenhouse gas emission reductions but also their impact on the public budget.

While the Ministry of Environment will act as the main counterpart, the project needs the concerted efforts of all key stakeholders involved in managing and subsidizing the energy sector in Moldova.

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

UNDP Moldova under the “Environmental Fiscal Reform Project” funded by the Global Environment Facility intends to hire a local consultant to support the project on Energy subsidies and climate change in Moldova. More specifically the focus will be on Production and consumption subsidies in the coal, oil, gas, electricity and heat sectors in Moldova.

The objective of the assignment of the local consultant (the Consultant) is to identify and quantify (to the extent possible) major support schemes with regard to the production and consumption of coal, oil, gas, electricity and heat in Moldova.

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

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

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

- University degree in public finance, economics, environment or engineering/energy.

### **II. Years of experience:**

- At least 5 years substantive professional experience in areas related to the energy sector/ analysis of energy sector development in Moldova, with specific experience related to taxation and subsidization being an advantage
- Be familiar with the public finance principles in Moldova;
- Experience in policy analysis and drafting strategic documents;
- Experience in sector related policy development;
- Experience in working and collaborating with state institutions is a strong asset.

### **III. Competencies:**

#### **Technical work**

- Thorough understanding of energy sector institutional framework, energy products price setting mechanisms, energy regulation, energy sector subsidies, energy products taxation.
- Demonstrated knowledge and expertise in energy sector development, energy market, mechanisms and instruments used for implementation of cleaner technologies.
- Experience in drafting strategic documents and legal framework proposals.

## **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 analytical documents.

## **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.

## **IV. Language**

- Excellent English/Romanian writing skills are essential. Knowledge of Russian would be an asset.

## **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 the work;
2. Financial proposal;
3. Personal CV including past experience in similar projects and at least 3 references or the fully filled Personal History Form (P11).

## **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, and number of anticipated working days).

## **6. EVALUATION**

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

- University degree in public finance, economics, environment or engineering/energy;
- At least 5 years substantive professional experience in areas related to the energy sector/ analysis of energy sector development in Moldova;
- Experience in policy analysis and drafting strategic documents.

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
<b>Technical</b>		
University degree in public finance, economics, environment or engineering/energy	(University degree – 35 pts, Master degree – 40 pts, PhD – 50 pts.)	50
A minimum of 5 years substantive professional experience in areas related to the energy sector/ analysis of energy sector development in Moldova, with specific experience related to taxation and subsidization being an advantage	(5 years -30 pts, > 5 years each year of such experience - 10 pts - up to - 50 pts.)	50
Knowledge of public finance principles in Moldova	(no – 0 pts., to some extent – 20 pts., solid knowledge – 40 pts.)	40
Experience in policy analysis and drafting strategic documents	(to some extent – 30 pts., yes – 45 pts.)	45
Experience in sector related policy development	(no – 0; to some extent – 30 pts., yes – 45 pts.)	45
Experience in working and collaborating with state institutions is a strong asset	(each year of such work 10 pts. - up to 40 pts.)	40
Knowledge of Romanian and English, knowledge of Russian is an asset	(Romanian - 10 pts.; English: basic – 10 pts.. advanced-15 pts.; Russian – 5 pts.)	30
<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 candidate

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

### Important notice

The applicant who has the statute of Government Official / Public Servant, prior to appointment will be asked to submit the following documentation:

- a no-objection letter in respect of the applicant received from the government, and;
- the applicant is certified in writing by the government to be on official leave without pay for the entire duration of the Individual Contract.

A retired government official is not considered in this case a government official, and as such, may be contracted.

### **ANNEXES:**

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

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