

TERMS OF REFERENCE

Individual National Consultancy on the Design of Funding Framework and Financing Scheme for Equitable Provision of Pre-school Education Services in the Republic of Moldova

Duration and timeline: 24 working days (within a six-month period December 2017 – May 2018)

1. Background

For the last decade, UNICEF has supported the Government of Moldova and partners to develop inclusive education, protection and nutrition policies for young children.

Professionals working in early childhood care and education were supported to further enhance their competencies in child-friendly approaches, and communities were empowered to claim children's rights to education, health and protection. Alternatives to traditional kindergartens such as community centers were modeled, costed and institutionalized. International expertise was brought in to share experiences on innovative perspectives on the social inclusion of marginalized children. UNICEF Moldova, in partnership with PricewaterhouseCoopers Audit SRL (PwC), has also conducted a costing of Early Childhood Development (ECD) services in Moldova. With a view to further improving service quality, UNICEF currently supports the development of standard packages of educational services for all levels, including pre-school.

As a result of these interventions and other national efforts, 86.5 percent of three to six-year-old children had the chance to learn, play and get ready for school in 2016¹ compared to only 44 percent in 2000, putting Moldova at the top among countries in the CEE-CIS² region in terms of enrollment in pre-school education.³ However, some challenges still remain. For example, the proportion of rural residents attending pre-school is lower than that of urban residents. Indeed, the urban-rural divide continues to widen, increasing from 28 percentage points in 2010 to 34 percentage points in 2016. It is unclear whether this is due to the fact that children from adjacent villages often attend urban kindergartens (and are thus registered in urban statistics), or to there being a greater supply of kindergartens in urban areas.⁴

School readiness continued to improve from 93 percent in 2012⁵ to 96 percent in 2016 as a result of the steady increase in the number of children attending pre-schools and thanks to improvements in children's learning outcomes.⁶ However, data show that Roma children are relatively poorly prepared for primary education, mostly due to the fact that very few are enrolled in pre-school education or preparatory classes (21 percent in 2011).⁷ Indeed, once Roma children attend pre-school, they meet the requirements for enrolment in primary school, highlighting the importance of access to ECD services in ensuring improved learning outcomes for all children later in life.⁸

¹ National Bureau of Statistics, *Education in the Republic of Moldova*, electronic publication, 2016/2017

² Central and Eastern Europe, and Commonwealth of Independent States

³ National Bureau of Statistics (2016b). Op. cit.

⁴ Government of the Republic of Moldova (2013). Op. cit.

⁵ National Centre of Public Health of the Ministry of Health of the Republic of Moldova and United Nations Children's Fund (2014). Op. cit.

⁶ National Bureau of Statistics (2015). 2014/15 Education in the Republic of Moldova. Statistical publication.

⁷ United Nations Moldova (2013). Op. cit.

⁸ United Nations Children's Fund (2015e). Participatory assessment of barriers hampering the access of Roma children and their families to services.

Poverty has a significant negative impact on pre-school enrolment and vulnerable children (such as Roma children and children with disabilities) are particularly disadvantaged. The difference between the lowest and highest quintiles is about 30 percentage points (64 percent versus 92 percent).⁹ The pre-school attendance rate of Roma children is much lower than that of non-Roma children – about one-fourth. Finally, only six percent of the 2,318 children aged 3-6 years registered as having a disability were enrolled in pre-schools in 2016.¹⁰

In Moldova, most ECE (Early Childhood Education) cover children aged 3-7 years. The financing for such services comes directly from the State budget: from central authorities to “level one” local public authorities (LPAs), of which there are 896 in the country, headed by a mayor. However, contrary to primary and secondary schools, most of which are autonomous and receive their funds directly from central authorities, the budget for kindergartens is managed by mayors’ offices. Annual allocations are based on declared needs, and central authorities transfer funds with the expectation that expenditures be done as per the approved budget. However, in practice, local public authorities have full autonomy over their own budget. They may use the funds as initially mapped out or decide to divert funds from pre-school education to other purposes. Local authorities are also the entities that decide when and where to establish new early childhood education and development institutions/programmes for children under the age of three, based on their financial resources. However, opening new ECD institutions in rural areas, where populations are often small, has proved to be very difficult. Central authorities prioritize the financing of existing pre-school institutions, and local budgets are often too limited to cover the larger capital investments necessary to establish new institutions.¹¹

At the same time, **financial allocations from central authorities to local authorities, including those intended to cover ECE, vary significantly.**¹² While there are some justifications for this heterogeneity – for example the annual cost of providing ECD for children in urban areas is 55 to 60 percent higher than in rural areas¹³ – the rationale behind the differing allocations is not sufficiently clear and transparent to local public authorities or the population as a whole.

Despite an increase from 1,381 pre-schools to 1,461 between 2010 and 2015,¹⁴ growth in the number of pre-schools has not kept up with demand, with persisting shortages and urban-rural imbalances.¹⁵ On one hand, pre-school occupancy in rural areas is below capacity, at 75 percent on average, but there are, at the same time, approximately 150 villages without pre-school institutions. Given the **importance of proximity when it comes to education institutions for this very young age group**, this is of significant concern. On the other hand, pre-schools in urban areas – particularly Chisinau – are consistently operating over capacity, indicating that there is also a shortage of pre-school institutions in urban centers.¹⁶ Due to increase in demand and lack of capacity, overcrowded groups in pre-school affect the quality of education. For children aged 3-6 years, three-quarters of pre-schools have groups exceeding the standards, primarily in urban areas. In some cases, more than 25 or even 45 children are placed in the same classroom¹⁷ whereas the standard established by the Ministry of Education is a maximum of 15 children for those aged 0-2 years, and 20 for children aged 3-6 years.

Meanwhile, privately run institutions are also relatively few due to the lack of a legislative framework that can regulate their establishment or operation. The many private institutions that currently do exist are registered as nonprofit entities and are not subject to the same quality checks and educational standard requirements as public pre-schools.

⁹ UN Women and United Nations Children’s Fund (2013). Op. cit.

¹⁰ UNICEF estimates based on administrative data on children with disabilities provided by the Ministry of Health in 2016.

¹¹ Government of the Republic of Moldova (2014). Op. cit.

¹² United Nations Children’s Fund (2016c). Op. cit.

¹³ United Nations Children’s Fund (2016d). Op. cit.

¹⁴ National Bureau of Statistics (2016b). Op. cit.

¹⁵ UN Women and United Nations Children’s Fund (2013). Op. cit.

¹⁶ United Nations Children’s Fund (2016d). Op. cit.

¹⁷ United Nations Children’s Fund (2016c). Op. cit.

The shortages and imbalances described above suggest that, alongside efforts to improve the quality of ECE and the demand for such type of services, a review of the financing and funding mechanisms underpinning ECE in Moldova is timely. Indeed, in order to expand sustainable access to pre-school education, particularly for children from vulnerable groups, it is important to establish an equitable and transparent methodology for the allocation of funds toward pre-school services nationwide. It is also important to explore the role of private providers of ECE, and to determine how such services will be financed nationally (from the central level, from local public authority revenues, from fees, etc.)

2. Purpose of work

The purpose of this assignment is to assist the Government of the Republic of Moldova in designing a financing scheme and funding allocation framework for pre-schools (covering children 3-6/7 years of age). This framework should be based on the principles of universal access and equity and take into account realistic sources of financing.

The National Consultant will work with the International Consultant/Team Leader who will be hired by UNICEF separately.

The consultancy is expected to be carried out within a six-month period, starting from December 2017 and ending in May 2018, with the possibility of extension as required.

3. Objectives

The consultant is expected to:

Support the International Consultant in:

- Gaining access to local stakeholders and conducting consultations, including organizing meetings and formal consultation events
- Accessing and interpreting financial and legal data
- Providing the necessary elements and knowledge of the local context to make all deliverables relevant to the local context

4. Details of how the work should be delivered

The consultant will build on the detailed analysis of the costs of ECD services in Moldova¹⁸ that has been carried out by UNICEF Moldova in partnership with PricewaterhouseCoopers Audit SRL (PwC) and on other relevant information already provided by the Ministry of Finance and National Bureau of Statistics. The proposed funding options need to be produced in close cooperation with UNICEF, Ministry of Education, Culture and Research and Ministry of Finance.

More specifically, the consultant shall:

- Familiarize himself/herself with the financing mechanisms of the education sector with a particular focus on the pre-school education sub-sector (to consider both central and local level financing mechanisms). Familiarize him/herself with per student financing used in general education, including variables (location of the school, student body, etc.) that were considered in setting up the currently used formula. This will be done

¹⁸ Report on Costing of ECE services in the Republic of Moldova https://www.unicef.org/moldova/ro/12007_29506.html

through a review of the relevant literature, legal and strategic documents, and a series of interviews with key stakeholders

- Support the Team Leader (TL) to conduct a **desk review and provide him/her** with existing national documents, studies, reports and other relevant materials on the cost structure of pre-school services, with a focus on the variations across types of pre-school services and localities.
- Provide to the TL the context-relevant data and inputs necessary to develop **3 formula options for consideration** by government partners
- Provide context-specific inputs to the TL as to **conditions that must be in place, in parallel to the financing formula, to ensure equity and accessibility** of services (e.g.: among children with disabilities, Roma children, children in remote areas, children in small villages, etc.)
- Provide context-specific inputs to the TL for the development of possible **co-funding schemes between the state and private providers of ECE services** and in what cases these should be applied
- **Provide the TL with the context-specific data needed for simulation of the impact and cost of each formula option** on the existing pre-school network, comparing the amount currently received by each preschool or other ECE institution under the existing allocation mechanism and the amount received by each using the proposed allocation formulas.
- Organize consultation with national counterparts for the **selection of the most appropriate funding framework to be applied in the country, including recommended associated financing mechanisms** (from both central and local level) for pre-school.
- **Provide context-specific inputs to the TL for the development of a Road Map** for the piloting and institutionalization of the selected formula.

5. Activities, deliverables, and timeline:

Activities	Deliverables	Time frame*
<ul style="list-style-type: none"> - Familiarize himself/herself with the financing mechanisms of the education sector with a particular focus on the pre-school education sub-sector (to consider both central and local level financing mechanisms). - Support the Team Leader (TL) to conduct a desk review and provide to him all existing national documents, studies, reports and other relevant materials on cost structure of pre-schools' financing - Organize meetings with major stakeholders including private providers of ECE services 	Inception Report , including: <ul style="list-style-type: none"> - Plan of activities - Context-specific inputs to the desk review provided to the TL - Meetings with major stakeholders including private providers of ECE services organized. 	6 working days,
<ul style="list-style-type: none"> - Provide context-specific inputs and relevant data for the development of 3 formula options to the TL 	Deliverable 2 <ul style="list-style-type: none"> - Context-specific inputs and necessary data for the development of 3 formula options provided 	5 working days
<ul style="list-style-type: none"> - Organize a meeting with national stakeholders and UNICEF for presentation of the Draft report 1 	Deliverable 3 <ul style="list-style-type: none"> -Meeting organized 	2 working days
<ul style="list-style-type: none"> - Provide specific inputs including necessary data for the development of a proposed Road Map for the selected formula's piloting and institutionalization to the TL 	Deliverable 4 <ul style="list-style-type: none"> -Specific inputs and necessary data for the development of the Road Map and timeline for implementation provided 	5 working days
Prepare and organize consultation meeting for the presentation of draft report and draft road map: <ul style="list-style-type: none"> - 1-day consultation with UNICEF and 1-day meeting with other stakeholders, both from Chisinau and from rayons (to include both LPAs and local private ECE service providers) 	Deliverable 5 <ul style="list-style-type: none"> -Consultation meetings organized 	4 working days
<ul style="list-style-type: none"> - Provide specific inputs to the finalization of the Report and Road Map for the selected formula's piloting and institutionalization to the TL. 	Deliverable 6 <ul style="list-style-type: none"> -Specific inputs provided. 	2 working days
TOTAL		24 working days

* Exact deadlines will be mutually agreed upon contract signature.

6. Working arrangements and reporting requirements

The national consultant will be supervised by The Team leader and the UNICEF ECD Officer. The national consultant will support the International Consultant/Team Leader in conducting consultations, accessing and interpreting data, and helping ensure that the products are relevant to the local context. Both consultants will work in close collaboration with the staff of the Ministry of Education, Culture and Research, and the Ministry of Finance, the Working Group on ECE, and other relevant experts in the field.

The UNICEF ECD Officer and Social Policy Specialist will provide necessary support to achieve the objectives of the consultancy, as well as remain aware of any issues related to consultant's performance and quality of work.

All activities and deliverables undertaken by the consultant shall be discussed and planned in consultation with Team leader and UNICEF, and will only be executed following approval from UNICEF. The consultant is expected to deliver each component of the work-plan electronically (in Word format) and in English. At each stage, deliverables shall be sent to the Team Leader and the ECD and Social Policy Officers by email.

7. Performance indicators for evaluation of results:

The performance of work will be evaluated based on the following indicators:

- Completion of tasks specified in ToR
- Compliance with the established deadlines for submission of deliverables
- Demonstration of high standards of work and professionalism in working relations with UNICEF, the Team Leader, and with national counterparts.

8. Qualifications and experience

The work is planned to be conducted by one international consultant/Team Leader and a national consultant hired by UNICEF under a separate contract.

The key qualifications required for the national consultant are as follows:

1. Advanced university degree in the area of Public Finance, Economics or related field
2. 5-8 years of experience in developing funding frameworks at preschool/or general education levels
3. Experience in analyzing or developing financing schemes, including in the context of decentralization and public-private partnerships
4. Excellent planning and organizational skills
5. Strong communication and inter-personal skills, including proven ability to cooperate with public institutions in Moldova
6. Experience with UNICEF or other UN Agencies will be an asset
7. Excellent command of Romanian and Russian, both oral and written
8. Working command of English is a strong asset

9. Content of technical proposal to be submitted

- CV
- A cover letter describing the candidate's skills and relevant experience with similar types of assignments (max. 700 words)
- Annex: Short Sample or links to related work previously conducted by the consultant

In addition, please provide your *Curriculum Vitae*.

10. Content of financial proposal to be submitted

The applicant should fill in the Financial Offer Template and specify the all-inclusive consultancy fee, in MDL, per day of work, requested for the tasks described in the Terms of Reference.

Other expenses directly related to the ToR deliverables which must be included in the financial offer as well:

- logistics linked to meetings organization, as required by the Deliverables Table.
- local transportation costs.

The final selection will be based on the principle of “best value for money” i.e. achieving desired outcome at lowest possible fee.

If not provided by the ToR, UNICEF will not reimburse costs not directly related to the assignment. This contract does not allow payment of off-hours, medical insurance, taxes, and sick leave.

UNICEF reserves the right to withhold all or a portion of payment if performance is unsatisfactory, if work/output is incomplete, not delivered or for failure to meet deadlines.

11. Payment schedule

The payment will be done in three tranches, according to the following schedule. All deliverables must be delivered on time and to the satisfaction of UNICEF Moldova.

Deliverable (delivered according to the timeline agreed upon with UNICEF)	Proportion of payment
Inception Report (deliverable 1)	20%
Specific inputs and data on the development of three formula options and Road map relevant to the context of the Republic of Moldova provided to the TL. (Deliverables 2, 3, 4)	40%
Meetings with counterparts including 1 day consultation with UNICEF and 1 day meeting with other stakeholders, both from Chisinau and in selected rayons; specific inputs provided to the TL on the finalization of the Report and Road Map. (Deliverables 5 and 6)	40%

UNICEF reserves the right to withhold all or a portion of payment if performance is unsatisfactory, if work/outputs are incomplete, not delivered for failure to meet deadlines.

12. Definition of supervisory arrangements

The specialist will be supervised by The Team leader and the ECD Officer of UNICEF Moldova. Payments will be rendered upon successful completion of each task, as per the schedule outlined above.

13. Work location and official travel involved

The work will require local travel in mutually agreed locations including in Chisinau. The consultant is expected to cover costs, arrange and schedule such visits, including transportation. The UNICEF office will facilitate introductions to key informants.

The travel shall be based on economy class travel, regardless of the length of travel.

Travel costs not actually incurred due to travel mission cancellation, delays, contract termination or modification are subject to deduction from final contract amount.

14. Support provided by UNICEF

UNICEF will regularly communicate with the consultant, and provide feedback, guidance and necessary support to achieve objectives of the work, as well as remain aware of any upcoming issues related to the performance and quality of work. UNICEF will provide an initial package of relevant documents and available research, and an initial list of relevant experts and counterparts to work with. UNICEF will also request relevant data – as agreed upon with the consultant – from relevant government counterparts.

15. Ethical considerations

The Contractor will ensure that the process is in line with the United Nations Evaluation Group (UNEG) Ethical Guidelines¹⁹. The Contractor should be sensitive to beliefs, manners and customs and act with integrity and honesty while interacting with stakeholders and beneficiaries. Furthermore, the Contractor should protect the anonymity and confidentiality of individual information. All participants should be informed about the context and purpose of the Assessment, as well as about the confidentiality of the information shared. The Contractor is allowed to use documents and information provided only for the tasks related to these terms of reference.

¹⁹ UNEG Guidelines <http://www.uneval.org/document/detail/102>