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## TERMS OF REFERENCE

<b>Job title:</b>	<b>International Consultant to support the development of Climate Budget Tagging Framework and Roadmap for its implementation for the Republic of Moldova</b>
<b>Type of Contract:</b>	Individual Contract (IC)
<b>Assignment type:</b>	International consultant
<b>Section/Unit:</b>	Environment, Energy and Climate Change Cluster
<b>Duty station:</b>	Home-based
<b>Languages requirement:</b>	English (Romanian/Russian is an asset)
<b>Contract Duration:</b>	July – September 2021, 20 working days
<b>Payment arrangements:</b>	<b>Lump-sum</b> contract (payments linked to satisfactory performance and delivery of outputs)
<b>Evaluation method:</b>	Interview of shortlisted candidates

### I. BACKGROUND

Climate change is already profoundly impacting the conditions for resource availability and agricultural activities. Over the last decade, the country has experienced a number of extreme events, such as droughts and major floods, along with the incremental effects caused by increased mean temperature and the uneven distribution of precipitation throughout the year, which have had negative consequences on the country's economy, and its population wellbeing and health. Severe droughts are recurring more frequently, causing significant economic losses. The increasing scope and intensity of extreme events have also resulted in increased frequencies of high-risk situations. By 2050, an increase of 2–3°C in the average temperature, an additional 32 days that exceed the current maximum temperature by 10%, and an additional 12 days with zero precipitation are projected.

The Government sees the National Adaptation Planning (NAP) process as key to achieving the adaptation objectives outlined in its 2014 Climate Change Adaptation Strategy of the Republic of Moldova and its 2020 Nationally Determined Contributions (NDC), as well as the continued mainstreaming of climate change considerations into its policies and budgeting processes. Therefore, the proposed project supports the Government of the Republic of Moldova in advancing the second cycle of its National Adaptation Planning process (known as NAP-2). The outcomes of the NAP-2 national adaptation planning processes are:

- **Outcome 1:** To strengthen and operationalize the national steering mechanism for climate change adaptation (CCA);

- **Outcome 2:** To improve the long-term capacity on planning and implementation of adaptation actions through CCA technologies;
- **Outcome 3:** To improve the mainstreaming of climate change adaptation through the increased alignment of national development priorities in the priority sectors (forestry, health, energy, and transport).

The project will contribute to UNDAF, 2018-2022 outcome #3 (The people of Moldova, especially the most vulnerable, benefit from enhanced environmental governance, energy security, sustainable management of natural resources, and climate disaster-resilient development). Additionally, the project will contribute to the UNDP Country Programme Output 3.3 (National and sub-national governments have improved capacities to integrate resilience to climate change and disasters into development plans and practices to reduce population vulnerability). Other than that, the project will contribute to the National Development Strategy "Moldova 2030" through a) reduction of energy consumption by increasing energy efficiency and using renewable energy sources, and b) agriculture and rural development: competitiveness of agri-food products and sustainable rural development.

The preliminary work under the first cycle of the NAP (known as NAP-1) supported the development of a NAP as a process, conceptualizing and developing its elements, including the national steering mechanism, and laid down the groundwork towards long-term adaptation planning. Albeit the progress, significant gaps remain in the integration of climate change considerations into many of the development policies of the national priority sectors and their associated budget priorities. National appropriations for CCA remain limited.

The NAP-2 goals will be achieved within two parallel implementation tracks. The first track implemented by UNDP expands and deepens the national approach developed under the NAP-1 and strengthens synergies both vertically, at different levels of the governance, and horizontally, between the sectors affected by climate change to reduce duplication of efforts, pool scarce resources for effective use, and ensure a coherent and comprehensive approach to the integration of CCA responses into development planning, while the second track will focus on adaptation in the agriculture sector and will be concurrently implemented under the auspices of FAO.

The National Designated Authority has coordinated with the UNDP and the FAO country offices to ensure the complementarity and congruency of the activities and exchange, as appropriate. By its very nature, the NAP-2 will facilitate the integration of CCA into existing strategies, policies, and programs and establish a strong foundation for the integration of methods, tools, and information systems in day-to-day planning activities to effectively inform decision-makers on the climate risks, and to enable the informed formulation of resilient projects and financing strategies.

Development of the systems and capacities to monitor the adaptation progress is part of the NAP-2 project. Data availability and quality on climate change adaptation perspective is important to make informed decisions. In this context, climate budget tagging (CBT) has a potential to become a benchmark reference that will allow policy makers to assess the present status of the national and sub-national response to climate change. During the NAP-1 project, an initial set of indicators was developed and a pilot activity on the estimation of the budget costs was performed in cooperation with the Ministry of Finance based on the developed methodology. In follow-up to that activity, the NAP-2 project committed to developing and implementing a gender-sensitive and transparent CBT Framework and further supporting the relevant authorities to integrate it into the regular governmental processes. CBT should provide a clear overview of

the planned budget and expenditures on the national and sub-national level on adaptation and mitigation efforts that are taken by various stakeholders. To ensure the participatory process and foster the national level capacities, consultations and trainings will be designed and conducted for the relevant governmental agencies.

## **II. OBJECTIVES AND EXPECTED DELIVERABLES OF THE ASSIGNMENT**

The main objective of the assignment is to develop the **Climate Budget Tagging Framework** to be further piloted and mainstreamed into the governmental processes as well as a **Roadmap** for its implementation. The CBT is one of the available tools that identifies, classifies, weighs, and marks climate-relevant expenditures in a government's budget system, enabling the estimation, monitoring, and tracking of those expenditures. More so, the CBT is part of the wider efforts contributing to country readiness for new climate finance such as the Green Climate Fund (GCF), Adaptation Fund (AF), Global Environmental Facility (GEF), etc.

### **Specific tasks:**

International consultant (IC) will work in close collaboration with the project implementation team, especially the Project Manager and the Team Leader for Outcome 3. IC is responsible for development of the CBT Framework and the Roadmap for its implementation. The development of the CBT system should be based on the best European and Global practices and national level budgeting and reporting systems. Findings and lessons learned on CBT process gained during NAP-1 should be also considered. The Framework should also contain a clear set of indicators measuring impact, outcomes, and outputs that will allow governmental stakeholders to measure the progress, evaluate the effectiveness and plan further interventions in the NAP process.

More specifically, IC is expected to:

- a) Develop a detailed work plan for the implementation of the assignment;
- b) Analyse Moldovan national budgetary process (rules and procedures, format, functions, etc);
- c) Perform the review of European and Global CBT practices that will serve as basis for the scope, criteria, and methodological approach for implementing the CBT in Moldova;
- d) Identify the best CBT practices applicable for the Republic of Moldova and incorporate the relevant lessons learned into the design of the CBT Framework;
- e) Identify the entry points for the CBT process and efforts that are needed to mainstream into various budgeting levels (national and sub-national), time horizons (short-medium- and long term), and sectors (e.g., water, forestry, health) and formulate findings into the Scoping report;
- f) Perform comprehensive stakeholder analysis to identify those organizations that should be involved in the process of CBT development;
- g) Engage the national level stakeholders for inputs and discussion on the CBT Framework and the Roadmap.
- h) Formulate the CBT Framework and develop a Roadmap for its implementation that should include but not be limited to:
  - Identification of the scope, objectives, impacts of the CBT process;
  - Stakeholder analysis and stakeholder matrix of involvement into the CBT process;
  - CBT for various sectors and budget horizons;

- Tagging model, including indicators, quality control, division of roles responsibilities (e.g., collection, analysis, dissemination, communication);
  - Options for the governance mechanism for the CBT.
- i) Consult the draft CBT Framework and the Roadmap for its implementation with the relevant stakeholders (via online/hybrid meetings) and incorporate the feedback into the documents.
  - j) Collect data and conduct interviews if necessary.
  - k) Support the project team in communication and information sharing on the CBT framework.

No.	Deliverables	Tentative timeframe
1	Approach and detailed work plan for the implementation of the assignment, approved by the Project Manager	July 30, 2021 2 w.d.
2	Scoping Report on introducing climate tagging into the national budgeting and reporting process, approved by the Project Manager	August 15, 2021 5 w.d.
3	Draft CBT Framework and the Roadmaps for its implementation, approved by the Project Manager	August 30, 2021 6 w.d.
4	Consultation workshop of the CBT Framework and the Roadmap conducted, and feedback incorporated into the documents	September 10, 2021 2 w.d.
5	The final version of the CBT Framework and the Roadmap for its implementation, approved by the Project Manager	September 20, 2021 3 w.d.
6	Final Report on the assignment incorporating the description of undertaken tasks and their outputs, with concluding remarks, recommendations and lessons learned approved by the UNDP, approved by the Project Manager	September 30, 2021 2 w.d.

This is a part-time consultancy. The timeframe for the work is planned for July 2021– September 2021.

### III. INSTITUTIONAL ARRANGEMENT

**Management Arrangements:** The consultants will work under the guidance of the Team Leader for the 3<sup>rd</sup> project component and Project Manager.

**Reporting:** The consultants will provide succinct Deliverables Reports in English, according to the agreed timeframe and deliverables table, in electronic copies. The deliverables should be approved by the Project Manager.

**Duty Station:** No field trips are envisaged for this assignment.

### IV. REQUIREMENTS FOR EXPERIENCE AND QUALIFICATION

#### Academic Qualification:

- University degree in Economics, Finance, Engineering, Environment, Social Science, or other relevant field

#### Experience:

- At least 7 years of professional experience in public finance management, public/business administration, organisation development or related field;

- Substantive experience in national budget and planning processes, green/climate finance, national climate change policies, Fiscal Decentralization, or related field.
- Practical experience and knowledge on budgeting system, including budget formulation and classifications/tagging systems, chart of accounts, etc.
- Knowledge of international climate-related political frameworks.
- Familiarity with the NAP process.

**Competences:**

- Good coordination and facilitation skills;
- Strong research, analytical, and writing skills.

**Language requirements:**

- Fluency in English is required for this assignment; knowledge of Romanian or Russian is an asset.

**V. PAYMENT MODALITIES**

The consultants will organize and facilitate the implementation of all activities as described above; his/her payment will be lump sum amount based, disbursed in several instalments, upon submission and approval of deliverables and certification by UNDP Moldova Project Manager that the services have been satisfactorily performed.

**VI. APPLICATION PROCESS**

Applicants shall submit the following documents:

- Offeror's Letter confirming Interest and Availability, including financial offer, according to Annex 2;
- CV, including information about experience in similar assignments;
- Brief description of why the individual considers him/herself as the most suitable for the assignment

Incomplete applications will not be considered.

**Important notice:**

The applicants who has the statute of Government Official / Public Servant prior to appointment will be asked to submit the following documentation:

- a no-objection letter in respect of the applicant received from the Government, and;
- the applicant is certified in writing by the Government to be on official leave without pay for the entire duration of the Individual Contract.

A retired government official is not considered in this case a government official, and as such, may be contracted.

**VII. ANNEXES TO THE TOR**

Annex 1- Individual Consultant General Terms and Conditions

Annex 2- Offeror's letter confirming interest and availability, including a financial proposal (template).