

UNDP MOLDOVA
PUBLIC PRIVATE PARTNERSHIP DEVELOPMENT PROJECT

Terms of Reference

**Consulting company for elaboration of 3 Feasibility Studies for creating of Industrial Parks
based on joint stock companies**

A. Background

Currently there are about 370 enterprises (state enterprises and in which the State is a share holder) in different sectors that are divided in 3 main rosters: i) enterprises under privatization, ii) enterprises that are subject to privatization and iii) enterprises that are not subject to privatization. Most of the enterprises that fall into categories (i) and (ii) are enterprises with modest economic performances, with considerable not used assets and with more or less damaged technical infrastructure. At the same time, some of them have an advantageous position as connecting to the networks of transportation, gas and electricity, and have access to the labor resources. Moreover, for many of these enterprises rental/lease business has become an important item in their revenue structure.

Given that investor's interest for privatization of these enterprises are not at the level of the government expectations, the Ministry of Economy is looking for other forms of restructuring of state owned enterprises to achieve maximum benefits for the society from this heritage. With the approval of the new law on industrial parks (IP) the Ministry of Economy wants to use this mechanism for the restructuring of several enterprises situated in the regions of the country in the IP. For this purpose, the Ministry of Economy has selected three joint stock enterprises where the state is the major share holder to develop a restructuring plan for creating on their base the IPs. These plans have to be a result of thorough analysis of legal, financial and economic situation of enterprises and the regions.

For this propose, PPP Development project is seeking a consulting company that will elaborate the feasibility study for each enterprise that will serve as base for the Ministry of Economy to take a decision regarding the opportunity of establishing IPs and eventually to be used in process of their establishment.

B. Objective

The main objective of this assignment is to elaborate the feasibility studies for 3 joint stock companies in which the State is a major share holder in order to analyze the opportunity for creating on their base the Industrial Parks.

C. Scope of work, tasks and responsibilities:

Taking into consideration the new Law on IPs, the Consulting Company should answer to the main inter-related questions:

- (i) are there economic and social reasons for creating the IPs based on these enterprises (taking into consideration the situation in the regions and of the enterprises) and will these be feasible (in what conditions)?
- (ii) what entity (the existed enterprises or restructured ones) have to be the administrator-enterprise of the IPs?
- (iii) and if the creation of IPs are feasible how to do it (how to implement) and what resources are needed for this?

In this regard, the Consulting Company's scope of work will consist of the elaboration of Feasibility Studies covering the following:

- a) Company situation analysis, primarily legal and economic aspects, in order to determine a plan for an eventual restructuring of companies in the IP or in order to obtain the statute of IP for the existing companies;
- b) Analyze economic and social situation of the region for identifying the resources necessary for creating IP;
- c) Analysis on the fulfillment of the conditions for obtaining the statute of IP;
- d) Analysis and evaluation of the enterprise's and adjacent to them technical infrastructure (private and public infrastructure);
- e) Identification (estimation) of potential clients, potential incomes of IP, and benefits for the region/country;
- f) Estimate the volume of investment in IP and public infrastructure rehabilitation/construction;
- g) Drawing up the ToR for the development of infrastructure for IPs;
- h) Formulate a restructuring plan for the enterprises in IPs and for obtaining the IP statute;
- i) The Feasibility Studies have to cover the requirements stipulated in the Law on IP to be used as such in the creating/obtaining of the statute of IP.

D. Deliverables

The Consulting Company will deliver the following outputs of the assignment:

- a) Feasibility Studies for 3 joint stock companies in which the State is a major share holder for creating on their base the Industrial Parks.

E. Inputs:

The PPP Development project staff will provide Consulting Company with existing at this moment documents regarding PPP in Moldova and will support the Company in establishing relationships with public authorities.

F. Implementation time

All tasks should be performed in September – December 2010 period.

G. Minimum qualifications criteria

Interested organizations should meet the following minimum qualification criteria:

- a. Officially registered legal entity as per Republic of Moldova regulations;
- b. At least 5 years of experience in:
 - Business development;
 - Feasibility Studies and Cost-Benefit analysis;
 - Working with public authorities, including in the field of IPs: creation, regulation or/and policy development.
- c. Qualified team of experts with public administration and finance, sector analysis and development, public services and infrastructure, economic, development and management of projects (public/ business), legal and public asset management backgrounds;
- d. Demonstrated capacity to properly manage a contract/subcontract/grant under a donor funded effort.

The Application should comprise the following documents:

- Description of the organization (experience, human resources, technical and managerial capacity in the related field);
- Copy of the registration certificate of the organization;
- Detailed Technical Proposal (approach, work plan, detailed description of activities, agenda);
- CVs of involved consultants, including the role and tasks of each of them
- Detailed Budget (presented in a separate envelope).