

TERMS OF REFERENCE

Job title: An International Consultant to provide guidance and to support development of climate change mainstreaming recommendations for energy sector's policies, strategies and programmes.

Duty Station: Home based with possible missions to Chisinau, Republic of Moldova

Reference to the project: EU4Climate Contract type: Individual Contracts (IC)

Contract duration: Up to 50 working days in the period December 2020 – June 2021

Starting date: December 2020

1. BACKGROUND

The goal of EU4Climate Project is to contribute to climate change mitigation & adaptation and the development towards a low-emissions and climate-resilient economy in line with the Paris Agreement in Armenia, Azerbaijan, Belarus, Georgia, Republic of Moldova and Ukraine.

To realize this project goal, the following results should be achieved:

Result 1: Finalized or up-dated nationally determined contributions communicated to the UNFCCC;

Result 2: Improved inter-institutional awareness and coordination at political and technical level of the Paris Agreement and the corresponding national commitments;

Result 3: Established or strengthened MRV systems, with countries getting on track with Paris Agreement transparency requirements;

Result 4: Advanced alignment with EU climate acquis as provided by bilateral agreements with EU and in the context of Energy Community Treaty on climate matters that are not covered by the EU4Energy programme;

Result 5: Establishment of concrete sectoral guidelines for the implementation of the Paris Agreement in each of the Eastern Partners;

Result 6: Increased mobilization of climate finance;

Result 7: Enhanced adaptation planning.

The project implementation methodology will follow the logic of the Paris Agreement framework and relevant EU climate acquis, as well as their subsequent developments. The respective climate change EU acquis and climate provisions under the Energy Community treaty will be the integral part of the project logic and implementation methodology, the EU best practices will be shared. Relevant technical guidance on various elements of climate policy development will be used through the capacity building and training activities.

The Paris Agreement on Climate Change was adopted at the UNFCCC Conference of Parties in December 2015 and officially entered into force on 4 November 2016. The Paris Agreement was the first ever universal, legally binding climate deal that set out a plan to put the world on track to avoid dangerous climate change by limiting global warming to "well below 2°C". Together with Agenda 2030 and the Sendai Framework for Disaster Risk Reduction, the Paris Agreement provides an unprecedented opportunity to create an integrated development approach towards inclusive resilient economies with a zero-carbon footprint by 2100.

The Paris Agreement establishes a new transparency regime, under which countries will have to report progress on reducing GHG emissions and building climate resilience. This transparency regime is currently being established within the UNFCCC framework and its final details are still to be defined. At the same time, the three regional members of the Energy Community (Georgia, Moldova and Ukraine) are encouraged to align their legislation with the EU Monitoring Mechanism Regulation as well as to prepare for the development and adoption of Integrated National Energy and Climate Plans and may soon have to align their legislation with the new EU Energy Union Governance Regulation while the agreement with Armenia equally foresees legal approximation to EU MRV rules. In the past years, significant technical assistance has been provided by the regional ClimaEast project, but countries' capacities for MRV still need further strengthening.

Moldova's context

The Republic of Moldova's INDC (NDC1) was submitted on 25 September 2015¹. According to it, the Republic of Moldova intends to achieve an economy-wide unconditional target of reducing its greenhouse gas emissions by 64-67 per cent below its 1990 level in 2030 and to make best efforts to reduce its emissions by 67 per cent. The reduction commitment expressed above could be increased up to 78 per cent below 1990 level conditional to a global agreement addressing important topics including low-cost financial resources, technology transfer, and technical cooperation, accessible to all at a scale commensurate to the challenge of global climate change. To achieve at the national level the Moldova's NDC targets, the Low emissions development Strategy by 2030 and the Action Plan for its implementation (LEDS 2030) were adopted by the Government². The Strategy plans the low emission development for the following sectors: energy, transport, building, industry, agriculture, forestry and waste.

The decision 1/CP.21 requests those Parties whose intended nationally determined contribution pursuant to decision 1/CP.20 contains a time frame up to 2030 to communicate or update by 2020 these contributions and to do so every five years thereafter pursuant to Article 4, paragraph 9, of the Paris Agreement.

Thus, Ministry of Agriculture, Regional Development and Environment presented on March 2020 the second Nationally Determined Contribution (NDC2) of the Republic of Moldova³ to the Secretariat of the UNFCCC. According to it, Republic of Moldova intends to achieve more ambitious targets than in its NDC1. The country's new economy-wide unconditional target is to reduce its greenhouse gas emissions by 70 per cent below its 1990 level in 2030, instead of 64-67 per cent as committed in NDC1. As to the new economy-wide conditional target, instead of 78 per cent as committed in NDC1, the reduction commitment expressed above could be increased in NDC2 up to 88 per cent below 1990 level, provided a global agreement addressing important topics including low-cost financial resources, technology transfer, and technical cooperation, accessible to all at a scale commensurate to the challenge of global climate change, is insured. The Republic of Moldova has included in its updated NDC the adaptation component in line with Articles 2.1 and 7.1 of the Paris Agreement and Katowice Rulebook (COP 24). According to it, the adaptation priority sectors are agriculture, water resources, forestry, human health, transport and energy. Following, the LEDS 2030 needs to be updated. This activity is undertaking with the support of the EU4Climate project and is planned that the draft of updated LEDS 2030 will be delivered by Q2, 2021.

https://www4.unfccc.int/sites/ndcstaging/PublishedDocuments/Republic%20of%20Moldova%20First/INDC Republic of Moldova 25.09.2015.pdf

¹

² https://www.legis.md/cautare/getResults?doc_id=98493&lang=ro

According to Moldova's National Inventory Report 1990-2016 (sources of data used in quantifying the reference points for Moldova's Updated NDC), in 2016, about 72.7 per cent of the national net direct GHG emissions originated from the Energy Sector, being the most important source of total national direct GHG emissions. Other relevant direct GHG sources were represented by Agriculture Sector (17.8 per cent of the total), Waste Sector (10.7 per cent of the total) and IPPU Sector (5.6 per cent of the total).

Moldova's LEDS 2030 establishes a GHG reduction target from the energy sector of 74% as unconditional scenario and 82% conditioned, compared to 1990. Thus, the energy sector is the one with the most ambitious GHG reduction targets. Achieving this target demands climate change mainstreaming into development policies, plans and programmes.

As highlighted by the IPPC' Working Group III: *Mitigation of Climate Change*, development policies in various sectors can have strong impacts on GHG emissions. Mainstreaming means that development policies, programmes and/or individual actions that otherwise would not have taken climate change mitigation into consideration explicitly include these when making development choices. This makes development more sustainable.

Mainstreaming climate change into energy sector development is essential to achieving many of the Sustainable Development Goals (SDGs), particularly: Goal 7 – Affordable and clean energy, Goal 12 – Responsible Consumption and Production and Goal 13 – Climate Action. In addition, this contributes to the Paris Agreement implementation as energy sector activities are the largest source of GHG emission. The energy sector is also significant to climate change adaptation, as energy systems and infrastructure need to be climate resilient.

According to LEDS 2030, Moldova identified energy as a key sector for implementation of its NDC1. The enhancement of energy efficiency across key economic sectors, the adoption of clean energy technologies and shifting to renewable energies to decrease dependence on imported fossil fuels is part of the NDC and LEDS 2030. NDC2 also identify increased access to energy as a means of adaptation and vulnerability reduction.

Republic of Moldova adhered to the Energy Community Treaty in 2009 (Law No. 117 as of 23.12.2009 on adherence of the Republic of Moldova to the Energy Community Treaty)⁴. According to it, Republic of Moldova is subject to all the obligations imposed on the Parties by the Treaty, by all decisions and procedural acts adopted in the context of the application of the Treaty.

The Energy Community Ministerial Council adopted the Recommendation 2018I1IMC-EnG on preparing for the development of integrated national energy and climate plans by the Contracting Parties of the Energy Community. The Recommendation adopted is not legally binding, therefore does not impose obligations on Contracting Parties and it does not establish any deadline. However, as indicated in Article 5 of the Recommendation, the preparation of national plans should be an iterative and dynamic process starting in 2018. The Policy Guidelines (PG 03/2018) on the development of NECPs state that these integrated national plans should cover the period from 2021 to 2030 and lay down the pathway to achieve targets set for 2030 regarding the increase of renewable energy in overall energy consumption, increased energy efficiency and reduction of greenhouse gas emissions. Further, the NECPs should also include a perspective until 2050 in order to ensure consistency with long-term relevant policy objectives at EU, UNFCCC and Energy Community level. According to the Policy Guidelines, Contracting Parties are requested to submit their final NECPs to the Secretariat by the end of 2020. European legislative base for the elaboration of the NECP is the Regulation (EU) 2018/1999 of the European Parliament and of the Council of 11 December 2018 on the Governance of the Energy Union and Climate Action⁵. At the national

⁴ https://www.legis.md/cautare/getResults?doc_id=3445&lang=ro

⁵ <u>https://eur-lex.europa.eu/legal-</u>

level, in the Republic of Moldova, leading institution for this process is Ministry of Economy and Infrastructure (MEI). MEI benefits from the EU funded project "Support to the modernization of the energy sector on the Republic of Moldova (STARS)", which helps the Government of the Republic of Moldova with experts' consultation for developing the NECP/Energy Dimension, based on the results of results of TIMES modeling by 2050.

By now, several climate and energy related planning processes are in place or are under development, namely:

- (1) Development and submission of the NDC. Moldova developed and presented to the UNFCCC Secretariat its first INDC in September 2015. This become NDC upon ratification of the Paris Agreement by the Republic of Moldova⁶. The decision 1/CP.21 requests those Parties whose intended nationally determined contribution pursuant to decision 1/CP.20 contains a time frame up to 2030 to communicate or update by 2020 these contributions and to do so every five years thereafter pursuant to Article 4, paragraph 9, of the Paris Agreement. Thus, 2020 year marked the five-year point at which countries were to step up their climate ambitions by updating its NDCs. Republic of Moldova, with the support of the EU4Climate project, succeeded in updating its NDC and it has been submitted to the UNFCCC secretariat in March 2020, being the fourth country in the world, which has presented the 2nd Nationally Determined Contribution to the Paris Climate Agreement.
- (2) Development of the Low emission development Strategy for 2030 period (LEDS 2030). This is a mid-term planning policy document, which was adopted in December 2016. LEDS 2030 and its action plan are considered as an instrument for the NDC's targets implementation at the national level. Thus, LEDS 2030 adopted in 2016 "transposed" at national level Moldova's NDC targets under the Paris Agreement. Its Action Plan establish the activities by which the reduction targets will be achieved. After the submission of the updated NDC, MARDE will review the LEDS 2030 and its action plan, in order to plan the achievement of the more ambitious targets assumed by Moldova under the Paris Agreement. This activity is supported by EU4Climate project and it is envisaged that the draft of the updated LEDS 2030 is to be delivered by the Q2, 2021. Thus, it can be expected that the updated LEDS 2030 will be approved by the Government within the period Q4, 2021 Q2, 2022. It may be considered that the LEDS will be updated with a regularity of 5 years as the NDC.
- (3) Climate Change Adaptation Strategy for 2020 period and its action plan⁷, which has the aim to ensure a social and economic development of the Republic of Moldova less vulnerable to the impact of climate change, becoming more and more resilient and the overall objective to increase the capacity of the Republic of Moldova to adapt and respond to the real or potential effects of climate change. With the support of the project "NAP-2: Advancing Moldova's National Climate Change Adaptation Planning" (GCF funded and implemented by UNDP) the Climate Change Adaptation Strategy will be updated.
- (4) Long Term Strategy for Low Emissions Development, which preparation and communications is required by the Paris Agreement, and subsequent decisions of the Conference of Parties to the UNFCCC. According to the Governmental Action Plan for 2020-2023, LT LEDS is planned to be developed and approved by the Government in Q4, 2022. Within the EU4Climate project a draft road map for 2050's low emissions development of Moldova was developed.
- (5) Energy Strategy for the period 2030⁸, which reflects the country's priority problems, which require rapid solutions and a resizing of objectives in line with the need to achieve an optimal balance between internal resources (both currently used and projected) and the country's urgent needs, the objectives of the European Union and of the Energy Community and national targets, international obligations regarding treaties, agreements and programs (including the

https://www.legis.md/cautare/getResults?doc_id=99251&lang=ro

⁶ Law #78/2017 on ratification of the Paris Agreement -

⁷ Governmental Decision 1009/2014 https://www.legis.md/cautare/getResults?doc_id=49220&lang=ro

⁸ Governmental Decision 102/2013 - https://www.legis.md/cautare/getResults?doc_id=68103&lang=ro

- neighborhood policy) of which the Republic of Moldova is a member. The main objectives of the strategic document are: security of energy supply; creation of competitive markets and their regional and European integration; environmental sustainability and combating climate change.
- (6) The national action plan on energy from renewable sources for the years 2013-2020⁹ which's purpose refers to the efficiency of energy consumption and the reduction of greenhouse gas emissions.
- (7) National Energy and Climate Plan (NECP), which is under development with the support EU funded STARS project. It address 5 dimensions (Energy Security, Internal Energy Market, Energy Efficiency, Decarbonisation, Research, Innovation and Competitiveness) of the Energy Union. The NECP is a tool for the implementation of the Energy Union Strategy and for the development of more strategic energy and climate policy planning. By now, experts are assisting Ministry of Economy and Infrastructure in the development of the following dimensions: energy security, internal energy market, energy efficiency and RES (part of Decarbonisation dimension).
- (8) Other strategical documents.

Reporting of GHG emissions' instruments are regulated by the Governmental Decision No. 1277 as of 26.12.2018 on the Establishment and Functioning of the National System for Monitoring and Reporting Greenhouse Gas Emissions and other Information Relevant to Climate Change¹⁰, which transposed into the national legislation the Regulation (EU) No 525/2013 of the European Parliament and of the Council of 21 May 2013 on a mechanism for monitoring and reporting greenhouse gas emissions and for reporting other information at national and Union level relevant to climate change. The reporting instruments are as follow: National GHG Inventory, BUR, and National Communications. With the support of the EU4Climate project the GD#1277/2018 is reviewed as per the requirements of the Enhanced Transparency Framework of the Paris Agreement, specifically focusing on following the modalities, procedures and guidelines of the Article 13 of the Paris Agreement.

It is worth to be mentioned the National Committee for Climate Change, established under the climate change coordination mechanism¹¹. The National Commission is an inter-institutional body established for the purpose of coordinating and promoting the measures and actions necessary for the unitary application on the territory of the Republic of Moldova of the provisions of the UNFCCC and of the Paris Agreement. The National Commission provide the institutional coordination framework for monitoring, reporting and verification, as well as for facilitating the integration of climate change issues into national and sectoral programs and plans.

2. OBJECTIVE OF THE ASSIGNMENT

The overall objective of the assignment is to design and conduct a review and analysis of the national policies, legal and regulatory framework in the energy sector in order to make recommendations for the incorporation of climate change considerations into the respective sector planning processes.

Under the guidance of the EU4Climate National Coordinator and in close cooperation with the staff of the Air and Climate Change Division of the Ministry of Agriculture, Regional Development and Environment, the consultancy aims to design and conduct a review and analysis of the national policies, legal and regulatory framework in the energy sector in order to make recommendations for the incorporation of climate change considerations into the respective sector planning processes, specifically to:

• review established or on-going development policies, strategies, programs and plans in the energy sector from a climate change perspective and to ascertain their alignment with local, national and international priorities to facilitate the mainstreaming of climate change;

⁹ Governmental Decision #113.2013 https://www.legis.md/cautare/getResults?doc_id=47102&lang=ro

¹⁰ https://www.legis.md/cautare/getResults?doc_id=112485&lang=ro

¹¹ Governmental Decision #444/2020 https://www.legis.md/cautare/getResults?doc_id=122314&lang=ro

• identify and analyze opportunities and challenges as well as priority directions for mainstreaming climate change into the energy sector's policies, strategies, programs and plans and provide recommendations towards strengthening them from a climate change perspective.

3. EXPECTED OUTPUTS

The UNDP Moldova and the Ministry of Agriculture, Regional Development and Environmental requires the services of the international consultant to complete the following tasks (list not exhaustive):

- 1. Conduct a desk review of relevant international, regional and national sources of information on past, current, and projected climate context, in order to create draft climate risk profile of energy sector in the Republic of Moldova. If relevant, conduct also stakeholder consultations.
- 2. Consult with relevant sectoral governmental agencies in order to determine established or ongoing development energy related programmes, strategies and plans to be mainstreamed, and undertake a comprehensive review of the identified development policies, strategies and programs, or management plans in the energy sector, in order to examine the following aspects (list not exhaustive):
 - **a.** the possible vulnerabilities of the sector to climate risks and the extent to which the risks are being addressed;
 - **b.** the possibility that the development policies, strategies and programs and plans might lead to increased vulnerability/maladaptation;
 - **c.** the contribution of the development policies, strategies, programs and plans to the increase or reduction of GHG emissions;
 - **d.** the amendments that might be required to better address climate change risks, constraints and opportunities.
- **3.** Screen the energy sector development policies, strategies, programs and plans to ascertain their alignment with local, national and international priorities for climate change mainstreaming, including the stipulations of regional and international frameworks and institutions. This should serve to highlight any existing or potential conflicts, contradictions or gaps that may exist, focusing on the LEDS and NECP development.
- **4.** Develop the first draft of a detailed report which integrates the findings of review and screening processes and which gives recommendations for the integration of climate change considerations (adaptation and mitigation, inter alia) into the development plans of the energy sector. The report should give opportunities and challenges for strengthening the sector plans from a climate change perspective, and should include recommendations for:
 - a. Facilitating adaptation through synergies with existing or planned initiatives;
 - **b.** Combining mitigation and adaptation as much as possible;
 - c. Delivering additional sustainable development benefits and;
 - **d.** Exploiting potential beneficial changes in climatic and environmental conditions;
 - e. Enhancing capacities for the achieving climate change management objectives;
 - **f.** Modification of the identified policy documents in order to operationalize/integrate the recommendations.
- **5.** To conduct one day consultation session with all relevant stakeholders to review the first draft of the detailed report showing recommendations for mainstreaming climate change into the relevant energy sector related documents in order to validate/verify the findings, conclusions and recommendations.
- **6.** Prepare the final draft of the detailed report showing opportunities, challenges and recommendations for mainstreaming climate change considerations into the relevant energy sector development policies.

4. KEY DELIVERABLES AND TIMEFRAME

The international consultant is expected to deliver the following deliverables per below identified timeline:

Key Deliverables and the Anticipated Workload	Tentative Timetable/Deadline
Deliverable 1: A detailed Work Plan and Implementation Schedule at the start of the contract period.	December 2020
Deliverable 2: The first progress report detailing the methodology, results/findings and conclusions for the review, screening and consultation processes for tasks number 2-4 above.	By mid - February 2021
Deliverable 3: The Consultation Workshop Report, as per task number 5 above.	By mid - March 2021
Deliverable 4: The second progress report showing opportunities, challenges and recommendations for mainstreaming climate change considerations into the relevant energy sector development policies, as per task number 6 above.	
Deliverable 5: The consolidated Final Report on the execution of the assignment, covering all the above-mentioned aspects under the tasks number 1-6 above.	

Note: Deliverables and final timeline can be amended or specified for the purpose of the assignment.

5. INSTITUTIONAL ARRANGEMENTS

This is a part-time consultancy. The timeframe for the work of the international consultant is planned for November 2020 – June 2021. The consultant will be given access to relevant information necessary for execution of the tasks under this assignment. The consultant will work in close collaboration with the EU4Climate Project's National Coordinator – for substantive aspects of the assignment, as well as will closely cooperate with the staff of Air and Climate Change Section of the Ministry of Agriculture, Regional Development and Environmental and Energy Policy Department of the Ministry of Economy and Infrastructure, so that the final product reflect also their comments. UNDP will provide administrative and logistical support in organization the consultations/workshop related to the assignment.

6. FINANCIAL ARRANGEMENTS

The financial proposal, to be submitted in USD, should specify a fee per day and the total requested amount, including all related costs (e.g. fees, per diems, travel costs, etc.). Payments will be provided in three tranches. The first disbursement will account for 15% of the contract amount, upon the presentation of the detailed Work Plan and Implementation Schedule, i.e. by early-December 2020. The second disbursement will account for 35% of the contract amount and will be performed upon the acceptance of the 1st Progress Report, i.e. by mid-February 2021. The last disbursement of 50% will be issued after the completion of all planned activities and certification by the EU4Climate Project's National Coordinator that the services have been satisfactorily performed, i.e. by mid-June 2021.

7. SKILLS AND EXPERIENCE REQUIRED

I. Education:

• Master's degree in Environmental Engineering, Environmental Management, Climate Change Policies Development and Strategic Planning or other related fields is required.

II. Experience:

- At least 6 years of experience in climate change and energy policies formulation;
- At least 4 years of experience in reviewing of relevant national and international policies documents in climate and energy sectors and providing recommendation for mainstreaming climate change consideration into the respective planning documents.
- Familiarity with the global conventions and agreements, would be an asset;
- Experience in similar positions in an UNDP, UNEP, WB and/or EU-funded project or other international organization would be an asset.

III. Competencies:

- Strong analytical and report writing skills demonstrated by previous assignments;
- Strong interpersonal and communication skills (verbal and written), demonstrated by previous assignments;

- Ability to work with government and non-government entities, private sector and other civil society stakeholders including academia, demonstrated by previous assignments;
- Ability to work under pressure and stressful situations, and to meet tight deadlines, demonstrated by previous assignments;
- Proficiency in English. Knowledge of Romanian and/or Russian will be an asset.

The UNDP Moldova is committed to workforce diversity. Women, persons with disabilities, Roma and other ethnic or religious minorities, persons living with HIV, as well as refugees and other non-citizens legally entitled to work in the Republic of Moldova, are particularly encouraged to apply.

8. PERFORMANCE EVALUATION

Contractors' performance will be evaluated against timeliness, responsibility, initiative, creativity, communication, accuracy, and overall quality of the delivered products.

9. DOCUMENTS TO BE INCLUDED WHEN SUBMITTING THE PROPOSALS

Interested individual consultants must submit the following documents/information to demonstrate their qualifications:

- 1. Proposal, explaining why she/he is most suitable for the work, including past experience in similar assignments, providing a brief information on above qualifications and methodology on how she/he will approach and conduct the work (if applicable).
- 2. Financial proposal (in USD), specifying a fee per day and total requested amount including all related costs, e.g. fees, per diems, travel costs, etc.;
- 3. CV with at least three names for a reference check;
- 4. Offeror's letter to UNDP confirming interest and availability for the Individual Contractor assignment.