



Request for Proposal (RFP)

Ref. no. **RFP11/00458**

Date: 27 October 2011

Dear Sir/Madam,

Subject: RFP for the provision of professional consultancy services for the development of the 2012 National Human Development Report on European integration aspirations of the Republic of Moldova

1. You are requested to submit a proposal for consultancy services, as per enclosed Terms of Reference.
2. To enable you to submit a proposal, attached are:
 - i. Instructions to Offerors (Annex I)
 - ii. General Conditions of Contract (Annex II)
 - iii. Terms of Reference (TOR) (Annex III)
 - iv. Proposal Submission Form (Annex IV)
 - v. Price Schedule/Financial Proposal (Annex V)
3. Your offer comprising of technical proposal and price schedule/financial proposal, in separate sealed envelopes, marked with “**RFP: 2012 National Human Development Report**” should reach the UNDP office no later than **21 November 2011, 16:30, local time**.

Offers can be submitted either in hard copy or electronically.

a) Documents/offers in hard copy need to be addressed to:

**UNDP Moldova,
131, 31 August 1989 Street, MD-2012 Chisinau, Republic of Moldova
Attention: Registry Office/Procurement**


b) Offers sent electronically need to be addressed to the following e-mail address:
tenders-Moldova@undp.org

Offers shall be clearly marked with “**RFP: 2012 National Human Development Report**”

Contact person for clarifications: Dumitru Vasilescu, Project Manager (dumitru.vasilescu@undp.org)

4. If you request additional information, we would endeavour to provide information expeditiously, but any delay in providing such information will not be considered a reason for extending the submission date of your proposal.
5. You are requested to acknowledge receipt of this letter and to indicate whether or not you intend to submit a proposal.

Yours sincerely,



Matilda Dimovska,
Resident Representative a.i.



Instructions to Offerors**A. Introduction****1. General**

The purpose of this Request for Proposal (RFP) is to solicit proposals from the qualified companies for the provision of professional consultancy in the development of the 2012 National Human Development Report on European integration aspirations of the Republic of Moldova.

2. Cost of proposal

The Offeror shall bear all costs associated with the preparation and submission of the Proposal, the UNDP will in no case be responsible or liable for those costs, regardless of the conduct or outcome of the solicitation.

B. Solicitation Documents**3. Contents of solicitation documents**

Proposals must offer services for the total requirement. Proposals offering only part of the requirement will be rejected. The Offeror is expected to examine all corresponding instructions, forms, terms and specifications contained in the Solicitation Documents. Failure to comply with these documents will be at the Offeror's risk and may affect the evaluation of the Proposal.

4. Clarification of solicitation documents

A prospective Offeror requiring any clarification of the Solicitation Documents may notify the procuring UNDP entity in writing at the organisation's mailing address or fax number indicated in the RFP. The procuring UNDP entity will respond in writing to any request for clarification of the Solicitation Documents that it receives earlier than two weeks prior to the deadline for the submission of Proposals. Written copies of the organisation's response (including an explanation of the query but without identifying the source of inquiry) will be sent to all prospective Offerors that has received the Solicitation Documents.

5. Amendments of solicitation documents

At any time prior to the deadline for submission of Proposals, the procuring UNDP entity may, for any reason, whether at its own initiative or in response to a clarification requested by a prospective Offeror, modify the Solicitation Documents by amendment.

All prospective Offerors that have received the Solicitation Documents will be notified in writing of all amendments to the Solicitation Documents.

In order to afford prospective Offerors reasonable time in which to take the amendments into account in preparing their offers, the procuring UNDP entity may, at its discretion, extend the deadline for the submission of Proposals.

C. Preparation of Proposals**6. Language of the proposal**

The Proposals prepared by the Offeror and all correspondence and documents relating to the Proposal exchanged by the Offeror and the procuring UNDP entity shall be written in the English language. Any printed literature furnished by the Offeror may be written in another language so long as accompanied by

an English translation of its pertinent passages in which case, for purposes of interpretation of the Proposal, the English translation shall govern.

7. Documents comprising the proposal

The Proposal shall comprise the following components:

- (a) Proposal submission form (Annex IV);
- (b) Operational and technical part of the Proposal, including documentation to demonstrate that the Offeror meets all requirements;
- (c) Price schedule/financial proposal, completed in accordance with clauses 9 and 10 (Annex V).

8. Operational and technical documentation

The operational and technical part of the Proposal shall contain the following documents:

- Detailed CV of the organization, containing full list of conducted analytical projects in the past 5 years;
- Certificate of registration;
- List of the current staff members;
- Detailed CVs of the proposed team of experts who will directly participate to the development of the NHDR.

9. Proposal form

The Offeror shall structure the operational and technical part of its Proposal as follows:

(a) Management plan

This section should provide corporate orientation to include the year and state/country of incorporation and a brief description of the Offeror's present activities. It should focus on services related to the Proposal.

This section should also describe the organisational unit(s) that will become responsible for the contract, and the general management approach towards a project of this kind. The Offeror should comment on its experience in similar projects and identify the person(s) representing the Offeror in any future dealing with the procuring UNDP entity.

(b) Resource plan

This should fully explain the Offeror's resources in terms of personnel and facilities necessary for the performance of this requirement. It should describe the Offeror's current capabilities/facilities and any plans for their expansion.

(c) Proposed methodology

This section should demonstrate the Offeror's responsiveness to the specification by identifying the specific components proposed, addressing the requirements, as specified, point by point; providing a detailed description of the essential performance characteristics proposed warranty; and demonstrating how the proposed methodology meets or exceeds the specifications.

The operational and technical part of the Proposal should not contain any pricing information whatsoever on the services offered. Pricing information shall be separated and only contained in the appropriate Price Schedules.

It is mandatory that the Offeror's Proposal numbering system corresponds with the numbering system used in the body of this RFP. All references to descriptive material and brochures should be included in the appropriate response paragraph, though material/documents themselves may be provided as annexes to the Proposal/response.

Information which the Offeror considers proprietary, if any, should be clearly marked “proprietary” next to the relevant part of the text and it will then be treated as such accordingly.

10. Proposal prices

The Offeror shall indicate on an appropriate Price Schedule/Financial Proposal, an example of which is contained in these Solicitation Documents, the prices of services it proposes to supply under the contract.

11. Proposal currencies

All prices shall be quoted in **Moldovan Lei and shall be exclusive of VAT**. For comparison purposes, all other currencies shall be converted into **Moldovan Lei** using the UN Operational Rate of Exchange on the day of the competition deadline.

12. Period of validity of proposals

Proposals shall remain valid for sixty (60) days after the date of Proposal submission prescribed by the procuring UNDP entity, pursuant to the deadline clause. A Proposal valid for a shorter period may be rejected by the procuring UNDP entity on the grounds that it is non-responsive.

In exceptional circumstances, the procuring UNDP entity may solicit the Offeror’s consent to an extension of the period of validity. The request and the responses thereto shall be made in writing. An Offeror granting the request will not be required nor permitted to modify its Proposal.

13. Format and signing of proposals

The Offeror shall prepare two copies of the Proposal, clearly marking each “Original Proposal” and “Copy of Proposal” as appropriate. In the event of any discrepancy between them, the original shall govern.

The two copies of the Proposal shall be typed or written in indelible ink and shall be signed by the Offeror or a person or persons duly authorised to bind the Offeror to the contract. The latter authorisation shall be indicated by written power-of-attorney accompanying the Proposal.

A Proposal shall contain no interlineations, erasures, or overwriting except, as necessary to correct errors made by the Offeror, in which case such corrections shall be initialled by the person or persons signing the Proposal.

14. Payment

UNDP shall effect payments to the Contractor after acceptance by UNDP of the invoices submitted by the contractor, upon achievement of the corresponding milestones.

D. Submission of Proposals

15. Sealing and marking of proposals

The Offeror shall seal the Proposal in one outer and two inner envelopes, as detailed below.

(a) The outer envelope shall be:

- addressed to –

UNDP Moldova
131, 31 August 1989 Street, MD-2012 Chisinau, Republic of Moldova
Attention: UNDP Registry Office/Procurement

and,

- marked with –

“RFP: 2012 National Human Development Report”

- (b) Both inner envelopes shall indicate the name and address of the Offeror. The first inner envelope shall contain the information specified in Clause 8 (*Operational and technical documentation*) and in Clause 9 (*Proposal form*) above, with the copies duly marked “Original” and “Copy”. The second inner envelope shall include the price schedule/financial proposal duly identified as such.

Note, if the inner envelopes are not sealed and marked as per the instructions in this clause, the procuring UNDP entity will not assume responsibility for the Proposal’s misplacement or premature opening.

- (c) In case of electronic submission, the Offeror shall send two messages by e-mail to the following address: tenders-Moldova@undp.org

Having prepared the Proposal in paper format as specified in Clause “D. Submission of Proposals”, hereof, the entire Proposal should be scanned or otherwise converted into one or more electronic .pdf (Adobe Acrobat) format files and attached to two e-mail messages. The first e-mail message shall contain the information specified in Clause 8 (*Operational and technical documentation*) and Clause 9 (*Proposal form*) above and shall have the following subject: **“Technical Proposal for RFP: 2012 National Human Development Report”**. The second e-mail message shall include the price schedule/financial proposal and shall have the following subject: **“Financial Proposal for RFP: 2012 National Human Development Report” - DO NOT OPEN IN ADVANCE**. The opening of the financial proposal must be secured with the password protected ZIP archive by the Offeror, which will be given to the procuring UNDP entity upon its request after the completion of the technical proposal evaluation.

To assist procuring UNDP entity in the assurance of transparency, it is recommended that, prior to sending the Email(s), Offerors should open “Options”, then “Voting and Tracking Options” and select “Request a delivery receipt for this message” AND “Request a read receipt for this message”. This option path is for Microsoft Office Outlook software. Other software should offer similar options, although the path and wording might be somewhat different.

16. Deadline for submission of proposals

Proposals must be received by the procuring UNDP entity at the address or e-mail address specified under clause *Sealing and marking of Proposals* no later than **21 November 2011, 16:30, local time**.

The procuring UNDP entity may, at its own discretion extend this deadline for the submission of Proposals by amending the solicitation documents in accordance with clause *Amendments of Solicitation Documents*, in which case all rights and obligations of the procuring UNDP entity and Offerors previously subject to the deadline will thereafter be subject to the deadline as extended.

17. Late Proposals

Any Proposal received by the procuring UNDP entity after the deadline for submission of proposals, pursuant to clause *Deadline for the submission of proposals*, will be rejected.

18. Modification and withdrawal of Proposals

The Offeror may withdraw its Proposal after the Proposal’s submission, provided that written notice of the withdrawal is received by the procuring UNDP entity prior to the deadline prescribed for submission of Proposals.

The Offeror's withdrawal notice shall be prepared, sealed, marked, and dispatched in accordance with the provisions of clause *Deadline for Submission of Proposals*. The withdrawal notice may also be sent by telex or fax but followed by a signed confirmation copy.

No Proposal may be modified subsequent to the deadline for submission of proposals.

No Proposal may be withdrawn in the Interval between the deadline for submission of proposals and the expiration of the period of proposal validity specified by the Offeror on the Proposal Submission Form.

E. Opening and Evaluation of Proposals

19. Opening of proposals

The procuring entity will open the Proposals in the presence of a Committee formed by the Head of the procuring UNDP entity.

20. Clarification of proposals

To assist in the examination, evaluation and comparison of Proposals, the Purchaser may at its discretion, ask the Offeror for clarification of its Proposal. The request for clarification and the response shall be in writing and no change in price or substance of the Proposal shall be sought, offered or permitted.

21. Preliminary examination

The Purchaser will examine the Proposals to determine whether they are complete, whether any computational errors have been made, whether the documents have been properly signed, and whether the Proposals are generally in order.

Arithmetical errors will be rectified on the following basis: If there is a discrepancy between the unit price and the total price that is obtained by multiplying the unit price and quantity, the unit price shall prevail and the total price shall be corrected. If the Offeror does not accept the correction of errors, its Proposal will be rejected. If there is a discrepancy between words and figures the amount in words will prevail.

Prior to the detailed evaluation, the Purchaser will determine the substantial responsiveness of each Proposal to the Request for Proposals (RFP). For purposes of these Clauses, a substantially responsive Proposal is one which conforms to all the terms and conditions of the RFP without material deviations. The Purchaser's determination of a Proposal's responsiveness is based on the contents of the Proposal itself without recourse to extrinsic evidence.

A Proposal determined as not substantially responsive will be rejected by the Purchaser and may not subsequently be made responsive by the Offeror by correction of the non-conformity.

22. Evaluation and comparison of proposals

A two-stage procedure will be utilised in evaluating the proposals, with evaluation of the technical proposal being completed prior to any price proposal being opened and compared. The price schedule/financial proposal of the Proposals will be opened only for submissions that passed the minimum technical score of 70% of the obtainable score of 700 points in the evaluation of the technical proposals.

The technical proposal is evaluated on the basis of its responsiveness to the Term of Reference (TOR) and the Instructions to Offerors.

In the Second Stage, the price proposal of all contractors, who have attained minimum 70% score in the technical evaluation, will be compared. The **cumulative analysis scheme** will be applied with a total

score being obtained upon the combination of weighted technical and financial attributes. An Offeror's response to the solicitation document is evaluated and points are attributed based on how well they meet the defined desirable criteria. Cost under this method of analysis is rendered as an award criterion, which will be 30% out of a total score of 1000 of all the desirable factors of the RFP. The contract will be awarded to the offeror obtaining the highest cumulative score. The following formula will be applied in calculating the cumulative score:

$$B = T + \frac{C_{low}}{C} \times 300,$$

where

T – is the total technical score awarded to the evaluated proposal;

C – is the price of the evaluated proposal; and

C_{low} – is the lowest of all evaluated proposal prices among responsive proposals.

Technical Evaluation Criteria

Summary of Technical Proposal Evaluation Forms		Score Weight	Points Obtainable	Company / Other Entity				
				A	B	C	D	E
1.	Expertise of Firm / Organisation Submitting Proposal	21%	150					
2.	Proposed Work Plan and Approach	43%	300					
3.	Personnel	36%	250					
Total			700					

Evaluation forms for technical proposals follow on the next two pages. The obtainable number of points specified for each evaluation criterion indicates the relative significance or weight of the item in the overall evaluation process. The Technical Proposal Evaluation Forms are:

Form 1: Expertise of Firm / Organisation Submitting Proposal

Form 2: Proposed Work Plan and Approach

Form 3: Personnel

Technical Proposal Evaluation Form 1		Points obtainable	Company / Other Entity				
			A	B	C	D	E
Expertise of firm / organisation submitting proposal							
1.1	Reputation of Organisation and Staff (Competence / Reliability)	40					
1.2	Litigation and Arbitration history	20					
1.3	General Organisational Capability which is likely to affect implementation (i.e. loose consortium, holding company or one firm, size of the firm / organisation, strength of project management support e.g. project financing capacity and project management controls)	20					
1.4	Quality assurance procedures	20					
1.5	Relevance of: <ul style="list-style-type: none"> - Specialised Knowledge - Experience on Similar Programme / Projects - Experience on Projects in the Region/networking with other national and regional think-tanks - Work for UNDP/ major multilateral/ or bilateral programmes 	50					
Total Form 1		150					

Technical Proposal Evaluation Form 2			Points Obtainable	Company / Other Entity				
				A	B	C	D	E
Proposed Work Plan and Approach								
2.1	To what degree does the Offeror understand the task?	10						
2.2	Have the important aspects of the task been addressed in sufficient detail?	15						
2.3	Are the different components of the project adequately weighted relative to one another?	15						
2.4	Is the proposal based on a survey of the project environment and was this data input properly used in the preparation of the proposal?	50						
2.5	Is the conceptual framework adopted appropriate for the task?	50						
2.6	Is the scope of task well defined and does it correspond to the TOR and the overall concept for the NHDR?	100						
2.7	Is the presentation clear and is the sequence of activities and the planning logical, realistic and promise efficient implementation to the project?	60						
Total Form 2		300						

Technical Proposal Evaluation Form 3			Points Obtainable	Company / Other Entity				
				A	B	C	D	E
Personnel								
3.1	Team leader	Sub-Score	125					
	General Qualification (i.e. education, etc.)		10					
	Suitability for the Project		115					
	• Experience in research/analytical studies and report writing	15						
	• Experience in coordinating similar research projects	10						
	• Professional Experience in the area of specialisation	15						
	• Experience in analysing European integration process from a multi-dimensional perspective	20						
	• Knowledge of the specific national context (legislative framework, social and economic environment)	10						
	• Competencies/experience in policy analysis and capacity building	15						
	• Thorough knowledge of the human development concept, indices, understanding of regional tendencies	20						
	• Experience in working with UN or other donors	5						
• Language qualifications	5							
			125					
3.2	Expert¹ (s)	Sub-Score	125					
	General Qualification (i.e. education, etc.)		10					
	Suitability for the Project		115					

¹ All experts in the team (for the proposed composition of the team please make reference to the Terms of reference) will be evaluated together, one single average score will be attributed to the named group of experts.

<ul style="list-style-type: none"> • Experience in research/analytical studies and report writing • Experience in analysing European integration process (sector perspective) • Knowledge of the specific national context (legislative framework, social and economic environment) • Competencies/experience in policy analysis and development of policy recommendations • Knowledge of the human development concept, indices, understanding of regional tendencies • Experience in working with UN or other donors for similar team-base research projects • Language qualifications 	15						
	30						
	15						
	20						
	15						
	15						
	5						
Total Form 3		250					

F. Award of Contract

23. Award criteria, award of contract

The procuring UNDP entity reserves the right to accept or reject any Proposal, and to annul the solicitation process and reject all Proposals at any time prior to award of contract, without thereby incurring any liability to the affected Offeror or any obligation to inform the affected Offeror or Offerors of the grounds for the Purchaser’s action.

Prior to expiration of the period of proposal validity, the procuring UNDP entity will award the contract to the qualified Offeror whose Proposal after being evaluated is considered to be the most responsive to the needs of the organisation and activity concerned.

24. Purchaser’s right to vary requirements at time of award

The Purchaser reserves the right at the time of award of contract to vary the quantity of services and goods specified in the RFP without any change in price or other terms and conditions.

25. Signing of the contract

Within 30 days of receipt of the contract the successful Offeror shall sign and date the contract and return it to the Purchaser.

Failure of the successful Offeror to comply with the requirement of Clause 25 shall constitute sufficient grounds for the annulment of the award and forfeiture of the Proposal security if any, in which event the Purchaser may make the award to the next lowest evaluated Offeror or call for new Proposals.

General Conditions of Contract**1. LEGAL STATUS**

The Contractor shall be considered as having the legal status of an independent contractor vis-à-vis UNDP. The Contractor's personnel and sub-contractors shall not be considered in any respect as being the employees or agents of UNDP or the United Nations.

2. SOURCE OF INSTRUCTIONS

The Contractor shall neither seek nor accept instructions from any authority external to UNDP in connection with the performance of its services under this Contract. The Contractor shall refrain from any action which may adversely affect UNDP or the United Nations and shall fulfil its commitments with the fullest regard to the interests of UNDP.

3. CONTRACTOR'S RESPONSIBILITY FOR EMPLOYEES

The Contractor shall be responsible for the professional and technical competence of its employees and will select, for work under this Contract, reliable individuals who will perform effectively in the implementation of this Contract, respect the local customs, and conform to a high standard of moral and ethical conduct.

4. ASSIGNMENT

The Contractor shall not assign, transfer, pledge or make other disposition of this Contract or any part thereof, or any of the Contractor's rights, claims or obligations under this Contract except with the prior written consent of UNDP.

5. SUB-CONTRACTING

In the event the Contractor requires the services of sub-contractors, the Contractor shall obtain the prior written approval and clearance of UNDP for all sub-contractors. The approval of UNDP of a sub-contractor shall not relieve the Contractor of any of its obligations under this Contract. The terms of any sub-contract shall be subject to and conform with the provisions of this Contract.

6. OFFICIALS NOT TO BENEFIT

The Contractor warrants that no official of UNDP or the United Nations has received or will be offered by the Contractor any direct or indirect benefit arising from this Contract or the award thereof. The Contractor agrees that breach of this provision is a breach of an essential term of this Contract.

7. INDEMNIFICATION

The Contractor shall indemnify, hold and save harmless, and defend, at its own expense, UNDP, its officials, agents, servants and employees from and against all suits, claims, demands, and liability of any nature or kind, including their costs and expenses, arising out of acts or omissions of the Contractor, or the Contractor's employees, officers, agents or sub-contractors, in the performance of this Contract. This provision shall extend, inter alia, to claims and liability in the nature of workmen's compensation, products liability and liability arising out of the use of patented inventions or devices, copyrighted material or other intellectual property by the Contractor, its employees, officers, agents, servants or sub-contractors. The obligations under this Article do not lapse upon termination of this Contract.

8. INSURANCE AND LIABILITIES TO THIRD PARTIES

- 8.1 The Contractor shall provide and thereafter maintain insurance against all risks in respect of its property and any equipment used for the execution of this Contract.
- 8.2 The Contractor shall provide and thereafter maintain all appropriate workmen's compensation insurance, or its equivalent, with respect to its employees to cover claims for personal injury or death in connection with this Contract.
- 8.3 The Contractor shall also provide and thereafter maintain liability insurance in an adequate amount to cover third party claims for death or bodily injury, or loss of or damage to property, arising from or in connection with the provision of services under this Contract or the operation of any vehicles, boats, airplanes or other equipment

owned or leased by the Contractor or its agents, servants, employees or sub-contractors performing work or services in connection with this Contract.

8.4 Except for the workmen's compensation insurance, the insurance policies under this Article shall:

- (i) Name UNDP as additional insured;
- (ii) Include a waiver of subrogation of the Contractor's rights to the insurance carrier against UNDP;
- (iii) Provide that UNDP shall receive thirty (30) days written notice from the insurers prior to any cancellation or change of coverage.

8.5 The Contractor shall, upon request, provide UNDP with satisfactory evidence of the insurance required under this Article.

9. ENCUMBRANCES/LIENS

The Contractor shall not cause or permit any lien, attachment or other encumbrance by any person to be placed on file or to remain on file in any public office or on file with UNDP against any monies due or to become due for any work done or materials furnished under this Contract, or by reason of any other claim or demand against the Contractor.

10. TITLE TO EQUIPMENT

Title to any equipment and supplies that may be furnished by UNDP shall rest with UNDP and any such equipment shall be returned to UNDP at the conclusion of this Contract or when no longer needed by the Contractor. Such equipment, when returned to UNDP, shall be in the same condition as when delivered to the Contractor, subject to normal wear and tear. The Contractor shall be liable to compensate UNDP for equipment determined to be damaged or degraded beyond normal wear and tear.

11. COPYRIGHT, PATENTS AND OTHER PROPRIETARY RIGHTS

UNDP shall be entitled to all intellectual property and other proprietary rights including but not limited to patents, copyrights, and trademarks, with regard to products, or documents and other materials which bear a direct relation to or are produced or prepared or collected in consequence of or in the course of the execution of this Contract. At the UNDP's request, the Contractor shall take all necessary steps, execute all necessary documents and generally assist in securing such proprietary rights and transferring them to UNDP in compliance with the requirements of the applicable law.

12. USE OF NAME, EMBLEM OR OFFICIAL SEAL OF UNDP OR THE UNITED NATIONS

The Contractor shall not advertise or otherwise make public the fact that it is a Contractor with UNDP, nor shall the Contractor, in any manner whatsoever use the name, emblem or official seal of UNDP or the United Nations, or any abbreviation of the name of UNDP or the United Nations in connection with its business or otherwise.

13. CONFIDENTIAL NATURE OF DOCUMENTS AND INFORMATION

13.1 All maps, drawings, photographs, mosaics, plans, reports, recommendations, estimates, documents and all other data compiled by or received by the Contractor under this Contract shall be the property of UNDP, shall be treated as confidential and shall be delivered only to UNDP authorized officials on completion of work under this Contract.

13.2 The Contractor may not communicate at any time to any other person, Government or authority external to UNDP, any information known to it by reason of its association with UNDP which has not been made public except with the authorization of UNDP; nor shall the Contractor at any time use such information to private advantage. These obligations do not lapse upon termination of this Contract.

14. FORCE MAJEURE; OTHER CHANGES IN CONDITIONS

14.1 Force majeure, as used in this Article, means acts of God, war (whether declared or not), invasion, revolution, insurrection, or other acts of a similar nature or force which are beyond the control of the Parties.

14.2 In the event of and as soon as possible after the occurrence of any cause constituting force majeure, the Contractor shall give notice and full particulars in writing to UNDP, of such occurrence or change if the Contractor is thereby rendered unable, wholly or in part, to perform its obligations and meet its responsibilities under this Contract. The Contractor shall also notify UNDP of any other changes in conditions or the occurrence of any event which interferes or threatens to interfere with its performance of this Contract. The notice shall include steps proposed by the Contractor to be taken including any reasonable alternative means for performance that is not prevented by force majeure. On receipt of the notice required under this Article, UNDP shall take such action as, in

its sole discretion, it considers to be appropriate or necessary in the circumstances, including the granting to the Contractor of a reasonable extension of time in which to perform its obligations under this Contract

- 14.3 If the Contractor is rendered permanently unable, wholly, or in part, by reason of force majeure to perform its obligations and meet its responsibilities under this Contract, UNDP shall have the right to suspend or terminate this Contract on the same terms and conditions as are provided for in Article 15, "Termination", except that the period of notice shall be seven (7) days instead of thirty (30) days.

15. TERMINATION

- 15.1 Either party may terminate this Contract for cause, in whole or in part, upon thirty days notice, in writing, to the other party. The initiation of arbitral proceedings in accordance with Article 16 "Settlement of Disputes" below shall not be deemed a termination of this Contract.
- 15.2 UNDP reserves the right to terminate without cause this Contract at any time upon 15 days prior written notice to the Contractor, in which case UNDP shall reimburse the Contractor for all reasonable costs incurred by the Contractor prior to receipt of the notice of termination.
- 15.3 In the event of any termination by UNDP under this Article, no payment shall be due from UNDP to the Contractor except for work and services satisfactorily performed in conformity with the express terms of this Contract. The Contractor shall take immediate steps to terminate the work and services in a prompt and orderly manner and to minimize losses and further expenditures.
- 15.4 Should the Contractor be adjudged bankrupt, or be liquidated or become insolvent, or should the Contractor make an assignment for the benefit of its creditors, or should a Receiver be appointed on account of the insolvency of the Contractor, UNDP may, without prejudice to any other right or remedy it may have, terminate this Contract forthwith. The Contractor shall immediately inform UNDP of the occurrence of any of the above events.

16. SETTLEMENT OF DISPUTES

16.1. Amicable Settlement

The Parties shall use their best efforts to settle amicably any dispute, controversy or claim arising out of, or relating to this Contract or the breach, termination or invalidity thereof. Where the parties wish to seek such an amicable settlement through conciliation, the conciliation shall take place in accordance with the UNCITRAL Conciliation Rules then obtaining, or according to such other procedure as may be agreed between the parties.

16.2. Arbitration

Unless, any such dispute, controversy or claim between the Parties arising out of or relating to this Contract or the breach, termination or invalidity thereof is settled amicably under the preceding paragraph of this Article within sixty (60) days after receipt by one Party of the other Party's request for such amicable settlement, such dispute, controversy or claim shall be referred by either Party to arbitration in accordance with the UNCITRAL Arbitration Rules then obtaining, including its provisions on applicable law. The arbitral tribunal shall have no authority to award punitive damages. The Parties shall be bound by any arbitration award rendered as a result of such arbitration as the final adjudication of any such controversy, claim or dispute.

17. PRIVILEGES AND IMMUNITIES

Nothing in or relating to this Contract shall be deemed a waiver, express or implied, of any of the privileges and immunities of the United Nations, including its subsidiary organs.

18. TAX EXEMPTION

- 18.1 Section 7 of the Convention on the Privileges and Immunities of the United Nations provides, inter-alia, that the United Nations, including its subsidiary organs, is exempt from all direct taxes, except charges for public utility services, and is exempt from customs duties and charges of a similar nature in respect of articles imported or exported for its official use. In the event any governmental authority refuses to recognize the United Nations exemption from such taxes, duties or charges, the Contractor shall immediately consult with UNDP to determine a mutually acceptable procedure.
- 18.2 Accordingly, the Contractor authorizes UNDP to deduct from the Contractor's invoice any amount representing such taxes, duties or charges, unless the Contractor has consulted with UNDP before the payment thereof and UNDP has, in each instance, specifically authorized the Contractor to pay such taxes, duties or charges under protest. In that event, the Contractor shall provide UNDP with written evidence that payment of such taxes, duties or charges has been made and appropriately authorized.

19. CHILD LABOUR

19.1 The Contractor represents and warrants that neither it, nor any of its suppliers is engaged in any practice inconsistent with the rights set forth in the Convention on the Rights of the Child, including Article 32 thereof, which, inter alia, requires that a child shall be protected from performing any work that is likely to be hazardous or to interfere with the child's education, or to be harmful to the child's health or physical mental, spiritual, moral or social development.

19.2 Any breach of this representation and warranty shall entitle UNDP to terminate this Contract immediately upon notice to the Contractor, at no cost to UNDP.

20. MINES

20.1 The Contractor represents and warrants that neither it nor any of its suppliers is actively and directly engaged in patent activities, development, assembly, production, trade or manufacture of mines or in such activities in respect of components primarily utilized in the manufacture of Mines. The term "Mines" means those devices defined in Article 2, Paragraphs 1, 4 and 5 of Protocol II annexed to the Convention on Prohibitions and Restrictions on the Use of Certain Conventional Weapons Which May Be Deemed to Be Excessively Injurious or to Have Indiscriminate Effects of 1980.

20.2 Any breach of this representation and warranty shall entitle UNDP to terminate this Contract immediately upon notice to the Contractor, without any liability for termination charges or any other liability of any kind of UNDP.

21. OBSERVANCE OF THE LAW

The Contractor shall comply with all laws, ordinances, rules, and regulations bearing upon the performance of its obligations under the terms of this Contract.

22. AUTHORITY TO MODIFY

No modification or change in this Contract, no waiver of any of its provisions or any additional contractual relationship of any kind with the Contractor shall be valid and enforceable against UNDP unless provided by an amendment to this Contract signed by the authorized official of UNDP.

**UNITED NATIONS DEVELOPMENT PROGRAMME
TERMS OF REFERENCE**



*Empowered lives.
Resilient nations.*

Post title:	National company/think-tank or consortium to develop the 2011/2012 National Human Development Report on European integration aspirations of the Republic of Moldova, as well as ensure the dissemination of the findings and policy recommendations of the named analytical product
Project:	Policy Analysis / National Human Development Report Project, UNDP Moldova
Duty station:	Chisinau, Republic of Moldova
Duration:	November 2011 – December 2012 (tentative)

I. BACKGROUND:

Human development is a process by which real freedoms people can enjoy are expanded². The concept itself advocates a holistic approach to development that embraces a wide range of choices people value: higher and more sustainable income, greater access to knowledge, better nutrition and health services, a sense of participation in community activities, self-respect and dignity among others. Since 1995, the United Nations Development Programme's National Human Development Reports have explored the human development paradigm and related critical issues in the Republic of Moldova and significantly contributed to the formulation of national development strategies and policies, as well as provided an example of how the collaborative approach can generate benefits for all stakeholders and the nation at large.

The Republic of Moldova is currently undergoing a fast transformation period which is driven by internal and external factors. The economy is recovering after the crisis of 2008-2009 which negatively affected the social and economic development of the country. GDP decreased by 6% in 2009, with investment and remittances falling by around 30%. The sharp decrease in external financing sources revealed a severe financing gap. On 29 January 2010, the IMF agreed to provide financial assistance of approximately USD 560 million (EUR 420 million) spread over three years. This was supplemented by EUR 90 million of EU macro-financial assistance for the period 2010-2011³. In early 2010 the first signs of recovery surfaced, among others due to the commitment of the Government to properly address the existing macro-economic problems. The economy has recorded a 6.9% growth⁴ (2010/2009), which is an impressive figure compared to the growth rates of the country's closest neighbors, for instance Ukraine which recorded a 4.2% growth during the same period⁵. Foreign direct investment inflows are estimated to have increased to 3.5% of GDP from 2.3% in 2009 (although still lower than one third of the 2008 level). Yet, the overall economic growth trend does not seem to translate into further job creation, since unemployment rose to 7.4% (2010) compared to 4.0% (2008) and 6.4% (2009)⁶. Rural population in the Republic of Moldova amounted to 58.5%⁷ in 2010. *Rural poverty* continues to be the most critical issue of Moldovan social and economic development. Although the poverty rate at national level decreased over the period 2000-2009 from 67.8% to 26.3%⁸, the gap in poverty levels between rural and urban areas has been continuously increasing. Rural employees, 48.8% of whom are still involved in agricultural sector, lack or have limited access to information, social and financial services, and face various forms of deprivation. The living standards of rural employees involved in agriculture are the lowest with 53.5%⁹ (2009) of the nominal monthly average salary in the economy.

The current coalition Government has clearly stated that the country's aspirations for European integration represent the most feasible alternative towards sustainable development in all areas. The European Union and the closest EU

²Amartya Sen. Development as freedom (2004), p. 18

³ http://www.enpi-info.eu/maineast.php?id=22460&id_type=1

⁴ National Bureau of Statistics Moldova and WB data (www.statistica.md and <http://data.worldbank.org/indicator/NY.GDP.MKTP.KD.ZG>)

⁵ IMF/WB data

⁶ National Bureau of Statistics Moldova data

⁷ NBS data

⁸ NBS and Ministry of Economy data

⁹ NBS data

neighbors, in their turn, have repeatedly confirmed their readiness to support the European aspirations of the Republic of Moldova in many possible ways.

In the long run, European integration contributes to a multidimensional and sustainable development of a country, through the alignment to European values and standards and implementation of necessary reforms. At the same time, successful embracing of European values and standards is possible only if social and economic development and progressive investment in and development of the human capital are ensured. To this end, it is critical that the Government of the Republic of Moldova negotiates and pursues its aspirations for European integration based on the existing resources and competitive advantages of the country. This would maximize the positive effects of the potential integration process for all people of Moldova.

The foundation of the European Union and of the European integration process rests on a set of core principles and values stipulated in the Lisbon Treaty¹⁰, including *free movement of persons, goods, services and capital, promotion of peace, security, sustainable development, solidarity and mutual respect among people, free and fair trade, eradication of poverty and the promotion and protection of human rights*. Indeed, European integration has brought both opportunities and challenges to member and neighboring states, with associated overall positive effects largely offsetting most of the current costs. Empirical evidence shows that European integration, by far and large, has been accompanied by rising living standards and quality of life for most people. Moreover, certain areas such as health care, trade liberalization, gender equality, and environmental protection have registered important progress as a result of the twin processes of EU integration and enlargement. The EU has brought specific advantages to people and widened the range of available opportunities, including on the labor market, particularly related to labor mobility, through improved access to social and medical services, as well as educational opportunities. Moreover, the Union has been both a supporter of human rights development in Member States and candidate countries and a key player in the development of international human rights law. By widening the range of opportunities available to EU citizens, permanent residents, refugees and others, the European Union, through its institutions, is directly and in a coordinated manner contributing to human development.

II. CONTEXT:

MOLDOVA'S ASPIRATIONS FOR EUROPEAN INTEGRATION: PROGRESS SO FAR

'European integration is a fundamental priority of the domestic and foreign policies of the Republic of Moldova'¹¹. The civil society shares the same aspirations and widely recognizes that European integration represents the only feasible path towards the modernization of the country and future sustainable development.

The prospective Association Agreement will most probably contain several components related to political dialogue, trade and cooperation for sustainable economic and social development, cooperation in the field of justice and home affairs, financial cooperation, and certain general and institutional provisions. In April 2011 the sixth round of negotiations on the association agreement took place and negotiations of almost all chapters were completed, except for the ones related to environment, fiscal policy, transportation and agriculture. During the seventh round of negotiations, which took place at the beginning of July 2011, important progress has been achieved in such fields as justice, freedom and security. Moreover, both delegations exchanged information on the preparations for launching negotiations on the Deep and Comprehensive Free Trade Agreement (DCFTA); the EU delegation took into consideration the core findings of the second progress report presented at the end of June 2011 by the Moldovan authorities. During the 8th round of negotiations with EU an agreement over the general principles has been reached. The parties continued the negotiations of the 'Justice, freedom and security' chapter of the association agreement, exchanged views on the progress in the negotiations over the economic cooperation chapter, and equally on the preparations to launch negotiations on the prospective DCFTA.

The finalization of the negotiations of a DCFTA with the EU is a pre-condition for the conclusion of the association agreement. One of the major subjects to be negotiated within the DCFTA is the need to reform the agricultural sector, meaning the reform of the institutions responsible for development, technical equipping of farmers and final product quality. The existing agricultural model lags far behind the European one and the required changes can take much more time and resources than anticipated¹². Several other areas are critical as well, as the DCFTA involves the liberalization of services, implementation of the *acquis* in such sectors as competition and state aid. If comprehensive institutional reforms are properly implemented in the above listed areas, a new development paradigm will emerge and will have important implications for human development in the country.

The EU began a human rights dialogue process with the Republic of Moldova in 2010. In this respect, visa liberalization discussions have included several aspects of the EU human rights *acquis*, most notably a comprehensive anti-discrimination law and data protection, as well as Roma inclusion. The related areas of the justice sector reform and Ministry of Interior reform are now also prioritized. In 2005, the Government of the Republic of Moldova, in close

¹⁰Lisbon Treaty, http://bookshop.europa.eu/is-bin/INTERSHOP.enfinity/WFS/EU-Bookshop-Site/en_GB/-/EUR/ViewPublication-Start?PublicationKey=FXAC07306

¹¹ Activity Programme: European Integration: Freedom, Democracy and Welfare – 2011-2014' of the Government of the Republic of Moldova

¹² http://www.adevarul.ro/moldova/Republica-Moldova-Acord-vrem-Asociere_0_460754455.html

consultation with civil society organizations, developed a Strategy for the European Integration of the Republic of Moldova¹³. Although the strategy provides a comprehensive map of required preparations for potential accession of the Republic of Moldova to the EU, the provisions of the document have not been fully implemented, among others because of the fact that other strategic documents have been adopted and enforced. The current Government has an excellent opportunity these days to learn more from its closest neighbor (i.e. Romania), Baltic states and pre-accession countries such as Croatia, about the development, negotiation and implementation of a balanced European integration agenda.

The progress achieved by the Republic of Moldova in the implementation of the still valid EU-Moldova Action Plan has been evaluated by the European Commission as satisfactory¹⁴. Indeed there has been positive progress in 2010 in such areas as:

- Legislative field/implementation level
- Government secured an unprecedented level of assistance from development partners
- Maintaining of basic living standards and parallel consolidation of public financing – despite the crisis to which the economy is highly vulnerable due to structural problems
- Government maintained strict macroeconomic policies and launched structural reforms
- Government, through its policies, ensured post-crisis recovery and as a result significant macro-financial assistance has been provided by the European Union

According to the same evaluation report less or no real progress has been achieved in the following areas:

- Unsustainable reform process due to political instability
- Fighting corruption, reform of the judiciary, prosecution and police
- Implementation of certain human rights commitments
- Improving the functioning of the market economy and business and investment climate through reforms aimed at achieving transparency and predictability of business conditions
- Decentralization and implementation of the National Strategy for Regional Development due to lack or very limited resources at local level

THE EUROPEAN INTEGRATION AND HUMAN DEVELOPMENT NEXUS

Is there a direct and strong connection between the European integration process and progress in human development? Is there a direct connection between the progress in human development and the perspectives of a successful European integration of a country? How can this connection be tested and do we have regional comparative basis in doing so? What do regular citizens think about the existing or non existing connection?

These are some research questions that would require both quantitative and qualitative analysis.

The prospective Association Agreement between the EU and the Republic of Moldova represents a framework which is thought to bring Moldova closer to the EU through *political association* and *economic integration*, involving also legal change and an increased prioritization around the substantive domestication of international and European legal norms, in particular certain aspects of the human rights acquis. Although certain progress has been achieved by the Government in these areas, it is certain that the required changes shall come from inside the country. Moldovans should “reinvent” Moldova, making it an attractive place for living and investment. This can be achieved only through a joint and sustained effort by all stakeholders – Government, civil society, but also individuals.

Empirical studies revealed that, overall, integration into the European Union brought progress in the respect for human rights, freedom of the media, equality and, in most cases, increase in the standards of living. This would seem to indicate a direct, and complex, connection between progress made in such countries towards European integration (both along the socio-economic, political and legal dimensions of the process) and the human development level. One can look at human development as a possible result of European integration or vice-versa, meaning that sustainable and high levels of human development lead to high probability of successful integration into the EU.

In 2008, the UNDP in Ukraine released a national human development report which provides a genuine analysis of the relationship between the ambitious European integration and human development agendas of the Ukrainian Government. The authors came to the conclusion that “(...) *Once the country effectively pursues its European integration path, it greatly facilitates the achievement of higher standards of life and establishment of a safer environment. To a large extent the implementation of EU’s acquis communautaire is the short track to succeed in human development, to achieve the MDGs, and indeed to fulfill many of the inherent aspirations from the UN Millennium Declaration.*”¹⁵

On January 1, 2007, Romania and Bulgaria joined the European Union. These two countries represent a vivid example of how the implementation of the European integration agendas has a multidimensional positive impact on the progress towards fulfillment of the socio-economic commitment to human development. The HDI in the above mentioned two countries recorded a continuous increase over the past five years. Romania advanced in terms of HDI from 0.733 (2005) to 0.764 (2009) and 0.767 (2010). Bulgaria followed the same ascending trend, i.e. from 0.724 (2005) to 0.741 (2009)

¹³ <http://www.ipp.md/libview.php?l=ro&idc=167&id=517>

¹⁴ Implementation of the European Neighborhood Policy in 2010. Country Report: Republic of Moldova (EC, released on May 25, 2011)

¹⁵ Human Development Report Ukraine. Human Development and Ukraine’s European Choice (2008), p.9. http://www.undp.org.ua/files/en_80896eng_full.pdf

and 0.743 (2010). The Republic of Moldova also registered remarkable progress in this regard, advancing in terms of HDI from 0.606 (2005) to 0.623 (2010), although lagging far behind compared to its closest regional neighbors – Romania and Ukraine.

From empirical studies and the facts described above, it would appear that since Moldova is successful in realizing its aspirations towards European integration and associated opportunities, it can realistically expect higher chances of improvement in the human development area. However, the connection between human development and the implications of the country's aspirations for European integration has not been explored so far.

RATIONALE

The overall aspirations and progress of the country towards the achievement of the Millennium Development Goals by 2015, and of a more inclusive society in general, go hand-in-hand with its efforts to realize its aspirations for European integration.

However, so far, there has been no in depth analysis to assess and better understand the potential impact Moldova's aspirations for European integration and the various reforms involved, on human development (and vice-versa). Also, what would be the potential costs and benefits of a deeper integration for the society and its members, what would be the impact of the implementation of a prospective Association agreement with the EU on daily life and public participation, democratization of the society and respect for human rights?

The next National Human Development Report (NHDR) for the Republic of Moldova is meant to shed light on the above mentioned issues by focusing on the connection between human development and the country's aspirations for European integration. The findings of the Report are expected to provide policy makers with meaningful, factual based, balanced and timely recommendations with the view to maximizing the positive connections between these two aspects. Such an analysis is expected to be useful for all stakeholders in understanding the complexity of the integration process, having an ex-ante picture of the political, economic and social implications and a clear vision on how to further contribute to human development / avoid any negative impact on human development, as the country undertakes the reforms and actions required to move closer to its European Integration agenda.

Since the process of the country's European integration is a complex one, the NHDR is proposed to have a forward looking character. At the time when the proposed Report will be finalized, several transitional steps in moving closer to the country's aspirations for European integration will have probably been implemented. Such issues as the modernization of the agricultural model, fiscal policy, improvement of business and investment environment and human rights reform, for instance, will require substantial resources, including time, but most of all long-term commitment of the political elite and external partners.

It is therefore proposed that the Report analyzes technical, social, economic, political and other aspects, which are part of the prospective Association agreement, from the perspective of their potential impact, both short and long-term, on human development.

III. PROPOSED RESEARCH:

WIDER RESEARCH SCOPE

The proposed research scope to analyze the aspects described above will include, among others, the following:

- Analysis of the complexity of the European integration process and the potential implications of further deeper integration on the processes and functioning of the national socio-economic and political system, as well as on the people of Moldova, and ultimately on human development;
- Evaluation of the likely benefits of the potential European integration process in pre-determined sectors / areas and formulation of recommendations which could potentially reduce costs and maximize benefits for all citizens, regardless of their income, gender, race, and ethnicity.

The development of the NHDR is expected to also raise public awareness on the fact that the European integration process does not only have a political dimension and connotation. Currently, the overall perception of the people in Moldova of the country's accession to the European Union can be regarded as generally positive (62.6% of the population will vote in favor of accession if a referendum is organized next week¹⁶). However, about one fifth of the population is still undecided and about 10% will eventually vote against the accession. The latest opinion poll released in May 2011 by the Institute for Public Policies shows an increase to 64% of the population that would eventually vote in favor of the accession.

While analyzing the implications of the process of fulfilling European aspirations on human development and social inclusion, a regional comparative approach can be adopted in order to see what have been the implications of further integration and accession on human development in various countries. This can be achieved through benchmarking to

¹⁶Barometer of Public Opinion. Institute for Public Policies (2010). <http://www.ipp.md/libview.php?l=ro&idc=156&id=558>

identify the processes and performance metrics used in the region. The national European aspirations and the human development agenda shall be analyzed to identify whether these are complementary or conflicting. The starting point of the analysis could be the national MDG and social inclusion agendas. UNDP has been highly active in providing analytical support to the Government in monitoring progress towards the achievement of the MDGs, as well as of equality and non-discrimination within individual MDGs¹⁷; it also significantly contributed, through its previous National Human Development Report (2010/2011)¹⁸, to a better understanding and future monitoring of the social exclusion phenomenon. The national social inclusion agenda is a constituent part of the National Development Strategy (NDS) (2008-2011)¹⁹, as well as several sector strategies and action plans²⁰.

It needs to be pointed out as well that the successful implementation of the Association agreement entails a peaceful reintegration of the country, implementation of the DCFTA and the related legal reform, and liberalization of the visa regime for Moldovan citizens, among others. The latter two processes will most probably jointly impact human development and are therefore proposed to be the focus of the NHDR. For instance, a recent UNDP report identified a strong positive link between the liberalization of trade with the European Union and human development levels. It states that “(...) *there is a lot of evidence concerning the direct connections between trade and human development in the country (referring to the Republic of Moldova). In general, increased openness of the economy contributes to the growth of the country’s human potential. Therefore, overcoming the existing barriers to export expansion is a priority*”²¹. But since the DCFTA framework is not limited to trade, but refers to other aspects as well (such as liberalization of services, reform of the legislation on competition and state aid), which are also expected to impact human development, due consideration should be given in the proposed analysis to these issues as well.

The negotiations on the liberalization of the visa regime include the discussions related to the transposition of certain aspects of the EU human rights acquis, which means that, sooner or later, the **required comprehensive anti-discrimination legislation** is expected to be implemented: the reforms needed to promote social inclusion of ethnic minorities will be undertaken. In line with the empirical studies by Becker²², Sen²³ and others, which state that equality and non-discrimination foster economic development, it is expected that these, in their turn, will lead to advancement in human development.

While the suggestion is to focus the analysis under the NHDR on the prospective implementation of the DCFTA and the related legal reform, and liberalization of the visa regime for Moldovan citizens, these areas are huge and cover numerous aspects. Therefore, as a result of a wide consultative process it has been proposed and agreed to narrow down the proposed research scope as to ensure that a particular topic/area of high relevance is placed at the center of the next NHDR.

PROPOSED NARROW RESEARCH SCOPE

The current preparations for the negotiations of a prospective DCFTA *package* with the EU, implementation of associated reforms and approximation of laws, as well as the increased level of understanding of the need for a comprehensive non-discrimination legislation, will create the necessary conditions for an eventual sustainable economic growth and free movement of people, but not only.

Given its complexity, the process can consistently contribute to the increased levels of foreign and domestic investments in out-of-Chisinau areas of the country and modernization of the agricultural and food processing sectors (these are tradable sectors where Moldova has comparable advantages), as well as to the reduction of existing inequalities, especially concerning rural poverty and exclusion. Therefore, particular focus shall be placed on these interlinked topics for the purpose of in-depth research.

At the micro level, the process should ideally lead to a better understanding of the European values and the way the European Union functions. It could also lead to higher standards of living for all, especially for *rural (and predominantly poor households)*, that is for more than half of the population, for whom tangible outcomes of the advancement in the implementation of the European integration agenda are extremely important in a short run. The prospective DCFTA, although not yet under negotiation, represents a unique opportunity to modernize the economy and, most importantly, attract EU foreign direct investments. Several studies have been previously conducted to assess the likely impact of an FTA on the Moldovan economy and in most of the cases a positive impact on the GDP, under the scenario of a deep and comprehensive type of such an agreement (roughly between 20 and 30% increase in total GDP²⁴ in the medium term) has been forecasted. Although it invariably appears that the prospective DCFTA will

¹⁷ The Second Millennium Development Goals Report (2010), <http://undp.md/presscentre/2010/MDG%20Report%2011/index.shtml>

¹⁸ 2010/2011 National Human Development Report. Republic of Moldova – from social exclusion towards inclusive human development. http://undp.md/presscentre/2011/NHDR2010_2011/index.shtml

¹⁹ National Development Strategy of the Republic of Moldova (2008-2011). http://mpsfc.gov.md/file/egalitategen/str_nat_dez_md.pdf

²⁰ The next National Development Strategy of the Republic of Moldova, which will have a longer time horizon up to 2020, is currently under preparation, in close consultations with the civil society organizations and development partners.

²¹ Aid for Trade Needs Assessment for the Republic of Moldova. Trade and Human Development (UNDP, 2011), p. IX-X. http://undp.md/presscentre/2011/International_Trade_Report/index.shtml

²² See for instance Gary S. Becker, Human Capital. A theoretical and empirical analysis with special reference to education, 1993

²³ In particular in his recent work linking justice and development (see for example Sen, Amartya, *The Idea of Justice*, 2009).

²⁴ A Free Trade Area between the Republic of Moldova and the European Union: feasibility, perspectives and potential impact (2009) at http://www.expert-grup.org/library_upld/d51.pdf

have a positive economic impact, **it is unfortunately still unclear what would be the likely impact for the Republic of Moldova on the social and human development levels.** The DCFTA *per se* will contribute to the increase of investment attractiveness, since investors are more likely to look for possible opportunities in a country which is getting much closer to the EU market and which has a similar playground with other EU countries, however **internal reforms and approximation measures**, to be conducted as part of the preparations for negotiations, are much more important at this stage in order to accede to and benefit the most from such kind of arrangement with the EU. This is particularly true and important given the need to modernize the agricultural and agro-processing sectors, before fully entering international competition; such modernization is not possible without gaining attractiveness for foreign and domestic investors and ensuring a stable and attractive investment climate.

Managing the current agricultural and agro-processing models modernization, including by attracting FDIs, the Government should be very careful in anticipating the likely risks of fast and deeper integration, in assessing the readiness of the existing **social security networks** to cope with the potential short term adverse impact of the prospective DCFTA *package* on small producers and farmers and must be able to negotiate sufficiently long transition periods in Moldova's liberalization, particularly for sensitive categories of agricultural products.

The improvement of the investment climate for both foreign and domestic investors, particular attention being paid to the attractiveness of rural areas and tradable sectors, will generate necessary conditions for further and more balanced economic growth. Statistical evidence shows that currently FDI flows are oriented primarily towards non-tradable sectors, without generating major improvement of national economy's competitiveness, and are highly concentrated in the capital city of Chisinau²⁵. When analyzing the popular perceptions of internal reforms and the European integration process and aspirations, we can see that people perceive economic growth as the top priority of the Government.

According to a recent analysis, 22% of respondents believe that economic growth shall represent the top priority in the above mentioned context²⁶. But economic growth does not necessarily bring about benefits for all citizens, irrespective of their social status, income, ethnicity, race, age, etc. For this purpose, economic growth should be inclusive.

Designing and implementing a sustainable and inclusive economic development model is a difficult task. Important discrepancies between the rural and urban areas, between the poor and the rich, women and men, among others, have been continuously increasing. In 2009, for instance, the total cash incomes of the population in urban areas have been 1.9 times higher than in rural areas. Moldova's gender sensitive Human Development Index (HDI) dropped to 0.429 compared to 0.623 for the entire population in 2010, reflecting an important loss in human development for women determined by the disadvantages they face concerning reproductive health, empowerment, and economic activity. Sustainable economic and human development cannot be ensured without properly tackling the named existing inequalities, particularly in rural areas, addressing limited access to opportunities and choices, and fighting certain discriminatory practices altogether leading to social exclusion. This is an important argument why **comprehensive non-discrimination legislation** must be developed, largely consulted with the society, and properly implemented, complementing the contribution in minimizing inequalities of the reforms that will precede and accompany a prospective DCFTA.

IV. OBJECTIVE OF ASSIGNMENT:

UNDP Moldova seeks to recruit one national think-tank (company) to develop a National Human Development Report on European integration aspirations of the Republic of Moldova.

Under the overall supervision of the UNDP Country Office in Moldova and that of UNDP Bratislava Regional Center, in close collaboration with relevant competent line ministries represented on the Advisory Board, the national company will be expected to follow the below sequence of phases:

Phase I: Develop and submit a **preliminary research outline** (containing the list of proposed thematic chapters and short narratives linked to it, methodology of the research, core hypotheses and preliminary findings, preliminary conclusions and tentative recommendations).

Phase II: Consult the proposed outline with all relevant stakeholders during an incipient Workshop.

Phase III: Develop the first draft of the National Human Development Report.

Phase IV: Consult the first and the next draft versions of the Report on the occasion of the regular Advisory Board Meetings (the number of draft versions and stakeholders meetings will depend on the progress in the development of the report, evolution of the situation linked to the current negotiations and prospective signature of the Association agreement between EU and the Republic of Moldova).

Phase V: Finalize the development of the National Human Development Report on European integration aspirations.

Phase VI: Launch the National Human Development Report and ensure the broad dissemination of the core findings and recommendations at different levels.

Phase VII: Organization of two thematic national workshops as follow-up activities for further dissemination of core findings and policy recommendations.

Following the proposed sequence of phases, the company will ensure high quality of the intermediary (outline, draft versions) and final analytical products, will support UNDP Moldova and the Project in the organization of the national

²⁵ Impact of foreign direct investments on the Moldovan economy, Expert Grup (2010), p. 17-18

²⁶ http://www.viitorul.org/public/1167/ro/Raport_EU_ROM_fin.pdf

stakeholders' meetings and the launching event. Moreover, the company will ensure broad dissemination of the core findings and recommendations through available national media channels.

V. DUTIES AND RESPONSIBILITIES:

More specifically, the company and its proposed team of experts will be expected to:

- a) Review the relevant subject area literature, both national and regional available sources
- b) Conduct relevant quantitative and qualitative analysis
- c) Develop the preliminary research outline
- d) On the basis of the preliminary research outline, agreed and consulted with the core national stakeholders, develop the first draft of the thematic chapters
- e) Actively participate to all consultative meetings in order to collect and incorporate relevant suggestions and improve the first draft of the Report
- f) Conduct additional research as needed or directed by the reviewers/Project team
- g) In consultations with the UNDP Moldova, identify a list of tentative members of the Peer Review Committee
- h) Submit the final draft of the Report for peer review and finalization of the Report
- i) Actively participate to the organization of all consultative meetings and the launching event
- j) Ensure broad dissemination of the core findings and recommendations of the Report through at least 2 thematic workshops and national media

VI. EXPECTED OUTPUTS:

- a) Detailed **outline** and methodology of the prospective National Human Development Report on European integration;
- b) **Final revised and broadly consulted National Human Development Report on European integration aspirations of the Republic of Moldova.**

The report is expected to be in line with the key basic principles that govern the NHDR process, including:

- national ownership (through involvement of key relevant stakeholders and the development of national capacities of those who contribute to the compilation of the report);
- independence of analysis;
- quality of analysis;
- participatory and inclusive preparation;
- flexibility and creativity in presentation (clear and user-friendly manner); and
- clear options for sustained follow-up, including explicit dissemination strategies.

VII. TIMEFRAME:

The hired company will deliver the envisaged analytical products during the period December 2011 – December 2012.

VIII. DUTY STATION:

The work of the research team of the company will be performed remotely as home-based desk work. Work on revisions and final drafting will be conducted in close cooperation with UNDP.

IX. MINIMUM REQUIREMENTS, COMPETENCIES, AND EXPERIENCE:

- a) **Company/consortium related competencies;**
 - Previous proven corporate experience of at least 5 years in the development of similar analytical products, both in terms of content, as well as size of the research project;
 - Relevant corporate analytical experience in the field of European integration, social inclusion, sustainable human development, MDGs, etc.;
 - Intensity in participating and membership to local and regional networks in European integration field of research, policy analysis, advocacy, etc. ;

b) Research team related competencies (CVs of the individual team members will be evaluated separately²⁷)

Team leader

- Education and general qualifications (Ph.D. degree in Social Sciences, Economics, Political Science or other relevant fields);
- Experience in research/analytical studies and report writing (proven experience of at least 5 years);
- Experience in coordinating similar research projects;
- Experience in analyzing European integration process from a multi-dimensional perspective;
- Knowledge of the specific national context (legislative framework, social and economic environment);
- Competencies/experience in policy analysis and capacity building;
- Thorough knowledge of the human development concept, related indices, regional tendencies;
- Experience in working with UN or other donors is considered to be an asset;
- Language qualifications (fluency in English, Romanian and Russian is mandatory);

Experts (see the proposed composition of the research team below)

- Education and general qualifications;
- Experience in research/analytical studies and report writing;
- Experience in analyzing European integration process (sector perspective);
- Knowledge of the specific national context (legislative framework, social and economic environment);
- Competencies/experience in policy analysis and development of policy recommendations;
- Knowledge of the human development concept, related indices, and regional tendencies;
- Experience in working with UN or other donors for similar team-based research projects;
- Language qualifications (fluency in English, Romanian and Russian is mandatory).

Important note: The national research team will consist of at least one political expert/analyst (with relevant experience in such fields as national political system, EU enlargement, etc.), one economist (with relevant experience in poverty reduction, macroeconomic stability, trade, business and investment climate, public finance, etc.), and one expert in social policies (with relevant knowledge of MDGs, EU social inclusion agenda, human rights, etc.).

²⁷ The composition of the research team is not subject to any change once the contract for the provision of professional services is signed between UNDP and the company.

PRICE SCHEDULE/FINANCIAL PROPOSAL

The Contractor is asked to prepare the Price Schedule/financial proposal and submit it in a separate envelope from the rest of the RFP response as indicated in Section D paragraph 15 (b) of the Instruction to Offerors.

All prices/rates quoted must be exclusive of all taxes, since the UNDP is exempt from taxes as detailed in Annex II, Clause 18. '

The Price Schedule/financial proposal must provide a detailed cost breakdown. Provide separate figures for each functional grouping or category.

Estimates for cost-reimbursable items, if any, such as travel, and out of pocket expenses should be listed separately.

In case of an equipment component to the service provided, the Price Schedule should include figures for both purchase and lease/rent options. The UNDP reserves the option to either lease/rent or purchase outright the equipment through the Contractor.

The format shown on the following pages should be used in preparing the price schedule. The format includes specific expenditures, which may or may not be required or applicable but are indicated to serve as examples.

In addition to the hard copy, if possible please also provide the information in electronic format on CD or diskette.

Price Schedule:				
Request for Proposals for Services ...				
Description of Activity/Item		Number of Staff	Monthly Rate	Estimated Amount
1.	Remuneration			
1.1	Local consultants			
1.2	International consultants			
1.3	Services in Field			
1.4	Other (add lines as appropriate)			
2.	Out of Pocket Expenses			
2.1	Travel			
2.2	Per Diem Allowances			
2.3	Communications			
2.4	Reproduction and Reports			
2.5	Equipment and other items			
2.6	Supplies			