



## TERMS OF REFERENCE

<b>Job title:</b>	National Consultant to support conducting the FISCAL IMPACT ASSESSMENT of First House" ("Prima Casă") state program in Moldova
<b>Duty Station:</b>	Republic of Moldova, Chisinau
<b>Reference to the project:</b>	Public Finance for Development Project
<b>Contract type:</b>	Individual Contract (IC)
<b>Contract duration:</b>	September 2022 – December 2022
<b>Expected workload:</b>	40 working days
<b>Indicative starting date:</b>	September 30, 2022

### 1. BACKGROUND

The Public Finance for Development Project is based on a long and rich experience that the Slovak Republic as donor and UNDP have gained over the course of the past decade. Through this project, the Ministry of Finance of the Slovak Republic and UNDP help translate development effectiveness principles into practice, thus contributing to advancing the effectiveness of global development efforts to achieve the ambitious Sustainable Development Goals.

The Public Finance for Development (PFD) Programme has been established in 2009 with the aim to assist the partner countries in their efforts to implement reforms and set up improved practices in public finance management. Moldova became a beneficiary country of the Programme in 2010. The interventions in Moldova aimed at supporting the Ministry of Finance and Line Ministries in implementing program-based budgeting (PBB) and developing relevant capacities, including in monitoring and evaluation for the PBB, and at improving the legal and methodological framework. In 2018-2020 the Programme supported piloting of the Spending Reviews based on the experience of the Slovak Ministry of Finance at the Ministry of Education, Culture and Research and at the Ministry of Agriculture, Regional Development and Environment of the Republic of Moldova.

In the new phase of the project (2020-2022) the assistance will be focused on: a) building analytical capacities for the Spending Reviews in another two Line Ministries (sectors) through adjusting, piloting and institutionalization of the Spending Review Methodology; b) carrying out a comprehensive analysis of the financial flows in line with the Development Finance Assessment (DFA) tool; c) supporting the implementation of the Fiscal Impact Assessments (FIA) of selected structural reforms.

As per the FIA, in its effort to demonstrate the fiscal effects of the implementation of "First House"<sup>1</sup> state program, the Ministry of Finance expressed its interest in conducting a study to determine the program

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<sup>1</sup> The state program "First House" ("PRIMA CASA") was launched in Moldova in March 2018.

*Program purpose* is to facilitate the access of individuals to purchasing of a house by contracting loans partially guaranteed by the state, especially for young families. The program is a national one, applicable on the entire territory of the Republic of Moldova and has a social character, represented by the state intervention in the credit guarantee process.

fiscal impact on Moldova's Government Budget and provide recommendations on restructuring the program for mitigating the fiscal risks and a more efficient use of public resources.

As a result, the study will provide quantified fiscal impacts of the implementation of "First House" state program in Moldova, that will be used by the ministry to effectively advocate for political will of the current and other structural reform initiatives and actions in the country.

## **2. OBJECTIVE AND EXPECTED OUTPUTS**

National consultant will support international expert to carry out actions to implement fiscal impact assessment of implementation of "First House" state program in Moldova.

Assessment will include a combination of the following:

a. Undertake desk review of the available information on fiscal impact assessments of structural reforms and identify appropriate models for fiscal impact analysis and assessment of "First House" state program in Moldova.

b. Using projected future "First House" state program implementation scenarios, simulate their impacts on Moldova's fiscal sector.

c. Assess the current, medium and long-term fiscal impact of program implementation in Moldova and propose policy measures if needed.

d. Estimate the expected costs of policy measures needed to address medium and long-term fiscal impact of program implementation in Moldova.

e. Identify relevant policies and priority actions for effectively adapting to the fiscal impact of program implementation in Moldova, including recommendations for restructuring the program, mitigating fiscal risks and a more efficient use of public resources.

## **3. KEY DELIVERABLES AND TENTATIVE TIMETABLE**

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*Program objectives* are aimed at:

- Supporting young families in obtaining their first house by facilitating access to mortgages;
- Creating the optimal conditions for increasing the maturity of mortgages;
- Reducing migration among young people. Houselessness is the main reason why young Moldovans decide to migrate;
- Formalization of employment in the national economy and transparency of pay;
- Increasing the transparency of real estate transactions.

*Program Subjects:*

- Beneficiary of the Program - an individual who wishes to purchase a house by loan,
- Creditor - financing bank and
- Guarantor - the Ministry of Finance, by mandating the Organization for the Development of the Small and Medium Enterprises Sector (hereinafter - ODIMM) to issue guarantees in the name and on behalf of the state, in favor of banks that grant loans to individuals for the purchase of housing under the Program. ceilings approved annually for this purpose.

*Program Object:* completed dwellings, already operational and dwellings from the existing housing stock, located on the territory of the Republic of Moldova

Currently, mortgages are granted through six commercial banks. So far, 7553 houses have been purchased through the program. In 2022, the amount of the maximum margin that creditors can apply to state-guaranteed loans under the "First House" Program will remain at the level of the current year, up to 3% per year.

Currently, 6,703 applications have been funded. 1556 applications were funded under the First House 2 program, 3738 applications - First House 3 program, 1396 applications - First House 4 program, 13 applications - First House 5 program (<https://crm.primacasa.gov.md/login>).

No.	Deliverables/ Outputs	Estimated Duration to Complete	Target Due Dates	Review and Approvals Required
1	First draft FIA Report developed and submitted for approval.	25 WDs	By 10 November 2022	UNDP
2	Final FIA report in line with the comments and suggestions, submitted.	10 WDs	By 30 November 2022	UNDP
3	Final Activity Report (including details on all stages passed, conclusions and recommendations for subsequent activities) – submitted.	5 WDs	By 15 December 2022	UNDP

#### **4. INSTITUTIONAL ARRANGEMENTS**

This is a part-time consultancy. The timeframe for the work of National Consultant is planned for September 2022 – December 2022. During this time, the National Consultant is expected to work a total of 40 working days.

National Consultant will work under the guidance and in close collaboration with the international expert and under the direct supervision of the UNDP Project Manager.

All deliverables shall be approved by the International expert and UNDP Project Manager.

#### **5. FINANCIAL ARRANGEMENTS**

Payments will be disbursed in tranches upon the submission and approval of the deliverables and timesheets, and a certification by UNDP Project Manager that the services have been satisfactorily performed.

The consultant will be paid on a lump sum basis subject at completion of agreed tasks as follows:

1. Deliverable 1 (62,5%);
2. Deliverable 2 (25%);
3. Deliverable 3 (12,5%).

#### **6. CONFIDENTIALITY**

Materials provided to the National Consultant and all the proceedings within the consultancy contract shall be regarded as confidential, both during and after the consultancy. Violation of confidentiality requirements may result in immediate termination of contract.

## 7. QUALIFICATIONS AND SKILLS REQUIRED

### COMPETENCIES

#### Corporate competencies

- Demonstrates integrity by modelling the UN's values and ethical standards;
- Promotes the vision, mission, and strategic goals of UNDP;
- Displays cultural, gender, religion, race, nationality and age sensitivity and adaptability;
- Treats all people fairly without favoritisms;
- Fulfils all obligations to gender sensitivity and zero tolerance for sexual harassment.

#### Functional competencies:

- Strong interpersonal skills, communication and diplomatic skills, teamwork ability;
- Ability to work under pressure and stressful situations;
- Strong analytical, reporting and writing abilities;
- Good time management, meeting deadlines.

### QUALIFICATIONS

#### Academic Qualifications/Education:

- Master's Degree or higher in economics, finance, public administration, management, development studies or another related field.

#### Experience:

- At least 5 years of experience in the fields of finance, public financial management, fiscal impact assessment, cost benefit analysis, budgeting and planning;
- Previous experience of working with/for the Government entities and other relevant public institutions will be a strong advantage;
- Previous experience of working with international organizations, including UN Agencies, will be an advantage;
- Research experience in areas of public financial management/fiscal impact assessment will be an advantage;
- Proven knowledge of the FIA methodologies is a strong asset.

#### Language skills:

- Proficiency in written and spoken English, Romanian and Russian are required for this assignment.

*The United Nations in 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. APPLICATION PROCESS**

Applicants shall submit the following required documents:

- CV, including information about past experience in similar assignments and contact details for at least 3 referees;
- Brief description of why the individual considers him/herself as the most suitable for the assignment;
- Offeror's Letter confirming Interest and Availability with financial proposal (in USD, specifying the total lump sum amount). Financial proposal template prepared in compliance with the template in Annex 2.

### **Incomplete applications will not be considered.**

If an applicant is employed by an organization/company/institution, and he/she expects his/her employer to charge a management fee in the process of releasing him/her to UNDP under Reimbursable Loan Agreement (RLA), the applicant must indicate at this point, and ensure that all such costs are duly incorporated in the financial proposal submitted to UNDP.

## **9. ANNEXES TO THE TOR**

Annex 1- Individual Consultant General Terms and Conditions

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