

TERMS OF REFERENCE (ToR)

Implementation of the Moldova Water Security and Sanitation Project (P173076)

Financial Management Specialist Within the National Office for Regional and Local Development

I. BACKGROUND

Project context

Moldova Water Security and Sanitation Project (MWSSP) is a World Bank-financed Project to be implemented by the Ministry of Infrastructure and Regional Development (MIRD). The Project was signed on April 22, 2022, with expected effectiveness 120 days after signature date. The Project itself will have a duration of five years and aims to increase access to improved water supply and sanitation services in selected rural areas and towns, and to strengthen institutional capacities for water supply and sanitation service delivery.

The design of the project takes into account the Government of Moldova’s vision for the water supply and sanitation (WSS) sector. Moldova’s recently revised National WSS Strategy 2014–2030¹ endorses SDG target 6.1 and 6.2, sets national interim targets for 2024, and articulates strategic reform directions. The strategy’s targets are to achieve coverage with WSS² infrastructure of 80 percent in urban areas and 75 percent in rural areas by 2024. The strategy stipulates improvement of the management and professionalization of services through regional WSS companies, leaving space for public-private models in geographies where regionalization is not delivering immediate advantages. It articulates the need to improve the regulatory environment, with a focus on inclusion, quality, and sustainability of services. At the same time, the WSS sector is a key priority area in the regional development policy, as reflected in the draft National Strategy for Regional Development 2022-2028.³

The Project consists of four components:

Component 1: Increasing access to safely managed WSS services in selected rural areas and towns (EUR 41.0/US\$46.5 million). This component will develop new and rehabilitate existing WSS infrastructure and WASH facilities in rural areas and towns, thus expanding access and quality of services for households, businesses, and public institutions and supporting resilience.⁴ It consists of two subcomponents:

Subcomponent 1.1: Expanding access and quality of WSS services (EUR 37.5 million/US\$42.5 million). This subcomponent will finance climate-resilient investments in towns and rural areas.

Water supply investments: Expansion and rehabilitation of the regional water systems for water supply production and distribution, and service connections for LPAs in selected districts, including the preparation of relevant technical studies and management documents; technical

¹ Updated and approved by Government Decision 440 of July 1, 2020.

² Sanitation refers to both access to wastewater networks and treatment systems and on-site facilities such as septic tanks.

³ The National Regional Development Strategy is scheduled to be approved by end of 2021

⁴ See the WASH Climate Resilience Strategic Framework (UNICEF, Global Water Partnership, 2014) for links between WASH and climate resilience.

supervision; and citizen engagement activities. This refers to water supply infrastructure in two preliminarily identified subprojects, that is, regional water system expansion for LPAs in Cahul District and the ATU of Gagauzia⁵ and a regional water supply system with a surface water treatment plant in Riscani District. Many LPAs, particularly in the south (Cahul) as well as in the northern part along the Prut (Riscani), face shortages of water in the summer, with shallow wells/springs posing a challenge such as in the Prut cluster villages, in the Vulcanesti town, and other villages in Cahul District.

Wastewater investments: Expansion and rehabilitation of wastewater systems in selected towns, including the construction and rehabilitation of sewer networks and service connections, and the construction of new wastewater treatment plants, including the preparation of relevant technical studies and management documents; technical supervision; and citizen engagement activities. This refers to two preliminarily identified subprojects in Soroca and Comrat towns.

Pilot for on-site household sanitation: Selected rural or peri-urban villages, will benefit from the improvement of on-site household sanitation following a demand-led approach through the provision of technical assistance, the implementation of information campaigns, and the carrying out of civil works.

Subcomponent 1.2: Improving resilient WASH facilities in public social institutions (EUR 3.5 million/US\$4.0 million). This subcomponent will finance works, goods, consulting services, non-consulting services and training/workshops to realize climate-resilient WASH facilities in HCFs and education institutions and implement hygiene education and behavior change communication program. The subcomponent will finance capacity development for school and health center management and LPAs to ensure adequate operation and maintenance (O&M) of the facilities.

Component 2: Strengthening institutional capacity at national and local levels for WSS service delivery (EUR 3.5 million/US\$3.9 million). This component focusses on institutional capacities of national and subnational entities and WSS operators for management, planning, regulation and reform implementation, and performance improvement of service providers for green, resilience, and inclusive service delivery.

Component 3: Project management and coordination (EUR 2.1 million/US\$2.4 million equivalent). This component will finance operational costs, consulting services, non-consulting services, goods, and training to finance the overall project management cost, including the project team at the Project Implementation Unit (PIU), implementation support consultants at the regional level within MIRD's RDAs for environmental and social standards implementation, and, at the national level, MIRD as the project implementing entity (PIE). It will finance training costs, including for capacity building in procurement, environmental, and social standards, specialized short-term implementation support consultants, financial audits, project communication and citizen consultations, and monitoring and evaluation (M&E).

Component 4: Contingent emergency response component (CERC) (EUR 0 million/US\$0 million). A provisional zero-amount component is included, which will allow for rapid reallocation of credit/loan proceeds from other components during an emergency under streamlined procurement and disbursement procedures. This component allows the Government to request the World Bank to recategorize and reallocate financing from other project components to cover emergency response and recovery costs.

⁵ Its autonomy is ethnically motivated by the predominance of the Gagauz people. On December 23, 1994, the Parliament of the Republic of Moldova accepted the 'Law on the Special Legal Status of Gagauzia'.

II. OBJECTIVES

The objective of the assignment is to support the National Office for Regional and Local Development (the Project Implementation Unit (PIU)) under the Ministry of Infrastructure and Regional Development (MIRD) in the implementation and oversight of financial management aspects related to Project implementation. The Financial Management Specialist (FMS) will assist the PIU with planning, organizing, controlling and managing financial resources and flows with a view to achieve project's goals and objectives, and ensure compliance with World Bank and national requirements. The FMS will undertake financial activities of the PIU related to the Project which will include disbursement of funds, use of funds, accounting, and payments as well as reporting. The FMS will be a part of the core PIU team.

III. SCOPE OF WORK

Responsibilities of the FMS include, but are not limited to the following:

A. *Financial management:*

- Manage financial planning and budgeting of the project in accordance with local legal framework and World Bank requirements;
- Manage the Project Designated account and pertaining operational account to ensure timely replenishment in order to avoid delays in project activity;
- Verify the payment terms of the pipeline contracts before signing to be in line with the provisions of the financing and/or grant agreement and its supplemental annexes (the disbursement schedule, disbursement and financial information letter (DFIL) and other disbursement guidelines);
- Prepare withdrawal applications and obtain the Authorization Signatory Letter as stated in the signed Agreements;
- Report eligible payments in the Statement of expenses (SOEs) according to the requirements stated in DFIL and disbursement instructions as well as in the Disbursement Handbook for Borrowers from 2017;
- Track disbursements of the funds;
- Monitor all implemented project's expenditures and costs (local and foreign) in compliance with principles of effectiveness, efficiency and economy;
- Liaise with key ministries and organizations concerned with the project financial management implementation on FM and disbursement issues;
- Prepare project's budgets for timely approval and inclusion in the state budget;
- Monitor budget execution and submit budget amendment proposals to relevant authorities to ensure timely allocations from the state budget;
- Prepare regular IFRs and other monthly and quarterly reports in accordance with the World Bank and Government reporting requirements;
- In a timely fashion, arrange the project audit, provide support to the auditors during the audit and ensure submission of the project audit reports of the project expenditures and accounts to the World Bank and relevant government institutions within the established terms;
- Review and recommend changes to existing accounting procedures and Operational Manual to ensure full compliance with donors procedures, PIU internal regulations, and requirements set by the Ministry of Finance;
- Initiate corrective measures to address internal financial shortcomings and irregularities when identified;
- Carry out any other activities related to Project financial management, disbursement and reporting as indicated by the Project manager and provide guidance on FM and disbursement matters to the PIU staff.

B. Accounting:

- Keep the bookkeeping system of the PIU in accordance with National Accounting Standards;
- Ensure accurate and timely submission of the required financial reports to the fiscal authorities and other state bodies;
- Ensure necessary functionalities of the computerized accounting system to allow accurate and timely entry of project related transactions;
- Keep up-to-date and accurate project records and project' treasury accounts;
- Work with the State Treasury, make local and international payments, registration and monitoring of contracts;
- Sign off on monthly, semi-annual and annual budget and financial management reports prepared for the project and present them as required to the World Bank and to donors as well as to the relevant public authorities;
- Verify invoices, bills and other payment documents received from suppliers, contractors and consultants in order to ensure correct and eligible payments;
- Prepare the documents for the audit of the project accounts;
- Keep inventory of office supplies and equipment and organize annual stock taking.

IV. DELIVERABLES

The outputs of the consultancy fully comply with the above-described consultant's responsibilities. The FMS will prepare time-sheets and report directly to the Project Manager about performed activities.

V. TIMING

The FMS will be hired as a consultant in the PIU. This is a full-time assignment to be performed during the period of **12 months** and could be extended subsequently subject to the Consultant's satisfactory performance.

VI. INSTITUTIONAL ARRANGEMENTS

The FMS will report directly to the Project. The FMS is expected to collaborate with the PIU Chief Accountant, and will be work in close cooperation with all PIU members and involved project stakeholders.

VII. RESOURCES

The PIU will provide working space, office equipment and communication facilities (including access to the Internet), as well as any other necessary means and support for consultant to carry out this assignment.

VIII. QUALIFICATION REQUIREMENTS AND EVALUATION CRITERIA

- University degree in economics, accounting, finance or related fields;
- At least 5 years of previous work experience in accounting/financial management;
- Knowledge of international and national accounting standards;
- Previous work experience in projects financed by the World Bank will be an advantage;
- Fluency in Romanian. Knowledge of English will be an advantage;
- Computer proficiency (IC, Windows, MS Office, Internet Explorer);
- Knowledge of water supply and sewage sector will be an advantage.