

TERMS OF REFERENCE (TOR)

Piloting Notification Letters for At-Risk Companies in Moldova

1. Introduction and rationale

Informality remains a significant challenge in Moldova, accounting for 12.8% of total employment in 2024.¹ The construction sector experiences the highest rate of informality at 65.1%. Informal workers are more likely to have lower educational attainment, temporary or part-time jobs, and lower wages. Additionally, gender disparities persist in the formal economy, with women earning 17% less than men.

Unregistered employment leads to substantial revenue losses and deprives workers of essential social protections. Moreover, 22.8% of workers do not declare their employment, particularly in agriculture, construction, trade, and industry. Tackling informality requires continuous policy efforts and institutional reforms, as well as active participation from all stakeholders. Social dialogue is crucial, involving the government, workers' organizations, and employers' organizations to ensure that formal employment remains attractive and that informal workers see benefits in transitioning to the formal sector.

Currently, the State Labour Inspectorate (SLI) conducts risk assessments (based on the Government Decision no 894/2018²) for all active companies and assigns a risk score. However, only about 5% of companies (approximately 1,500 out of 40,000) are inspected annually. This leaves many at-risk companies uninspected, creating an opportunity to leverage existing risk assessment data for proactive engagement. Inspired by [Singapore's](#) approach and having in mind the [EU experience](#) on *Preventative approaches for tackling undeclared work, focusing upon tax rebates and notification letters*, this proposal suggests piloting a notification system to send written notices to companies identified as being at risk of undeclared work but not scheduled for a physical inspection. The goal is to raise awareness, promote compliance, and encourage formal employment practices without requiring additional inspections.

Against this backdrop, the ILO Project *'Inclusive and Productive Employment in Moldova'* will hire a supplier to implement this initiative.

2. Objectives

The overall objective of this assignment is to pilot a notification letter system to proactively engage companies at risk of undeclared work. Specifically, the supplier will:

¹ [Forța de muncă: ocuparea și șomajul în trimestrul IV 2024](#)

² Governmental Decision [HG894/2018](#) for the approval of the Methodology on State Control over Entrepreneurial Activity Based on Risk Analysis in the Control Areas of the State Labour Inspectorate.

- Stakeholder Mapping – Identify all relevant stakeholders for the pilot project.
- Developing a Grading System – Create a risk-based grading system using the existing company scores.
- Developing potential messages and piloting them with several enterprises to assess their effectiveness, refining and selecting those with the greatest impact.
- Drafting and Sending Letters – Prepare template letters and begin sending them to at-risk employers.

3. Scope of work

The supplier will undertake the following activities:

1. Stakeholder Mapping

- Identify and engage relevant stakeholders, including government bodies, employers' associations, and workers' organizations.
- Conduct consultations to ensure alignment with national labour policies and regulations.

2. Developing a Risk-Based Grading System

- Utilize existing company risk scores to create a structured grading system.
- Establish criteria to categorize companies based on their likelihood of engaging in undeclared work.

3. Drafting and Sending Notification Letters

- Develop potential messages for the three types of notification letters.
- Pilot them with several enterprises to assess their effectiveness.
- Based on the feedback, refine and select those with the greatest impact.
- Draft the templates
- Coordinate with the SLI to distribute letters to identified at-risk companies.
- Monitor and document employer responses and feedback.

Notification letters will be tailored based on the severity of identified risks. Different types of letters will be developed to ensure effective communication with targeted companies:

- **Informational Letters (Soft Letters)** – These will outline applicable employment rules, highlight the risks of non-compliance, and provide guidance on where employers can find additional information. The tone will be educational and supportive.
- **Warning Letters (Moderate Severity)** – These will inform companies that they have been identified as being at risk of undeclared work and urge them to take corrective actions. They may also include an invitation to seek compliance support from relevant institutions.
- **Enforcement-Linked Letters (Hard Letters)** – These will be directed at companies where strong evidence of irregularities exists. Such letters may announce potential inspections, encourage immediate compliance, and outline possible legal consequences if non-compliance is detected.

4. Expected Deliverables

The supplier will be responsible for the following deliverables:

1. **Stakeholder Mapping Report** – A document identifying key stakeholders and their roles in the pilot project.
2. **Risk-Based Grading System** – A structured system categorizing companies based on undeclared work risk levels.
3. **Proposal for pilot testing the design of potential messages** and an implementation report detailing the pilot results, including recommended messages for inclusion in the letters.
4. **Notification Letter Templates** – Standardized letters designed to inform and engage at-risk companies.
5. **Pilot Implementation Report** – A report summarizing the pilot phase, employer responses, and recommendations for scaling up the initiative.

5. Timeframe

The activities will start in **April 2025** and are due to finish by **15 June 2025**.

6. Required Qualifications

The supplier should meet the following criteria:

- Demonstrated experience in labour market research, compliance strategies, or related fields.
- Expertise in risk assessment methodologies and data analysis.
- Expertise in behavioural science campaigns.
- Strong communication and stakeholder engagement skills.
- Proven track record in drafting official communications and outreach materials.

7. APPLICATION PROCESS

Interested candidates are invited to submit the following documents to vrabie@ilo.org by **April, 1st, 2025** with the subject line Notification letters UDW Company Name:

1. CV highlighting relevant experience
2. Technical proposal (max 5 pages)
3. Financial proposal (max 2 pages)
4. Sample of previous work