



INDIVIDUAL CONSULTANTS PROCUREMENT NOTICE

Date: 9 May 2022

Country: Republic of Moldova

Description of the assignment: International Consultant on CBAM Regulation

Project name: EU4Climate

Period of assignment/services: June-August 2022 (up to 25 working days)

Proposals should be submitted **online by pressing the "Apply Online" button**, no later than 23 May **16:30 (Moldova local time)**.

Requests for **clarification only** must be sent by standard electronic communication to the following e-mail: ana-maria.manole@undp.org. UNDP will respond by standard electronic mail and will send written copies of the response, including an explanation of the query without identifying the source of inquiry, to all applicants.

1. PROJECT GOAL AND EXPECTED RESULTS

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.

2. BACKGROUND

The EU is at the forefront of international efforts to fight climate change. The European Green Deal sets out a clear path towards realizing the EU's ambitious target of a 55% reduction in carbon emissions compared to 1990 levels by 2030, and to become a climate-neutral continent by 2050.

As the EU raises its own climate ambition and less stringent environmental and climate policies prevail in non-EU countries, there is a strong risk of so-called “carbon leakage” – i.e. companies based in the EU could move carbon-intensive production abroad to take advantage of lax standards, or EU products could be replaced by more carbon-intensive imports. Such carbon leakage can shift emissions outside of Europe and therefore seriously undermine EU and global climate efforts.

The Carbon Border Adjustment Mechanism (CBAM) will equalize the price of carbon between domestic products and imports and ensure that the EU's climate objectives are not undermined by production relocating to countries with less ambitious policies.

CBAM is a climate measure that should prevent the risk of carbon leakage and support the EU's increased ambition on climate mitigation, while ensuring WTO compatibility.

Designed in compliance with World Trade Organization (WTO) rules and other international obligations of the EU, the CBAM system will work as follows: EU importers will buy carbon certificates corresponding to the carbon price that would have been paid, had the goods been produced under the EU's carbon pricing rules. Conversely, once a non-EU producer can show that they have already paid a price for the carbon used in the production of the imported goods in a third country, the corresponding cost can be fully deducted for the EU importer. The CBAM will help reduce the risk of carbon leakage by encouraging producers in non-EU countries to green their production processes.

To provide businesses and other countries with legal certainty and stability, CBAM will be phased in gradually and will initially apply only to a selected number of goods at high risk of carbon leakage: iron and steel, cement, fertiliser, aluminium and electricity generation. A reporting system will apply as from 2023 for those products with the objective of facilitating a smooth roll out and to facilitate dialogue with third countries, and importers will start paying a financial adjustment in 2026.

Imports of goods from all non-EU countries will be covered by the CBAM. That said, certain third countries who participate in the ETS or have an emission trading system linked to the Union's will be excluded from the mechanism (this is the case for members of the European Economic Area and Switzerland).

CBAM will be applied to electricity generated in and imported from countries that wish to integrate their electricity markets with the EU until such a point that those electricity markets are fully integrated. At that point, and under strict conditions linked to their implementation of certain obligations and commitments, these countries could be exempted from the mechanism. If that is the case, the EU will revisit any exemptions granted in 2030, at which point those partners should have put in place the decarbonisation measures they have committed to, and an emissions trading system equivalent to the EU's

As CBAM aims to encourage cleaner production processes, the EU also stands ready to work with low and middle income countries towards the decarbonisation of their manufacturing industries. The Union will also support less developed countries with the necessary technical assistance. To provide businesses and other countries with legal certainty and stability, the CBAM will be phased in gradually and will initially apply only to a selected number of goods at high risk of carbon leakage.

For details, please refer to the Terms of Reference.

3. SCOPE OF WORK, RESPONSIBILITIES AND DESCRIPTION OF THE PROPOSED ANALYTICAL WORK

The objective of the assignment is to provide support to the Government of the Republic of Moldova in analysis of vulnerability of its industry and energy sector to CBAM regulation of the EU, namely:

- to analyze the legal framework of CBAM regulation;
- to assess interrelation of CBAM and EU ETS mechanisms;
- to develop recommendations for mitigation of impact of CBAM regulation on the economy of the Republic of Moldova;
- to arrange public consultations with stakeholders on impact of CBAM regulation on the economy of the Republic of Moldova and identify key actions needed to mitigate it.

4. REQUIREMENTS FOR EXPERIENCE AND QUALIFICATIONS

I. Education:

- Master degree in economics, or international law, or engineering, or environmental management, or business administration, or other related fields;

II. Experience:

- At least 5 years of proven professional experience in EU environmental policy research, sectoral decarbonization or sustainable development policy analysis, EU ETS mechanisms, GHG monitoring, reporting and verification regulations;
- At least 5 years of proven professional experience in writing analytical reports, articles or implementation of consultancy projects focused on EU environmental policy research, sectoral decarbonization or sustainable development policy analysis, EU ETS mechanisms, GHG monitoring, reporting and verification regulations.
- Excellent knowledge of EU CBAM regulations and EU ETS.
- Experience in providing consultancy services to UNDP or other international organizations/international financial institutions is an asset.

III. Competencies:

- Strong knowledge of the EU low carbon development policies and regulations;
- Strong knowledge of the sectoral decarbonization approaches and options relevant to the Republic of Moldova or other developing countries in CEE region;
- Strong analytical and report-writing skills demonstrated by previous assignments;
- Strong interpersonal and communication skills, ability to work in a team, demonstrated by previous assignments;
- Ability to work with Government representatives;
- Excellent knowledge of English.
- Working knowledge of Romanian is an asset.

The UNDP Moldova is committed to the 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.

5. 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 he/she is most suitable for the work, including past experience in similar assignments, providing a brief information on above qualifications and methodology on how he/she will approach and conduct the work (if applicable).
2. **OFFEROR'S LETTER TO UNDP CONFIRMING INTEREST AND AVAILABILITY FOR THE INDIVIDUAL CONTRACTOR (IC) ASSIGNMENT**, including Financial Proposal in USD as per Annex 2;
3. CV with at least three names for a reference check.

6. FINANCIAL PROPOSAL

The financial proposal shall specify a total lump sum amount, and payment terms around specific and measurable (qualitative and quantitative) deliverables (i.e. whether payments fall in installments or upon completion of the entire contract). Payments are based upon output, i.e. upon delivery of the services specified in the TOR. In order to assist the requesting unit in the comparison of financial proposals, the financial proposal will include a breakdown of this lump sum amount (including fees, taxes, communication, and number of anticipated working days).

Travel

All envisaged travel costs must be included in the financial proposal. This includes all travel to join duty station/repatriation travel. In general, UNDP should not accept travel costs exceeding those of an economy class ticket. Should the IC wish to travel on a higher class he/she should do so using their own resources.

In the case of unforeseeable travel, payment of travel costs including tickets, lodging and terminal expenses should be agreed upon, between the respective business unit and Individual Consultant, prior to travel and will be reimbursed.

7. EVALUATION

Initially, individual consultants will be short-listed based on the following minimum qualification criteria:

- Master degree in economics, or international law, or engineering, or environmental management, or business administration, or other related fields;
- At least 5 years of proven professional experience in EU environmental policy research, sectoral decarbonization or sustainable development policy analysis, EU ETS mechanisms, GHG monitoring, reporting and verification regulations;
- At least 5 years of proven professional experience in writing analytical reports, articles or implementation of consultancy projects focused on EU environmental policy research, sectoral decarbonization or sustainable development policy analysis, EU ETS mechanisms, GHG monitoring, reporting and verification regulations.

The short-listed individual consultants will be further evaluated based on the following methodology:

Cumulative analysis

The award of the contract shall be made to the individual consultant whose offer has been evaluated and determined as:

- a) responsive/compliant/acceptable, and
 - b) having received the highest score out of a pre-determined set of weighted technical and financial criteria specific to the solicitation.
- Technical Criteria weight – 60% (300 pts);

- Financial Criteria weight – 40% (200 pts).

Only candidates obtaining a minimum of 70% score of the technical evaluation (at least 210 points) would be considered for the Financial Evaluation.

Criteria	Scoring	Maximum Points Obtainable
<u>Technical</u>		
<ul style="list-style-type: none"> • Master degree in economics, or international law, or engineering, or environmental management, or business administration, or other related fields 	(Bachelor – 0 pts. Master – 20 pts. PhD- 30 pts)	30
<ul style="list-style-type: none"> • At least 5 years of proven professional experience in EU environmental policy research, sectoral decarbonization or sustainable development policy analysis, EU ETS mechanisms, GHG monitoring, reporting and verification regulations 	(5 years – 40 pts, more than 5 years – up to 50 pts, 5 pts – for each additional year)	50
<ul style="list-style-type: none"> • At least 5 years of proven professional experience in writing analytical reports, articles or implementation of consultancy projects focused on EU environmental policy research, sectoral decarbonization or sustainable development policy analysis, EU ETS mechanisms, GHG monitoring, reporting and verification regulations 	(5 years – 40 pts, more than 5 years – up to 50 pts, 5 pts – for each additional year)	50
<ul style="list-style-type: none"> • Interview 	50 pts. – Excellent knowledge of EU CBAM regulations and EU ETS (limited knowledge – up to 10 pts; satisfactory – up to 35 pts; extensive – up to 50 pts); 45 pts. - Strong knowledge of the EU low carbon development policies and regulations (limited knowledge – up to 10 pts; satisfactory – up to 25 pts; extensive – up to 45 pts); 45 pts. - Strong knowledge of the sectoral decarbonization approaches and options relevant to the Republic of Moldova or other developing countries in CEE region (limited knowledge – up to 10 pts; satisfactory – up to 25 pts; extensive – up to 45 pts);	170

Criteria	Scoring	Maximum Points Obtainable
	30 pts. – other competences: Communication skills – Yes - 10 pts, No – 0 pts.; Ability to work with government representatives – Yes - 10 pts, No – 0 pts.; Oral and written fluency in English – 5 pts., Knowledge of Romanian would be an asset - 5 pts	
Maximum Total Technical Scoring		300
<u>Financial</u>		
Evaluation of submitted financial offers will be done based on the following formula: $S = F_{min} / F * 200$ S – score received on financial evaluation; Fmin – the lowest financial offer out of all the submitted offers qualified over the technical evaluation round; F – financial offer under consideration.		200

Winning candidate

The winning candidate will be the candidate, who has accumulated the highest aggregated score (technical scoring + financial scoring).

8. ANNEXES

ANNEX 1 – TERMS OF REFERENCES

ANNEX 2 – INDIVIDUAL CONSULTANT GENERAL TERMS AND CONDITIONS

ANNEX 3 – Template of Offeror's Letter to UNDP confirming interest and availability for the Individual Contractor (IC)