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Acronyms

AA	Association Agreement
ATU	Autonomous Territorial Unit
CEEC	Central and Eastern European Country
DFID	UK's Department for International Development
EaP	Eastern Partnership
ESA 95	European System of National and Regional Accounts
ESS	European Statistical System
EU	European Union
GDP	Gross Domestic Product
GIZ	German Agency for International Cooperation
GoM	Government of Moldova
GVA	Gross Value Added
M&E	Monitoring and Evaluation
MoE	Ministry of Economy
MRDC	Ministry of Regional Development and Construction
NBS	National Bureau of Statistics
NSRD	National Strategy for Regional Development
NUTS	Nomenclature of Units for Territorial Statistics
OECD	Organisation for Economic Co-operation and Development
PRDP	Pilot Regional Development Programmes
RDA	Regional Development Agencies
RDC	Regional Development Councils
RDS	Regional Development Strategies
SADI	Small Areas Deprivation Index
SC	Steering Committee
SDP	Strategic Development Plan
SIDA	Swedish International Development Cooperation Agency
SNA	System of National Accounts
SWOT	Strengths, Weaknesses, Opportunities and Threats Analysis
TACIS	Technical Assistance for the Commonwealth of Independent States
ToR	Terms of Reference
UN	United Nations
UNDP	United Nations Development Programme

1. BACKGROUND INFORMATION

1.1. Beneficiary country

Republic of Moldova

1.2. Contracting Authority

Delegation of the European Union to the Republic of Moldova

1.3. Country background

The Moldovan economy has gone through many important changes during the last decade. These have demanded significant sector reforms, including those in the market and regulatory environments as well as in regional development, which has been a core element of Moldova's attempts to stimulate higher living standards and spread economic activities across the entire country. In 2010, an upturn in the world economy boosted GDP growth to 6.9% and inflation rose to 7.4%. The economic evolution in the first semester of 2011 was favourable for Moldova. The GDP growth of 7.5% in this period was impressive by any comparison including Central, South-Eastern or Eastern European countries. However, in 2012 GDP declined by 0.7% in response to weakening external demand in the EU and unfavourable weather conditions. In the first nine months of 2013 real output rebounded by 8.0 per cent year-on-year supported by growing remittances, recovery of industrial exports and agricultural production.

The strong economic growth of 2011 was, as in previous years, accompanied by an exacerbation of the regional unbalances. Chisinau absorbs most of financial, economic and human resources, widening the development gap with the other regions and worsening the regional development constraints. Although there are significant discrepancies between the level of development of the capital city and all the other development regions, the state of regional statistics does not allow us to have an adequate quantitative comparison.

After many years of slow progress, the EU – Moldova relationship has sharply matured in recent years and with it the reform course on which GoM has been embarked. The relationships between the EU and the Republic of Moldova are currently guided by the Partnership and Cooperation Agreement (1998) and the EU-Moldova Action Plan (2005). The latter provides specific areas for cooperation on adoption of statistical methods fully compatible with European standards in relevant statistical areas and advancing the institution building of NBS:

- Ensure that the forthcoming population census is carried out according to schedule following recommendations of Eurostat/UN-ECE 2000 census;
- Elaborate a short and medium term development strategy for harmonisation with European standards in the relevant statistical areas, including foreign trade statistics and statistical classifications;
- Ensure that legislation on official statistics is based on the fundamental UN principles.

The relationship between the Republic of Moldova and the European Union have been guided by the Partnership and Cooperation Agreement (PCA) signed in 1998, and the EU-Moldova European Neighbourhood Policy Action Plan (ENP-AP) concluded in 2005. The PCA and the

ENP-AP are to be replaced by an EU-Moldova Association Agreement (AA)¹, including a Deep and Comprehensive Free Trade Area (DCFTA), and an Association Agenda. The negotiations on the AA & DCFTA with the EU were concluded in June 2013 and Moldova initialled the AA and DCFTA agreements on 29 November 2013 at EaP Summit in Vilnius.

Future cooperation between the EU and Moldova in statistics will take place under Chapter 6 (Statistics), Title IV (Economic and Other Sector Cooperation) of the AA, which is particularly aiming at developing efficient and sustainable statistical systems capable of providing reliable, objective and accurate data needed to plan and monitor the process of development and reforms in Moldova. It is as well targeting at enhancing the professional and management capacity of the national statistical staff to facilitate the application of EU statistical standards and to contribute to the development of the statistical system of the Republic of Moldova.

The regional development policy in Moldova was designed on the basis of a very thin base of quantifiable evidence. This is one of the primary reasons why both territorial and thematic focus remains to be weak: on what possible objective basis might deeper prioritisation be possible in the absence of statistical series analogous to those available at regional and sub-regional levels in the EU.

This Project takes place at an appropriate time, in the wake of the Republic of Moldova's commitment to moving towards a "a sustainable, efficient and professionally independent national statistical system shall produce information relevant for citizens, businesses and decision-makers in the Republic of Moldova and in the EU, enabling them to take informed decisions on this basis" (Chapter 6, Article 41 of the AA). Article 44 (g) of the same specifically affirms that cooperation in the field of statistics between RM and EU will include focus on regional statistics. The EU considers therefore that development of appropriate regional statistics is essential to the EU integration process and to the EU's continued support to regional development in Moldova.

1.4. Current situation in the sector

Moldova is quite different from all other EaP Countries in respect of preparations for regional development. It already has in place a functioning system of regional development since early 2010, the fruit of several years of preparatory work. This system has also been subject to a comprehensive review; lessons have been learned and are being applied. The system is operational and in 2014 it continues to provide financial support to regional development amounting to up to 1% of revenues of the state budget. In its design, it was profoundly inspired by EU regional development and cohesion policies.

Following approval of the Law on Regional Development in December 2006, six development regions were created: two regions (Centre and North) that would presumably classify under NUTS 2 level and four regions that would fall under NUTS 3 level (Chisinau, South, Gagauzia and Transnistria). As Chisinau is also a development region, it could presumably meet the requirements for a NUTS 2 region. The final classification is subject to agreement with EU and may be discussed after concluding the EU-Moldova Association Agreement. Regional development policy in Moldova has gained considerable momentum and enjoys a strong political profile. Its institutional framework, operational since 2010, is relatively similar to that operating in EU countries. A National Coordinating Council for Regional Development has been created, aimed mainly at increasing the coordination of relevant sectoral policies and the

¹ http://eeas.europa.eu/moldova/assoagreement/assoagreement-2013_en.htm

relevant line ministry was re-named Ministry of Regional Development and Construction (MRDC) to reflect the increased focus on regional development policy. A regional statistics unit (3 staff) is operational since 2010 within the General Directorate on Regional Development of MRDC, but it is mostly dealing with monitoring and evaluation of policy implementation.

At the regional level, Regional Development Councils (RDCs) with public and private membership were created, acting as regional coordinating and decision-making bodies and Regional Development Agencies (RDAs) were established in three (Centre, North and South) development regions, as executive structures for the implementation of regional development strategies (RDSs). In 2011 staff in each RDA increased from 5 to 15 persons. The RDA organogram includes a strategic planning and programming unit (3 staff).

Moldova currently lacks appropriate regional statistics and a system by which they can be routinely collected, processed and made available. One of the main objectives of the National Strategy for Regional Development NSRD for 2010-2012 is to ‘produce and report on regional statistics to support both the design of regional development strategies and their monitoring and evaluation.’ Although certain regional statistics are currently disaggregated by regions, there are significant areas that would need change or improvement to develop indicators that would give a true reflection of the economic, social, environmental situation in the regions. RDAs and RDCs would normally be key users of regional statistics, using the data to develop and monitor implementation of RDSs. As regional development policies take on an increased importance within the governance arrangements in Moldova, it is essential that the formulation, monitoring and evaluation of these policies is underpinned by a high quality evidence base, including regional statistics that meet recognised standards and follow established methodologies.

NBS is the main provider of official statistics as mandated by the 1994 Law on Official Statistics. The law is in line with UN Fundamental Principles of Official Statistics and is thought to generally comply with EU statistical requirements. NBS has about 600 staff, out of which about 200 in the central office and 400 in 37 territorial offices tasked with collection, processing and analysis of statistical data.

NBS carries out its activities based on annual Programmes of Statistical Works approved by the GoM which outlines the activities, level (national, territorial), periodicity, deadlines and responsible institutions. The NBS’ Strategic Development Plan SDP for 2012-2014 was approved in December 2011. It provides a SWOT analysis of NBS’ administrative capacities, assigns medium-term objectives and priorities, and outlines an action plan. Among SDP’s medium-term priorities are harmonisation of Moldovan statistical legislation with the EU statistical acquis and implementation of a methodology for calculating the regional GDP in conformity with 2008 System of National Accounts.

The latest global assessment of the national statistics system performed by Tacis in 2007 acknowledged full or partial compliance with European Statistical System (ESS) in most of statistical modules². It notes though that Moldova does not yet comply with EU requirements for the Regional Accounts module (72102). Due to a growing demand in regional data breakdowns to inform a range of policies and needs, since 2008 NBS produces and publishes a number of regionally disaggregated data. The latest published issue contains selected statistical indicators on regional industry, agriculture, investments and constructions, road transport, retail

² Willem de Vries, Global assessment of the system of official statistics in the Republic of Moldova, May, 2007

trade, paid services rendered to population, finance, labour, demographic statistics and registered offences³.

However, there are many deficiencies in regional statistics and that severely impede effective policy and strategy design, monitoring and evaluation in the area. Context and impact indicators (essential for programming any type of “cohesion-type” funding) are especially lacking at regional level e.g. regional GDP or regional gross value added. Regional GDP and GVA estimates could be calculated using NBS data as was done previously: however the practice was discontinued after the reversal of the 1999 administrative-territorial reform.

Although household budget and labour force surveys are carried out regionally, these are not published together with other regionally disaggregated data. The latter is produced by adding up data available for each raion (district); the former is conducted in ‘statistical regions’ which do not match ‘development regions’. The differences are not significant for the Centre and North regions, but in the South the autonomous territorial unit Gagauzia constitutes a separate “development region” while for statistical purposes it is included within the existing boundaries of the South development region. It is essential to achieve an optimal alignment and effect a subsequent sample re-design since both surveys bear key data for monitoring RDSs and provide data for GDP/GVA estimations.

A Small Areas Deprivation Index (SADI) is currently being produced by the Ministry of Economy (MoE). SADI data is highly relevant as a tool for selecting projects on the local level and targeting regional developing funding, as well as for monitoring and evaluating the implementation of regional development policy and projects. While MoE has over time developed strong capacities for producing the SADI, it has raised the issue of transferring competencies on collection of SADI and training user groups to another institution, either NBS or MRDC. So far, no agreement has been reached, but the competencies might be divided between the two – NBS in producing SADI, provided additional resources will be allocated and MRDC (Regional Statistics Unit) – in training the user groups. Further, the methodology should be improved so that it creates time series and encapsulates indicators from urban areas which are not currently measured in the SADI.

1.5. Related programmes and other donor activities

The European Union has been supporting the development of a regional development model in Moldova since 1999, through three successive TACIS projects⁴, the third of which was the largest and developed the first drafts of legislation and institutional plans. A series of technical assistance projects on statistics have also been implemented through TACIS, including a 2007 global assessment on compliance of Moldovan statistical systems with ESS. This was further deepened under a large DFID-SIDA Project (2008-2011) which had a regional statistics as well as a regional development Monitoring and Evaluation (M&E) component and also involved budgetary support to regional development of around EUR 2 million. The project also supported the 2009 data collection for the SADI and worked very closely with the MRDC and the NBS to identify the availability of regional data, disaggregated by gender, social inclusion,

³ NBS, Statistical bulletin “Main Social and Economic Indicators by Development Regions, Raions and Municipalities”, January – December 2011

⁴ Strengthening of the regional public administration in Moldova (2000-2002); SME Development in Moldova (2003-2005); Support to Regional Development Implementing Bodies (2005-2007).

etc. and to improve the methodology for the calculation of regional indicators. There is a direct link between the outputs delivered by the DFID-SIDA regional development project and the regional statistics project to be implemented under this ToR, as the former assisted MRDC in developing and operationalizing a fully functional regional development M&E system. A list of output, outcome and context indicators was developed and the system is in place within MRDC and RDAs, such that the newly developed regional statistics data should be compatible with the existing system and the upcoming statistics project should aim to identify potential areas for improvement based on recent developments.

Regional GDP calculations were performed by NBS in 2000, with assistance from SIDA, within a bilateral statistical cooperation agreement and estimations have been produced within the DFID-SIDA regional development project. SIDA has traditionally continued assistance in the sector by funding two other projects to support the NBS: General Agricultural Census (2010-2012) and Improving Trade Statistics. The latter was commenced in March 2013 and will be implemented until December 2016. The project is addressing issues related to trade statistics, environment statistics, business statistics, national accounts, statistical methods and management. The UNDP-implemented project “Strengthening the National Statistical System”⁵ aims at strengthening the national statistical system to improve the collection, dissemination and use of statistical information, with particular focus on national needs and overall conformity of official statistics with international standards. The Romanian Government is funding a small project on “Improvement of availability and reliability of regional statistics for Moldova’s decision-makers”. Due to its limited budget and short duration this project (the project will be completed in June 2014) is considered as a preparation stage for this larger EU-funded project.

The project to be implemented on the basis of this ToR should ensure complementarity of its activities in close cooperation with the GIZ-managed ‘Modernisation of Local Public Services’ Project, co-funded under Component 2 of PRDPs (Regional Planning and Project Pipelines for Development Regions) and with any other ongoing activities in regional development and statistics sectors funded by other donors.

2. OBJECTIVE, PURPOSE & EXPECTED RESULTS

2.1. Overall objective

The overall objective of the project of which this contract will be a part is as follows:

- to support Moldova in advancing its economic, social and territorial cohesion with focus on the development of the policy, legal and institutional framework for an effective development policy for Moldova’s regions.

2.2. Purpose

The purpose of this contract is to improve regional statistics as a basis for improved, evidence-based policy planning, programming, monitoring and evaluation.

⁵ http://www.md.undp.org/content/moldova/en/home/operations/projects/democratic_governance/strengthening-the-national-statistical-system-.html

2.3. Results to be achieved by the Contractor

- Improved regional statistics – consistent with Eurostat standards for NUTS 2 and 3 regions;
- Validated capacity among responsible bodies relevant to the above results, including capacity to continuously produce, disseminate and efficiently use regional statistics;
- Improved system and sources for the production of regional accounts according to ESA 95

3. ASSUMPTIONS & RISKS

3.1. Assumptions underlying the project

The primary assumptions are:

- The GoM remains firmly committed to its reform agenda and to enhanced political and economic relations with the European Union;
- The GoM is able to amend the legislation on the tasks incumbent on the NBS, specifically mandating the NBS to produce identified regional statistics as part of the series of “official statistics”;
- The GoM increases the human resources to the NBS to ensure that persons who will be tasked with producing regional statistics on a permanent basis are in place;
- The impact of the economic crisis on Moldova’s economy is managed effectively by government;
- The GoM is committed on the public availability of regional statistics and free accessibility to them for all other public bodies for purposes of policy planning, programming and research.
- Various public institutes and agencies cooperate to provide essential data and documentation in a timely manner.

3.2. Risks

The principal risks to implementation are:

- Political instability;
- Insufficient commitment from key bodies concerned;
- High staff turnover and internal changes which hinder project activities;
- Lack of clarity relating to policy, strategic and operational responsibilities and insufficient commitment to resolve differences rapidly;
- Lack of free availability of information from relevant public bodies and institutes essential to carry out statistical works in an efficient and timely manner.

4. SCOPE OF THE WORK

4.1. General

4.1.1. Project description

The project aims at establishing an operational system of regional statistics and achieving markedly improved regional statistics – consistent with Eurostat and international (OECD) standards for NUTS 2 and NUTS 3 regions and thus enable improved, evidence-based policy planning, programming, monitoring, evaluation and greater comparability with EU regions.

The project consists of four interlinked components:

1. Identification of purposes for regional statistics – assistance to review regional statistical indicators currently produced by the NBS and other authorities, assessing their compliance with Eurostat practices, assessing user needs and proposing areas where the NBS could further enhance the supply of regional development indicators.
2. Identification of required statistics and levels – advice to NBS on compilation of a complete list of regional statistics indicators to be produced. These need to cover all key areas relevant for regional development policy – economic, social, environmental, transport, health, education, employment and labour market, energy etc. As the ‘statistical regions’ where the household budgets and labour force surveys are collected from do not currently follow the designation of ‘development regions’ as practised in Moldova, assistance will be provided for development of an optimal alignment, which meets the domestic needs, and is also consistent with the EU's NUTS classification. This will serve the purpose of estimating regional GVA, which will allow measuring the impact of regional development interventions.
3. Development of systems to collect, process and make available regional statistics – technical assistance will initially help undertake these tasks and through capacity building and methodological advice, embed them as standard practice for the NBS and potentially for other relevant institutions.
4. Development of systems and procedures for using regional statistics for regional development planning, monitoring and evaluation purposes – assistance will be provided to MRDC and RDAs to develop an interconnected information system enabling an evidence-based regional strategic planning, monitoring and evaluation of RD policy.

Technical assistance within these ToR will be delivered by long-term, medium-term and short-term consultants, working both remotely and in-country. Assistance will take any combination of the following forms: policy and technical advice, assistance to organisation planning, assistance to learning and development of relevant staff (on-the-job training, more formal training, coaching or mentoring, study visits, assignments etc.). In addition to international expertise knowledgeable of EU regional statistics, the project will require substantial local expertise. Competencies to be acquired (for individuals) and wider institutional capacity relevant to ensuring sustainability of project results should be validated through a structured and recorded process and method: in other words the application of competencies and capacities in the workplace must be measured as part of project activities. In general, activities are designed to have a strong capacity building component and shall be based on well documented assessments.

4.1.2. Geographical area to be covered

Republic of Moldova (except Transnistria for which the NBS does not currently produce official statistics).

4.1.3. Target groups

For the results associated with improved quality of regional statistics the main target is NBS. For the results associated with using regional statistics for evidence-based planning, monitoring and evaluation of the regional development policy, the main target groups are MRDC (the Regional Policy and Cooperation Directorate and Regional Statistics Unit within the General Directorate for Regional Development) and RDAs and other line ministries, as appropriate (e.g. Environment, Economy, Labour etc.). Other major data providers and users of official statistics will also be included in the project where relevant.

4.2. Specific work

Component 1 – Identification of purposes for regional statistics (months 1-6)

Specific activities to be carried out include:

1.1 Review regional statistical indicators currently produced by NBS and other authorities, assessing their compliance with Eurostat practices, appraising user needs and proposing areas where the NBS could further enhance the supply of regional development indicators. The process underpinning this review and the output it produces should take account of the wider context and requirements in the field of statistics pursuant to chapter 6, Articles 41-43 of the AA.

1.2 Undertake a comprehensive assessment of statistical and regional development national level regulations with respect to producing and using regional statistics. Perform a comparative analysis of relevant EU regulations and provide recommendations on alignment of the Moldovan regulations on regional statistics to the relevant acquis. Promote and organize consultations on necessary adjustments and amendments (if any).

1.3 Facilitate consultations between NBS and key regional statistics users on identification of purposes for regional statistics.

1.4 Assess NBS' capacities and training needs with respect to regional statistics and develop recommendations for the appropriate structure, guidelines and job descriptions for NBS' employees working on compilation of regional accounts.

1.5 Provide trainings on introduction to the concepts and data needs for the calculation of regional accounts.

1.6 Organise a study tour to a recent EU accession country to learn from their users' needs of regional statistics (8 to 12 participants from NBS, MRDC and RDAs).

Main outputs:

- Report on review of regional statistical indicators prepared;
- Assessment report on regional statistics regulations' compliance with the acquis prepared;
- Consultations between NBS and key users of regional statistics conducted and relevant consultative process established;
- Training needs assessment performed, document with recommendations on the structure, procedural manual and job descriptions for NBS' staff compiling regional accounts developed;
- Training sessions delivered to key stakeholders (NBS, MRDC, RDAs and other relevant institutions);
- Study tour properly planned and organised.

Component 2 – Identification of required statistics and levels (months 5-10)

2.1 Conduct a "Statistical Gaps" exercise, to compare the regional statistics available for Moldova with a preferred set of indicators based on Eurostat and OECD requirements and guidance, Moldova's own specific needs, and at least one EU member state of comparable size.

2.2 Provide advice to NBS on compilation of an optimal set of regional statistics indicators that could be adopted using existing information and data for Moldova. These indicators would need to enable understanding of the changing context in development regions and of the impact of interventions (once these reach sufficient scale to give rise to impacts). The set should meet national needs and be consistent with EU and other international standards. It should also outline the indicators for immediate needs that could be easily produced and those that could be

made available in medium term, and should include options for regional GVA/GDP estimations.

2.3 Organise a study tour to Eurostat on key indicators required from EU member states and NUTS. Facilitate an informal consultation between NBS and Eurostat on proposals for statistical regions that reflect the Moldovan needs for regional statistics, and also follow the principles of the European NUTS system.

2.4 Provide assistance to NBS and MRDC for development of an optimal alignment between the statistical and development regions which meet the domestic needs, and is also consistent with the EU's NUTS classification. The territorial breakdown of units for collection of statistics could have more than one level, and recommendations should be provided for regional statistics to be produced at each level whenever possible. Options will be identified and support provided for decision to be taken by relevant stakeholders.

2.5 Develop an action plan on improving regional statistics for NBS and MRDC and agree it with key stakeholders. This plan should aim to ensure that by the end of the project there is in place a fully operational structure, with resources, systems/tools to gather, collate, process, make publically available relevant regional statistics and that this capacity is evaluated as adequate towards end of project. This may imply a functional analysis based on some form of benchmarking with a similar national statistics institute from the European Statistical System and on this basis define the functions to be undertaken, adapted to possibilities of Moldova.

Main outputs:

- “Statistical Gaps” exercise conducted and report prepared;
- Report on compilation of an optimal set of regional statistics prepared;
- Study tour properly planned and organised, consultation channels established;
- Report on optimal alignment between the statistical and development regions with recommendations on NUTS classification options prepared and consulted with relevant actors;
- Action plan agreed with NBS and MRDC to implement recommendations from the abovementioned reports.

Component 3 – Development of systems to collect, process and make available regional statistics (months 10-20)

3.1 Produce a design for a sample that would enable surveys on the basis of the new development regions to be carried out with the same accuracy as the present surveys for the statistical zones while minimising changes to the sample locations. Deliver training to interviewers.

3.2 Organise a study tour to an EU-15 member state to investigate the organisation of regional statistics as a whole, and to study regional accounts methods in particular.

3.3 Arrange for supply to NBS of Regional GVA Inventories of Methodologies for some EU countries which provide examples of good practice, particularly looking at countries which bear similarities with Moldova.

3.4 Produce regional GVA estimations for the previous year and provide methodological and on the job advise relevant NBS’ staff so that appropriate capacities are acquired and estimations are embedded as standard practice for the NBS and potentially for other relevant institutions.

3.5 Assist NBS to produce data for regional accounts, as agreed during activities carried out under Component 2 of this ToR. Deliver trainings to all key personnel in their relevant area of intervention.

3.6 Review statistical training provided in Moldovan universities and develop recommendations for including regional statistics modules in their curricula.

3.7 Assist in developing of an annual regional statistical publication covering all the series from regional accounts, including commentaries and tables.

Main outputs:

- A document describing a sample design which enables surveys in the new development regions. Statistical regions updated to match development regions;
- Study tour properly planned and organised;
- Improved adherence to ESA methodology and European best practices to produce regional accounts;
- Regional GVA and other regional statistics data estimated and compiled for the previous year and embedded as standard practice within NBS. Statistical series analogous to those available at regional and sub-regional levels in the EU are produced and allow comparison to NUTS 2 and 3 regions in EU member states;
- Training sessions delivered;
- Report on review of statistical training provided in Moldovan universities with recommendations for updating curricula to cover regional statistics;
- One issue of a regional statistical publication published and disseminated. Both current and newly developed regional statistics published in the statistical databank on NBS' website. Improved data availability measured by number of statistics and variables published.

In order to achieve the outputs under this Component, the Contractor should propose alternative or complementary project activities to those identified in this section, including further pilot surveys, internal feasibility tests, field work, guidelines, coaching, mentoring, training and seminars. Capacity building activities should be carried out as far as possible involving the NBS staff.

Component 4 – Development of systems and procedures for using regional statistics for regional development planning, monitoring and evaluation purposes (months 19-24)

4.1 Review and update regional development strategies (RDSs) to allow for evidence-based regional strategic planning, monitoring and evaluation of regional development policy based on the newly produced regional statistics indicators.

4.2 Assist RDAs in performing M&E of the regional development policy based on the newly available regional statistics.

4.3 Creation of a training capacity in MRDC and NBS for the analysis of regional data.

4.4 Development of a user-friendly application for using and analysis of regional data, interconnected between MRDC and RDAs. It should allow presenting regional data using GIS systems in the form of cartograms and embedding them on a website.

4.5 Deliver training for software users on producing regional analysis.

4.6 Publication of comparative analysis between Moldovan and EU regions on RDAs' websites.

Main outputs:

- Updated RDSs with new regional statistics indicators;

- Interconnected software for regional analysis based of information needs and user requirements operational;
- Training capacity created and training on M&E and for regional analysis software users delivered;
- Comparative analysis between Moldovan and EU regions, including cartographic figures, published on RDAs' websites.

Common to all components

A “cadre” of NBS officials will be designated and will be expected to “shadow” (in a regular manner) the work of consultants and experts in order to optimise learning on the job. The Contractor should propose a horizontal coaching or mentoring system to support this with a view to ensuring that the NBS especially will be fully able to embed new systems and practices after Project end.

It is important that the Regional GDP and other regional statistics produced for Moldova are in line with internationally recognised standards, especially the European System of Accounts (ESA), which is also consistent with the UN System of National Accounts (SNA). Any upcoming newly developed systems and changes to methodologies in this respect should be taken into account. It is also essential that relevant Eurostat and OECD guidelines are applied in order to compare and asses the availability of data for regions in Moldova, and identify the key gaps. There should be a prioritisation, considering the needs for Moldova's own specific regional policy, on which indicators need to be developed quickly, and those that will be developed on a longer time-scale. A work programme for filling the gaps should be subject to consultation with key users of regional statistics (MRDC, RDAs) before implementation. Where relevant, regional statistics data should allow for disaggregation by gender and other cross-cutting indicators.

The assistance should also include ad hoc support (mentoring, coaching) including via e-mail, telephone and VoiP services. Guidelines, policies and other similar documents should be produced in English. Final versions should be translated into Romanian.

The Contractor must also comply the latest Communication and Visibility Manual for EU External Actions concerning acknowledgement of EU financing of the project: http://ec.europa.eu/europeaid/work/visibility/documents/communication_and_visibility_manual_en.pdf

4.3. Project management

4.3.1. Responsible body

The contracting authority shall be the Delegation of the European Union to the Republic of Moldova. The project shall be managed by a Project Manager within the Delegation.

The main beneficiary of this project, NBS, shall appoint a senior member of staff to interact with the Contractor and coordinate the participation of other project partners (MRDC, RDAs) and stakeholders in the project implementation.

4.3.2. Management structure

The Contractor shall interact with EU Delegation Project Manager on project-related matters. The Contractor shall assume all the duties of management inherent in supervising the implementation of the project, subject to the Project Manager's authority.

The Project Manager shall decide on issues related to the technical elements of this project (deliverables as outlined in section 4.2. of these Terms of Reference). Any written communication relating to this Contract between the Contracting Authority and the Contractor must state the Contract title and identification number, and must be sent by post, fax, e-mail or by hand to the addresses identified in accordance with Articles 5.3 and 7.8 of the General Conditions. All written communications between the Contractor and the Contracting Authority and/or the Project Manager shall be English.

A Steering Committee (SC), under the chairmanship of the NBS, will be established to monitor the implementation of the project activities. The SC will supervise the project at the highest level and it will meet quarterly to assess progress in implementation and provide recommendations on strategic issues. The list of SC members will be established in the inception period. The following institutions will be represented on the SC:

- The state Chancellery;
- The National Bureau of Statistics;
- The Ministry of Regional Development and Construction;
- The Ministry of Economy;
- The Ministry of Finance;
- Regional Development Agencies;
- The EU Delegation to Moldova.

Representatives of other donor agencies may be invited to attend as observers.

The main functions of the SC will include:

- To monitor and assess the project progress and guide it strategically;
- To assess the performance of the Contractor;
- To discuss jointly any critical points or bottlenecks for further project implementation;
- To propose and discuss remedy actions to be taken in order to tackle identified problems;
- To jointly take decisions affecting timing, cost or project contents;
- To comment and/or discuss interim and final reports submitted by the Contractor;
- To coordinate relevant ongoing/planned projects funded domestically/internationally in order to avoid duplication and overlaps.

The Contractor will ensure the proper functioning of the SC, including the holding of regular meetings, preparation and circulation of the agenda, writing and distribution of minutes, and the follow-up of the SC decisions. The Contractor will keep the related documents as a part of the project documentation. These tasks will be performed in coordination with the Project Partner.

4.3.3. Facilities to be provided by the Contracting Authority and/or other parties

The main beneficiary of this project, NBS, shall:

- Chair the SC, facilitate the nomination of its members and coordinate with the Contractor the above mentioned tasks;
- Appoint a senior member of its staff to liaise with the Contractor and ensure that also relevant staff of other project partners (MRDC and RDAs) at the appropriate level is made

available to work along with the team of the Contractor. The staff of the project partners cannot be paid from the project funds;

- Provide, in cooperation with MRDC and RDAs, the team of experts with information necessary for a successful implementation of the project and will facilitate establishing contacts with other stakeholders which are relevant in achieving the project objectives;
- Provide logistical support for the various training activities, including assistance in the selection of trainees and participants;
- Provide the Contractor, free of charge, with furnished office space with phone and internet access (at least 10 m² per person working on a long-term basis for the project. The Beneficiary will facilitate the use and access to a fax machine and a photocopier. The Consultant will cover all expenses related to telecommunication;
- Provide logistical support for the preparation and implementation of the workshops and project presentations for stakeholders and the public;

The Beneficiary will also provide all possible assistance to solve unforeseen problems that the Contractor may face. The possible failure to solve some of the Contractor's problems encountered locally will not free the consultant from meeting its contractual obligations vis-à-vis the contracting Authority.

5. LOGISTICS AND TIMING

5.1. Location

The project office will be located in Chisinau, however travel for short-term inputs throughout development regions may be necessary either at NBS' territorial offices, or at RDAs' offices in Ialoveni (Centre region), Balti (North region) and South (Cimislia). Should a RDA be established for the ATU Gagauzia region, travel to Comrat may be necessary. Other project implementation locations are countries where study tours will be organised.

5.2. Start date & period of implementation

The intended start date is October 2014 and the period of implementation of the contract will be **24 months** from this date. Please see to Articles 19.1 and 19.2 of the Special Conditions for the actual start date and period of implementation.

6. REQUIREMENTS

6.1. Staff

Note that civil servants and other staff of the public administration of the beneficiary country cannot be proposed as experts, unless prior written approval has been obtained from the European Commission.

6.1.1. Key experts

Key experts have a crucial role in implementing the contract. Therefore, each key expert should perform a minimum 90% of his/her time in the Beneficiary Country.

These terms of reference contain the required key experts' profiles. The tenderer shall submit CVs and Statements of Exclusivity and Availability for the following key experts:

Key expert 1: Team Leader

Qualifications and skills

- University degree in Economics, Statistics or equivalent
- Very good command of written and spoken English
- Very good communication and managerial skills
- Computer literacy

General professional experience

- Preferably 15 years of professional experience, but a minimum of 10 years is required
- Familiarity with Moldovan regional development and regional accounts system is an advantage
- Experience in statistical cooperation in Moldova and/or in the wider (CEEC) region is a strong advantage

Specific professional experience

- Minimum 10 years of working experience in statistics with a good understanding of the characteristics of official statistics and the organisation of a national statistical institute
- Proven experience of at least 12 months in implementation of relevant requirements of the European Statistical System
- Previous proven management experience of project teams (at least 5 years, including at least 1 year as TL in EU or other donor project)

Expected minimum input for the expert is 380 working days over project period.

Key expert 2: Senior Advisor on Regional Accounts

Qualifications and skills

- University degree in Economics, Statistics or equivalent
- Fluency in written and spoken English
- Very good communication skills
- Computer literacy

General professional experience

- Minimum 10 year of professional experience
- Experience in the region is an advantage

Specific professional experience

- Minimum 8 years of working experience in statistics
- Specific experience in regional accounts following ESA95 preferably with a National Statistical Institute in the European Statistical System
- Proven experience with regional GVA/GDP inventories

Expected minimum input for the expert is 380 working days over project period.

Key expert 3: Senior Expert in Capacity Building

Qualifications and skills

- University degree or equivalent in any of the following: social sciences, EU integration, regional development, economics, human resource development
- Fluency in English and Romanian
- Very good communication skills
- Computer literacy

General professional experience

- Professional experience in design, delivering, implementation, monitoring and evaluation of training and learning and development, at least 3 years

Specific professional experience

- Minimum 5 years of working experience in local and regional development and/or statistics
- Experience in training in a field of official statistics will be an advantage
- Experience in either statistical cooperation or regional development projects is necessary

Expected minimum input for the expert is 250 working days over project period.

Key expert 4: Junior IT Expert

Qualifications and skills

- University degree in IT or equivalent
- Fluency in English
- Very good communication skills
- Ability to work in a team and to transfer know-how

General professional experience

- At least 3 years of professional experience in application development and maintenance

Specific professional experience

- Minimum 3 years of working experience in the IT sector of a national statistical institute, preferably from an European Statistical System
- Experience in analysing, modelling and organisation of data on different platforms
- Working experience with platforms for analysing and presenting territorial statistics in a graphical form
- Experience in the area of official statistics

Expected minimum input for the expert is 300 working days over project period.

All experts must be independent and free from conflicts of interest in the responsibilities they take on.

6.1.2. Non key experts

CVs for experts other than the key experts are not examined prior to the signature of the contract. They should not be included in tenders.

The Contractor must select and hire other experts as required according to the profiles identified in the Organisation & Methodology and these Terms of Reference. They must clearly indicate their profile so that the applicable daily fee rate in the budget breakdown is clear. All

experts must be independent and free from conflicts of interest in the responsibilities they take on.

The selection procedures used by the Contractor to select these other experts must be transparent, and must be based on pre-defined criteria, including professional qualifications, language skills and work experience. The findings of the selection panel must be recorded. The selected experts must be subject to approval by the Contracting Authority.

6.1.3. Support staff & backstopping

Backstopping and support staff costs must be included in the fee rates.

6.2. Office accommodation

Office accommodation, with phone and internet access, of a reasonable size and standard (approximately 10 square metres for each expert working on the contract on a long term basis) is to be provided, free of charge, by the beneficiary country.

6.3. Facilities to be provided by the Contractor

The Contractor must ensure that experts are adequately supported and equipped. In particular it must ensure that there is sufficient administrative, secretarial and interpreting provision to enable experts to concentrate on their primary responsibilities. It must also transfer funds as necessary to support their work under the contract and to ensure that its employees are paid regularly and in a timely fashion.

The Contractor shall provide local office running costs, all required supplies, services (including day-to-day interpreting provision), documentation, logistical support, telecommunication, etc. for the implementation of the contract, within the fee rates of its experts.

6.4. Equipment

No equipment is to be purchased on behalf of the Contracting Authority / beneficiary country as part of this service contract or transferred to the Contracting Authority / beneficiary country at the end of this contract. Any equipment related to this contract that is to be acquired by the beneficiary country must be purchased by means of a separate supply tender procedure.

6.5. Incidental expenditure

The provision for incidental expenditure covers ancillary and exceptional eligible expenditure incurred under this contract. It cannot be used for costs that should be covered by the Contractor as part of its fee rates, as defined above. Its use is governed by the provisions in the General Conditions and the notes in Annex V to the Contract. It covers:

- Travel costs and subsistence allowances for missions, outside the normal place of posting, undertaken as part of this contract. If applicable, indicate whether the provision includes costs for environmental measures, for example CO₂ offsetting;
- Costs for seminars/workshops and study visits, including translation and interpretation;
- Edition/copying of project documentation, trainings and training materials.

The Provision for incidental expenditure for this contract is **EUR 250,000**. This amount must be included unchanged in the Budget breakdown.

Daily subsistence costs may be reimbursed for missions foreseen in these terms of reference or approved by the Contracting Authority, and carried out by the contractor's authorised experts, entailing overnight stays outside the expert's normal place of posting. Any subsistence allowances to be paid for missions undertaken as part of this contract must not exceed the per diem rates published on the website: http://ec.europa.eu/europeaid/work/procedures/index_en.htm at the start of each such mission.

The per diem is a flat-rate sum covering daily subsistence costs. These include accommodation, meals, tips and local travel, including travel to and from the airport. Taxi fares are therefore covered by the per diem. Per diem are payable on the basis of the number of nights spent on site by the contractor's authorised experts for missions carried out outside the expert's normal place of posting.

Prior approval by the Contracting Authority for the use of the incidental expenditure is not needed.

6.6. Lump sums

No lump sums are foreseen in this contract.

6.7. Expenditure verification

The provision for expenditure verification covers the fees of the auditor charged with verifying the expenditure of this contract in order to proceed with the payment of any pre-financing instalments and/or interim payments.

The provision for expenditure verification for this contract is **EUR 15,000**. This amount must be included unchanged in the Budget breakdown.

This provision cannot be decreased but can be increased during execution of the contract.

7. REPORTS

7.1. Reporting requirements

Please see Article 26 of the General Conditions. Interim reports must be prepared every six months during the period of implementation of the tasks. They must be provided along with the corresponding invoice, the financial report and an expenditure verification report defined in Article 28 of the General Conditions. There must be a final report, a final invoice and the financial report accompanied by an expenditure verification report at the end of the period of implementation of the tasks. The draft final report must be submitted at least one month before the end of the period of implementation of the tasks. Note that these interim and final reports are additional to any required in Section 4.2 of these Terms of Reference.

Each report must consist of a narrative section and a financial section. The financial section must contain details of the time inputs of the experts, incidental expenditure and expenditure verification.

To summarise, in addition to any documents, reports and output specified under the duties and responsibilities of each key expert above, the Contractor shall provide the following reports:

Name of report	Content	Time of submission
Inception Report	Analysis of existing situation and work plan for the project	No later than 1 month after the start of implementation
6-month Progress Report	Short description of progress (technical and financial) including problems encountered; planned work for the next 6 months accompanied by an invoice and the expenditure verification report.	No later than 1 month after the end of each 6-month implementation period.
Draft Final Report	Short description of achievements including problems encountered and recommendations.	No later than 1 month before the end of the implementation period.
Final Report	Short description of achievements including problems encountered and recommendations; a final invoice and the financial report accompanied by the expenditure verification report.	Within 1 month of receiving comments on the draft final report from the Project Manager identified in the contract.

7.2. Submission & approval of reports

Two copies of the reports referred to above must be submitted to the Project Manager identified in the contract. The reports must be written in English and Romanian. The Project Manager is responsible for approving the reports.

8. MONITORING AND EVALUATION

8.1. Definition of indicators

Appropriate objectively quantifiable and verifiable indicators will be agreed between the Contracting Authority and the Contractor. These indicators should be based on main outputs provided in Section 4.2 'Specific work' and should be proposed to the Contracting Authority by the Contractor.

8.2. Special requirements

N/A

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