# UNICEF Moldova

# TERMS OF REFERENCE

**International Individual Consultancy on Social Protection Fiscal Space Analysis in Moldova**

**Location:** Remote, with possible visit to Chisinau, Moldova

**Duration and timeline:** 40 days (within 3 months period, from March to May 2024)

1. Background

According to the PEFA assessment[[1]](#footnote-2) done in 2022, Moldova is confronted with the challenges of shrinking fiscal space, mounting contingent liabilities, and increasing social pressures, while it also seeks the resources necessary to support the recovery and increased and inclusive economic growth.

Social protection is a key element of national strategies to promote human development, political stability and inclusive growth. It ensures that people enjoy income security and have effective access to health and other social services and are empowered to take advantage of economic opportunities.

The share of social protection expenditures in the National Public Budget (NPB) increased from approximately 36% in 2021 to approximately 39% in 2023, mainly due to energy bill subsidies for vulnerable households covered by the Energy Vulnerability Reduction Fund (EVRF). Social spending was the key driver of overall spending, crowding out other priority spending.

In March 2023, the Government of Moldova launched the reform of social assistance system, called “RESTART”. The reform planned for the period 2023-2026 has four medium-term results: 1) Vulnerable population has increased access to social services and benefits, 2) Vulnerable population has increased access to social services and benefits, 3) Social assistance system has sufficient and motivated human resources able to provide quality social services and benefits and 4) Social assistance system is digitalized to ensure efficiency and reduce fraud.

The implementation of the structural reform implies additional costs and requires finding reliable, sustainable and long-term sources of funding, both internal and external. Therefore, a fiscal space analysis is needed in order to find the available budgetary room that will allow the government to provide resources for the reform implementation and identification of available sources.

Under the leadership of the Ministry of Labour and Social Protection (MLSP), this fiscal space analysis will serve as a foundation for subsequent interventions and reforms to strengthen the social assistance system in Moldova. Through these interventions, UNICEF aims to support the MLSP enhancing the overall impact and sustainability of social assistance programs, ensuring they effectively support vulnerable individuals and households throughout the country.

1. Purpose of the consultancy

The purpose of the assignment is to support the Ministry of Labour and Social Protection, other line Ministries and the Government of the Republic of Moldova, to implement the planned comprehensive Social Assistance Reform (RESTART) by identifying feasible financing options through a comprehensive fiscal space analysis.

The objective of the consultancy is to produce a fiscal space analysis report for social protection. The report shall include a comprehensive quantitative and qualitative analysis of potential financing options to expand the fiscal space to finance the social assistance.

The specific objectives of the study, therefore, are:

* To conduct a fiscal space analysis to examine the national capacity to mobilize resources using different financing options, at a minimum exploring all options presented in ILO’s Handbook on Fiscal Space for Social Protection[[2]](#footnote-3), to fill the financing gaps in social protection.
* To use econometric tools and models to quantify the fiscal space for social protection for each of the options analysed (as per their relevancy to Moldova).
* To produce a consolidated report based on the above analyses, systematize main findings and provide policy recommendations as a way forward

The consultant will produce an analytical report providing fiscal space analysis to serve as guidance to the government and other stakeholders on the national capacity to create fiscal space to finance an economically sustainable social protection system in the country.

The output will include estimated amounts (as a percentage of the GDP/share of the national budget) that can be mobilized from different financing options, examining both existing and potential sources of resources.

The analysis and results will follow but not limited to the framework provided by the UNICEF and ILO/UN Women publication Fiscal space for social protection: A handbook for assessing financing options

1. Deliverables and delivery dates

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| Tasks | Deliverables | Timeline | Tentative timeframe\* |
| Develop a data collection plan specifying the sources, methods, and tools for gathering relevant data;  Draft structure and content for the report. | Annotated Report Outline | 5 working days | By 15 March 2024 |
| Completed data analysis, including cost breakdowns, quantitative modelling.  Complete the economic, demographic, social and employment projection data, as needed, as well as the budgetary/financial data of the social protection schemes and programs collected during the analysis of the social protection system.  Present an international comparison of the level of resources Moldova allocated to social protection, over a period of at least 10 years, compared to the countries in the region, but also more generally to developing countries.  Review and complete, if necessary, the studies already completed to review public expenditure on social protection.  Identify, with reference to the concept of fiscal space, the conditions to be met for an increase in public resources to be collectively beneficial through social protection.  Ensure the sustainability of the fiscal space created by paying attention to dynamic macroeconomic balances, in particular tax pressure, debt stock and service, etc.  Identify funding sources or ways to generate or save funds to create more fiscal space to support Moldova’s social protection programmes. | Key findings report (to be incorporated into draft analysis report) | 20 working days | By 26 April 2024 |
| Draft fiscal space analysis report incorporating analyses and findings from the assessment on coverage gaps, costing and financing gaps estimates, and fiscal space analysis on the potential avenues.  Visual aids, charts, and tables to illustrate the analysis results.  Concrete set of recommendations for improving fiscal space in social protection.  Presentation materials for sharing the findings with stakeholders. | Draft analysis report with key findings | 10 working days | By 16 May 2024 |
| Finalized fiscal space analysis report incorporating feedback and input from MLSP and stakeholders.  Presentation (PPT) of the analysis findings and recommendations to key stakeholders and decision-makers. | Final report | 5 working days | By end of May 2024 | |

\**Exact deadlines will be mutually agreed upon contract signature*

The main national source of data will be but not limited to, the Ministry of Finance (Ministry of Finance, Reports on the execution of the citizen’s budgets 2022, 2023 and the Report on the execution of the state budget in 2023), National Bureau of Statistics, National Bank and relevant line ministries (e.g. Ministry of Labour and Social Protection, Ministry of Health, Ministry of Education and Research).

To achieve the above-mentioned objectives, the selected consultant, under the guidance of UNICEF, will:

* Review and adjust as necessary the methodology, sources of data and work plan for the assignment, including the data collection, as per UNICEF and MLSP recommendations;
* Conduct briefing and de-briefing meetings with UNICEF and the MLSP, as well as other partners as required;
* Review and adjust if necessary, the desk review of relevant documents and reports;
* Prepare the final version of the report with all key findings and present and validate the report in a multi-stakeholders technical meeting, including the participants’ feedback.

Changes to the agreed dates for deliverables must be mutually agreed in writing by UNICEF and the consultant, and in consultation with MLSP.

1. Reporting requirements

The selected consultant will report to the UNICEF Moldova Social Policy Officer, who will regularly communicate with the selected consultant and provide feedback and guidance on his/her performance and all other necessary support so to achieve objectives of the consultancy. At each stage, the deliverable shall be sent to the Social Policy Officer and Social Policy Specialist in copy.

The consultant will produce the above-mentioned deliverables and products during the assignment implementation. All deliverables will be prepared and presented electronically to UNICEF for approval, and prior validation by MLSP. The reporting language is English. 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;
* Quality of work;
* Demonstration of high standards of cooperation and communication with UNICEF and with counterparts.

1. Qualifications and experience

* Advanced degree in finance and/or economics, development studies, public policy, or related disciplines.
* At least 7 years of experience in conducting economic and financial research and analyses, in a variety of development contexts. Experience in financing social protection will be considered an asset. Demonstrated experience conducting similar studies, specifically fiscal space analyses, financing strategies, focused on financing social development, social sectors, and/or social protection, including quantitative analyses.
* A good understanding of the social protection in Eastern Europe or Moldova is an advantage.
* Excellent writing and communication skills in English required, knowledge of Romanian and/or Russian would be an advantage;
* Strong interpersonal skills and the ability to communicate and work well with diverse people.

1. Content of technical proposal

The Technical Proposal should include but not limited to the following:

* Relevant experience with similar type of assignments (max 300 words)
* Proposed approach and methodology (max 1500 words)

In addition, please provide your Curriculum Vitae.

1. Financial Proposal

The applicant should fill in the Financial Offer Template and specify the consultancy fee, per day of work, requested for the deliverables described in the Terms of Reference in USD, as well breakdown of international travel and daily subsistence allowance (DSA) costs if applicable (as specified in paragraph 11 of this ToR).

Other expenses directly related to the ToR assignments and deliverables such as: (translation/interpretation costs, local transportation etc.) may be included in the financial

offer unless specified that UNICEF will cover them separately (see paragraph 11 and 12 below).

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 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.

1. Evaluation criteria for selection

The candidate is expected to reflect in the submission the qualifications, knowledge and experience related to the requirements listed above. Technical evaluation will be performed through a desk review of applications, evaluation of technical proposals, and if necessary, may be supplemented by an interview.

The total amount of points to be allocated for the price component is 30. The maximum number of points (30) will be allotted to the lowest price proposal of a technically qualified offer. Points for other offers will be calculated as Points (x) = (lowest offer/ offer x) \* 30.

The selection process is aimed at selecting the applicant who obtains the highest cumulative score (technical evaluation + financial offer evaluation points) following “best value for money” principle.

1. Payment schedule

The payment will be linked to the following deliverables, upon satisfactory completion and acceptance by UNICEF:

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| **Deliverable (delivered according to the timeline agreed upon with UNICEF)** | **Proportion of payment** |
| Annotated Report Outline and methodology | 30% |
| Final Fiscal Space Analysis Report | 70% |

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.

1. Definition of supervision arrangements

The selected consultancy institution will work under the oversight of Social Policy Specialist of UNICEF Moldova and in close collaboration with MLSP. Fees will be rendered upon written approval by the UNICEF Supervisor, and contingent upon the quality of deliverables.

1. Work location and official travel involved

The work will be done remotely with possible visit to Chisinau (up to 7 days) to meet with the national stakeholders. If needed, meetings will be organized online, and the UNICEF office will facilitate introductions to key informants.

1. Support provided by UNICEF

UNICEF will regularly communicate with the selected consultant and provide feedback and guidance and necessary support so 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 facilitate the coordination with other UN agencies and will also mediate with Government entities for data sharing and access.

1. **Ethical considerations**

The Consultant will ensure that the process is in line with the United Nations Evaluation Group (UNEG) Ethical Guidelines1. The Consultant should be sensitive to beliefs, manners and customs and act with integrity and honesty while interacting with stakeholders and beneficiaries. Furthermore, the Consultant 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 Consultant can use documents and information provided only for the tasks related to these terms of reference.

As per the DHR PROCEDURE ON CONSULTANTS AND INDIVIDUAL CONSULTANTS, together with the Notification letter, the consultant will be sent the link on Agora containing UNICEF policies on Prohibiting and Combatting Fraud and Corruption, Prohibition of discrimination, harassment, sexual harassment and abuse of authority and other relevant policies for their information and acknowledgment. The selected candidate must complete the applicable mandatory online courses on UNICEF’s learning platform prior to signature of contract. All certificates should be presented as part of the contract.

1. https://www.pefa.org/node/4990 [↑](#footnote-ref-2)
2. [Fiscal Space for Social Protection. A Handbook for Assessing Financing Options (ilo.org)](https://www.ilo.org/secsoc/information-resources/publications-and-tools/books-and-reports/WCMS_727261/lang--en/index.htm) [↑](#footnote-ref-3)