**THE REPUBLIC OF MOLDOVA**

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**PROJECT OPERATIONAL MANUAL**

FOR THE IMPLEMENTATION OF

**MOLDOVA WATER SECURITY AND SANITATION PROJECT**

FINANCED BY

**INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT**

AND

**INTERNATIONAL DEVELOPMENT ASSOCIATION**

IMPLEMENTED BY

**MINISTRY OF INFRASTRUCTURE AND REGIONAL DEVELOPMENT**

**GOVERNMENT OF THE REPUBLIC OF MOLDOVA**

**JULY 2022**

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| **ABBREVIATIONS AND ACRONYMS** |
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| AAM | Agency “Apele Moldovei” |
| ADA | Austrian Development Agency |
| AMAC | Association “Moldova Apa-Canal” |
| ANRE | National Energy Regulatory Agency |
| ATU | Autonomous Territorial Unit |
| BOD | Biological Oxygen Demand |
| CAPEX | Capital Expenditures |
| CE | Citizen Engagement |
| CERC | Contingent Emergency Response Component |
| CMP | Contract Management Plan |
| COD | Chemical Oxygen Demand |
| CWSC | Citizen Water and Sanitation Committees |
| DA | Designated Account |
| DFIL | Disbursement and Financial Information Letter |
| DWP | Danube Water Program |
| DWTP | Drinking Water Treatment Plant |
| EAP | Emergency Action Plan |
| EBRD | European Bank of Reconstruction and Development |
| ECAPDEV | Europe and Central Asia Capacity Development Trust Fund |
| EIA | Environmental Impact Assessment |
| EIB | European Investment Bank |
| EIRR | Economic Internal Rate of Return |
| PIU | Public Institution "Environmental Projects Implementation Unit" |
| ESCP | Environmental and Social Commitment Plan |
| ESF | Environmental and Social Framework |
| ESIA | Environmental and Social Impact Assessment |
| ESMF | Environmental and Social Management Framework |
| ESMP | Environmental and Social Management Plan |
| ESS | Environmental and Social Standards |
| EU | European Union |
| EUR | Euro |
| FM | Financial Management |
| GBV | Gender Based Violence |
| GDP | Gross Domestic Product |
| GHG | Greenhouse Gas |
| GIES | General Inspectorate for Emergency Situations |
| GIZ | Deutsche Gesellschaft für Internationale Zusammenarbeit |
| GMI | Guaranteed Minimum Income |
| GNI | Gross National Income |
| GoM | Government of Moldova |
| GRID | Green Resilient an Inclusive Development |
| GWSP | Global Water Security and Sanitation Partnership |
| HBS | Household Budget Survey |
| HCF | Health Care Facility |
| IAS | Individual Appropriate Sanitation |
| IBRD | International Bank for Reconstruction and Development |
| IDA | International Development Association |
| IFSP | Institutional Framework Strengthening Project for the WSS sector |
| IWRMD | Integrated Water Resources Management Department of MoE |
| JMP | Joint Monitoring program by WHO/UNICEF |
| JSC | Joint Stock Company |
| KFW | German Development Bank (Kreditanstalt für Wiederaufbau) |
| KPI | Key Performance Indicator |
| LMP | Labor Management Procedures |
| LPA | Local Public Authority |
| MIRD | Ministry of Infrastructure and Regional Development |
| MAFI | Ministry of Agriculture and Food Industry |
| M&E | Monitoring and Evaluation |
| MDL | Moldovan Leu |
| ME | Municipal Enterprise |
| MEc | Ministry of Economy |
| MER | Ministry of Education and Research |
| MFD | Maximizing Finance for Development |
| MHM | Menstrual Hygiene Management |
| MH | Ministry of Health |
| MIA | Ministry of Internal Affairs |
| MIS | Management Information System |
| MoF | Ministry of Finance |
| MLSP | Ministry of Labor and Social Protection |
| MTR | Mid Term Review |
| MWSSP | Moldova Water Security and Sanitation Project |
| NEF | National Environment Fund |
| NGO | Non-Government Organization |
| NORLD | National Office for Regional and Local Development |
| NPP | National Procurement Procedures |
| NPV | Net Present Value |
| NRDF | National Regional and Local Development Fund |
| NRW | Non-Revenue Water |
| NWSSDP | National Water Supply and Sanitation Sector Development Plan |
| NWSSP | National Water Supply and Sanitation Project |
| O&M | Operation and Maintenance |
| OHS | Occupational Health and Safety |
| OPEX | Operating Expenses |
| PAP | Project Affected People |
| PCG | Project Coordination Group |
| PDO | Project Development Objective |
| p.e. | population equivalent |
| PIE | Project Implementing Entity |
| PIP | Performance Improvement Plan |
| PIU | Project Implementation Unit |
| POM | Project Operational Manual |
| PP | Procurement Plan |
| PPG | Project Preparation Grant |
| PPL | Public Procurement Law |
| PPSD | Project Procurement Strategy for Development |
| PwD | Persons with Disabilities |
| Q1 | Poorest quintile |
| Q5 | Richest quintile |
| RAP | Resettlement Action Plan |
| RDA | Regional Development Agency |
| RETF | Recipient Executed Trust Fund |
| RFP | Resettlement Policy Framework |
| RfP | Request for Proposal |
| SDC | Swiss Development Cooperation |
| SDG | Sustainable Development Goals |
| SEA/SH | Sexual Exploitation and Abuse and Sexual Harassment |
| SEE | State Environmental Expertise |
| SEP | Stakeholder Engagement Plan |
| SOE | Statement of Expenditure |
| STEM | Science Technology Engineering Mathematics |
| STEP | Systematic Tracking of Exchanges in Procurement |
| TA | Technical Assistance |
| TAG | Technical Advisory Group |
| TIKA | Turkish Development Cooperation and Coordination Agency |
| TSS | Total Suspended Solids |
| TUM | Technical University of Moldova |
| UNICEF | United Nations Children’s Education Fund |
| UWWTD | EU Urban Wastewater Treatment Directive |
| US$ | United States Dollar |
| UWWTD | Urban Wastewater Treatment Directive |
| WASH | Water Supply, Sanitation and Hygiene |
| WBG | World Bank Group |
| WFD | EU’s Water Framework Directive |
| WSS | Water Supply and Sanitation |
| WWTP | Wastewater Treatment Plant |

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# PROJECT CONTEXT AND DESCRIPTION

This **Project Operational Manual (POM)** establishes overall operating, fiduciary and decision making procedures, including institutional arrangements and implementation procedures for management, results monitoring, evaluation, progress review and auditing, procurement rules, financial management and accounting standards, and documentation procedures for the implementation of the **Moldova Water Security and Sanitation Project (MWSSP)**, hereinafter the "Project".

The basic legal document of this Project Operational Manual is the **Financing Agreement** of the Moldova Water Security and Sanitation Project (MWSSP) between the Republic of Moldova and the International Development Association, ratified by Decree of the President of the Republic of Moldova No 368 of 09.03.2022 approving the signing of the Financing Agreement between the Republic of Moldova and the International Development Association for the implementation of the Project "Security of Water Supply and Sanitation in Moldova". (see Annex 1 for applicable legislation). POM reflects the objectives and results agreed in the **Project Appraisal Document (PAD)**, as per Report No:PAD4095, including all the policies, institutional, financial, procurement, technical, social and environmental conditions. If certain disparities, collisions, conflicts of solutions, gaps or ambiguities will arise in the process of implementing the POM, the provisions from the PAD will be referred as final and applied.

The project will be implemented by the National Office for Regional and Local Development under MIDR on the basis of Government Decision No 271 of 20.04.2022.

## 1.1 Project Development Objective

The ***Project Development Objective*** (PDO) is i) to increase access to safely managed water supply and sanitation services in selected rural areas and small towns, and to strengthen national and local institutional capacity for water supply and sanitation service delivery; and (ii) in case of an Eligible Crisis or Emergency, respond promptly and effectively to it.

The PDO is in-line with SDG targets and national goals and objectives. For water supply the PDO is realized through the development of climate-resilient and efficient drinking water treatment facilities and expansion and upgrading of water supply systems with household connections. For sanitation, this is realized through the development of new wastewater treatment plants, expanding wastewater collection systems with household connections, and by supporting households to improve on-site sanitation facilities to safely managed level. In social institutions, WASH facilities will be improved to at least basic service level. The second part of the PDO refers to strengthening capacities at both national level and local level for more sustainable service delivery.

***Subcomponent 1.1: Expanding Access and Quality of WSS services*** will finance climate-resilient investments in small towns and rural areas. Investment will be preceded by support to ensure that WSS operators are - in line with Moldova’s regionalization and reform agenda – licensed, have service delegation contracts in place with LPAs ensuring clear roles and functions of parties involved in the operation and management of WSS assets, and that tariffs applications are updated to ensure for financial sustainability over the medium to long run. This includes:

* 1. *Water supply investments:*  n and rehabilitation of water supply infrastructure in two subprojects preliminarily identified, i.e. regional water system expansion for LPAs in Cahul district and ATU Gagauzia and regional water supply system with drinking water treatment plant in Riscani district.
  2. *Wastewater investments:* expansion and rehabilitation of wastewater systems in two subprojects preliminarily identified in Soroca and Comrat towns, including construction and rehabilitation of sewer networks and service connections and the construction of new wastewater treatment plants.
  3. *Pilot for on-site household sanitation*: rural or peri-urban villages – to be selected – will benefit from information campaigns and civil works for individual household level on-site sanitation facilities following a demand-based approach. The pilot will be co-financed through the ADA grant. This pilot will demonstrate the use of climate-resilient low-cost technologies for rural sanitation.

This subcomponent will finance works, goods, consulting services, non-consulting services for the construction and protection measures for water intake facilities, drinking water treatment facilities, reservoirs, pumping stations, transmission mains, water distribution network and water household connections, construction and rehabilitation of sewer networks, sewer pumping stations, wastewater treatment plants including sludge treatment and disposal, sewer service manholes for connections, sewer connection support for poor households, SCADA systems and other required activities. It finances civil works for household level on-site sanitation facilities, consulting services for design, technical supervision, and monitoring of the on-site sanitation pilot. It also finances feasibility, design and other required preparation studies, technical supervision services, capacity building for citizen engagement and social mobilization activities with project beneficiaries, and consulting services to LPAs and WSS operators to develop the required tariff submission to ANRE and draft the delegation contracts between local governments and the licensed WSS operators.

***Subcomponent 1.2: Improving WASH facilities in public social institutions*** will finance works, goods, consulting services, non-consulting services and training/workshops to realize climate-resilient WASH facilities in Health Care Facilities (HCFs) and education institutions and implement a hygiene education and behavior change communication program. Following priorities of the MH, MLSP and MER, schools and health care facilities in subproject locations under Subcomponent 1.1 and other prioritized districts will be selected. The subcomponent investments will consist of water supply connections to centralized networks or existing point sources, connections to sewer systems or construction of on-site sanitation facilities and construct indoor toilet facilities with adequate handwashing and hygiene facilities, using, where appropriate, low carbon emission technologies. The design of WASH facilities will respond to girls’/women’s needs (privacy, menstrual hygiene management facilities) and be accessible for people with disabilities. The subcomponent will finance capacity development for school and health center management, and LPAs to ensure adequate O&M of the facilities. The design and siting will reduce the likelihood that the facilities will be affected by climate-related threats such as floods.

**Component 2: Strengthening institutional capacity at national and local levels for WSS service delivery***.* This component focusses on institutional capacities of national and sub-national entities and WSS operators for management, planning, regulation and reform implementation, and for performance improvement of service providers for green, resilience and inclusive service delivery. At national, development of plans, policies and regulatory documents will support climate adaptation through climate-resilient planning, and at local level, performance improvements will deliver climate benefits through reduction of non-revenue water and improving energy efficiency. It consists of two sub-components.

***Subcomponent 2.1: Building national institutional capacity for WSS*** finances goods, non-consulting services consulting services and training/workshops for activities that strengthen institutional capacities for planning, financing, economic regulation, performance monitoring, professional development and the revision and development of new policies and normative documents. Under leadership of MIRD, and in collaboration with other entities, activities under this subcomponent include but are not limited to:

* 1. The elaboration and implementation of a National Water Supply and Sanitation Sector Development Plan (NWSSDP), investment program and financing strategy and the capacity development of its assigned lead entity; the NWSSDP outlines a staged process for regionalization, consolidation of funding mechanism and a prioritized investment program;
  2. Technical assistance to selected LPAs and WSS operators to support the aggregation process into licensed regional operators (on legal, technical, financial) following the NWSSDP;
  3. The preparation of amendments and/or new legislation (e.g. Law 303 and requirements for licensing), policies and normative documents (on regulatory method and social tariffs) and design & construction norms for sanitation (updating outdated norms) and related capacity building, as per the NWSSDP;
  4. The development and roll-out of a national (MIS) for WSS operators; definition of Key Performance Indicators (KPIs) for the MIS and start benchmarking;
  5. Technical assistance to ANRE, WSS operators and LPAs to accelerate tariff review and approval in line with regulations for licensed operators;
  6. The implementation of a professional development program, in collaboration with AMAC and the Technical University of Moldova (TUM) and WSS operators, to increase qualifications and advance careers of existing staff, and attract people, specifically women, for employment in the sector.

***Subcomponent 2.2: Improving performance of WSS service providers*** will finance works, goods, consulting services, non-consulting services, training to support the implementation of a prioritized rolling multi-year Performance Improvement Plan (PIP) of selected WSS operators involved under Subcomponent 1.1. These include five WSS operators: JSC Cahul, JSC Soroca, Municipal Enterprise Comrat, Municipal Enterprise Vulcanesti, and a proposed establishment of a new JSC, founded by the LPAs of Costesti town and other LPAs. WSS operators will carry out annual assessments on PIP implementation and KPIs, including publication of results and feedback rounds with customers. The financing for selected WSS operators will be allocated based on results. Investments and technical assistance activities identified in the PIPs are based on utility diagnostics and include but are not limited to the following: improving technical and commercial operations, improving financial management, human resource management and organization & strategy aspects, including improving asset management systems and inventories, energy efficiency, NRW reduction programs, water metering practices and equipment to improve climate resilience, water safety and business continuity, and enhancing responsiveness to customers.

**Component 3: Project Management and Coordination.** 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 regional level within MIRD’s Regional Development Agencies (RDAs) for Environmental and Social Standards implementation, and at national level for MIRD as Project Implementing Entity (PIE). It will finance 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.

**Component 4: Contingent Emergency Response Component (CERC).** 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 Bank to re-categorize and reallocate financing from other Project components to cover emergency response and recovery costs. The CERC will be established and managed in accordance with the provisions of the Bank Policy and Bank Directive on Investment Project Financing. The CERC, if activated, will be able to finance eligible activities included in the positive list, stipulated in this Project Operational Manual.

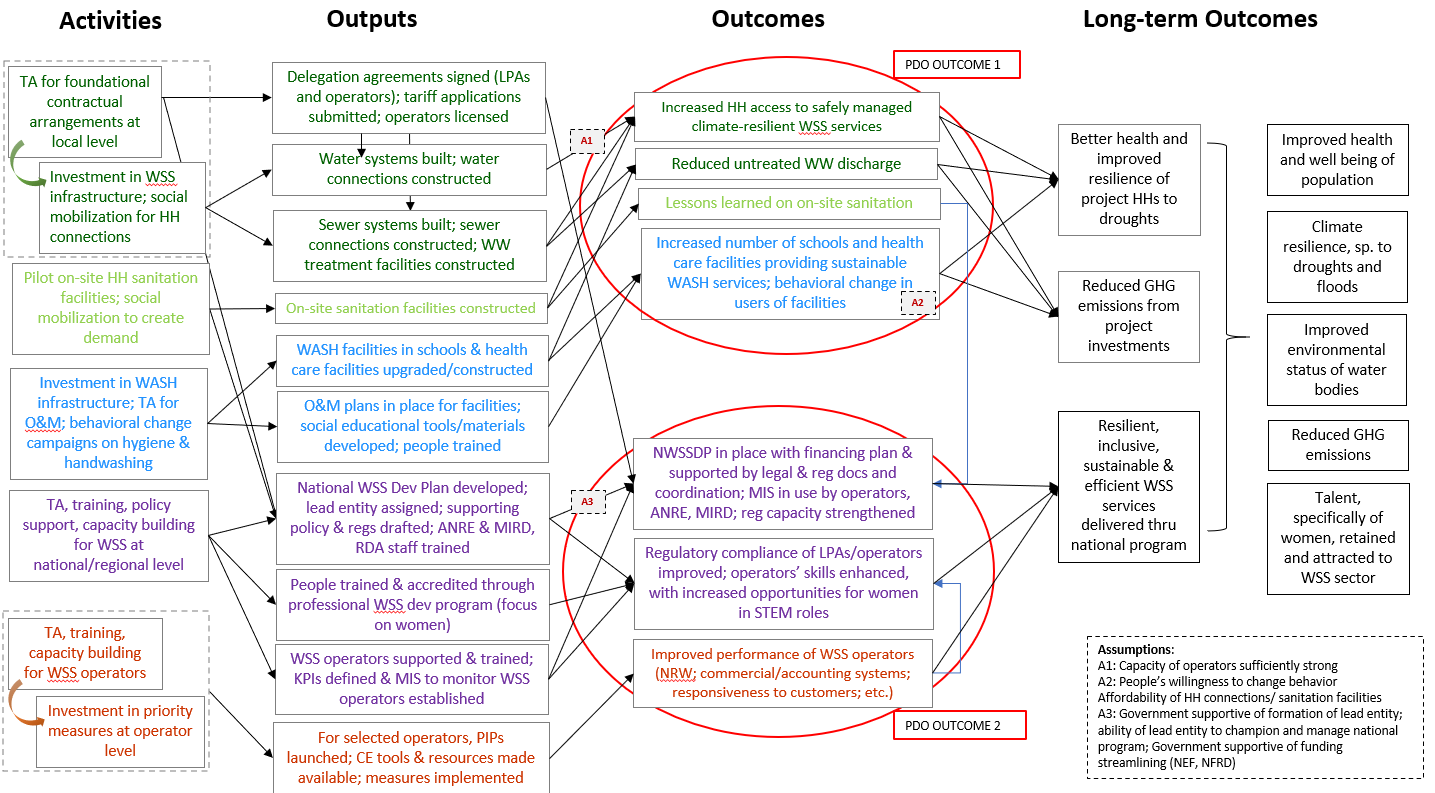
## 1.3 Project Beneficiaries

The project is expected to directly benefit around 66,500 people through gaining access to safely managed drinking water and/or safely managed sanitation services within their households. An estimated 30,000 beneficiaries will gain access to a safely managed drinking service in the dwelling. These beneficiaries currently depend on collecting water from drought-vulnerable shallow and polluted wells and will gain first time access to a centralized network, or – if already connected to a system – they will benefit from increased reliability and water quality, compliant with norms. An estimated 36,500 beneficiaries will gain access to a safely managed sanitation services, of which 35,000 to centralized wastewater collection and treatment systems and 1,500 through on-site household level sanitation facilities. Beneficiaries in small towns will gain first time access to a centralized wastewater system with adequate treatment or – if already connected to a sewer system – will gain adequate wastewater treatment. A pilot rural sanitation program will benefit 1,500 vulnerable people gaining access to a flush-toilet with adequate on-site sanitation facility. In addition, students and staff of around 100 schools (around 25,000 people) will benefit from an improved WASH facilities during their school/working hours along with the staff and patients of 25 rural health care facilities will benefit from improved WASH facilities.

Institutional beneficiaries include MIRD, and its subordinate entities[[1]](#footnote-1), MH, MLSP, MER, ANRE, local and district authorities, and participating WSS operators. Service providers directly, and indirectly their customers, will benefit from operational and efficiency performance improvements realized under Subcomponent 2.2. Moldova’s national institutional stakeholders, as well as all local governments and WSS operators, will benefit from better WSS sector management, monitoring and investment planning, an improved regulatory framework for operational and financial sustainability, as well as capacity building and training workshops to implement and use sector instruments (such as the MIS), policies and normative documents. It is expected that 200 people will benefit from training activities. Under the professional development program, 165 people, including existing, newly hired and potential future WSS operator staff, of which a third women, will gain accredited diplomas to help advance and/or gaining employment in the sector.

## 1.4 Results Chain

*Figure 1. Results Chain*



# 2. INSTITUTIONAL AND IMPLEMENTATION ARRANGEMENTS

## 2.1. Institutional Arrangements

**MIRD** is responsible to ensure that the Project is implemented in an efficient manner, consistent with the Project objectives and agreements signed, acting as Project Implementing Entity (PIE), through National Office for Regional and Local Development and PIU.

The implementation of the Project activities will be coordinated by the **Project Coordination Group (PCG),** established by the MIRD order, in which MIRD, MEnv, MH, MEc, MER, MAFI will be represented.

The roles of MIRD and NORLD through PIU within the MWSSP are established in the ***Project Implementation Agreement*** between these two entities (Annex 3.3). The PIU will act as the secretariat of the PCG and will provide technical support to it. The PIU will prepare the minutes of the PCG meetings, will draft the decision documents and will be keeping the archive of PCG documents and resolutions.

Project implementation will be supported at the regional level through MIRD’s subordinate **Regional Development Agencies (RDAs)** for Subcomponent 1.1.RDAs, which have experience in the implementation of WSS infrastructure projects, as well as local presence, will act as employer for major civil works in the subprojects under Subcomponent 1.1. A so-called ***RDA Implementation Support Agreements*** (Annex 3. 4) will specify the detailed roles at subproject level for PIU, RDAs, LPAs and WSS operators.

**Local Public Administrations** (district, commune, town) are the beneficiaries and newly created assets under Component 1 will be transferred to their ownership (for inter-municipal infrastructure, such as regional transmission mains or regional drinking water treatment plants, ownership will be transferred to district level, while networks remain at commune level and same for WASH investments), and subsequently delegated to licensed WSS operators under delegation contracts. In addition to their role in approval of design documents, issuance of construction authorization, and acceptance of works, LPAs will facilitate community consultation, citizen engagement and social mobilization activities at the local level.

Under Subcomponent 1.2, **WSS operators** will be responsible for the implementation of the measures, with fiduciary roles by the PIU. So-called ***LPA Cooperation Agreements*** (Annex 3. 5) will specify the detailed roles at subproject level for PIU, RDAs, LPAs and WSS operators. The agreement will also specify the agreed local government contribution towards the civil works, which will be transferred by LPAs to a project Operating Account.

**MER** and **MH** will identify and approve the list of social institutions under Sub-component 1.2. Respective LPAs, as owners of the new/rehabilitated WASH facilities in schools and HCFs, will be closely involved in the design and construction process, managed centrally by the PIU. LPAs, who are the founding institutions and owners of schools and HCFs, together with school and HCF management, will approve designs, accept works and develop O&M plans. School staff will be responsible for the hygiene communication activities, supported by a capacity building NGO. A so-called ***WASH Facility Cooperation Agreement*** (Annex 3.7) describing the role of all partners, including the responsibility of facility staff to participate in trainings and implement activities to promote hygiene.

**MIRD** will lead the implementation of national level institutional strengthening activities ensuring the involvement of all relevant stakeholders. MIRD will set up a coordination mechanism to guide the development of the NWSSDP and associated prioritized investment program to ensure adequate consultation with domestic stakeholders and development partners on new legislation, policies and normative documents. MIRD will closely coordinate with ANRE, who will be the main beneficiary and manager of the WSS MIS platform. The MIS will have multiple users including MIRD, Agency “Apele Moldovei”, WSS operators and/or AMAC. ANRE is proposed as beneficiary and managing institution of MIS. MIRD and ANRE will enter into an ***Inter-institutional Cooperation Agreement*** (Annex 11) to this end.

The CERC Component 4, if activated, will be implemented by **the Ministry of Internal Affairs (MIA)** through its General Inspectorate for Emergency Situations (GIES), given its mandate to lead emergency response and recovery efforts. All the activities under this component will be carried out based on the CERC Operational Manual (Annex 13).

As with the other components, all procurement, fiduciary, ESS compliance and M&E functions will remain at central level with the PIU.

## 2.2. Staffing for the PIU and responsibilities

Hiring of PIU staff for the Project will be done in line with the Project Procurement Plan. The effectiveness condition for hiring the PIU staff will consider the following six consultants to be hired: Project Manager, Financial Management Specialist, Procurement Specialist, WSS Engineer, Environmental Specialist and Social Specialist. The remaining staff, as per the procurement plan, will be hired during the course of the year.

The NORLD has three staff, including Director, Chief Accountant and Lawyer, remunerated through the government budget (i.e. not through project funds), that will have the following responsibilities for the purposes of the MWSSP:

* **Director** represents the PIU in relations with the national state bodies and other organizations and institutions, such as the World Bank and other international organizations, as well as beneficiaries of the Project. He / Sheis responsible for the supervision of project staff, review and authorization of disbursement transactions, and documents negotiation; approval the composition of the evaluation committee for procurement of goods, works and services; participation in evaluation process, signing of contracts with consulting companies, individual consultants, suppliers of goods, works and service providers to ensure the fulfillment of Project tasks; monitoring the use of fixed assets including authorization for removal from premises, maintaining employee records, authorization of all transactions after all approvals required for the payments are in place, and other specific tasks related to the project;
* **Chief Accountant, for the purposes of the project,** is responsible for authorization of all transactions after all approvals for the payments are in place, will sign all payment documents in the Treasury system, will approve project financial reports, will participate in evaluation process of the audit companies
* **Lawyer** is responsible for legal aspects associated with the implementation of MWWSP.

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*\*NORLD is the successor of MSIF based on the GD 271 dated April 20, 2022*

For project implementation, the PIU team will be staffed with consultants as the core-team including at least (but not limited to) the following positions and main responsibilities:

* **Project Manager** is responsible for managing and coordinating all Project activities being implemented by the PIU for the purposes of the project. He / She will provide support to the PIU Director in supervising project staff, reviewing and authorizing disbursement transactions, negotiation and signing of contracts with Consulting Companies and Suppliers of works and goods, monitoring and reporting of projects performance indicators, in evaluation process of the goods, works and services and other project specific tasks. He / She will be the key person leasing with the project beneficiaries and stakeholders.
* **Procurement Specialist** prepares documents for procurement of goods, works and services in accordance with the World Bank Procurement Regulations, including support in bids
* evaluation, in negotiating the price (if appropriate), in contract management, in updating the Procurement Plan, and creates and maintains procurement section system.
* **Procurement Officer** provide support to procurement specialist and the Project PIU in carrying out the project procurement process.
* **Financial Management Officer (MFO)** is responsible for day-to-dayfinancial and accounting operation, preparation of financial reports, elaboration of the budgets, monitoring and implementation of the internal control procedures, updating the ledger, reviewing the documents and accounting books prepared/updated by the Chief Accountant and other duties assigned by the PIU Director.
* **Environmental Specialist** will act as the focal point for coordination of activities related to environmental aspects of the Project, and in managing environmental issues between the PIU and Key Project Stakeholders. The Environmental Specialist is responsible to ensure that all ESS standards and ESF instruments, as well as national environmental requirements pertinent to the Project, are applied throughout the project lifetime.
* **Social Specialist** will act as the focal point for coordination of activities related to social aspects of the Project, and in managing social issues between the PIU and Key Project Stakeholders. The Social Specialist is responsible to ensure that all ESS standards and ESF instruments as well as national social requirements pertinent to the Project are applied throughout the project lifetime.
* **Chief WSS Engineer** will be responsible for the coordination of all technical WSS related issues, including preparing and review of technical requirements of Bidding Documents and bids, participation in the evaluation process, support in negotiations, supervision of WSS related contracts and co-signing WSS contract related documentation (ex. bill of quantities, etc.), providing input to the progress reports or other reports prepared under the project.
* **Communication specialist** willsupport communication and knowledge management activities that will strengthen the promotion of the project interventions, raise awareness and information sharing among general population while using innovative and most suitable communication tools. In day-to-day activities the specialist will closely collaborate with the respective PIU management and project consultants and beneficiaries.
* **Gender and Citizen Engagement Specialist** will support the contractors, local communities and CSOs in organizing stakeholder consultations and ensuring gender equality, based on their information needs, developing and implementing communication plans. The Gender and Citizen Engagement Specialist in collaboration with the Social Specialist will ensure the involvement of stakeholders, especially vulnerable and marginalized groups, in the process of public consultations and other project activities.
* **M&E Specialist** is responsible for data collection to enable Project Manager, Project team, beneficiaries, MIRD and WB to track progresses, demonstrate results, take corrective actions to improve Project implementation.
* **Administrative Assistant** provide support to Project Manager in keeping the project activities organized, including, but not limited to, handling administrative requests and queries from Project manager, organizing and scheduling appointments, planning meetings and taking detailed minutes, translation of documents English/Romanian where necessity, etc.

The detailed responsibilities of the core-team consultants are specified in the ToRs presented in the Annex 3.1.

The PIU staff and core-team consultants are housed in the building of the NORLD.

In addition, consultants in support of the PIU will be hired such as (but not limited to):

* **WSS engineer** will be responsible for providing support to the chief WSS engineer in coordination of all project WSS related issues.
* **WASH engineer** checks for compliance and ensures the technical and environmental appraisal of the WASH subprojects; Assists the communities / WASH beneficiaries (educational institutions and HCFs) in the process of participatory appraisal of the technical drawings; Provides technical assistance to the communities / WASH beneficiaries (educational institutions and HCFs) in the supervision of works and in the process of handover;
* **Energy Efficiency consultant** will provide support to Project manager and procurement specialists in preparing and reviewing requirements of Bidding Documents and technical specifications related to procurement of goods for WSS operators under the Sub-component 2.2 (Leak reduction equipment, pressure meters, bulk water, meters for DMAs, SCADA, pump replacement, tools and equipment for excavation etc.)
* **Civil Engineer** for Sub-component 2.2 will provide support to Project manager and procurement specialists in preparing and in reviewing the technical requirements of Bidding Documents and technical bids related to procurement of works for WSS operators under the Sub-component 2.2 (Civil works for creation of DMAs, rehabilitation/replacement of pipes to reduce leakage, minor expansion etc).
* **Institutional and utility development expert for Component 2** will be responsible for coordination of all activities and will provide support in preparing and in reviewing the technical requirements of Bidding Documents and technical bids under this component.
* **Rural Sanitation Engineer for implementation coordination and capacity building** will be responsible for coordination of all activities under the “On-site rural sanitation pilot” activity of the project. He / She will provide also support to the Procurement specialist in preparing and reviewing the requirements of Bidding Documents and technical bids related to the mentioned activity.
* **Legal consultant** will provide support to PIU in reviewing and signing the project implementation agreement, RDA support agreements, LPA coordination agreements, WASH facility agreements, Sewer connection household agreements, Sanitation household agreement and other project related legal documents.
* **RDAs Environmental consultants**. A short-term consultant for each RDA for specific technical inputs will be hired to support the PIU's Environmental Specialist. They will participate in procurement processes as well as supervise the Contractors to ensure the environmental clauses of the Contract are respected during the works. Besides, the RDA Environmental consultants will closely cooperate and interact with the Supervising Engineer. They will act as contact person for and will work in close cooperation with the local environmental authorities. The RDA Environmental consultants will report directly to PIU Environmental Specialist.
* **RDA social and citizen engagement consultants**. The short-term social and citizen engagement consultants will cooperate closely with the subproject Contractors, LPA and the PIU Gender and Citizen Engagement Specialist and Social Specialist in order to evaluate and mitigate social risks at the subproject level and ensure gender and citizen engagement under project implementation. The short-term RDAs social and citizen engagement consultant**s** will report directly to PIU Social Specialist.
* **RDA technical specialists** will provide support to RDAs to carry out their technical responsibilities listed out in the RDA support agreement. They will not be covered from the project costs. Additional financial support to RDA will be provided from Regional Development Fund for such purposes.

ToRs for consultants in support of the PIU will be developed by PIU team and approved by PCG when launching procurement of the respective consulting services.

|  |  |  |
| --- | --- | --- |
| **Time** | **Focus** | **Skills Needed** |
| First 18 months | * Support to detailed design processes of subprojects * Support to site-Specific ESF documentation * Support to feasibility studies wastewater subprojects and designs * Procurement of works and contracts award * Establishing implementation planning, M&E and reporting systems * FM, procurement, and ESF training where needed * Launching and reviewing critical ToRs across all subcomponents * Support to institutional delegation aspects and tariff assessments * Support to introducing innovations in the Project | A variety of skills, such as engineering, utility management, wastewater, tariff regulation, environment, project management, fiduciary, and M&E, WASH and hygiene behavior change, institutional expertise and strategic planning, rural sanitation |
| 18–60  months | * Construction works and supervision * Social mobilization and inclusion interventions * FM, procurement, and ESS compliance * Contract administration and management * Institutional and stakeholder processes for National planning and sector financing * Implementation of training programs * Supporting innovations in the project | A variety of skills, such as engineering, utility management, wastewater, tariff regulation, environment, project management, fiduciary, and M&E, WASH and hygiene behavior change, institutional expertise and strategic planning, rural sanitation |

## 2.3. Results monitoring and evaluation arrangements

The Project will be monitored by teams in the PIU, MIRD and RDAs, ANRE, WSS Operators based on agreed monitoring arrangements and required reporting procedures. Monitoring and Evaluation (M&E) of results will take place against the indicators in the Results Framework and procedures detailed in the Annex 4.

The PIU is responsible for (i) monitoring the performance of the project towards achievement of the PDO (described in subchapter 3.1.) and result indicators on a semi-annual basis; (ii) implementation progress against all activities and the timely identification of bottlenecks. The PIU, through its M&E Specialist, with the support of MIRD, RDAs, WSS Operators and LPAs, coordinates all data collection, consolidates, and integrates progress and results in semi-annual Project progress reports.

A project-level M&E system will be developed, baseline assessments for relevant indicators will be conducted in year 1, with subsequent follow-up assessments, such as for KPIs and PIP implementation of the selected WSS Operators. Citizen engagement surveys, will be launched semi-annually, using a digital platform. In this way some indicators like population involvement, population’s satisfaction about the projects activities etc. will be measured.

A detailed review on the implementation progress will be conducted at the Project’s Mid-Term Review (MTR) to assess course correction where needed. Subject to a satisfactory implementation of Project activities, the mid-term review will also assess any potential for Additional Financing or follow-up engagement in the WSS sector building on the future NWSSDP. All the preliminary identified subprojects have the potential to connect additional beneficiaries in nearby localities that could help increase the viability of the WSS systems and augment the development impact of the project.

**The development and roll-out of a MIS system for performance monitoring of WSS operators is included under subcomponent 2.1 of the Project.** The WSS MIS will not include any personal data. The MIS will comprise mandatory KPIs for licensed operators, and will be developed as a critical instrument to: i) introduce benchmarking through KPIs for licensed operators; ii) provide an e-governance interface for regulatory processes administered through ANRE; iii) inform NWSSDP implementation by ensuring that basic data on rural (unlicensed) operators are included.

The expected results in terms of expected outputs and outcomes are reflected in the Results Chain (see Fig.1). Annex 4 presents the Project’s Results Framework and Monitoring that defines specific outcomes and results to be monitored under the Project.

Monitoring of contracts implementation progress will include: on-site visits, systematic working meetings, progress reports submitted by the Supervision Engineer, weekly and/or monthly progress reports submitted by the Contractors/Consultants (such responsibility will be specified under the Contract provisions).

# 3. PROCUREMENT ARRANGEMENTS

These procurement arrangements will be applied for procurement under the Project Component 1 – Increasing access to safely managed water supply and sanitation services in selected rural areas and small towns, Component 2 - Strengthening institutional capacity at national and local levels for WSS service delivery and Component 3 - Project Management and Coordination. The procurement arrangements for the Component 4 - Contingent Emergency Response Component (CERC) are described in the Operational Manual for CERC Component (Annex 11).

## General rules for procurements

Procurement under the MWSSP will be carried out in compliance with the provisions of the Financing Agreement and the Loan Agreement ("Agreements") between the International Development Association and International Bank for Reconstruction and Development and the Republic of Moldova, and based on the World Bank Procurement Regulations for Investment Project Financing (IPF) Borrowers – Procurement in IPF of Goods, Works, Non-Consulting and Consulting Services, November 2020 (hereinafter referred to as “Procurement Regulations”), and with the Guidelines on Preventing and Combating Fraud and Corruption in Projects Financed by IBRD Loans and IDA Credits, as of July 1, 2016 (hereinafter referred to as “Anti-Corruption Guidelines”).

The procurement process under the project shall be grounded on the following objectives:

1. Highest standard of ethics and refrain from fraud and corruption. All potential bidders shall be treated equally and shall have equal opportunities with credible mechanism for addressing complaints. The procurement process shall be transparent, unambiguous. Relevant procurement information shall be publicly available.
2. Value for money objective shall be achieved by selection of the bid/offer that the best meets the end-users’ need through effective, efficient, economic use of resources upon evaluation of relevant costs and benefits, along with assessment of risks and non-price attributes.
3. Apply fit for purpose principle by determining the most appropriate approach to meet the Project development objectives and outcomes with due consideration of context and risks, complexity of the procurement.
4. The procurement processes shall be proportional to the value and risks of the underlying Project activities in order to achieve efficiency. Efficiency shall be accomplished by avoiding delays in the procurement arrangements.
5. Fairness, integrity and transparency principals shall be achieved by ensuring competitive process is fair, open and based on Bank rules and procedures. The procurement process shall be based on highest standard of ethics and refrain from fraud and corruption. All potential bidders shall be treated equally and shall have equal opportunities with credible mechanism for addressing complaints. The procurement process shall be transparent, unambiguous. All procurement information, which is subject to disclosure, shall be publicly available.
6. The procurement processes shall be efficiently organized as to ensure that the timeline for each tender does not exceed the originally estimated period for the applicable method (during Project implementation period).

The various items under different expenditure categories listed out in agreementsare described below. For each contract to be financed by the Project, different procurement/selection methods for Goods, Works, Non-consulting Services and Consulting Services, estimated costs, review requirements, and time frame are agreed between the Government and the Bank in the Project Procurement Strategy for Development and the Project Procurement Plan (PP).

The **Project Procurement Strategy for Development** (PPSD) was prepared to determine the most appropriate procurement approach applied for Moldova Water Supply and Sanitation Project to deliver the expected procurement result for the project implementation. The PPSD has taken into consideration, inter alia, the market situation, the operational context, previous experience, and the risks present.

The **Procurement Plan** (PP) provides information on procurement packages, selection methods, procurement approach, estimated contract value, post/prior review status, procurement timeline, contract signature date, name of consultant/contractor, contract duration and signed amendments. The contracts under each project component are set forth in PP items, so as the implementing agency with the support of project beneficiaries could do the planning of the project procurements.

The initial PP for the entire scope of the project was developed by PIU during appraisal and Loan negotiation. Then the detailed and updated PP will be included by PIU in the Systematic Tracking of Exchanges in Procurement (STEP).

STEP is the online tool for procurement planning and tracking to be used by the PIU to prepare, clear and update the PP and conduct all procurement transactions under the project including monitoring performance, manage and store related documentation for all steps in a procurement activity.

STEP will provide information on PP projected for each component, on PP execution status, and particularity of each contract financed under the project. STEP will be used by PIU as well as all project beneficiaries, since, in addition to technical data, it will provide valuable management information.

STEP includes activities that are prior reviewed by the Bank and contracts subject to post review.

No procurement will be carried out for any activity that is not included in the procurement plan in STEP and cleared by the Bank.

The PP will be updated from time to time to address the Project needs, any updates to it, after coordination with the Beneficiaries and approval of PIU Director, will be submitted to the World Bank by STEP for review and approval.

For the purpose of this project, the World Bank will exercise its procurement oversight through a risk-based approach comprising prior and post review or independent procurement reviews, as appropriate.

All documentation with respect to each procurement will be retained by PIU according to the requirements of the Financing/Loan Agreements and submit such documentation to the World Bank upon request for examination by the World Bank or by its consultants/auditors. Documents with respect to procurement subject to post review will be furnished to the World Bank upon request.

The Procurement Prior Review Thresholds are set by the World Bank based on the project procurement risk level. The contracts at or above the set thresholds are subject to national and international advertising, and the use of the World Bank’s Standard Procurement Documents. The thresholds may be modified throughout the project implementation period to reflect the changes in the procurement performance of the project.

The post reviews will be conducted by the World Bank on the procurement processes undertaken by the PIU to determine whether they comply with the requirements of the Agreements.

The project envisages the following procurements:

* Procurement of Works,
* Procurement of Non-consulting Services,
* Procurement of Consulting Services and
* Procurement of Goods.

In case of discrepancies between the Operational Manual and the Loan Agreement and Financing Agreement, the provisions in the Agreements will prevail.

## Procurement Management

According to the Financing Agreement and Loan Agreement, Schedule 2, Section I. “Implementation Arrangements”, the procurement under MWSSP will be carried out in compliance with the requirements and policies of the World Bank by the Project Implementation Unit founded by MIRD, acting as the Project Implementation Unit.

The fiduciary roles and responsibilities of the PIU will be listed out in the Project Implementation Agreement between the MIRD, on behalf of the Borrower and the PIU, and thereafter maintained throughout project implementation.

The PIU will ensure fulfillment of its procurement roles and responsibilities for the assignments related to the project and described in the PP. In doing so, the PIU will be supported by WSS engineers, WASH engineer, Energy Efficiency consultant, Civil Engineer, Institutional Expert, Rural Sanitation Pilot Coordinator, Legal advisor, Environmental Specialist, Social specialist, RDAs environmental and social citizen engagement consultants and RDA technical specialists. MIRD, Ministry of Finance (MoF), Ministry of Education and Research (MoER), Ministry of Health (MH), Ministry of Labor and Social Protection (MLSP) and Ministry of Internal Affairs (MIA), the selected LPAs will provide support to PIU by delegating specialists involved in all stages of Project implementation: procurement planning, preparation of bidding documents and terms of reference, evaluation of bids/proposals and selection of contractors / consultants, engineering design, construction, installation, testing, commissioning and quality control, control of the implementation of measures for environmental protection and health at work, etc. as well as, the examination and approval of consultants' deliverables.

For the assignments where the PIU will act as employer and payer, the contracts will be signed by NORLD Director and the respective awarded contractors/consultants/suppliers. For the rest of the assignments where LPAs for sanitation and WASH facilities, WSS operators will act as employers for the contract, the PIU will assume the only role of payer. The PIU will establish close collaboration and good interaction with all the parties in all phases of project implementation, including project management. The roles and responsibilities of each party will be clearly described in the implementation agreements signed between the parties.

To support the PIU, the procurement specialist and the procurement officer will be responsible to carry out all steps in the tendering process, such as preparation of procurement documentation, short-listing, negotiating contracts, maintaining an adequate filling in STEP, updating the procurement plan, etc.

Detailed description and implementation arrangements of procurement process are presented below:

|  |  |  |  |
| --- | --- | --- | --- |
| **#** | **Procurement steps** | **Responsible agency** | **Indicative timeframe**  **(weeks)** |
|  | Publishing of General Procurement Notice | NORLD / PIU | Promptly following Board approval |
|  | Preparation of TORs and Technical Specifications | NORLD / PIU  LPAs where the civil works for water supply and sanitation, including WASH activities will be done  WSS Operator | According to the Procurement Plan |
|  | Preparation of Procurement Documentation[[2]](#footnote-2) | NORLD / PIU | According to the Procurement Plan |
|  | Approval of Procurement Documentation | WB | 1-2 weeks[[3]](#footnote-3) |
|  | Publishing of Specific Procurement Notices | NORLD / PIU | 1 week |
|  | Issuance of Procurement Documentation | NORLD / PIU | Upon request from potential Applicants/Bidders |
|  | Obtaining of bids/proposals up to the deadline and public opening**[[4]](#footnote-4)** | PIU and Evaluation Committees | According to the rules for each type of selection method |
|  | Bids/proposals evaluation | Evaluation Committee with PIU support | 3-4 weeks for large contracts, 1-2 weeks for small contracts |
|  | *Notification of Intention to Award the Contract[[5]](#footnote-5)* | *PIU* | *2-5 days* |
|  | *Standstill Period (Debriefing session)* | *PIU* | *1-2 weeks[[6]](#footnote-6)* |
|  | Notification of Contract Award | PIU | 1 week |
|  | Publication of Contract Award Notice | NORLD / PIU | 2 weeks |
|  | Contract signing | NORLD / PIU  LPAs  WSS Operators | 1-3 weeks |
|  | Contract management | NORLD / PIU  RDA North  RDA South  RDA ATU Gagauzia  LPAs  WSS Operators | According to contract terms and conditions |

All the communication on procurement aspects between the PIU and the World Bank will be carried out by PIU Director, after being coordinated and agreed with the PIU Project Manager.

Similarly, all communication of procurement procedure aspects between the PIU and project parties, including the Applicants/Bidders/Proposers/Consultants during the different stages of the procurement process will be officially done by PIU Director after being coordinated and agreed with the PIU Project Manager and shall be in writing with proof of receipt.

## Publication of procurement notices

In accordance with paragraph 5.22 of the Procurement Regulations, timely notification of procurement opportunities is essential in competitive procurement. The PIU, on behalf of the MIRD and the Borrower, will advertise the following procurement opportunities:

* **A General Procurement Notice (GPN)** is required to be issued for all procurement financed by the Bank that is expected to involve open international competitive procurement (except for operations involving a program of imports) and to be published before starting any such procurement activity under the project. As requested, the PIU will prepare and submit to the Bank a GPN to be published in UN Development Business online (UNDB online) and on the Bank’s external website. At the same time the GPN will be published on the PIU and IAs/Beneficiary’s websites (if any). The GPN will describe the information: a) the name of the Borrower (or prospective Borrower); b) the purpose and amount of the financing; c) the scope of procurement reflecting the Procurement Plan; d) the Borrower’s contact point; e) if available, the address of a free-access website on which the subsequent Specific Procurement Notice/s (SPNs) will be posted; and f) if known, an indication of the scheduled dates for the specific procurement opportunities.
* **Specific Procurement Notices (SPNs)** for open international competitive procurement will be advertised in UNDB online, in at least one newspaper of national circulation in Moldova and on PIU and IAs/Beneficiary’s websites. Also, SPNs will be submitted to those who responded to the GPN. Additionally, the well-known companies in the field of construction will be provided with the advertisements as an additional measure to increase competition. SPNs for national competitive bidding will be published in Official Gazette and on PIU website.
* **Requests for Expressions of Interest (REOIs)** including the final ToR will be published in a national newspaper or an electronic portal with free access.
* **Contract Award Notices (CANs)** are required to be published for all contracts, whether subject to the Bank’s prior review or post review. The PIU will publish the CANs within 10 (ten) Business Days from the issue of the Notification of Contract Award to the successful Bidder/Consultant. The CAN will be published on the PIU and IAs/Beneficiary’s websites (if any) or in at least one newspaper of national circulation in the country. In the case of international competitive procurement, the Contract Award Notice will also be published in UNDB online and Bank’s external website.

The procurement notices will be drafted by the procurement specialist and/or procurement officer and approved by the PIU Manager and PIU Director.

## Procurement Documents

For international competitive procurement and for procurement involving national competitive procurement, the PIU will use the Standard Procurement Documents (SPDs), available on the Bank’s external website at [www.worldbank.org/procurement/standarddocuments](http://www.worldbank.org/procurement/standarddocuments). Additionally for the national competitive procurements the PIU may use sample bidding documents (former NCB document, Shopping, Simplified RFP etc.) adjusted to Procurement Regulations provisions and agreed with the World Bank.

## Evaluation Committee

The Evaluation Committee (EC) for the project procurements will be established by the PIU through P.I PIU Ordinance, based on the list of representatives nominated by the IAs/ project Beneficiaries. Any changes in the membership of the committee will be done based on the request of the IAs/ project Beneficiaries proved by an official letter or ordinance of the respective authority

The EC will be formed up of 5 members, depending on the size and complexity of the assignment The EC will have 3 permanent members: one representative of MIRD (representative of water division), of Ministry of Economy, and PIU Director (or any P.I. PIU permanent staff). Additionally, two members will be included in the committee depending on respective evaluated assignments, as follows:

* For the Sub-component 1.1, for Feasibility Studies, ESMPs, DEDs and author supervision assignments – the Consultant to provide support to MIRD (comp 1.1) and PIU Chief WSS Engineer;
* For the Sub-component 1.1, civil works contracts for Riscani sub-project – the RDA North Director and one WSS engineer from the RDA North appointed for the purposes of MWSSP implementation;
* For the Sub-component 1.1, civil works contracts for Cahul/Gagauzia sub-project – the RDA South Director and one WSS engineer from the RDA South appointed for the purposes of MWSSP implementation;
* For the Sub-component 1.1, civil works contracts for Soroca sub-project – the RDA North Director and one WSS engineer from the RDA North appointed for the purposes of MWSSP implementation;
* For the Sub-component 1.1, civil works contracts for Comrat sub-project – the RDA ATU Gagauzia Director and one WSS engineer from the RDA ATU Gagauzia appointed for the purposes of MWSSP implementation;
* For the sub-component 1.2 “Improving WASH facilities in public social institutions” – one representative from MoER / MoH and PIU WASH Engineer;
* For the component 2.1 (for assignments where MIRD acts as employer) - Consultant to provide support to MIRD for subcomponent 2.1 and MIRD water specialist;
* For the sub-component 2.2 (other than civil works) - Energy Efficiency consultant for comp. 2.2 and WSS Operator representative;
* For the sub-component 2.2 (civil works) - Civil engineer for comp. 2.2 and WSS Operator representative;

## Procurement types

1. ***Procurement of Works***

Currently under the project Component 1 and 2 there are 8 contracts for works with total value of EUR 36.7 mln. The civil works under the project include construction of critical water and wastewater infrastructure, wastewater treatment plants and purification plant, expansion of sewage network, WASH facility rehabilitation and new construction for Health Center Facilities and schools and works for WSS operators according to the developed Performance Improvement Plans. Other works may be procured if agreed between Borrower and the World Bank.

For the work contracts for construction of wastewater treatment plants and water purification plants procured under sub-component 1.1 (Riscani, Cahul/ATU Gagauzia, Soroca and Comrat sub - projects) , it is suggested to apply open competition with a national market and RFB one-envelope approach. The SPN will be also published in UNDB online, local newspapers, public access portals, etc. The bidding documentation will be based on the World Bank’s Standard Procurement Documents for Procurement of Works - Request for Bids (without prequalification) and available on the World Bank web page.

For the rest pf the contracts procured under the sub-component 1.1 the same open competition with a national market and RFB one-envelope approach will be applied and the SPN will be published in at least one newspaper of national circulation in Moldova and on PIU and IAs/Beneficiary’s websites, except UNDB online. RFB will be used as simplified bidding documentation for works – previously used for National Competitive Bidding (NCB) procedure, adapted to the Standard Procurement Documents for Procurement of Works and agreed with the World Bank.

The packages and lots under each contract for such works will be determined by the PIU, RDAs, LPAs and WSS Operators only after the detailed engineering design is ready. If needed, for very small contracts up to EUR 0.165 mln (US$0.2 million), the works may be procured using Request for Quotations (RFQ) method. RFQ will be used as simplified bidding documentation for works (previously used for Shopping procedure) adapted to the Procurement Regulations provisions and agreed with the World Bank.

1. ***Procurement of Goods***

Currently, under the project, there are 8 contracts for Goods which value about EUR 673.2 thousand (or US 815.0 thousand). These refers to Production of promotion materials, brochures, billboards and posters with information for all subprojects Software applications and licenses for MIS systems ANRE/MIRD (possibly e-regulation application); IT support IT equipment for WSS MIS systems MIRD and ANRE to support benchmarking Accounting/billing/asset management software, IT services,, Office/IT equipment for PIU (may be several contracts/lots), Office/IT equipment MIRD and RDAs project offices (may be several contracts/lots) Software licenses etc.. Considering the peculiarities and the value of the goods to be procured under these contracts, the RFQ selection method will be applied (provided the cost estimate for each such contract is within the RFQ threshold). The simplified sample bidding documents adjusted to the Procurement Regulations provisions and agreed with the World Bank are proposed to be applied for RFQ. IAs may suggest the list of companies to which the Invitation to Quote can be issued.

The procurement of leak reduction equipment, pressure meters, bulk water, meters for DMAs, SCADA, pump replacement, tools and equipment for excavation will be done based on the results of the operator’s performance assessments and the procurements may be split in lots, one per each operator. Open National Competitive procurement with single envelope approach will be applied for these contracts. The PIU will apply the simplified sample bidding documents agreed with the World Bank to prepare the tender documentation. The evaluation method is “the lowest evaluated cost” and will be used under RFQ methods.

Other goods may be procured if agreed between GoM and the World Bank.

1. ***Procurement of Non-Consulting Services***

There is only one significant Non/consulting (technical) services contract under the Component 2.1 of the projects, which relates to “Professional development program: delivery of BSc and Technical Colleges degrees and BSc WSS cohort; study exchanges” activity. The amount of the contract is estimated to be EUR 264.3 thousand (or US$ 320 thousand equivalent). It is proposed to apply the direct selection of the Technical University of Moldova (the Institute for Continuous Learning in the field of Water Supply and Sanitation for members of AMAC) due to their sole experience in Moldova providing professional development programs for WSS operators and experts and being the only one institution in Moldova which have the Study Program officially approved by the Ministry of Education, Culture and Research and good technical facilities and qualified staff to provide such services.

The direct selection (sole source selection) approach will be applied by the PIU according to the World Bank Procurement Regulations for IPF Borrowers. A comprehensive justification will be prepared with the support of MIRD and technical experts. It will be ensured that the prices for these technical services are reasonable and consistent with the market rates for items of a similar nature.

1. ***Procurement of Consulting Services***

The consulting services under the project include detailed design and site-specific ESF documents in Soroca, Riscani, Cahul, UTA Gagauzia, and author supervision and training and support to WASH committees for hygiene behavior change; National WSS development plan, investment program and financing framework; and various assignments for individual consultant such as project advisor, technical assistant, procurement, financial management, safeguard etc. About 42 contracts (21 for companies and 22 for individual consultants) in amount of EUR 5.5 million (or US$6.7 million equivalent) are included in the project PP.

As regards the Consulting Services (except the directly selected), the Open National and International market approach will be followed, and the selection methods shall be also defined based on fit-for-purpose and value for money considerations. For international competitive bidding, the Standard Request for Proposals will be used.

According to the procedures provided in the Procurement Plan, the following selection methods will be used:

* Quality Cost-Based Selection (QCBS);
* Consultant’s Qualification Based Selection (CQS);
* Selection of Individual Consultants (IC);
* Least Cost Based Selection (LCS);
* Direct Selection (single source or sole source selection) – may be used for selection of consultants for some specialized and low value contracts and/or for employment of current PIU staff and other individual consultants. Justification for this method should be provided and should be in line with the provisions of the Procurement Regulations.

Consultants for the higher risks or critical assignments (Technical supervision companies for independent supervision under Component 1 and National Water Supply and Sanitation Development Plan (Territorial WSS Plan) and prioritized investment program, financing and implementation framework and strengthening lead agency under Component 2) will be selected using QCBS method and international market approach. Standard Procurement Documents (SPDs) should be used (Request for Proposals - Consulting Services), including all the relevant provisions in the Procurement Regulations for IPF Borrowers applicable for procurement activities where SPDs are used.

Similarly, for Least Cost Selection (LCS) method the Standard Procurement Documents (SPDs) should be used (Request for Proposals - Consulting Services), including all the relevant provisions in the Procurement Regulations for IPF Borrowers applicable for procurement activities where SPDs are used.

For CQS and IC selection methods should be used the simplified sample bidding documents for similar services agreed with the World Bank. The Request for Expressions of Interest (REOI) will be advertised on IAs webpages, including in at least one newspaper of national circulation. IAs may suggest the list of candidates which could be invited to express interest.

1. ***Trainings***

The MWSSP envisage conduction of the number of training activities: “Training and workshopson new WSS law, asset management plan, business planning, delegation contracts, tariffs, benchmarking, MIS system (several contracts); Training for utility staff; workshops for citizen engagement; other consultation events during five-year implementation (several contracts) and Training for PIU and RDA staff on Procurement, FM, ESF, contract management; training for members of the tender committees.

Expenditures related to such training activities include: (a) expenditures for local training and workshops (per diems of participants to cover transportation, lodging and subsistence); minor organizational expenses (stationery, handouts, training materials and coffee breaks); (b) expenditures for international study tours – international travel and visa costs, per diems (lodging and subsistence) and course-related expenses (fixed tuition or participation fee).

1. ***Operating Costs***

“Operating Costs” means the reasonable incremental expenses incurred by the Borrower on account of Project implementation, including costs related to office equipment and supplies, vehicle operation and maintenance, shipping costs, office rentals, communication and insurance costs, office administration costs, bank charges, utilities, transport costs (including the drivers related costs), travel, per diem and supervision costs or such other costs as agreed with the Bank.

## Selection Methods

***A. Procurement of works, goods, and non-consulting services.*** Given the value and complexity of the works, goods and non-consulting services contracts, Open National and International competition is the suggested approach to be procured by applying the following methods:

1. **Request for Bids (RFB):** A RFB is a competitive method for the solicitation of Bids. It is used when, because of the nature of Goods, Works, or Non-consulting Services, the Client is able to specify detailed requirements to which Bidders respond in offering Bids. Procurement under this method should be conducted in a single-stage process. Qualifying criteria (minimum requirements normally evaluated on pass/fail basis) should be normally used with RFB.

***Chart 1. Process flow chart: RFB One-envelope process (without Prequalification)***

|  |
| --- |
| 1. Preparation of Technical Specifications (TS) |
|  | **Approval of the IAs** |
| 2. Preparation of the Procurement Document (RFB)[[7]](#footnote-7) |
|  | **Approval of the IAs**  **Minimum of 30 business days** |
| 3. Publish Specific Procurement Notice (SPN), Issuing of RFB to bidders |
|  |
| 4. Clarification period – Bidders can ask questions[[8]](#footnote-8) |
|  |
| 5. Deadline for submission of Bids  Public opening of bids |
|  |  |
| 6. Evaluation of bids. Identification of “The Most Advantageous Bid”. Bid evaluation report sent to the Bank.[[9]](#footnote-9) |  |
|  | **Bank's No-Objection**[[10]](#footnote-10) |
| 7. Make decision to award the Contract |
|  |
| *8. Issue the Notice of Intention to Award* |
|  | **Applicable when the SPDs are used** | |
| *9. Standstill Period: Min 10 Business Days****[[11]](#footnote-11)*** *(Debriefing session****[[12]](#footnote-12)****)* |
|  |
| 10. Award the contract |
|  |
| 11. Sign Contract, obtain Performance Security, appoint adjudicator |
|  |
| 12. Publish the Contract Award Notice |
|  |
| 13. Contract Management |

1. **Request for Quotations (RFQ):** A RFQ is a competitive method that is based on comparing price quotations from firms. This method should be applied and used when the more complex methods for procuring limited quantities or readily available off-the-shelf Goods, Works or Non-consulting Services, standard specification commodities, or simple civil Works of small value are not used.

Quotations should be obtained through advertisement of SPNs or, when limited competition is justified, through a request for quotation (RFQ) to a limited number of firms. To ensure competition, the IAs should request quotations normally not fewer than three (3) firms.

The SPNs will be advertised on IAs webpages, on PIU webpage, including in at least one newspaper of national circulation.

The quotations may be submitted by letter, facsimile or by electronic means.

***Chart 2. RFQ Steps and Sequences Process***

|  |
| --- |
| 1. Preparation of Technical Specifications (TS) |
|  | **Approval of the IAs** |
| 2. Preparation of the Procurement Document (RFQ) |
|  | **Approval of the IAs** |
| 3. SPNs Publication |
|  |
| 4. Issuing of RFQ to bidders and receipt of quotations |
|  |
| 5. Evaluation of quotations. Identification of “The Most Advantageous quotation”. |
|  |
| 6. Make decision to award the Contract |
|  |
| 7. Award the contract |
|  |
| 8. Contract signing |
|  |
| 9. Publish the Contract Award Notice |
|  |
| 10. Contract Management |

1. **Direct Selection:** The direct selection method may be applied by the IAs by approaching and negotiating with only one firm. This selection method may be appropriate when there is only one suitable firm or there is justification to use a preferred firm.

Direct selection may be appropriate under the following circumstances:

* 1. the Goods, Works, or Non-consulting Services provided in the Borrower’s country by an SOE, university, research center or institution of the Borrower’s country are of a unique and exceptional nature in accordance with Paragraph 3.23 c. of Procurement Regulation, i.e. “..when when the Goods, Works, Non-consulting Services, or Consulting Services provided by SOEs, state-owned universities, research centers, or institutions are of a unique and exceptional nature because of the absence of suitable private sector alternatives, or as a consequence of the regulatory framework, or because their participation is critical to project implementation, the Bank may agree to the contracting of these entities on a case-by-case basis.”
  2. an existing contract, including a contract not originally financed by the Bank, for Goods, Works, or Non-consulting Services, awarded in accordance with procedures acceptable to the Bank, may be extended for additional Goods, Works, or Non-consulting Services of a similar nature, if
  3. it is properly justified;
  4. no advantage could be obtained through competition; and
  5. the prices on the extended contract are reasonable;
  6. there is a justifiable requirement to re-engage a firm that has previously completed a

contract, within the last 12 months, with the Borrower to perform a similar type of contract.

The justification shall show that:

1. the firm performed satisfactorily in the previous contract;
2. no advantage may be obtained by competition; and
3. the prices for the direct contracting are reasonable;
   1. the procurement is of both very low value and low risk, as agreed in the Procurement Plan;
   2. the case is exceptional, for example, in response to Emergency Situations;
   3. standardization of Goods that need to be compatible with existing Goods may justify additional purchases from the original firm, if the advantages and disadvantages of another brand or source of equipment have been considered on grounds acceptable to the Bank;
   4. the required equipment is proprietary and obtainable from only one source;
   5. the procurement of certain Goods from a particular firm is essential to achieve the required performance or functional guarantee of an equipment, Plant, or facility;

or

* 1. direct selection of UN Agencies in accordance with Paragraphs 6.47 and 6.48 of the “[Procurement Regulations for IPF Borrowers](http://www.worldbank.org/en/projects-operations/products-and-services/brief/procurement-new-framework)”.

In all instances of direct selection, the IAs/Beneficiaries shall ensure that the prices are reasonable and consistent with the market rates for items of a similar nature and the required Goods, Works, or Non-consulting Services are not split into smaller-sized procurement to avoid competitive processes.

***B. Selection of consultants.***

1. **Quality and Cost Based Selection (QCBS)**: is a competitive process among Shortlisted consulting firms under which the selection of the successful firm takes into account the quality of the Proposal and the cost of the services. The request for proposals document shall specify the minimum score for the technical Proposals. The relative weight to be given to the quality and cost depends on the nature of the assignment. Among the Proposals that are responsive to the requirements of the request for proposals document and are technically qualified, the Proposal with the highest combined (quality and cost) score is considered the Most Advantageous Proposal.

This method will include the following steps:

|  |
| --- |
| 1. Preparation of the complete TOR and the estimated budget |
|  |  | **Bank's No-Objection** | |
| 2. Preparation of REoI |
|  |  |
|  |  |
| 3. Advertising of the request for expression of interest (REoI) in UNDB online + local newspaper+ IAs’ web-sites and PIU web-site |
|  |
|  |
| 3. Preparation of the short list of consultants and preparation and issuance of RFP |
|  |  | **Bank's No-Objection**[[13]](#footnote-13) | |
|  |  |
| 4. Receipt of proposals |
|  |
|  |
| 5. Evaluation of the technical proposals |
|  |  | **Bank's No-Objection**[[14]](#footnote-14) | |
|  |  |
| 6. Public opening of financial proposals and evaluation including combined evaluation |
|  |  | **Bank's No-Objection**[[15]](#footnote-15) | |
|  |  |
| 7. Negotiations with highest scoring proposal’ applicant |
|  |  | **Bank's No-Objection**[[16]](#footnote-16) | |
|  |  |
| *8. Notification of Intention to Award the Contract[[17]](#footnote-17)* |
|  | **Applicable when the SPDs are used** | |
| *9. Standstill Period[[18]](#footnote-18) (Debriefing session****[[19]](#footnote-19)****)* |
|  |
|  |
| 10. Notification of Contract Award |
|  |
| 11. Publication of Contract Award Notice |
|  |
| 12. Contract signing |
|  |
| 13. Contract Management |

1. **Least Cost Selection (LCS):** The LCS is a competitive process among Shortlisted consulting firms under which the selection of the successful firm takes into account the quality of the Proposal and the cost of the services. LCS will be used for assignments of a standard or routine nature (such as financial audits or engineering designs of non-complex Works), for which well-established practices and standards exist. The request for proposals document specifies the minimum score for the technical Proposals. Among the Proposals that score higher than the minimum technical score, the Proposal with the lowest evaluated cost is considered the Most Advantageous Proposal. For the given project the LCS method will be used for the selection of the Consultant who will perform the *Project* “*Financial Audits*”.
2. **Selection Based on Consultants’ Qualifications (CQS):** The CQS method may be used for small assignments for which the need for preparing and evaluating competitive proposals is not justified. CQS is appropriate for small assignments or Emergency Situations in which preparing and evaluating competitive Proposals is not justified. In such cases, the request of expression of interest (REOI) should be prepared, issued and requested by attaching the TOR to the REOI. At least three qualified firms shall be requested to provide information about their relevant experience and qualifications. From the firms that have submitted an EoI, the firm with the best qualifications and relevant experience should be selected and invited to submit its technical and financial Proposals for negotiations. Advertisement of REOIs is not mandatory. The Standstill period should not be applied for CQS procedure.
3. **Individual Consultant (IC):** Individual Consultants are selected, based on IC method, for an assignment for which: (a) a team of experts is not required; (b) no additional home office professional support is required; and (c) the experience and qualifications of the individual are of paramount requirement.

Individual consultants are selected on the basis of their qualifications for the assignment. In this case advertising is not required and consultants shall not submit proposals. Consultants will be selected based on comparison of the qualifications of at least three candidates who have expressed the interest in the assignment or have been directly approached by the client.

Nevertheless, advertisement through REoIs is encouraged, particularly when the IAs do not have knowledge of experienced and qualified individuals, or of their availability, the services are complex or there is potential benefit from wider advertising.

Also, for the PIU staff, Individual Consultants may be selected on direct selection basis, with due justifications.

## Contract Management

The NORLD Director will sign the contracts thus NORLD will act as employer and PIU will ensure all the necessary procedures for the procurement of works and services, in close coordination and approval with the bank. In order to facilitate a proper management of the contracts signed under the project and monitoring of project activities, the PIU will follow the requirements of the “[Procurement Regulations for IPF Borrowers](http://www.worldbank.org/en/projects-operations/products-and-services/brief/procurement-new-framework)” and the WB Procurement Guidance on Contract Management (Practice). A Contract Management Plan (CMP) will be developed for each contract signed (Annex 7. Contract Management Plan (template)) and followed during the overall implementation process. According to the mentioned Guidance, a contract manager or a contract management team will be appointed for each contract signed under the project.

## Standards of confidentiality

All persons involved in procurement or any other aspect of the bidding process are expected to adhere to the highest standards of confidentiality and ethical conduct.

This means that information relating to a procurement process or a bid / proposal, in particular sensitive information, such as, the names of the evaluators, the results of the evaluation process, cost estimates or any other confidential information, will not be disclosed to any party at any time, except for information that may be published in accordance with points 5.20, 5.93-5.95 of the WB Procurement Regulation.

All communications and exchanges of information during biddings and the evaluation period of bids/proposals will be submitted only in writing by electronic means of communication. In all operations of communication, exchange and storage of information, it will be ensured the maintenance of data integrity and the protection of the confidentiality of the bids and proposals received during the tenders as well as of all the information communicated by the participants in the bidding process.

During the process of bid/proposal evaluation, the confidentiality will be maintained by all participants in the evaluation process: the members of Evaluation Committee, of technical groups (if any), the PIU and PIU technical experts involved in the procurement process. The content of bids and proposals may not be disclosed outside the Evaluation Committee. To this end, the persons involved in the evaluation process must sign a Declaration of impartiality and confidentiality.

The members of the Evaluation Committee of technical groups (if any) and observers who have or may have a real or potential conflict of interest with any consultant / bidder or applicant must declare it and withdraw immediately from the Evaluation Committee / technical group.

PIU have the obligation not to disclose confidential information communicated by a bidder or consultant to other bidders / consultants, without his written consent.

Documents with sensitive and/or confidential information will be kept in a safe place with limited access, unless being worked on.

## Procurement records

The PIU will maintain the complete procurement records. The files will provide separate information and documentation for each procurement package, and each procurement activity will be filled separately, in individual folders. All such records will be retained at least two (2) years after the Closing Date, as specified in the General Conditions of the Loan Agreement, Section 5.07. The following documents, as might be applicable, will be maintained in the procurement records:

* Procurement notices (GPN, SPN, REOI),
* Requests for Bids, Request for Quotations,
* Letters requesting and responding to clarifications between bidders/consultants and PIU, Minutes of pre-bid meetings (if any), amendments to Bidding Documents,
* Evaluation Reports including Technical reports (if any), minutes of Evaluation Committee meetings, signed Declarations of Impartiality and Confidentiality,
* Received Bids/Proposals/Quotations, CVs (in case of individual consultants),
* Signed Contracts, copies of Insurance Policies, amendments, documents related to Change Orders, Completion Certificates, Operational Acceptance Certificates,
* Records on claims and dispute resolutions,
* Decision making correspondence between PIU/Beneficiary/Contractors/ Consultants/Suppliers, generated during contracts’ execution, etc.

PIU will enable the Bank’s representatives to examine such records upon its request and proper filing will be maintained in STEP. **Systematic Tracking of Exchanges in Procurement (STEP) will be used under the project.** All procurement transactions for post and prior contract review under the project must be recorded in/processed through the Bank’s planning and tracking system, STEP. This ensures that comprehensive information on procurement and on the implementation of all contracts for goods, works, non-consulting services, and consulting services awarded under the whole project are automatically available.

# FINANCIAL MANAGEMENT ARRANGEMENTS. DISBURSEMENT ROCEDURES

This chapter describes financial management procedures of the project to be followed by Project Implementation Unit as a fiduciary agency in managing all project activities under its administration.

Financial Management System Components includes:

* Accounting policy framework;
* Planning and Budgeting;
* Accounting information system;
* Disbursements and flow of funds;
* Reporting;
* Internal control procedures, and
* Auditing.

In this part of the POM the following definitions will be used:

1. Financial Management Action Plan – current version of the plan as revised from time to time to strengthen the PIU’s financial management arrangements.
2. Funds flow and procedures – diagram on flow of funds and documents within the project as well as descriptive narrative regarding process controls and standard forms (e.g. standard bank payments order forms, employee advances authorization form, standard purchase orders, standard goods received notes).
3. Accounting policies – applicable accounting policies (e.g. cash or accruals, depreciation rates for taxation or other statutory reporting purposes) with reference to the relevant regulations.
4. Accounting guidelines – accounting treatment for particular financial transactions according to the signed agreement and possible transactions. This could occur during projects implementation.
5. WB disbursement matters – Disbursement categories per Credit/ Grant Agreement and as revised (if applicable), provisions of Disbursement and Financial Information Letter, authorized signatories for Withdrawal Applications.
6. Designated Account and other project bank accounts- details of authorized signatories, the purpose of the accounts, conversion matters, treatment of exchange rate differences, etc.
7. Staffing – core responsibilities of the accounting staff.
8. Accounting software – details pertaining to the accounting software, chart of accounts and other software parameters established for the use of the software specifically for the project (e.g. to capture expenditures by project component and disbursement category), specific procedures relating to the use of the software, access restriction.
9. Monthly / Periodic processing schedules – for the software operation (e.g. backup of data, maintenance of data), for manual procedures (e.g. formal reconciliation of bank account statements to project accounting records, reconciliation of IBRD/IDA disbursement records), agreed project reporting schedules.
10. Reporting – agreed formats of financial reports (e.g. Interim Financial Reports, government reports, reports to tax authorities), information relating to the submission of the reports (specifying to whom, when and where the reports should be delivered)
11. Auditing arrangements – terms of reference for the auditor, selection procedures, audit timetable, follow up on audit recommendations.

## Accounting policies

## *National Accounting Policy Framework*

PIU accounting is maintained in accordance with national accounting legislation, including the National Accounting Standards (NAS) of Moldova and the relevant instructions of the Ministry of Finance.

***General Provisions***

The accounting policy is elaborated in accordance with:

* Law of the Republic of Moldova no. 287 of December 15, 2017 “Accounting and Financial reporting”;
* MoF Methodological Norms on accounting and financial reporting in the budget system approved by order no. 216 of December 28, 2015.

***Assets***

*Intangible assets* are brevets, licenses and IT soft. Intangible assets are reflected in current accounting and financial reports at initial (acquisition) cost. No amortization of intangible assets is accrued in accounts, as required for such types of organizations.

*Fixed assets* are the items with cost more than 3,000 lei per unit and have a useful life more than 1 year. Fixed assets are reflected in the balance sheet at historical cost. Depreciation of fixed assets is not accrued in accounts. Annually, as is foreseen in the national legal framework, the PIU organizes the inventory of the fixed assets.

The fixed assets purchased for other agencies are transmitted to the pertaining beneficiary in accordance with act of transfer of property on free of charge basis. The handover procedures should correspond to the provisions of the Regulation on the public property assets approved by the Government Decision no.901 on December 31, 2015.

***Inventory***

The inventory items include:

* Goods and operating supplies necessary to support activity of the PIU in accordance with approved regulations;
* Short term and low value items;
* Other inventory items which could appear in the process of execution of main tasks by the PIU.

Inventory cost is determined as purchase cost and delivery costs or costs related to creation of these assets. In current accounting FIFO method is used.

Depreciation is accrued only for low value and short term items 100%, for items with unit cost above 1,500 lei, excluding their residual value. Short term and low value items with the unit cost below 1,500 lei, are recognized as expenditures at the moment of giving them for use.

***Receivables***

Receivables include debts owed to the PIU by other entities and physical persons for goods and services that have been delivered but not yet paid for. Receivables are accounted for and shown in the balance sheet at nominal value.

***Cash***

Cash balance in the cashier’s office, bank account, foreign currency account, and other bank accounts is shown in the balance sheet at nominal value.

***Prepaid expenses***

PIU shows deferred expenses as separate items in accounting and balance sheet and they are written off to costs or expenses as soon as the corresponding period begins. They are:

* subscriptions for periodical editions for the term below 1 year;
* prepaid rent;
* insurance police payments.

***Liabilities***

Liabilities include legally binding obligations to another person or entity and could be accounts payables, wages payables, etc. Liabilities are accounted for and shown in the balance sheet at nominal value.

***Conversion of Foreign Currencies***

For local payments in national currency (Moldovan Lei), the PIU will convert the equivalent amount of the Designated Account currency. The times between the conversion and actual payment should not be too large to avoid the accumulation of the exchange rate differences.

Exchange rate differences are not covered by project financing, if occur.

***Special purpose financing***

Due to the fact that PIU’s activity is not for profit, all the financing obtained from founders and/or other donor organizations (or contractors) as well as revenue obtained from certain activities, which is bigger than expenditures for the same activities are recognized as „Special purpose financing” and are used strictly in accordance with the approved annual budget and Legal agreements.

***Income tax***

Due to the fact the entity is non-profit and noncommercial, and does not have entrepreneurial activity – PIU does not have any taxable income.

## *Accounting policies for preparation of financial statements required by the WB*

***General provisions***

Basis for preparation of financial statements (Interim Financial Reports) is *cash basis.* International Public Sector Accounting Standards which recognize revenues and expenses at the time cash is received or paid out.

***Currency***

The functional currency of the project is Euro and the accounting records for the Project are maintained in Euro (EUR) and Moldavian Lei (MDL).

***Fixed assets and capital items***

The fixed assets held by PIU are shown in the interim financial reports (IFRs) at cost at the moment of purchase. No depreciation is provided in these statements.

***Foreign currency***

Transactions denominated in currencies other than EUR are translated at the exchange rate established by the National Bank of Moldova when they occur. Foreign currency monetary assets and liabilities are translated at the rates ruling at last day of the reporting period. Foreign currency non-monetary assets and liabilities are translated at historical rates.

***Revenue recognition***

Revenue is recognized upon receiving funds in the designated account.

The possible transactions, which could have place during implementation of the Project and their treatment from the point of view of national legislation and WB requirements, could be summarized in the following table.

| ***Category of expenditures*** | ***Description of nature and treatment of the transactions in order to reflect them in Local financial statements as well as in WB financial reports*** |
| --- | --- |
| Consultant Services | **NAS approach.** In general consulting contracts are treated as expenditures of the period the services were provided. In some cases, when the contracts are generating tangible or intangible assets – they are reflected in the PIU’s records as respective asset at cost.  **WB approach.** In order to reflect consulting contracts expenditures in WB financial statements they are considered expenditures at the moment they are paid. |
| Civil Works | NAS approach. Depending on the nature of civil works, they could be treated as expenditures as well as assets created. They should be treated in accordance with NAS 16 “Long term tangible assets” and/or NAS 11 “Construction contracts”. If the assets are created in favor of beneficiaries – PIU transmits these assets to Beneficiaries at cost. If some works for public investments are made and there is no beneficiary – they are expenditures at the period they occur.  **WB approach.** All the civil contracts are treated as expenditures of the period they are paid. If some assets are generated – the register of the assets will be maintained. |
| Goods | NAS approach. Goods purchasing are recorded as fixed (or other) assets.  **WB approach.** The goods purchased are reflected as uses of funds at the payment date. The register of goods is maintained and it is subject to annual inventory. |
| Workshops / Training / Study Tours | NAS approach. Workshops and Local Training –are treated as expenditures of the respective period, the possible expenditures that could be accepted are described in the respective agreements with donors. Training abroad and study tours – the logistical travel expenditures are accepted in accordance with respective GoM decision (norms for per diem, housing, etc.); the costs of training contracts are reflected as expenditures in the period they occur.  **WB approach.** Are treated as uses of funds on the payment date. The possible expenditures are defined in accordance with the Legal Agreement. Each type of these expenses should have WB prior approval before the event. The costing reports should be accompanied by the mission report which includes the scope, objectives and lessons learned from workshop/ training/ study tours. |
| Operating Costs | NAS approach. Operating costs are expended in the period they occur. Some of the operating costs should be verified if they match within the limits of fiscal legislation.  **WB approach.** Expenditures are reflected as of the payment date. |

## Planning and Budgeting

Budgeting is the basic tool for financial planning, monitoring and analysis of the Projects activities. The budgeting process is to be handled by the FM/ accounting staff of the PIU and it follows the calendar established by the MoF. The annual budgets will be based on procurement plan and the Project Implementation Plan and will be approved by the inter-ministerial Project Steering Committee.

The draft budget is sent for the approval by the Ministry of Finance as all WB financed projects are included in the state budget of Moldova. Certain planning and reporting procedures were developed for investment projects by the Ministry of Finance. These include budget formulation and amendment, , and monthly, quarterly and annual reporting on the budget execution (separately for each project and source of financing).

The planning process for the next budget year starts in the end of January of the current year with medium – term planning process, when the budget forecasts for 3 years are presented to the line ministry (MIRD) and to the Ministry of Finance.

The preparation for next year budget starts in June, or other dates established by the Ministry of Finance in the budget circular. The format for budget submission is unified and is approved by the Minister of Finance Order. The program and performance-based budget is a compulsory budget format.

After the state budget is approved by the Parliament, usually by the end of the year, the approved budget is reallocated per each spending line as foreseen in the project procurement plan. The budget allocations are classified based on budget economic classification approved by the Ministry of Finance.

## Accounting software

The accounting software used by PIU will include:

1. The standard 1-C bookkeeping system for public institutions;
2. Customization will be made for particularities in accordance with local legislation and accounting standards;
3. Customization will be made for WB reporting and disbursement requirements: - classification of expenditures per sources of financing, disbursement categories, components and individual activities, presentation of expenditures in the statement of expenditures (SOEs), IFRs, with comparison of the actual and budget data, generation of contract monitoring sheets;

The system is able to produce all the set of reports for local authorities.

All the reporting formats are attached to other sections of this manual.

## Disbursement procedures

All disbursement arrangements follow standard procedures as described in the Bank's Disbursement Handbook and Disbursement Guidelines (February 2017) and the additional instructions provided in the Disbursement and Information Letter for the IDA Credit and TF Grant;

Disbursements are administered by the PIU and MoF/Treasury.

World Bank funds are disbursed under the Bank’s traditional procedures including applications for withdrawal and SOEs. Supporting documentation for SOEs, including completion reports and certificates, are retained by the PIU and are made available to the World Bank team during the project supervision. The disbursement threshold, method and periodicity of reporting is established in the Disbursement and Information Letter.

## *Designated Account*

Upon effectiveness, two Designated Accounts (DA) specifically for this Project are opened in the National Bank of Moldova. The ceiling for the Designated Accounts is set at EUR 4 million for the IDA Credit and EUR 200 thousand for TF Grant; however in the early stages of Project implementation, the level of the advance required in the DA is determined by the projected expenditures and the advances disbursed may be of lower value to observe prudent disbursement management. The authorized signatories for withdrawal applications are coordinated with the Ministry of Finance and are issued to the World Bank for endorsement.

Applications for withdrawal, together with supporting documents, and applications for special commitments, together with a copy of the commercial bank letter of credit, are sent in the respective forms to the address: *The World Bank, Radnicka cesta 80, 9th floor, HR-10000 Zagreb, Croatia, Attention:* *TF and Loan Operations Regional Centre.*

The accounts (IBANs) planned to be used under the project like account in national currency and operating account for LPAs contributions will be opened in the Treasury in accordance with budget classification requirements. The collected funds and their spending for project activities, including LPAs contributions, will be done based on general rules foreseen in the methodological norms regarding the accounting and financial reporting in the public institutions approved by the Minister of Finance Order no. 216/ 2015.

## *Disbursement Arrangements*

The PIU financial management specialist is responsible for disbursement procedures.

Proceeds of the IDA credit/TF Grant flow under the following disbursement methods:

* 1. Advances: from IDA/TF Grant to the corresponding Designated Account which is replenished based on SOEs and the necessary supporting documentation;
  2. direct payment to the contractors based on the withdrawal applications prepared by the PIU;
  3. Special Commitments
  4. reimbursement, when the PIU make project related payments from other sources and it is compensated with the same amount.

The minimum application size for direct payments or reimbursement under IDA Credit is EUR 200,000 and under TF Grant – EUR 25,000. Withdrawal applications for the replenishments of the DA are sent to IDA on a regular basis. The expenditures incurred from the DA are reported quarterly.

The Credit Closing date is January 31, 2027 or any other date subsequently agreed. The disbursement percentage for the credit proceeds set at 100 percent (inclusive of Taxes, except for VAT and custom duties) of Eligible Expenditures, consisting of goods, works, consultants’ services, and training.

Disbursement Deadline Date is 4 months after the Closing Date specified in the Financing Agreement. Any changes to this date will be notified by IDA. This date is provided for making payments for the goods and services delivered and accepted by the project Closing Date. No new expenditures may incur during this period, except for the final audit.

## *Filling of Supporting Documentation*

Project expenditures made from the DA are reported to the IDA in SOE format. In addition, the SOE are accompanied by original or copy of reconciled bank statements and receipts and invoices for payments against contracts. To monitor disbursement information the PIU and Ministry of Finance are using secure WB web-based portal “Client Connection” at <http://clientconnection.worldbank.org>. It is used for electronic submission of the withdrawal applications and authorized signatory letter, monitoring the status of the withdrawal applications and funding execution, and retrieving related policy, financial and procurement information and for reconciliation of the disbursement data while preparing the financial reports.

## Funds flow and procedures

The following charts and description reflect the general framework of documents and funds flows.

Chart 1: General sequence and flow of documents and funds

(1). Withdrawal application

World Bank

(8). Direct payment request

(3). Payment request / Exchange order

€ Designated Account in State Treasury

(2). € funds

MD lei Transit Account (in State Treasury)

(4). Converting € funds

(6). Converting lei funds

(5). Lei funds

Foreign Suppliers

Lei Cash or cards

Local Suppliers, Consultants

(7). Other currency funds

(9).€ funds

Flow of funds

Flow of documents

**Key:**

PIU

Ministry of Finance

State Treasury (ST)

INVOICES for payment

Implementing agencies

(iii) Reports, handover documents for goods, services to be agreed

(iv) Reports, acts approved

(i) (ii).Co-signing and approval of the contracts

Other Currency Transit Account

Sequence and flow of documents and funds – description

| ***Step*** | ***Description*** |
| --- | --- |
| 1-2 | *Replenishment of Designated Account.*  The Financial Management Officer prepares a withdrawal application (WA) using the World Bank portal Client Connection and attaches relevant supporting information.  The first application for the initial deposit into the DA will be submitted as soon as the project is declared effective based on the forecasted expenditures up to the established ceiling.  The PIU receives monthly disbursement reports and reconciles disbursement data either using WB client connection data or monthly disbursement summaries.  A separate account will be created for the local contributions’ collections and the ONDRL and PIU will make sure the contributions are there; the local contributions from LPAs, as per Component 1, will be collected for every sub-project from LPAs and the Households and transferred to LPAs’ separate accounts and LPAs transfer them to an operating account in MDL managed by the PIU. This transfer takes place before the procurements start, and afterwards , the PIU uses these funds to pay the companies as per contract terms within each sub-project. |
| 3 | *Invoices acceptance to payment*  In this case contracts with consultants, goods suppliers or works providers will be three-part.   * **Contracts for goods and works** will be signed by: (i) PIU Director, (ii) service supplier/provider, and (iii) co-signed by line Implementing Agency * **Contracts for consulting services** will be signed by: (i) Line Implementing Agency and (ii) Service provider. * **Contracts under Component D and that for audit** will be signed by: (i) PIU Director and (ii) Service provider.   The Implementing Agencies nominates one focal point each, who will be responsible for coordinating the activities and implementing the contracts, for accepting and approval of the reports, delivery-acceptance certificates for services and goods.  At each stage indicated in the contract, the supplier of goods and provider of the services will submit reports and/or delivery-acceptance certificates for goods and services to the focal points from the line Implementing Agency, who both with responsible persons from the same agency, over the next **15 working days**, will verify and approve:   * The supporting documentation for goods, their quantity, prices and quality in respect to the contract provisions; * The service provider’s reports (consultancy, training, etc.) - on correspondence with terms of references and signed contract provisions.   The invoices for payment, together with delivery-acceptance certificates for goods, and reports on delivered services, signed by Focal Point and approved by Implementing Agency will be presented to Project Manager for coordination and then to PIU Director for payment approval. The PIU will send the payment order to the MF/ Treasury within 3 working days. |
|  | The invoices for keeping management activity of the project will be verified and approved by the Project Manager and PIU Director. |
| 4-7 | *Payments*  The designated accounts are opened and operated by Chisinau territorial Treasury. For local payments in MDL transit account is opened (the PIU will aim to minimize balance in MDL account).  The Treasury processes payments by accepting payment orders prepared by the PIU. Depending on the suppliers (local or foreign) the payment can be made in foreign currency or in MDL through conversion of EUR at the NBM official exchange rate.  Payment order together with supporting documentation, if required, is prepared by the PIU and sent to the MF/Treasury using the electronic platform edocplata.  Foreign currency payment is processed by the NBM and funds are transferred to foreign supplier’s or consultant’s account. |
| 8-9 | *World Bank Direct Payments*. Direct Payment requests are prepared by the PIU by filling the respective form of the withdrawal application in the ClientConnection platform. The World Bank makes direct payment to the suppliers as instructed. |

## Reporting

The following table indicates the periodic procedures for the software operation (e.g. backup of data, maintenance of data), for manual procedures (e.g. formal reconciliation of bank account statements to project accounting records, reconciliation of IDA / TF Grant disbursement records), agreed project reporting schedules.

***Periodic Processing Schedule***

| **Frequency** | **Responsible** | **Process** |
| --- | --- | --- |
| Weekly | FMO | Back up of data files |
| Periodic, upon processing of each Withdrawal Application | FMO | Checking the processed data in the Client Connection system with the Project records. |
| Monthly (3 working days after end of the month) | FMO | Submission of aggregate budget execution reports to the MoF |
| Monthly (30 days after end of the month) | FMO | Submission to State Tax Service the monthly report on income tax paid |
| Monthly (10 days after end of the month) | FMO | Submission to National Statistic Agency the monthly report on number of employees and paid salary |
| Quarterly or more frequently upon necessity | FMO | Preparation of SOEs and withdrawal applications |
| Quarterly | FMO | Submission of reports to the State Social Insurance House (social insurance premium paid) and to the Tax Service (on medical insurance premium paid) |
| Quarterly (within 10 days) | FMO | Submission of detailed budget execution reports to the MoF |
| Quarterly (within 45 days) | FMO | Submission of IFRs to the WB |
| Annually | FMO | Submission of the reports to the SSIH on individual social charges paid for each employee |
| Annually | FMO | Preparation of the individual Income tax information for STS |
| Annually | FMO | Following up on auditing arrangements (bidding, contract, TORs) |
| Annually within 6 months after the year end, i.e. before June 30 | FMO | Sending the audit report to the WB |

The following basic IFRs are produced by PIU for the project:

* Sources and uses of funds
* Uses of funds by Project components and activities
* Designated Account Statement
* Statement of financial position
* SOE Withdrawal schedule

The IFRs are submitted quarterly to the World Bank within 45 days after the end of each quarter. The IFRs are submitted electronically through the Client Connection portal.

## Control Procedures

## Internal control procedures

The control activities under the project are as follows:

* *authorization procedures*: all payment requests are authorized by the persons indicated in the contracts and component’s coordinators, if any;
* *each payment is authorized by* – the PIU Director and Chief Accountant;
* *segregation of duties*: the main segregations are performed between Project Manager, Procurement staff, and Financial Management staff:
  + **Project procurement staff** is responsible for procurement arrangements, including monitoring the delivery of goods and services;
  + **Financial Management staff** – is responsible for devising the project budgets in line with the procurement plans, preparation of payment documents and r verification in terms of expenditure eligibility, proper recording of transactions in the accounting system and maintaining records, preparation of financial reporting;
  + **Project Manager** and coordinators for specific components – should authorize and approve all payment requests, monitor activity of the procurement and FM staff, monitor contracts implementation, etc.
  1. *Information and communication* – the PIU management organizes timely and appropriate information about the project implementation, projects expenditures, and sources of funds. This information ise delivered to relevant agencies (WB team, project beneficiaries, etc.)
  2. *Monitoring*– The proper monitoring of the project is organized by the WB supervision team as well as by financial management specialists and report about any weaknesses, which could appear. Additional monitoring is done by the internal audit unit.

The following will be applied under the project:

1. Verification of documents submitted for payment (completeness and authenticity of details, reconciliation with the contract payment provisions, expense category and component);
2. Verification of completeness of accounting records and documents when entering into 1C system (category, component, share, terms, threshold, payment schedules under the contract, supporting documents, signatures);
3. Endorsement of documents by authorized persons and the Project Manager;
4. Preparation of a Payment Request enclosing all necessary supporting documents for signing and endorsement;
5. Monthly verification of mutual settlement of accounts with debtors and creditors regarding accountable and advance amounts;
6. Monthly reconciliation of the project accounting with Statements of Expenditures (SOEs), bank account balances, and data on the World Bank’s Client Connection website (http://clientconnection.workdbank.org);
7. Regular oversight of adherence to the budget under the project categories and expenditure components;
8. Development of a Fixed Asset Registry to keep records of all assets procured under the project. The fixed assets records will include: (i) fixed asset tag number; (ii) model, type, and basic specifications; (iii) the date of acquisition; (iv) purchase costs ; (v) location where they are located; and (vi) the names of the employees who actually use them;
9. Creation of reserve copies of the accounting data;
10. Validation checks over travel expenses (correct computation of the daily allowances in accordance with national legislation);
11. Verification of payroll calculation / individual consultants’ fees (based on attendance records / time-sheets by applying national tax regulations);
12. Regularly carry out tabular analysis of use of the allocated and available funds of project financing by categories with analysis of tracking of the available funds taking into account the committed amounts as per the signed contracts.

***Particular control activities for Business trips***

The business trips under the Project, as well as the trainings for the Project staff and officials are regulated by the “Regulation on delegation of employees of Moldovan entities”, approved by the Government Decision no. 10 dated 2012. The WB' s acceptance shall be required for delegation of Project staff or other officials, as well as the estimation of costs for business trip. After receiving the WB' s acceptance, the PIU shall issue an Order defining the purpose of the business trip, the delegated officials, period and location. Only after issuing the Order, the advance amount shall be paid for per diem, accommodation according to the established rules, and for obtaining a visa. After returning from the business trip, the delegated person shall submit within 5 days a report, describing the purpose and the results of the trip. He/she shall submit the advance statement with all supporting documents for the expenditures incurred. The FMO shall verify all supporting documents and sign the advance statement, and submit it to the Project Manager for approval. If the expenditures exceeded the advance amount received, the financial specialist prepares the payment order for the remaining amount of expenditures. If the advance amount has been higher than the documented expenditures, the delegated person shall reimburse the amount paid in addition.

## External Auditing arrangements

The standard WB Samples of TORs for project audit are used (Annex 9). Before the auditor is contracted, the TORs are endorsed by the World Bank Financial Management Specialist.

Only audit companies from the Short List of acceptable audit firms for Europe and Central Asia regions approved by the Bank on March 4, 2020 (or any other date when this list is further amended) can be invited to submit their proposals for project audit. This list is regularly updated, and the PIU shall follow up with the WB on the latest updates.

The project audit is done annually and the audit report is to be submitted to the WB before June 30 of each year throughout the project life. If there are delays in submission of the audit reports, the PIU has to provide proper justification to the WB team and requires audit exception, if needed.

During the audit process, the PIU provides all support and documentation required by the auditors.

The audit reports and Management Letter are uploaded through the Client Connection portal.

Audit report is published on the PIU’s webpage and it is submitted to the MIRD.

If during the audit, any issues have been identified by the auditors, the PIU prepares promptly an Action Plan to address those weaknesses and submits it to the WB. The execution of the auditors’ recommendations are monitored by the PIU management, internal auditors and WB.

# ENVIRONMENTAL AND SOCIAL STANDARDS

## Environmental Standards

***A. Planning stage***

*Environmental and Social Assessment Procedure*

All sub-projects that were found feasible shall be environmentally screened in line with the procedures stipulated in the Environmental and Social Management Framework (ESMF) document as well as the requirements of the Republic of Moldova Law no. 86 from 29.05.2014 on Environmental Impact Assessment (EIA). It is to be noted the governing principle in the field of ESS: in case of differences in approaches between the WB and National environmental assessment procedures the stricter one will apply. The screening process is outlined in the figure 3 below and described (the 4 steps procedure) in chapter 6.5 of the above mentioned ESMF.

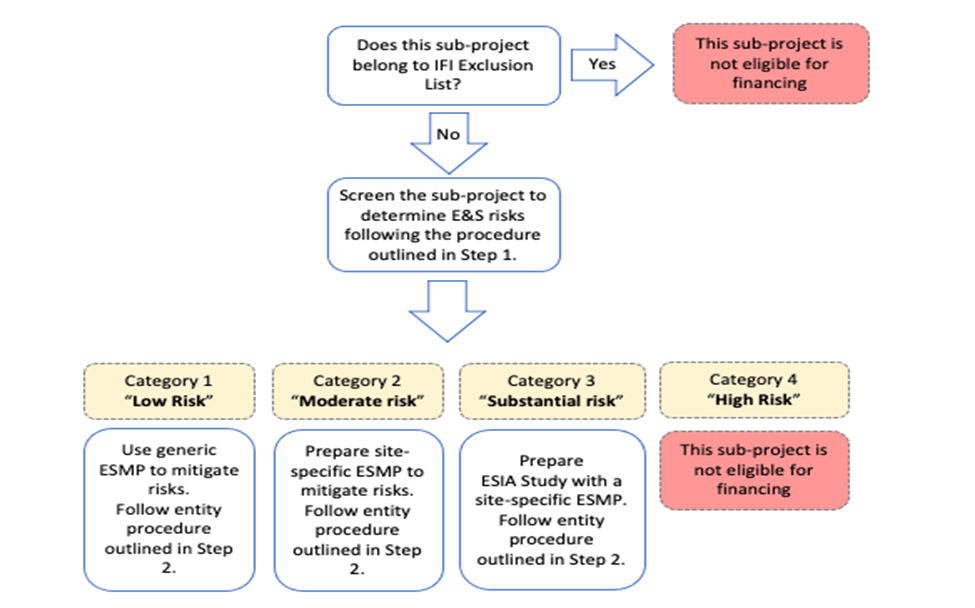


Fig. 3: *Schematic overview of the risk assessment process*

The screening of the sub-projects is done by using the *Rapid Risk Assessment (RRA) and Express Environmental and Social Screening Check List (EESSCL)* and – according to Moldovan EIA procedure *- the Preliminary Environmental Assessment (PEA)* as required by Law no. 86 on EIA and detailed in the Annex 1 and Annex 5 of Guideline on procedure of conduction of the Environmental Impact Assessment, approved by the Order of the Ministry of Agriculture, Regional Development and Environment No.1 of January 1, 2019.

The meaning of using these three instruments is to define the level of environmental and social risks for each Sub-project. Rapid risk assessment of each sub-project should be done based on the rapid assessment of project impacts and sensitivity of receiving environment as described in Chapter 6.5.1 of the ESMF Document. The expected result of the assessment is the answer on which of 3 mentioned further instruments should be applied toward the sub-project – (i) Generic ESMP; (ii) Site-Specific ESMP or (iii) ESIA study with Site-Specific ESMP.

*Site specific Environmental and Social Impact Assessment (ESIA)*

The site specific ESIA is the instrument used during the Planning Stage to be applied for the selected sub projects. The ESIA is based on detailed research and analysis of environmental and social and economic baseline and subproject detailed design, aiming at identification and assessment of the potential environmental and social impacts of a proposed project, evaluate alternatives, and design appropriate mitigation, management, and monitoring measures.

*Environmental and Social Management Plan (ESMP)*

The ESMP is the instrument that is developed based on the results of the ESIA study and describes the practical actions to prevent, mitigate or otherwise manage identified environmental risks and impacts. The ESMP is developed by Designer Company based on findings of the ESIA or it is a standing alone document in case the sub-project is not subject to an ESIA. The ESMP details (a) the measures to be taken during the implementation and operation of a project to eliminate or offset adverse environmental and social impacts or to reduce them to acceptable levels; and (b) the actions needed to implement these measures, along with supervision and monitoring activities.

The national environmental screening, scoping and development of EIA procedure is described in the Law 86 / 2014 on Environmental Impact Assessment (EIA) and the steps of the process are presented in the ESMF document, chapter 5.4.1. The steps and time frames in the impact assessment process are presented in the table below.

Table 1: Steps and time frames in the EIA and approval process

| Item | Activity | Time frames & deadlines |
| --- | --- | --- |
| 1 | The owner/developer of the Project issues a request to the Environment Authority (Annex 1 and Annex 2 or 3 to the Law 86 /2014 on EIA) about the necessity to conduct EIA of the project in question (Preliminary Environmental Assessment). | Within maximum of **5 days** this request is posted on the web site of the Environment Authority. |
| 2 | The Environmental Authority conduct the Preliminary Environmental Assessment based on the owner’s request mentioned in p.1 above and communicate its decision on whether:   1. The project (sub-project) needs an EIA in a transboundary context; 2. The project (sub-project) needs an EIA at national level; 3. The project (sub-project) does not need an EIA.   In case of decision (c) the Detailed Design may start. The Detailed Design is subject to State Ecological Expertise SEE procedure only. | Within a maximum **10 working days** |
| 3 | Decision on the Preliminary Environmental Assessment is disclosed. | Within a maximum **5 days** the decision will be communicated (posted on the web site of the Environment Authority). |
| 4 | The owner/developer of the Project as well as LPA will make public the main characteristics of the project and the program of the study (local & national newspapers & web page). They will publish also an announcement on the date and place and the agenda of the Public Consultation (PC) Meeting. | The announcement will be published **10 days** in advance of the PC meeting.  Minutes of meeting is prepared within **3 days** and is signed by the Chairman of the Meeting.  The public is given **15 days** to get in wtritten / e-mail answers to their comments / questions. |
| 5 | The owner/developer will communicate / submit the program for the preparation of EIA (subject of Public Consultations above) to the Environmental Authority. | Within a maximum of **30 days** the Authority will examine this program and will issue either an approval of it or will send the commented program back to the developer for revision.  The approved program will be valid for **3 years**. |
| 6 | The developed EIA study (report) is submitted to the Environment Authority for evaluation and approval.  The EIA study (report) is posted on the website of the authority | Within a maximum of **60 days**, the Environment Authority will evaluate the EIA report, perform the consultation with the stakeholders and communicate the results. |
| 7 | The owner/developer of the project will post on its website the EIA study (report), or will make it public by other facilities | The Project owner/developer waits for comments coming from the public.  Deadline: **15 days**. |
| 8 | Public debates will take place at the location of local environmental authority were the Project will be implemented. | Within a maximum of 15 days the developer of the EIA has to answer the questions of public debate and deliver these answers to their addresses. |
| 9 | The Environment Authority will:   1. Issue the **Environmental Permit**; 2. **Ask for the improvement** of the EIA report; 3. **Reject** the Project. | For case **(b)** the owner/developer of the project will resent the revised version of the EIA (within a maximum of **30 days**).  The Authority will issue a new decision within a maximum of **15 days**.  The permit will be valid for a period of **4 years**. |

*State Ecological Expertise (verification)(SEE)*

The types of the projects which are subject of the State Ecological Expertise (verification) are listed in annex 1 to the Law 151 / 1996 on Sate Ecological Expertise. Particularly, for water supply and sanitation systems less than 50,000 person-equivalents the SEE (versus EIA) is applied. The Detailed Design documentation comprising the ESMP as integral part of it[[20]](#footnote-20) is subject of verification as described in The Instructions on the organization of the State ecological expertise, approved by the Order of the Ministry of Environment No. 188 of September 10, 2002[[21]](#footnote-21). The letter of approval / rejection (comments to be addressed) is issued within **30 calendar** days. None of the WSSP sub-projects are over the 50,000 threshold.

The PIU will make sure that environmental requirements are integrated into the bidding documents (Request for Proposal (RfP) for the Detailed Design of the MWSSP sub-projects). The bidders must present their approach in addressing the environmental components of the TORs. The bidders shall assigns an Environmental and Social expert to provide input for environmental and social parts of detailed design including environmental costs (cost of ESMP implementation) in BOQ. The same is valid for RfP for works procurement (section B below).

*In the pre-construction phase,* the social impacts related to land acquisition and livelihood restoration may possibly occur. For this phase it is important that the principles of ESS5 (*Land Acquisition, Restrictions on Land Use, and Involuntary Resettlement*) set in the Resettlement Policy Framework (RPF) developed for this Project are implemented and if it will be necessary the Resettlement Action Plans (RAPs).

***B. Construction stage***

The ESMP shall be implemented on sites by the Works Contractor based on developed Contractor’s own ESMP (CESMP). CESMP is subject of Supervising Engineers' endorsement, PIU approval and WB No Objections. No works may start before the Constructor's ESMP is cleared. The CESMP will be annexed with Health and Safety Plan, Mobility and Accessibility Facilitation Plan, Social and Gender Plan, Trafficking in Persons Plan, HIV/AIDS Plan, Covid-19 Management Plan.

The application of the ESS5 principles (*Land Acquisition, Restrictions on Land Use, and Involuntary Resettlement*) is the exclusive responsibility of the MADRE.

***C. Operational and decommissioning stages***

The Beneficiary (MADRE) shall establish, document, implement, maintain and continually improve an environmental and social management system and determine operating criteria how to keep major risks under control.

## Social Standards

The social standards will be applied in the process of preparation, construction operational and decommissioning stages and monitoring of the all components of the Project.

***A. Planning stage***

All sub-projects shall be social screened in line with the ESS and procedures stipulated in the Environmental and Social Management Framework (ESMF). For the large infrastructure subprojects, the full ESIA and OHSP may be necessary and ESMP to be part of bidding documents and consulted with affected parties (ESS1, ESS2and ESS10). For all planning purposes, the protected and sensitive areas will be avoided, however, if this is not possible, the relevant aspects of ESS6 *(Biodiversity Conservation and Sustainable Management of Living Natural Resources)* will be integrated into the design and due diligence documentation. A similar approach is to be used for cultural heritage and provisions of ESS8 (*Cultural Heritage*).

The social impacts related to land acquisition and livelihood restoration may possibly occur. For this phase it is important that the principles of ESS5 (*Land Acquisition, Restrictions on Land Use, and Involuntary Resettlement*) set in the Resettlement Policy Framework (RPF) developed for this Project are implemented and if it will be necessary the Resettlement Action Plans (RAPs).

The project will embark an inclusive resettlement planning and implementation process, since it envisaged potential land acquisition and resettlement due to construction water supply, wastewater treatment plants and construction and rehabilitation of sewer networks.

According with RPF, in the land expropriation process and resettlement, the following requirements of ESS5 will be addressed:

* Minimize resettlement of homes, businesses and production sites;
* Assess the potential economic and social impacts of expropriation/resettlement;
* Identify categories of affected persons and their respective entitlements;
* Inform affected persons about their rights under expropriation and their rights and access to grievance mechanisms;
* If relocation is involved, consult with affected persons on their options and engage them in the planning process, paying particular attention to the needs of vulnerable persons;
* Compensate for lost assets at full replacement cost;
* Compensate informal land users for lost assets and provide assistance in relocating, if needed;
* Compensate all those with entitlements and obtain legal access to expropriated land before starting construction;
* Monitor progress and impacts of expropriation/resettlement.

***B. Construction stage***

The common environmental and social impacts are those resulting from construction works and generation of construction and demolition waste and other types of special waste categories. These may include impacts such as dust and noise, traffic disturbance, waste management, potential finds of hazardous materials such as asbestos-cement pipes, chance finds for pipe network, Occupational Health and Safety (OHS) and labor issues. To anticipate and mitigate these impacts it is important to raise awareness of the local population about site safety, proper traffic behavior, road safety etc., by organizing meetings with population, in order to inform them about the terms and conditions of works and to consider their opinions on these issues.

***C. Operational and decommissioning stages***

In the operational/maintenance phaseenvironmental and social impacts may includeprocurement, use, management and disposal of chemicals for water supply treatment, odor and noise of the wastewater treatment plants, sludge management from such facilities, OHS and labor issues.

Considering the social aspect of these activities, it is possible to experience social issues related to labor aspects that are contrary to the requirements of ESS2 (*Labor and Working Conditions*) and ESS4 (*Community Health and Safety*). Therefore, the appropriate social instruments are implemented including the Labor Management Procedure (LMP) and the Stakeholder Engagement Plan (SEP) prepared for this Project, that reflect the principles and requirements of ESS2, ESS 4 and ESS 10 (*Stakeholder Engagement and Information Disclosure*).

## Citizen Engagement and Grievance Redress Mechanisms

According to the Environmental and Social Standards (specifically - ESS10: Stakeholder Engagement and Information Disclosure) of the ESF, the project will have a communication and stakeholder engagement, including GRM that will cover the whole life of the Project.

***Citizen Engagement***

The Project will establish reliable citizen engagement mechanisms. The stakeholders were consulted in the conceptualization of the project and its design, and their opinions were included in the project preparation documents and this will continue in the next stages of the project.

First, a dedicated webpage/Platform will be created for the project to enable users to find all the information about the project. The goal of the platform is to provide core information about the project and to ensure accessible online feedback from water and sanitation customers and to support several citizen engagement activities. The platform will be used to support face-to-face consultations through digital feedback surveys at regular intervals, and will provide a dedicated portal for the identified sub-projects to inform the population and engage them in providing feedback and support monitoring through the implementation cycle.

Second, the project will conduct a series of public consultations**,** beneficiary surveys and focus groupsprior to and during each subproject intervention. These consultations will be held at least twice per year and provide opportunity for all citizens to raise issues with PIU. The PIU will also request communities’ feedback on how to make consultations more effective into implementation. The results of such consultations will be documented, agreed with LPA and other community leaders, including the representatives of vulnerable groups and posted on Project on-line platform and other relevant site (utilities, LPAs, RDAs, etc). The NGOs, communities’ leaders (the Roma baron, The Governor (Bashkan) of Gagauzia and religious leaders) and Local Citizen Water and Sanitation Committees (LCWSC)[[22]](#footnote-22) will be involved in public consultations in order to assure that vulnerable groups among stakeholders are given a voice and are not disproportionately impacted by the project. The results of the LCWSC`s meetings will be imparted to communities and posted on the PIU website.

Third, a robust Grievance Redress Mechanism (GRM) will be established for the project; the GRM will not only address safeguards-related issues, but also cover a broader range of aspects related to the project, including gender-based violence.

***Gender***

The project will aim to ensure that women benefit equally from it and where there are risks, interventions will be taken to mitigate them. Consultation meetings will be gender balanced and women should be explicitly invited to participate in community dialogue.

The project will develop several proposals to address identified barriers to the professional development in the WSS sector, including female staff, specifically in technical roles. The project will also include development training and mentoring by experienced women employees to equip and ensure that the women are recruited and become specialists in the WWS sector.

***Grievance Redress Mechanisms***

The GRM is an effective tool for early identification, assessment and resolution of grievances and therefore for strengthening accountability to beneficiaries. In addition, the GRM is an important feedback mechanism that can improve project impact and respond to concerns and grievances of project-affected parties related to the environmental and social performance of the project in a timely manner. The GRM will have multiple channels (by telephone, online, via email, in written form at the institution, and/or face-to-face etc.) through which complaints can be registered in a safe and confidential manner.

At the project level, a three-tier grievance management structure will be established to address the public and PAPs concerns and complaints regarding the project implementation:

(i) Field level grievances will be addressed through a site level GRM. The project affected persons and stakeholders at the local/site level will have the option to report complaints/feedbacks to the site implementing agency/contractor or/ and LPA. The channels for grievance submission will be disclosed near the construction site in big board format. For Contractor`s employee special grievance box and e-mail will be available for submitting grievances (including anonymous). The technical supervisor will responsible for collecting grievances from Contractor`s personnel. LPA representatives will serve as the grievance focal point (GFP) at the local level.

(ii) If the issue cannot be resolved at the site level, then the site level engineer/safeguards staff will immediately inform to the GFP to escalate it to a higher level, i.e. either to the RDAs authority level or directly to the PIU or (iii)MIRD. The GFP will be responsible for addressing issues or resolving complaints in collaboration with PIU and provide feedback within 15 days of receiving complaints. PIU social specialist will be responsible for maintaining GRM logs. All the responsible personnel for GRM (local and regional focal points and MIRD/PIU) have to fill the Grievance/inquiry template record (Annex 8) for GRM Log. The PIU will be responsible for complaints and issues related to project implementation.

All land acquisition and resettlement preparation complaints will be referred to the local grievance redress committee (GRC[[23]](#footnote-23)) that will be organized at District and Local Public Authority for resolution. GRCs will include representatives from the local community (community leaders) and project affected persons. The project will train the committees about their roles and responsibilities; communication with the PAPs, frequency of the meetings and the ways to engage and provide feedback to community members.

The GRM will be also accessible on the online Platform and linked with the MIRD and RDAs websites.

The PIU Social Specialist will be responsible for complaints and issues related to project implementation. The results of the GRM will be summarized by Social Specialist and posted on on-line platform semiannually.

***GBV issues addressing***

Gender Based Violence (GBV) is described as “an umbrella term for any harmful act that is perpetrated against a person’s will and that is based on socially attributed gender differences”.

GBV includes;

* behavior that causes physical, mental, sexual harm or suffering;
* threats of such acts;
* coercion and other deprivations of liberty, whether occurring in public or in private life.

Particularly women and girls are affected from GBV across their lifespan. GBV takes many forms,

including sexual, physical, and psychological abuse. It may occur at home, on the streets, in schools,

workplaces, farm fields, and refugee camps; during times of peace as well as in conflicts and crises.

At the Project preparation stage, the magnitude of GBV risk was assessed by the WB as low.

In order to minimize the GBV related risks, following mitigation measures will be taken within the scope of the Project;

* Sensitization of the Managements of the Contractor and the Engineer on SEA and SH issues will be provided.
* Awareness Meetings will be conducted with the affected communities.
* Trainings regarding SEA/SH will be provided to all Project parties.
* All Project workers will sign and be informed about the Code of Conduct.
* A functional GRM and referral mechanism will be operated in order to capture SEA/SH related complaints.
* Separate facilities for men and women in the workers’ camps will be provided.

In order to assess the effectiveness of the mitigation measures, SEA/SH activities will be monitored

regularly considering indicators related to: (i) the SEA/SH activities on the project; and, (ii) the GRM SEA/SH indicators include but not limited to:

* Community engagement meetings was organized;
* All Contractor`s workers have signed a Code of Conduct;

Monitoring will also include information on:

* Number of SEA/SH incidents captured
* Number of SEA/SH grievances that have been referred to GBV Services Providers
* Time taken to resolve the SEA/SH-related complaint

Project social team will monitor and report on the effectiveness of the implementation of GBV related preventive measures and mitigation SEA/SH risks associated with the project.

The monitoring results will be presented to WB in the quarterly monitoring reports or upon request.

***Implementing arrangements***

MIRD/PIU will be in charge for implementing the ESIA and related site-specific ESMPs as implementing agency, prior to start of sub-project works. PIU will oversee the implementation of the resettlement instrument and report to the Bank on an annual basis.

To implement the citizen engagement activities, including grievance redress mechanism, the PIU will appoint the Gender and Citizen Engagement Specialist and the Social Specialist, who will be responsible for social impact mitigation measures implementation according to social standards.

PIU will have to ensure a close coordination with all relevant local authorities, especially in establishing and operationalizing the GRM to be used by project-affected people for any disputes that may arise during project implementation. The Bank team will closely monitor ESMPs implementation, providing, when needed, relevant assistance.

The Bank will provide regular training and guidance on safeguards to the existing/newly recruited safeguards staff to strengthen/build their capacity to manage safeguards risks and conduct due diligence related to Bank safeguards policies.

# INVOLUNTARY RESETTLEMENT AND LAND ACQUISITION PROCEDURES

## 6.1. Institutional arrangements

***PIU*** will provide overall oversight of all RAP activities, including preparation, implementation, and monitoring in collaboration with the MIRD and Regional Development Agencies (RDAs). PIU will coordinate with various agencies to obtain effective, smooth and timely land acquisition and compensation of the PAPs, as well as overall project implementation.

***Local Councils******(LC)*** (including ***Secretaries of Local Councils SLC****) and* ***Mayors***. Local Councils are the authorities responsible for local autonomy as taking decision bodies while Mayor as executive body. In addition to Local Councils at the level of municipalities and communes, Rayon Councils at the level of the Rayon (or district) will be engaged regarding the public land ownership management and support to identification of all private persons affected by the Project and to compensate the damages caused by the temporary or permanent expropriation of rights over the lands

***Public Services Agency through its Territorial Cadastre Services (TCS)*** will conduct identification of all affected land parcels, assets via a census of the PAP, as well as ownership status and lease information.

A ***Resettlement Specialist*** (an international or local consultant) may be engaged and will assist in land acquisition and resettlement planning, implementation, internal monitoring and evaluation and training of agencies and local governments in the requirements of ESS5. A ***local NGO and/or local consultant teams*** hired to provide on-site RAP preparation assistance for surveys, base-line information gathering or community consultations.

***Public notaries.*** Public notaries will be responsible for authentication of the real estate acquisition contracts, authentication of Power of Attorney, issuance of the ownership title, rent certificate, heir certificate or other documents necessary for the resettlement activities.

***Evaluation Companies*** licensed in accordance with the law on licensing of certain types of activities to evaluate the assets.

## 6.2. Expropriation Procedure

If expropriation is necessary, it will be done according to the procedure of expropriation for public interest[[24]](#footnote-24). Specific legal rules that will govern the procedure for expropriation shall be drawn up in accordance with fundamental principles relating to expropriation for public interest and the requirements of social and environmental policy of financing institutions.

The expropriation procedure will be launched after the adoption and entry into force of the Law on Declaration of public utility of the construction works related to the Project. The expropriation procedure shall be implemented in the name of the State by MIRD through PIU, and will include the following stages:

***a)******Identification of Project affected persons*** will be possible as a result of the determination, based on the land cadastral data, of the land parcels affected by the construction works, which are part of the corridor of expropriation in accordance with the detailed technical design. A cut-of-date will be established as soon as the needed lands are identified (restrictions for buying and selling the identified land parcels).

The process of identifying the owners of the rights on parcels of land crossed by the related works, will be achieved by cross-checking the information from the works location on the site/ topographic maps, with that in the cadastral register of the land owners, the State Register of real estate, as well as information provided by public authorities from localities where the parcels are situated. When identifying the affected persons, the fact will be taken into account that ownership of land is acquired at the time of registration in the register of real estate. Besides, PAPs identification shall take into consideration the documents, provided for in the legal framework as proving the rights in rem over real estate (Certificates of inheritance, irrevocable judgments, donation contracts, contracts on sale-purchase, lease contracts, and other acts of transmission of the right of ownership) that may be presented by the land owners.

The Expropriator will undertake all measures necessary to ensure the identification of all persons affected by the Project and to compensate the damages caused by the temporary or permanent expropriation of rights over the lands in question.

For this purpose, the law on Declaration of public utility of construction works shall invest the responsible authorities with the right to process personal data of the owners affected, the right of access to information in the State Register of real estate and with the right to request relevant information on the object of expropriation from any public or private institution.

***b)******Evaluation of damage caused and estimation of the compensation to be paid.*** The compensation payable to affected persons shall include the actual economic value of expropriated owner’s rights and damages caused to real rights’ holders.

In order to ensure a fair compensation, damages caused by the expropriation shall be evaluated in accordance with methodologies for land assessment, depending on the market price, quantitative and qualitative indices of the land subject to expropriation, lease price, existence and nature of the cultures, cost of planted perennial crops, income missed size of the missed income caused by deforestation/crop damage, etc.

Estimation of the amount of compensation related to permanent land expropriation will be done based on the market price, provided that it is not lower than the normative price calculated in accordance with the tariffs provided for by the Law on the normative price and mode of sale/purchase of land no. 1308/25.07.1997 In the opposite case the evaluation shall be based on the normative/regulated price set in accordance with the tariffs envisaged by the Law.

The provisions of the law on Declaration of public utility shall ensure that all affected persons receive a fair and timely compensation for the damages caused by the expropriation, prior to it, the amount of compensation being duly justified and proportional to caused damages.

***c) The preparation and submission of proposals for expropriation***. As a result of the identification of the persons affected by the Project and assessment of damages, the Expropriator will forward the proposals for expropriation, which will contain notifications to affected individuals, the offer for compensation, the method of transfer of assets and property rights or, where appropriate, the method of yielding the property rights.

If the affected person expresses his/her agreement with the received expropriation proposal, the Expropriator fills in the documents necessary for completion of the deeds of property right transfer or use of lands right subject to expropriation. The Proposals for the expropriation may be challenged by affected persons within a period of up to 45 days from the time of their receipt, by submitting a grievance to the Grievance Redress Committee.

The Committee for grievance redress/settlement will be established by Government decision and will include 3 permanent members, experts in the field of activity in which the works of national interest are carried out, and 3 members/ad hoc participants from among land owners in the villages where parcels subject to expropriation are located, without including the owners and the holders of other rights in rem over the objects of expropriation, their family members and relatives up to the fourth degree inclusive, persons holding in Central or local government and who have an interest in works’ execution.

The Committee will examine the complaints and relevant supporting documents, not later than 30 days from the date of registration thereof. The Committee’s decision concerning the claims/grievances shall be sent to the affected person/complainant no later than 5 days from the time of its issue.

The Committee decisions can be contested in Court.

The law on Declaration of public utility shall set the limits of the right to contest in the Court the expropriation proposals only in regard to the proposed amounts of compensation. Of any litigation rights holders may impact only on the amount of compensation payable and may not affect the transmission to the Expropriator of property rights or rights to use the land in question.

***d) Preparation of dossiers and conclusion of legal documents transferring rights from Expropriated Persons to the Expropriator.***

Conclusion of legal documents transferring rights from Expropriated Persons to the Expropriator involve:

* the conclusion between the Expropriator and Expropriated persons of the contracts for the purchase of land permanently affected by construction works or, as the case may be
* the signing by the Expropriated persons of the agreements to transmit the right to temporary use the land necessary for construction sites.

The contracts for the purchase of land shall be elaborated based on the dossiers prepared in advance, containing all necessary information, documents relating to the quantitative and qualitative land parameters, reports assessing the price of the land, the land owner’s rights, an extract from the real estate registry, etc. Where construction works permanently affect only a part of the parcel’s surface, it shall be subject to initial delimitation/forming procedure through separation of a new property in accordance with the provisions of the Law on the formation of real estate no. 354/28.10.2004; thereafter an act shall be concluded on transmittal of the ownership on the newly formed asset. Transactions on land’s sale and purchase shall be subject to obligatory notarial authentication.

***e)******Compensation payments*** will be made in accordance with the offers/proposals for compensation, and the time limits provided for in the expropriation proposals, as well as in accordance with the act of transmittal of the ownership rights, concluded between the Expropriator and Expropriated Persons. The compensation mechanism will be easily accessible, transparent and will allow permanent monitoring of the payment process.

In the case when the expropriation proposals are contested, the payment of compensation to the affected persons will be performed following the issue of the decision of the Committee of Grievance redress/settlement or, as the case may be, of a final decision of the Court.

1. ***Preparation of the set of documents necessary for the registration of the State property rights on land expropriated in the Register of real estate****.* The transfer of ownership from the Expropriated persons to the Expropriator will enter into force from the moment of its registration in the State Register of real estate. Preparation of cadastral dossiers and recording in the Register of real estate of the State property right on expropriated real estate shall be done by the entity, assigned by the law declaring public utility of construction works.

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## Annex 1. Legal Frame

**Applicable laws, rules and regulations**

***World Bank environmental and social standards***

The following Environmental and Social Standards are considered relevant to the Project:

* ESS1 Assessment and Management of Environmental and Social Risks and Impacts
* ESS2 Labor and Working Conditions
* ESS3 Resource Efficiency and Pollution Prevention and management
* ESS4 Community Health and Safety
* ESS5 Land Acquisition, Restriction on land Use and Involuntary Resettlement
* ESS6 Biodiversity Conservation and Sustainable Management of Living Natural Resources
* ESS 10 Stakeholder Engagements and Information Disclosure

***Applicable Rules for Procurement and Financial Management***

*Procurement under the MWSSP will be carried out in compliance with:*

* the World Bank Procurement Regulations for Investment Project Financing (IPF) Borrowers – Procurement in IPF of Goods, Works, Non-Consulting and Consulting Services, and
* with the Guidelines on Preventing and Combating Fraud and Corruption in Projects Financed by IBRD Loans and IDA Credits, as of July 1, 2016

*Financial Management under the project will be grounded on:*

* Disbursement Guidelines for Investment Project Financing, dated February 2017
* MWSSP Disbursement Letter
* Financial Agreement ratified under the Law No 169 of 23 June 2022, and via Presidential Decree 528 of 07 July 2022

***Special legislation in the WSS sector***

The following legislation in WSS sector is considered relevant to the Project:

* The Water Law No. 272 of December 23, 2011;
* Law on the Public Water Supply and Sewerage Service No. 303 of 13.12.2013;
* Law of Public Utility Services No. 1402 of 24.10.2002;
* Law on Drinking Water Quality no.182/2019;
* Sanitary Regulation on Small Drinking Water Supply Systems, approved by the Government Decision No. 1466 of 30.12.2016;
* Ministry of Economy and Infrastructure Degree nr. 162 of 01.09.2020 on approval of normative document CP G.03.08:2020 Water supply and sanitation systems and networks. Design and construction of outdoor water supply systems for small settlements with consumption below 200 m3 /day[[25]](#footnote-25) ;
* Requirements for collection, treatment and discharging of wastewater in the sewerage system and/or in water bodies for urban and rural settlements, approved by Government Decision No. 950 of 25.11.2013;
* Regulation on groundwater quality requirements, approved by the Government Decision No.931 of 20.11.2013;
* The Government Decision No. 949 of 25.11.2013 approving the Regulation on the sanitary protection areas of water intakes;
* Regulation on the conditions of discharge of wastewater into water bodies, approved by Government Decision No. 802 of 9.10.2013;
* Order No. 122 of 04.12.2015 for the approval of the Concept of regionalization of the public water supply and sewerage service and the Guide on the regionalization of the public water supply and sewerage service.

***Environmental protection***

The list below is the indicative list of pertinent environmental legislation:

* The Environmental Protection Law No. 1515 of June 16, 1993;
* The Land Code No. 828 of December 25, 1991;
* The Forest Code No. 887 of June 21, 1996;
* The Law on environmental impact assessment No. 86 of May 29, 2014;
* The Law on ecological expertise No. 851-XIII of May 29, 1996;
* The Water Law No. 272 of December 23, 2011;
* The Law on State protected natural areas No. 1538 of February 25, 1998;
* The Law no. 440 of 27 april 1995 on rivers and other water bodies protective belts;
* The Law on payment for environmental pollution No. 1540 of February 25, 1998;
* The Law on vegetal Regnum No. 239 of August 11, 2007;
* The Law on Green Spaces of the Urban and Rural Localities no.591 of 23 September 1999;
* The Law on urbanism and spatial planning principles No. 835 of May 17, 1996;
* The Law on waste no. 209 of 29 July 2016;
* The Law on the protection of atmospheric air No. 1422 of December 17, 1997;
* The Law on the protection of archaeological heritage No. 218 of 17.09 2010
* The Instructions on the organization of the State ecological expertise, approved by the Order of the Ministry of Environment No. 188 of September 10, 2002.
* The Guideline on procedure of conduction of the Environmental Impact Assessment, approved by the Order of the Ministry of Agriculture, Regional Development and Environment No.1 of January 1, 2019

***Occupational safety***

* The Labor Code of the Republic of Moldova No. 154 of March 28, 2003;
* The Law on safety and health at work No. 186 of July 10, 2008;
* The Law on the supervision of public health No. 10 of February 3, 2009;
* The Law on fire protection No. 267 of November 9, 1994;
* The Regulation on organization of activities for employees’ protection at work and prevention of occupational risks, approved by the Government Decision No. 95 of February 5, 2009;
* The Government Decision No. 353 of May 5, 2010 approving the minimum requirements for safety and health at work;
* The Government Decision No. 80 of February 9, 2012 concerning the minimum safety and health requirements for temporary or mobile construction sites;
* The Government Decision No. 918 of November 18, 2013 on the minimum requirements for safety and health markings at the workplace;
* The Government Decision No. 603 of August 11, 2011 on the minimum safety and health requirements for the use of equipment by employees at the workplace;
* The Government Decision No. 244 of April 8, 2013 approving the minimum requirements for the protection of workers from the risks related to exposure to asbestos at the workplace;
* The Government Decision No. 362 of May 27, 2014 approving the minimum requirements on the workers’ protection against risks to their health and safety arising or that may arise from exposure to noise, in particular from the risks to hearing;
* The Government Decision No. 324 of May 30, 2013 on approval of the sanitary Regulations for health and safety requirements on the workers’ protection from the risks related to chemical agents at the workplace;
* The Government Decision No. 1361 of December 22, 2005 approving the Regulations on works accidents’ investigation.

***Industrial safety and quality in construction***

* The Law on quality in construction No. 721-XIII of February 2, 1996;
* The Law on industrial safety of hazardous industrial objects No. 116 of May 18, 2012;
* The Law on authorizing/permitting the works’ execution No. 163 of July 9, 2010;
* The Government Decision No. 374 of June 28, 1996 on enhancing operational safety of buildings, installations, equipment and pipelines of high operational risks;
* The Government Decision No. 285 of May 23, 1996 approving the Regulations on buildings’ and related facilities’ taking-over.
* Regulation on the technical operation of public water supply and sewerage systems and installations (second edition), approved by order MARDE / MEI, no. 159/331 of 02.07.2018.
* Regulation on the establishment and approval of technological consumption and water losses, for the purpose of determining tariffs, in public water supply systems, approved by ANRE decision no. 180 of 10.06.2016.

***Normative acts on the operation of water/sewerage networks:***

* Regulation on the technical operation of public water supply and sewerage systems and installations (second edition), approved by order MARDE / MEI, no. 159/331 of 02.07.2018.
* Regulation on the establishment and approval of technological consumption and water losses, for the purpose of determining tariffs, in public water supply systems, approved by ANRE decision no. 180 of 10.06.2016.

***Construction Standards and Rules***

* The MCS G.03.03: 2015 (MCS 4.01-02) - "Internal water supply and sewerage facilities", approved by the Order of the Ministry of Regional Development and Constructions No. 124 of 18.11.2015 that replaced SNiP 2.04.01-85 - Internal water supply and sewerage systems;
* The MCS G.03.02: 2015 - External sewerage networks and facilities, approved by the Order of the Ministry of Regional Development and Construction No. 56 of 25.04.2016 that replaced SNiP 2.04.03-85: Sewerage. External networks and facilities.
* The MCS B. 01. 05: 2019 Urbanism. Systematization and arrangement of urban and rural localities.
* The MCS G. 03.00: 2017 installations and networks for water supply and Sewerage of water supply systems with a capacity of less than 200 m3/day.
* [The MCS G. 03.01:2017](https://www.legis.md/cautare/getResults?doc_id=103804&lang=ro) "Installations and networks of water supply and sewerage. Small capacity municipal wastewater treatment plants”.

***Construction Codes of Practice***

* CP G. 03.08:2020 "water supply and sewerage installations and networks. Design and construction of external drinking water supply systems, with a flow rate of less than 200 m3 / day, for settlements up to 3000 inhabitants”.
* CP G. 03. 07: 2016. Systems of natural biological treatment of municipal wastewater in filters planted with macrophytes (phytofilter);
* CP G.03.06-2011 Design and assembly of underground sewage pipelines made of fiberglass pipes.
* CP D.01.06-2012 Determination of admissible limits of harmful substances in superficial flows (discharges) for the conditions of the Republic of Moldova.
* CP G.03.03-2011 Design and installation of groundwater supply pipes from glass fiber reinforced plastic pipes.

***Laws and regulations concerning the Acquisition of Land and Resettlement***

* The Civil Code of the Republic of Moldova No. 1107 of June 6, 2002;
* The Law on expropriation for public interest No. 488 of July 8, 1999;
* The Law on the normative price and sale-purchase of land No. 1308 of July 25, 1997;
* The Law on the delimitation of public property No. 29 of April 5, 2018;
* The Law on management and privatization of public property No. 121 of May 4, 2007;
* The Law on public property of administrative-territorial units No. 523 of July 16, 1999;
* The Law on the real estate formation No. 354 of October 28, 2004;
* The Law on assessment activities No. 989 April 18, 2002;
* The Regulation concerning the preliminary research for the Declaration of public utility of the expropriation, approved by Government Decision No. 660 of June 15, 2006;
* The Provisional Regulation on the assessment of real estate, approved by the Government Decision No. 958 of August 04, 2003;
* The Regulation on modality of transmission, change of destination and exchange of land, approved by the Government Decision No. 1170 of October 25, 2016

***Other Legislation***

* The Integrity Law No. 82 of May 25, 2017;
* The Law on protection of consumer’s rights No. 105 of March 13, 2003;
* The Law on access to information No. 982 of May 11, 2000;
* The Law on Transparency in Decision Making No. 239 of November 13, 2008;
* The Law on Freedom of Expression No. 64 of April 23, 2010;

## Annex 2. Costs of Project components and description

*Table 2.1 Cost of Project Components (EUR 43.6 million (or US$ 52.8 million equivalent))*

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **Type** | **Item** | **Total Cost (US$)** | **Total Cost (EUR)** | **IBRD/IDA (EUR)** | **ADA Grant (EUR)** | **Govt (EUR)** |
| Works | Riscani: Water intake, purification plant and inter-municipal water main, reservoirs, chlorination stations, pumping stations, village/town networks, household connections, water meters (packaging tbd) | 8,400,000 | 6,938,135 | 6,764,682 | - | 173,453 |
| Consulting services | Detailed Engineering Design and ESIA/ESMP | 225,000 | 185,843 | 185,843 | - | - |
| **TOTAL SUBPROJECT RISCANI** | | **8,625,000** | **7,123,978** | **6,950,525** | **0** | **173,453** |
| Works | Cahul rayon & ATU Gagauzia: water main Lebedenco-Vulcanesti-Alexandru Ioan Cuza, reservoirs, chlorination stations, pumping stations, selected village/town networks, hh connections, water meters (packaging tbd) | 11,300,000 | 9,333,443 | 9,100,107 | - | 233,336 |
| Consulting services | Detailed Engineering Design and ESIA/ESMP | 220,000 | 181,713 | 181,713 | - | - |
| **TOTAL SUBPROJECT CAHUL-VULCANESTI** | | **11,520,000** | **9,515,157** | **9,281,820** | **0** | **233,336** |
| Works | Soroca: wastewater network rehabilitation, expansion and Wastewater Treatment Plant and sludge treatment; pumping stations, household connections, pro-poor sewer support (packaging tbd) | 10,900,000 | 9,003,056 | 8,777,980 | - | 225,076 |
| Consulting services | Detailed Engineering Designs and ESIA/ESMP | 300,000 | 247,791 | 247,791 | - | - |
| **TOTAL SUBPROJECT SOROCA** | | **11,200,000** | **9,250,847** | **9,025,770** | **0** | **225,076** |
| Works | Comrat: wastewater network rehabilitation and expansion and Wastewater Treatment Plant and sludge treatment; pumping stations, household connections, pro poor sewer support (packaging tbd) | 9,450,000 | 7,805,402 | 7,610,267 | - | 195,135 |
| Consulting services | Feasibility Study, Engineering Designs, ESIA/ESMP | 400,000 | 330,387 | 330,387 | - | - |
| **TOTAL SUBPROJECT COMRAT** | | **9,850,000** | **8,135,789** | **7,940,654** | **0** | **195,135** |

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| Consultancy services | Technical supervision companies (licensed) | 700,000 | 578,178 | 78,178 | - | - |
| Consultancy services | Capacity building for citizen engagement and support for public awareness campaign | 245,000 | 202,362 | 202,362 | - | - |
| Consultancy services | WSS Engineer for component 1.1 | 100,000 | 82,597 | 82,597 | - | - |
| Consultancy services | Technical Consultant to provide support to MIRD | 75,000 | 61,948 | 61,948 | - | - |
| Consultancy services | Legal Specialist for support to delegation contracts | 30,000 | 24,779 | 24,779 | - | - |
| Goods | Production of promotion materials, brochures, billboards and other information materials | 25,000 | 20,649 | 20,649 | - | - |
| **TOTAL COSTS SHARED ACROSS SUBPROJECTS** | | **1,175,000** | **970,513** | **970,513** | **0** | **0** |
| Works | Pilot scheme for on-site household sanitation | 250,000 | 206,492 | - | 206,492 | - |
| Consultancy services | Technical design and supervision support | 50,000 | 41,298 | - | 41,298 | - |
| Consultancy services | Rural sanitation engineer for implementation coordination and capacity building; | 50,000 | 41,298 | 41,298 | - | - |
| Consultancy services | Technology and market study, development of promotion materials, legislative documents | 30,000 | 24,779 | 24,779 | - | - |
| **TOTAL COSTS ON-SITE SANITATION PILOT** | | **380,000** | **313,868** | **66,077** | **247,791** | **0** |
| ***TOTAL SUBCOMPONENT 1.1*** | | ***42,750,000*** | ***35,310,151*** | ***34,235,360*** | ***247,791*** | ***827,001*** |
| Works | WASH facility rehabilitation and/or new construction in schools | 3,000,000 | 2,477,905 | 2,477,905 | - | - |
| Works | WASH facility rehabilitation and new construction Health Care facilities | 475,000 | 392,335 | 392,335 | - | - |
| Consulting services | Detailed Design and author supervision | 125,000 | 103,246 | 103,246 | - | - |
| Consulting services | WASH engineer/coordination | 50,000 | 41,298 | 41,298 | - | - |
| Consulting services | Social institutions screening and monitoring | 25,000 | 20,649 | 20,649 | - | - |
| Consulting services | Development of handwashing/hygiene education materials and capacity development | 25,000 | 20,649 | 20,649 | - | - |
| ***TOTAL SUBCOMPONENT 1.2*** | | ***3,700,000*** | ***3,056,083*** | ***3,056,083*** | ***0*** | ***0*** |
| ***TOTAL COMPONENT 1*** | | ***46,450,000*** | ***38,366,235*** | ***37,291,443*** | ***247,791*** | ***827,001*** |

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| Consulting services | National Water Supply and Sanitation Sector Development Plan; prioritized investment program, financing framework; strengthening lead agency; preparatory studies for priority investments | 1,500,000 | 1,238,953 | - | 1,238,953 | - |
| Consulting services | Development of legislative documents for consolidation /reorganization of WSS funds; develop system for performance-based financing of sector investments | 75,000 | 61,948 | 61,948 | - | - |
| Consulting services | Development/revision of standards/norms for sanitation for towns below 10,000 and above 10,000 | 75,000 | 61,948 | 61,948 | - | - |
| Consulting services | Revisions on Law 303 to accelerate regionalization; revision on tariff/regulatory normative documents | 50,000 | 41,298 | 41,298 | - | - |
| Consulting services | Technical assistance for LPAs, districts and service providers for regionalization and tariff compliance (several experts) | 75,000 | 61,948 | 61,948 | - | - |
| Training/Workshops | Training and workshops on new WSS law, asset management plan, business planning, tariff regulation, MIS system, etc. | 50,000 | 41,298 | 41,298 | - | - |
| Non-consulting services | Software applications, licenses, cloud server for MIS systems ANRE/MIRD | 40,000 | 33,039 | 33,039 | - | - |
| Consulting services | Develop and implement MIS systems for KPIs and e-governance interface | 150,000 | 123,895 | 123,895 | - | - |
| Consulting services | Institutional Development Specialist | 75,000 | 61,948 | 61,948 | - | - |
| Consulting services | Consultant for MIRD for subcomponent 2.1 | 75,000 | 61,948 | 61,948 | - | - |
| Goods | IT equipment for WSS MIS systems MIRD and ANRE | 15,000 | 12,390 | 12,390 | - | - |
| Non consulting services | Professional development program: delivery of BSc and Technical Colleges degrees and BSc WSS cohort | 320,000 | 264,310 | 264,310 | - | - |
| ***TOTAL SUBCOMPONENT 2.1*** | | ***2,500,000*** | ***2,064,921*** | ***825,968*** | ***1,238,953*** | ***0*** |

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| Non consulting services | Accounting/billing/asset management software | 25,000 | 20,649 | 20,649 | - | - |
| Consulting services | Energy audits, NRW plan development; pressure assessments, five-year business plan and asset management plan development | 175,000 | 144,544 | 144,544 | - | - |
| Goods | Leak reduction equipment, pressure meters, bulk water, meters for DMAs, SCADA, pump replacement, tools and equipment for excavation | 500,000 | 412,984 | 412,984 | - | - |
| Civil Works | Civil works for creation of DMAs, rehabilitation/replacement of pipes to reduce leakage, minor expansion | 700,000 | 578,178 | 578,178 | - | - |
| Consulting services | Specialized engineers (energy efficiency, NRW reduction) | 50,000 | 41,298 | 41,298 | - | - |
| Training/Workshops | Training for LPAs, utility staff; workshops for citizen engagement and roundtables | 50,000 | 41,298 | 41,298 | - | - |
| ***TOTAL SUBCOMPONENT 2.2*** | | ***1,500,000*** | ***1,238,953*** | ***1,238,953*** | ***0*** | ***0*** |
| ***TOTAL COMPONENT 2*** | | ***4,000,000*** | ***3,303,874*** | ***2,064,921*** | ***1,238,953*** | ***0*** |
| Consulting services | Financial Audits | 75,000 | 61,948 | 61,948 | - | - |
| Consulting services | PIU core team (Manager, FM Specialist, Proc Specialist, Proc. Assistant, Chief WSS Eng., WSS Eng, Env Specialists, Social Specialist, Communication/CE, Gender, M&E specialist, Administrative Assistant | 1,415,000 | 1,168,745 | 1,168,745 | - | - |
| Consulting services | RDA consultants to support implementation (social/environment, etc.) | 140,000 | 115,636 | 115,636 | - | - |
| Operating costs | Incremental operating costs RDAs | 60,000 | 49,558 | 49,558 | - | - |
| Operating costs | Incremental operating costs PIU (and MIRD) | 300,000 | 247,791 | 247,791 | - | - |
| Consulting services | Baseline and endline survey; other project M&E | 60,000 | 49,558 | 49,558 | - | - |
| Goods | Office/IT equipment PIU, MIRD, RDA; vehicle | 200,000 | 165,194 | 165,194 | - | - |
| Non-consulting services | Software licenses etc. | 10,000 | 8,260 | 8,260 | - | - |
| Consulting Services | Short-term specialized consultants | 30,000 | 24,779 | 24,779 | - | - |
| Workshop/training | Training on Procurement, FM, ESF, contract management (PIU, MIRD, RDA, tender committees) | 60,000 | 49,558 | 49,558 | - | - |
| ***TOTAL COMPONENT 3*** | | ***2,350,000*** | ***1,941,026*** | ***1,941,026*** | ***0*** | ***0*** |
| ***TOTAL PROJECT COST*** | | ***52,800,000*** | ***43,611,134*** | ***41,297,390*** | ***1,486,743*** | ***827,001*** |

**Gender.** A Gender assessment covering the four selected WSS operators identified that the share of women employed in these entities varied between 19 and 37 percent. This is similar to the national average, where 29 percent of the staff in WSS operators are female, and among engineers the share of female engineers is 15 percent. The WSS sector has a high occupational sex segregation with women are concentrated in administrative jobs such as billing, accounting & financial management, laboratory testing and customer relations and meter reading, while men are hired in engineering occupations, pipe fitters, plumbers, operators of heavy specialized machinery and of the water and wastewater treatment plants, as well as in top management positions. Numerous barriers were identified along the employee lifecycle, the most critical being attraction and recruitment of young professional, specifically females in the WSS sector, as professional advancement in technical roles due to a lack of qualifications. Attracting more women in WSS utilities is hindered by entrenched social norms and practices, a reputation of WSS sector labeling the work as too dangerous and physically demanding. Bachelor level WSS courses at UTM stopped operations due to lack of students, illustrating the poor attractiveness of the sector (e.g. due to low salaries) and the brain drain of young people going abroad. Female employees reported limited access to training and career advancing opportunities that may hinder women’s progression in the sector which often require technical skills.

**Ongoing professional development programs.** Recognizing the need increasing the qualifications of local employees in the WSS sector, several accredited training programs have been developed and their implementation cycle completed. The IFSP-supported accredited training program, delivered by Technical University of Moldova (UTM) intends to provide Bachelor’s degrees in WSS to existing employees through an 18-month program for those without a technical prequalification, and a 12-month program for those with a technical pre-qualification. The program has been completed in March 2021 and delivered 52 accredited Bachelor level degrees, of which 27 percent to females. Especially the 18-month program allows women to make horizontal career shifts and included 35 percent women (compared to 20 percent women in the 12-month program). The attrition rate was fairly at 25 percent (the program started with 70 students), but gender disaggregated data are not available. Supported by GiZ, a similar approach is followed for technician qualifications (Technical College level), with 9 months for employees with a technical background and 12 months for those without technical prequalification. The program has started end 2020 with a first cohort of 50 utility staffs, of which 20 percent female. Bachelor WSS studies for new students was closed in 2017 and data suggest that around 20 percent of students were female (while the MSc level on Water resources management and environment, female students make up around 45 percent). The professional development program of UTM is the only accredited program for continuous education in the WSS sector.

**Narrowing gender gap in technical fields in WSS sector.** The project will implement a comprehensive professional development program contributing to narrowing the gap of women with technical qualifications, to attract and advance females within the WSS sector. It includes two accredited courses for existing or newly recruited staff, either with or without a technical prequalification, to achieve the level of BSc. in Water Supply and Sanitation management and Technical College as qualified plant operator. Moreover, a cohort of new students will be supported to reopen the accredited four-year bachelor’s degree in WSS that will be embedded with summer internships within sponsoring utilities. Special outreach activities will be carried out to attract and retain female participants in these programs, for example through networking and mentoring among females facilitated by AMAC, the utility association. With support of MIRD and AMAC, complementary training in coordination with the global Equal Aqua Platform will be facilitated to sensitize more WSS utility managers on gender-inclusive HR policies, practices, and organizational and social norms. As part of the PIP, measures to introduce inclusive HR measures can be addressed.

**Citizen Engagement and Communication activities.** The project incorporates a citizen engagement approach aiming for a pro-active, regular and two-way engagement with local citizens and water and sanitation customers throughout the project lifecycle. Participatory approaches in decision-making and monitoring will empower citizens and give voice to vulnerable customers. An online platform will be developed to ensure accessible online feedback and to support several citizen engagement activities, complemented by face-to-face methods to ensure inclusion of those less able to use ICT means. The platform will provide a resilient approach for the implementation of citizen engagement activities. Informed by consultations, the project will support several citizen engagement key activities:

1. **Participatory decision-making and monitoring through the establishment of Citizen Water and Sanitation Committees (CWSCs)** for subprojects tailored to the local context. The CWCSs will be initiated by LPAs, represent and support water and sanitation customers, and ensure customer feedback and suggestions can be addressed by the utilities. The CWSCs will also support the PIU, RDAs, LPAs and utilities in conducting several other citizen engagement activities and will enable participatory monitoring of construction/ connection progress, and pro-poor support. Committee composition will ensure representation of vulnerable groups and at least 35 percent women;
2. **Capacity building for citizen engagement and local facilitation through recruiting of NGO**, which will continuously build the capacity of the CWSCs and support the PIU, RDAs and LPAs in facilitation of diverse citizen engagement activities, particularly related to construction work and connections at the local level with CWSCs;
3. **A social mobilization and communication campaign**, which will be designed based on feedback from customers and will be supported by the online platform. The campaign will use a mix of traditional and digital communication products, advertise and utilize the online platform, and disseminate information on water supply access, implementation schedules, connection plans, customer contracts and tariffs, and availability of pro-poor subsidies for sewer connection;
4. **A water and sanitation beneficiary survey complemented by “local snapshots”**, which will be advertised and conducted every six months through the online platform and SMS. The local snapshots will accompany the survey, aim to reach those who are not able to provide online feedback and consist of phone conversations, focus groups and door-to-door visits conducted by the NGO;
5. **Regular (bi-annual) subproject public meetings** – supported by the online platform, will disseminate and discuss survey results and clarify which customer suggestions have been addressed (closing the feedback loop);
6. **Participatory feedback for utility performance improvement plans (PIPs)** – utilizing survey results and customer feedback to lead to customer suggestions for the PIPs. customer-orientation will be promoted for WSS operators and integrated in PIPs. This will include the strengthening of customer complaint mechanisms, as well as the public disclosure, regular consultation processes on the implementation and performance of the WSS operators, integrating customer feedback in the annual updating of the PIPs;
7. **Check My Water/ Sanitation Roundtables** in collaboration with utilities, CWSCs and interested citizens to collect their feedback for utilities’ PIPs.

**Subproject Investments** *[To be revised after signing agreements]*

**Component 1. Subcomponent 1.1: Expanding access and quality of WSS services (EUR 35.3 million).** This includes the following subprojects

*Table A1.2 Summary of proposed subprojects*

|  |  |
| --- | --- |
| **Expansion and improvement water supply services in Cahul and Vulcanesti districts** | Cahul is a city and district in southern Moldova. The subproject is aimed at improving access and quality of water supply services to a number of rural settlements and the town of Vulcanesti through transmission and distribution of water supply to households utilizing water from the Prut river, making use of bulk infrastructure already constructed. The existing water treatment plant has enough capacity to meet the future demand of water from all localities along the main line, including Vulcanesti town (which is part ATU Gagauzia), currently using deep ground water.  The existing water supply infrastructure in the district of Cahul covers the city of Cahul and recently has expanded to nine neighbor localities using water from the Prut river. Localities out of the city of Cahul either have no centralized water supply system, with households utilizing mostly shallow wells, or, where centralized networks exist, these utilize deep ground water, which in the Cahul area is highly mineralized. Shallow wells are prone to drought, high concentration of nitrates and microbiological contamination, and limited capacity. Deep wells in Cahul district have relatively low output and suffer from high levels of sodium, fluoride, iron and ammonium. The scheme will require strong cooperation between local governments and operators, and between Cahul municipality and the Gagauzian authorities. The proposed approach is that Vulcanesti municipal operator purchases bulk water from Cahul operator, supplying existing and new customers through network expansion. The Cahul operator would operate the transmission main as well as the villages that will be connected in the Cahul district. While for Cahul subproject, several design drawings and BoQ are available, they require review, optimization where possible, and expansion (such as for the networks in Vulcanesti town). ESIAs and ESMPs need to be developed. The subproject aims to reach around 19,500 beneficiaries, of which at least 12,000 live in Vulcanesti town. |
| **Expansion and improvement water supply services in the Prut Cluster, Riscani district** | Rișcani is a district in the north-west of Moldova. The subproject is aimed at improving access and quality of water supply services to several priority settlements in the Prut Cluster. The project will include a water intake from the Prut river, water treatment plant (modular to allow for capacity increase), transmission, reservoirs, and distribution of water supply to households. There are 21 villages with a population of around 25,000 people that potentially could be connected to the Prut cluster, some without any service, and others with a partial service not compliant with water quality standards Currently Costesti town, which is the largest settlement in the Prut Cluster with around 3,500 people, utilizes water from deep wells. The project area is very rural with low population density. There are designs that were completed in 2014 and updated with DEDs and BoQs in 2019. These now require expansion, to include where necessary distribution networks, optimization and update, along with the preparation of ESIA and ESMPs. The determination of the first phase priority settlements will be driven by ensuring highest beneficiary numbers, targeted at 10,500 people, for the available investment allocation amount. Local governments in the Prut Cluster, including the district council, will become founding members of a new regional JSC to operate the system, under delegation contracts by the LPAs. |
| **Expansion and improvements of wastewater services in Soroca** | Soroca, on the border with Ukraine, is located on the right bank of the Dniester River in North Moldova. The city and surrounding villages include about 40,000 population at present, and the town proper around 25,000. Over 85 percent of the city is covered with water supply services. The sewerage system in Soroca is old and received little or no maintenance for many years, covering around 35 percent of the town. All wastewater collected in Soroca flows to a central pumping station, from where the untreated wastewater flows is discharged in the Dniester River. Several sections of the sewer system are near collapse. Consequently, there is substantial groundwater infiltration into the sewers at present, wastewater concentrations are found to be low, and the cost for wastewater pumping is unnecessarily high. There has been a repeated and clear need to address the wastewater situation, and although numerous concept notes and pre-feasibility studies have been undertaken, these are either outdated or of poor quality. Under the ECAPDEV PPG, a feasibility study with associated ESF documents will be prepared, and DED and bidding documents under the Project. The target beneficiaries for Soroca are 17,000 people. There is a significant Roma community in Soroca (population data not known). Industry plays a relevant role in Soroca and is an important source of wastewater pollution discharges. |
| **Expansion and improvements of wastewater services in Comrat municipalities** | Comrat town is the capital of the autonomous region of Gagauzia. It is located in the south of the country, on the Ialpug River. The city has a total around 20,000 population at present. Over 85 percent of the town is accessing water supply services, although water quality is suboptimal. Around 35 percent of the town’s populations are connected to sewer networks. There is no functional wastewater treatment plant (previous WWTP is obsolete) and untreated sewerage discharges into the Ialpug River. With support of national funds, critical rehabilitation on part of the main sewer collectors took place. A conceptual study for Comrat drinking water and wastewater investments was developed under the GiZ Modernization of Public Services project., highlighting the large investment needs Comrat. A full feasibility study and detailed designs will be carried out, and investments financed for priority measures will be financed by the project (wastewater treatment plant, networks, and support to the operator). The target beneficiary population is 18,000 people. |
| **Improvements in on-site sanitation services for rural villages** | The pilot aims to demonstrate that on-site sanitation can serve as cost-effective and appropriate solutions to help achieve sanitation targets in rural Moldova where networked solutions may not be feasible. The pilot entails: i) demand creation and promotion of safely managed low-cost on-site sanitation technologies, ii) information provision and advice on costs and correct construction and installation to households including training of local contractors, iii) the development of service agreement for future emptying, and iv) a co-financing arrangement with households for the civil works. Interested and eligible households will sign ‘On-site Sanitation Support Agreement’ with the PIU to consent with the conditions of the support scheme (a template is included in the POM). All households will be responsible for constructing/improving their in-door flush toilet. An estimated 1,500 people (or 545 households) are expected to benefit from this pilot and as a result will gain access to safely managed on-site sanitation. |

**Connection support program for sewers.** Ensuring household connections to WSS services, particularly sewer systems, are a significant challenge facing the sector (with no mandatory connection requirement yet in the law). In addition to negative public health and environmental impact, low sewer connection rates mean that wastewater treatment plants (WWTPs) are underutilized and the financial performance of the WSS operator suffers. To reduce the risks of low connection, under the project household water supply and sewer connections up to private property will be included in all the civil work contract (including water meters and service manholes). Small civil works contracts will be financed for eligible poor and vulnerable households to construct required on-plot piping and plumbing to connect kitchen and bathrooms to the sewer service manhole. Eligible poor households will need to sign customer contracts with the WSS operator and a ‘*Sewer Connection Support Agreemen*t’ with the PIU, including consent form to the design of works and consent form for the completion of the on-plot plumbing/piping. Small works will be supervised by the PIU. Eligible households are responsible that a basic pour-flush toilet is installed, and existing tanks and/or pits are taken out of use. It is estimated that around 1,000 poor and vulnerable households will benefit from the sewer connection support program. Poor and vulnerable households will be identified with support of the Social Affairs office at LPA level and listed as beneficiaries. Extensive awareness raising efforts should address willingness-to-connect and willingness-to-pay challenges, focusing on communicating benefits from connecting to centrally managed schemes. The Project will support the development of mandatory connection policies, combined with social support mechanisms.

**Subcomponent 1.2: Improving WASH facilities in public institutions (EER 3.1 million).** Subcomponent 1.2. will finance WASH in i) health care centers as prioritized by MH in subproject location and other priority districts (target of 25 facilities), and ii) priority schools in subproject locations and other priority schools (target of 100 schools), following a framework approach allowing flexibility as to the selection of schools or HCF based on needs, impact (pupil numbers, patients served) and readiness. Works will include the rehabilitation/construction of water supply connections to centralized networks or existing point sources, connection to sewer systems or construction of on-site sanitation facilities, and the rehabilitation or new construction of indoor toilet facilities with adequate handwashing and hygiene facilities. The subcomponent will finance capacity development to ensure adequate O&M of the facilities, as well as education and behavior change campaigns for school staff, students and health workers on hygiene.

**Subcomponent 2.1: National WSS Institutional Capacity Development and Reform (EUR 2.1 million).** This subcomponent will finance activities to strengthen institutional capacities at national level for resilient, inclusive, sustainable and efficient sector development and modernization. The subcomponent will focus on capacities for planning, financing, economic regulation, performance monitoring, professional development and the revision and development of new policies and normative documents. Under leadership of MIRD, and in collaboration with other entities, this subcomponent will finance goods, consulting services, non-consulting services, and training for the following: i) the preparation of a NWSSDP, investment program and financing strategy and capacity development of its lead entity ii) the aggregation process of WSS operators into regional licensed service providers under this Plan, iii) the development and roll-out of a national WSS MIS for performance benchmarking, iv) the preparation of revisions and/or new legislation, policies and normative documents, and new design & construction norms for sanitation, v) the capacity development of ANRE, the WSS regulator, Operators and LPAs to comply with tariff procedures, and vi) the implementation of a professional development program.

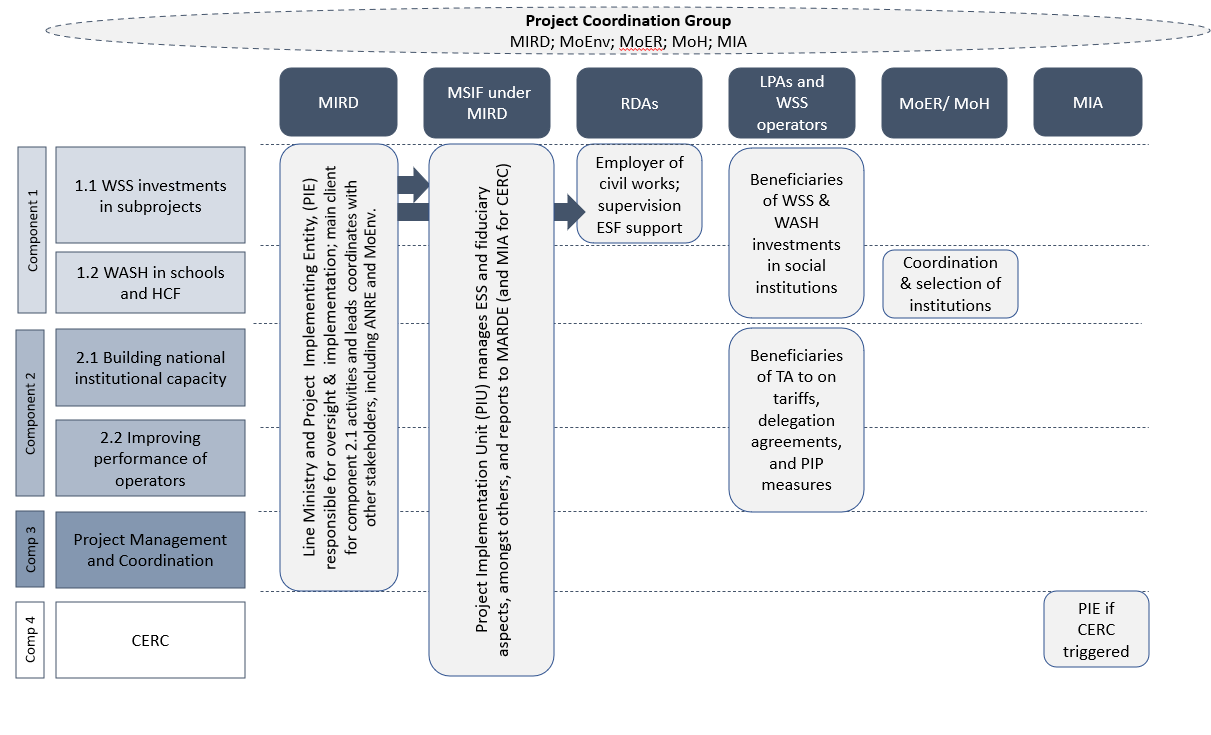
**Subcomponent 2.2: Performance Improvement Program for WSS Operators (EUR 1.2 million).** Subcomponent 2.2. will finance investments (goods, works) and technical assistance (consulting services, training) to support a prioritized multi-annual Performance Improvement Plan (PIP) to lift the performance of five WSS operators involved under subcomponent 1.1 (see table 2.2. for a summary operator indicators). It will introduce annual performance assessments against agreed targets, based on an initial PIP and - depending on the achievement - the financing of priority measures under a second multi-year PIP. A comprehensive Utility Assessment was carried out for selected utilities through the use and implementation the Utility of the Future (UoF) Diagnostic and Action Planning tool (UoF tool to inform the approach, design and scope of the utility modernization program under component 2.2. Investments and measures include but are not limited to the following: increasing connection rates, improving comMERMERial practices and accounting systems, asset management, water metering programs, non-revenue water (NRW) reduction programs, energy efficiency, improved customer orientation, water safety and resilience/continuity plans. Customer feedback and engagement will be a part of the annual performance assessments.

*Table 1.2 Key indicators selected WSS Operators*

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **No.** | **Indicators** | **Unit** | **Cahul** | **Soroca** | **Comrat** | **Costesti** |
| 1. | Population in service area | Number | 55,800 | 46,140 | 26,400 | 3,755 |
| 2. | Households | Number | 20,327 | 18,750 | 11,000 | 2,004 |
| 3. | Population served | Number | 35,672 | 36,052 | 22,886 | 3,755 |
| 4. | Water coverage | % | 75 | 60 | 71 | 63 |
| 5. | Sewerage coverage | % | 42 | 33 | 29 | 51 |
| 6. | Wastewater treatment coverage | % | 100%\*\*\* | 0 | 0 | 100%\*\*\* |
| 7. | Intake water | m3 ^000/yr | 2,528.4 | 1,340\* | 1,459 | 52.1\*\* |
| 8. | Sales volume | m3 ^000/yr | 1,198.3 | 813 | 549 | 47.5 |
| 9. | Per capita consumption | l/c/d | 50.1 | 50.9 | 59.9 | 50.0 |
| 10. | Continuity of service | hours/day | 24 | 24 | 18 | 24 |
| 11. | Sewerage blockage | #/km/yr | 28 | 5.9 | 7.7 | 3.7 |
| 12. | Metering level | % | 97 | 96 | 98 | 99.9 |
| 13. | NRW | m3 ^000/yr | 1,330 | 527 | 910 | 4.6\*\* |
| 14. | NRW | % | 53 | 39 | 62 | 11\*\* |
| 15. | NRW | l/con/hour | 8.5 | 3.9 | 11.3 | 0.6\*\* |
| 16. | Staffing level | #/1,000 population served | 4.0 | 3.2 | 4.2 | 11.2 |
| 17. | Collection ratio | % | 108.4 | 101.6 | 106.52 | 110.8 |
| 18. | Operating cost coverage | % | 100.8 | 116.8 | 100.5 | 97.3 |

*Note: Utility Diagnostic for Vulcanesti WSS operator is planned for May 2021*

## Annex 3. Implementation Arrangements



To facilitate the carrying out of the Project, and prior to the participation of a Project Entity in the implementation of any given Project activity, the Recipient, through MIRD, shall cause the PIU to: (a) sign with said Project Entity an Inter-Institutional Agreement with terms and conditions acceptable to the Association; and (b) thereafter maintain said Inter-Institutional Agreement throughout the implementation of the Project. The Recipient, through MIRD, shall cause the PIU to exercise its rights under each Inter-Institutional Agreement in such manner as to protect the interests of the Recipient and the Association and to accomplish the purposes of the Credit.  Except as the Association shall otherwise agree, the Recipient, through MIRD, shall cause the PIU not to assign, amend, abrogate*,* waive, terminate or fail to enforce any Inter-Institutional Agreement or any of their provisions.

## Annex 3.1. Terms of Reference for the Project core-team consultants

1. **Terms of Reference for PROJECT MANAGER**

**TERMS OF REFERENCE (ToR)**

**Implementation of the Moldova Water Security and Sanitation Project**

**(P173076)**

**Project Manager**

**within the**

**National Office for Regional and Local Development**

**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 2014–2030[[26]](#footnote-26) 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 WSS[[27]](#footnote-27) 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.[[28]](#footnote-28)

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.[[29]](#footnote-29) 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 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 Gagauzia[[30]](#footnote-30) 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 twopreliminarily 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.

**OBJECTIVES**

The National Office for Regional and Local Development (the Project Implementation Unit (PIU)) seeks to engage a Project Manager, hired as a consultant, responsible for management, coordination and implementation of the MWSSP within the framework of the assigned project, in accordance with the agreed project documentation, guidelines and procedures of the World Bank (hereinafter WB) and other donors. The Project Manager will provide leadership and coordination of the PIU team. They will be responsible for managing and coordinating all Project activities being implemented by the PIU for the purposes of the project.

**SCOPE OF WORK**

The specific activities of Project Manager will include the following, among others:

1. Serve as Project Manager of Moldova Water Security and Sanitation Project (MWSSP) and coordination focal point between PIU, MIRD and the WB on matters related to implementation.
2. Provide leadership, guidance and supervision of all implementation activities of various stakeholders in line with the project documents.
3. Coordinate and supervise consultants, team members, and various work streams, including delivery of their inputs
4. Oversee the development of training and capacity building for PIU.
5. Represent PIU in relation with Government institutions, development partners and others.
6. Identify areas of work requiring additional support, proactively engage on defining the assignment, lead the support to MIRD and PIU in drafting ToRs to be carried out within the Project, and supervise the hiring process where required.
7. Ensure frequent communication and coordination of all activities with MIRD and WB. Ensure timely provision and exchange of project information.
8. With support from PIU team, monitor and evaluate activities against set targets
9. Lead the planning and execution of consultation events, including preparation of materials for presentation, agenda and preparation of summary reports (chairing meetings where required, and presenting the work, among other duties), and supervise dissemination of information to the public.
10. Coordinate the development and submission of project reports and other outputs as required throughout the project duration.
11. Oversee the development of progress, monitoring and evaluation reports in line with WB and MIRD requirements; ensure quality and timeliness of reports and present progress reports to management.
12. Participate in WB missions and in other meetings relating to the project.
13. Manage activities relating to finance management, annual budget planning, disbursements and project funds in compliance with procedures of control and audit acceptable to the WB and the Government for the project, in close coordination with project financial management specialists.
14. Coordinate all procurement-related matters for project preparation including procurement of goods, works and services in compliance with all applicable guidelines and other project documents of the WB, in close coordination with project procurement specialists.
15. Conduct periodic individual and team performance reviews and undertake other performance management activities to build a high-performing team.
16. Coordinate the implementation of Trust Funds and associated grant activities and ensure close coordination and information exchange with the donor, Bank and Government of Moldova, including reporting on progress.
17. Other responsibilities assigned by the Executive Director

**DELIVERABLES**

The outputs of the Project Manager will include the following documentation and reports:

1. PIU strategic documents, action plans, papers, concepts, reports;
2. Institutionalized internal business processes and procedures;
3. Project Operational Manual;
4. Team performance reviews;
5. Presentations and input to communication materials;
6. Terms of reference;
7. Progress and other relevant reports on MWSSP.

**TIMING**

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.

**INSTITUTIONAL ARRANGEMENTS**

The Consultant will report to and work under the direct supervision of the Director of the PIU. The deliverables shall be approved by the Director of PIU and/or MIRD, PIU Management Board, Steering Committee, etc. as appropriate.

**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.

**QUALIFICATION REQUIREMENTS AND EVALUATION CRITERIA**

Qualification requirements and evaluation criteria

* Master’s degree (or equivalent) in business administration, law, international relations, environmental science or related field.
* At least three years of experience in the design, management and implementation of international projects, preferably related to infrastructure, environment, or water supply and sanitation. Experience working with development organizations and the World Bank an advantage.
* At least three years of experience in working with Government institutions. Experience working with technical assistance projects within Government an advantage.
* Experience in managing multidisciplinary teams and strong people management skills.
* Experience in coordination between different teams.
* Experience in project budgeting.
* Proficiency in English and Romanian languages.
* Computer skills (MS Office and familiarity with project management software, such as MS Project).

1. **Terms of Reference for FINANCIAL MANAGEMENT OFFICER**

**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**

1. **BACKGROUND**

**Project context**

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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.[[34]](#footnote-34) 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 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 Gagauzia[[35]](#footnote-35) 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 twopreliminarily 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.

1. **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.

1. **SCOPE OF WORK**

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

1. ***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.

1. ***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.

1. **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.

1. **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. The part-time option will also be considered.

1. **INSTITUTIONAL ARRANGEMENTS**

The FMS will report directly to the Project Manager and PIU Director. 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.

1. **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.

1. **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;
* Experience in using the state budget planning and payment systems;
* 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 (1C, Windows, MS Office, Internet Explorer);
* Knowledge of water supply and sewage sector will be an advantage.

1. **Terms of Reference for PROCUREMENT SPECIALIST**

**TERMS OF REFERENCE (ToR)**

**Implementation of the Moldova Water Security and Sanitation Project**

**(P173076)**

**Procurement Specialist**

**within the**

**National Office for Regional and Local Development**

**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 2014–2030[[36]](#footnote-36) 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 WSS[[37]](#footnote-37) 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.[[38]](#footnote-38)

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.[[39]](#footnote-39) 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 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 Gagauzia[[40]](#footnote-40) 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 twopreliminarily 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.

**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 procurement aspects related to Project implementation.** The procurement specialist will be a part of the core PIU team, and is expected to lead, manage and coordinate timely procurement implementation and ensure compliance with World Bank and national requirements of the Republic of Moldova, in line with the Project Approval documents.

**SCOPE OF WORK**

**The Procurement Specialist** (*hereafter* the Consultant) **shall undertake the following tasks:**

* Coordinate the activities related to MWSSP procurement processes as part of the Project Implementation Unit (PIU);
* Lead and manage updating of the Procurement Plan, including creating and amending the electronic version of the procurement plan and conducting the procurement activities for goods, works, non-consulting services and consulting services in STEP (Systematic Tracking of Exchanges in Procurement);
* Carry out assigned procurement processes and alert the Project Manager if significant delays are identified;
* Contribute to the development of the technical specifications and ToRs with procurement-related substance;
* Provide support in drafting tender documentation in accordance with the World Bank Procurement Regulations and standard templates;
* Prepare and issue the advertisement documentation mandated by the procurement procedures;
* Provide support in responding to the requests for clarifications, issuing and amending bidding documents when necessary;
* Arrange and properly record the proceedings of the pre-bid meetings;
* Arrange and properly record the proceedings of public tender openings, preparing and submitting minutes of openings to the World Bank;
* Arrange and properly record the proceedings of electronic tender openings, developing the Bid Confirmation Report and/or Proposal Confirmation Report (exclusive documentation for electronic tender openings), prepare and submit minutes of openings to the World Bank;
* Provide procurement related advice to the Evaluation Committee members and serve as Secretary of the Evaluation Committees for some of the assigned procurement packages;
* Compile evaluation reports in the format required by the World Bank;
* Provide support in arranging and participating in biddings’ negotiations and recording the agreements reached;
* Prepare the publishing documentation of contract awards and information for the winners of the bids;
* Provide support in drafting contracts in coordination with the firms/individuals recommended for contract award;
* Provide support in issuing final versions of the agreed contracts to be signed by the parties in accordance with the tender documentation and Regulations.
* Provide support in monitoring the receipt of signed contracts and contract guarantees;
* Undertake to expedite Project procurement processes;
* Provide procurement related advice regarding national procurement or accounting law and alignment with World Bank requirements;
* Archive and maintain the project’s procurement documentation files, including the electronic archive;
* Prepare procurement reports to be submitted to the World Bank;
* Provide inputs for Project progress reports regarding procurement aspects;
* Contribute to MWSSP budget disbursement projections, in coordination with Financial Management Specialist and other PIU team;
* Provide support in issuing and updating the MWSSP list of budget commitments;
* Provide input for the revision of the Project Operations Manual where required;
* Participate in the yearly Project Audit also external audits performed by local control authorities;
* Participate in yearly Procurement Review performed by the World Bank.

**OUTPUTS AND DELIVERABLES**

The outputs of the Consultant will include:

1. Updated MWSSP Procurement Plan;
2. All the relevant procurement documents based on the selection method adopted;
3. Project procurement archive, including electronic archive of all procurement packages;
4. Budget disbursement projections and budget commitments; and
5. Any other document requested by the Project Manager which requires procurement input.

**TIMING**

This is a full-time assignment planned for **12 months** to be extended subject to the Consultant’s performances.

**INSTITUTIONAL ARRANGEMENTS**

The Consultant will report to and work under the direct supervision of the MWSSP Project Manager and Senior Procurement Specialist.

**RESOURCES**

The PIU will provide working space, office equipment and communication facilities, as well as any other necessary means and support for consultant in carrying out this assignment.

Qualification requirements and evaluation criteria

**MANDATORY QUALIFICATIONS**

* University degree in economics, finance, law, international relations, or related field;
* A minimum of 3 (three) years of relevant work experience;
* Experience in procurement of goods, service and works;
* Knowledge of World Bank and/or other International Financial Institutions procurement rules;
* Proficiency in English and Romanian languages;
* Computer skills (MS Office and familiarity with project management software, such as MS Project).

**Preferred qualifications**

* Knowledge of World Bank procurement procedures would be an advantage;
* Expertise of the national public procurement legislation would be an advantage;
* Experience of working with large infrastructure projects would be an advantage;
* Experience in working with national public sector authorities, preferably service providers would be an advantage;
* Experience working in the water and sanitation sector would be an advantage;
* Trained in World Bank procurement would be an advantage.

1. **Terms of Reference for WASH ENGINEER**

**MOLDOVA WATER SECURITY AND SANITATION PROJECT**

**Project ID No. P173076**

**TERMS OF REFERENCE**

**FOR WASH ENGINEER**

**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 2014–2030[[41]](#footnote-41) 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 WSS[[42]](#footnote-42) 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.[[43]](#footnote-43)

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.[[44]](#footnote-44) 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 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 Gagauzia[[45]](#footnote-45) 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 twopreliminarily 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.

**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 procurement aspects related to Project implementation.** The procurement specialist will be a part of the core PIU team, and is expected to lead, manage and coordinate timely procurement implementation and ensure compliance with World Bank and national requirements of the Republic of Moldova, in line with the Project Approval documents.

**SCOPE OF WORK**

**WASH engineer** (*hereafter* the Consultant) **shall undertake the following obligations and tasks:**

* + - 1. To provide technical assistance to WASH Beneficiary for the transmission of the sub-project site to the Contractor to start the construction works; hand over with the Beneficiary the location of the basic works (including the tracing of the geodetic axes, other elements of adaptation to the field) to the contractor, indicating to him if there are underground networks on the site and to supervise that they are not damaged, as well as the measures to take them, so as not to harm the neighborhoods.
      2. To supervise the existence of both licenses and authorizations, certificates, attestations or other documents recognized as necessary and appropriate by the contractor and subcontractors for the execution of the contracted works and take measures to stop any works in case of withdrawal, suspension or expiration of such works. of documents, immediately presenting a report in this respect to the Beneficiary and the Project Manager;
      3. To supervise personally and obtain all necessary approvals or approvals during the implementation of the sub-project and including, at any stage of implementation or completion;
      4. To study the technical drawings and the operational documents regarding the implementation of the sub-project; to verify the correspondence of the works to be executed with those passed in the building permit, the observance of all the provisions of the building permit;

1. To verify if the provisions of the project documentation correspond to the situation on the spot and to notify the WASH Beneficiary, and the designer about the possible discrepancies, for settlement;
2. To be familiarized the quality control system (laboratory checks and tests) prepared by the contractor;
3. To inform the content of the sub-project in details to relevant stakeholders;
4. To accept the execution of construction works only on the basis of technical execution drawings elaborated according to the provisions of the legislation of the Republic of Moldova and annexed to the contract between the beneficiary and the contractor; the materials and construction elements used or introduced into the work must be accompanied by quality certificates, test reports or analyzes;
5. Do not allow the contractor or any other subcontractor to introduce any material into the work before verifying the documents of origin, the quality of the materials and construction elements, the quality certificates and other documents indicating its quality;
6. To assist the WASH Beneficiary in obtaining the construction permit and registering the object at the State Inspection in Constructions;
7. To supervise on a daily basis the process of execution of the works within the sub-project, carried out by the contractor or by any other sub-contractor;
8. To verify and approve:

* technical procedures for the execution of works;
* the execution schedules of the works related to the essential requirements;
* the minutes regarding the hidden works;
* the minutes about the detection of the works not executed, but presented for payment;

1. To exercise control over the execution of works according to the verification program until the object is put into operation;
2. To control the quality of the construction elements that are made in the contractor's own workshops;
3. To stop the execution of the construction works in case of quality defects or deviations from the provisions of the execution project;
4. To take measures to correct or redo the works found to be inadequate;
5. To seek the designer's approval to address deficiencies affecting the essential requirements for construction work or deviations from the project;
6. To inform operatively the management of the construction organization about the necessary measures to be taken to eliminate the deficiencies found and to exclude their recurrence;
7. To inform the Beneficiary, the PIU and the State Construction Inspectorate or the National Construction Management Body if the construction and operation of the buildings do not correspond to the appropriate quality and may endanger the lives of people, their property, society and the environment;
8. To draw up and keep up to date the Register of evidence of the verified construction works;
9. To sign the Executed Work Reports after the works have been checked and received;
10. To draw up and complete the Request for payments and to present it for approval to the Beneficiary according to the schedule established Contract;
11. To present the regular reports to the PIU in agreed formats, if any;
12. To take measures to complete the construction works in the terms established by the contract;

Design, verification, expertise, realization of a construction or execution of its modifications by the responsible persons, without observing the normative documents regarding the resistance and stability, as well as the continuation of the works improperly executed and stopped by control acts, in case they can affect the resistance and the stability of constructions, shall be punished according to the provisions of the Criminal Code.

**The WASH Engineer will have the following duties and responsibilities**:

* Checking the volumes, performing the quality supervision of the construction works and completing the Register of works and the technical book;
* Carrying out the control and completing the execution documents necessary for the reports of executed works presented by the Contractor to the WASH Beneficiary and PIU during his visits to the site;
* Working with the contractor to identify problems and report them immediately to WASH Beneficiary and PIU;
* Collection from the contractor of the reports regarding the executed works and their verification;
* Immediate detection and information of the WASH Beneficiary and PIU about the works that were not actually performed, but which are included in the reports;
* The term for finishing the construction works according to the contract signed with the contractor;
* Regular presentation of reports in accordance with the provisions of the supervision contract signed with the WASH Beneficiary/PIU;
* Promoting WB procedures and ensuring the transparency of the implementation of the sub-project among the beneficiaries.

When executing the construction works, the WASH Engineer is part of the quality assurance department and has the obligations provided in Law on quality in construction No. 721-XIII of February 2, 1996, and the Government decision no.361 of 25.06.1996 regarding the quality assurance of the constructions and the norms in force. From this results the obligations incumbent on him according to the function.

**DELIVERABLES**

The outputs of the Consultant will include inter alia:

1. Inputs to evaluation process for the assignments under the WASH sub-component;
2. Confirmations of the approval of the reports, payment documentation and preliminary and/or final acceptance documentation for all assignments under the WASH sub-component;
3. Register of evidence of the verified construction works etc.

**TIMING**

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.

**INSTITUTIONAL ARRANGEMENTS**

The Consultant will report to and work under the direct supervision of the MWSSP Project Manager. The Consultant will be part of the MWSSP PIU working in tandem with all its members.

The Consultant will undergo an internal evaluation of performance using an individual standard PIU Performance Evaluation Form that will be completed and updated by the Consultant, discussed with and approved by the PIU management every 12 months.

**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.

**QUALIFICATION REQUIREMENTS AND EVALUATION CRITERIA**

* Higher education in construction or architecture
* Existence of the card for supervising the works in the field of Civil, Industrial and Agro-Zootechnical Constructions; (*Existența legitimației pentru supraveghea lucrărilor în domeniul Construcții civile, industriale și agrozootehnice;)*
* To be registered in an organizational-legal form or to have a contract with a legal person, a necessary condition for the payment of services (eg Î.I., S.R.L.);
* Availability to provide services according to these Terms of Reference throughout the execution of the works contract (February 2015 - April 30, 2017);
* Lack of disputes related to the activity of technical manager;

**TERMS OF REFERENCE (ToR)**

**Implementation of the Moldova Water Security and Sanitation Project**

**(P173076)**

**Chief WSS Engineer**

**within the**

**National Office for Regional and Local Development**

**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 2014–2030[[46]](#footnote-46) 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 WSS[[47]](#footnote-47) 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.[[48]](#footnote-48)

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.[[49]](#footnote-49) 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 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 Gagauzia[[50]](#footnote-50) 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 twopreliminarily 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.

**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 technical Water Supply and Sanitation (WSS) aspects related to Project implementation. The Chief WSS Engineer, hired as a consultant, will play an integral role in the core PIU team, and is expected to lead, manage and coordinate timely technical implementation and ensure compliance with World Bank and national requirements of the Republic of Moldova, in line with the Project Approval documents. The Chief WSS Engineer will be responsible for the coordination of all technical project WSS related issues, including preparing and in review of the technical requirements of Bidding Documents and technical bids, participation in the evaluation process, providing support in negotiations, supervision of the WSS related contracts and co-signing the WSS contract related documentation (ex. bill of quantities, etc.), providing input to the progress reports or other reports prepared under the project.

**SCOPE OF WORK**

**The Chief WSS engineer** (*hereafter* the Consultant) **shall undertake the following obligations and tasks:**

*Preparation of technical documentation*

* + - 1. Review all available project documents developed related to the selected projects sides i.e. Cahul, Riscani, Comrat and Soroca, among others, to identify gaps, remedial measures, next steps, and to use these reviews to inform design and preparation of all technical documents required for implementation of works.
      2. Provide support to MIRD and PIU in drafting ToRs for feasibility studies and other technical design studies or technical assessments to be carried out within the Project.
      3. Provide support to the Evaluation Committee as lead technical specialist.
      4. Support development of technical studies and design works as required for feasibility, and review drawings, cost estimates, and support market rate estimation for investments, being the lead technical counterpart and liaison between contractor and PIU, as well as on behalf of MIRD.
      5. Provide support to MIRD and PIU in reviewing the feasibility studies and other technical studies carried out under the Project.
      6. Support contractors in the optimization of designs for regional water supply schemes, providing leadership and strategic input into their finalization.
      7. Support other technical assessments carried out as part of technical preparation and implementation through technical review, input, support in data collection and analysis and leadership on design decisions required, including, for example, support for technical WSS aspects for Component 1.2 (WASH in schools and health-care facilities).
      8. Ensure all documents and decisions are technically sound, and that they are adequately consulted and discussed with relevant parties.
      9. Supervise and obtain all necessary approvals during the implementation of the sub-project and including, at any stage of implementation or completion. Ensure that licenses and authorizations, as necessary and appropriate are in place, and proactively stop any works in case of withdrawal, suspension or expiration of such, immediately presenting a report in this respect to the Beneficiary and the Project Manager. Responsible for the adequate filing of technical documentation.
      10. Coordinate the development and submission of project reports and other outputs as required throughout Project duration. Assist where necessary in Bank missions and in other meetings relating to the project.
      11. Lead technical discussions with the Bank on Project progress. Lead and manage timely updates to any Project Progress documentation regarding physical and financial progress on contracts, in collaboration with the PIU Project Manager and Procurement Specialist.
      12. Lead the input of technical information required for Project monitoring and evaluation and progress.
      13. Provide technical inputs to updating of the Project Operational Manual where required. Provide guidance to PIU and MIRD and other relevant stakeholders on technical implementation roles (supervision roles of RDAs, LPAs etc.).
      14. Lead technical discussions on service delegation contracts and other aspects, where required and provide guidance to other parties.
      15. Promote Bank procedures, including Environmental and Social Standards (ESS), and ensure the transparency in the implementation of the technical aspects of the Project.

*Technical supervision*

* + - 1. Supervise on a daily basis works carried out by contractors.
      2. Verify and approve: technical procedures for the execution of works; execution schedules of works; quality of construction;
      3. Recommend whether construction works should be suspended in case of quality defects or deviations; and suggest measures to correct technical issues and inform relevant parties of recommendations;
      4. Keep an up-to-date the Register of evidence of the verified construction works;
      5. Support in elaboration of request for payments.
      6. Present regular reports to the PIU of progress.
      7. Work in close collaboration with internal counterparts and external partners in the implementation of technical aspects of the Project.

When executing the construction works, the Chief WSS Engineer is part of the quality assurance department and has the obligations provided in Law on quality in construction No. 721-XIII of February 2, 1996, and the Government decision no.361 of 25.06.1996 regarding the quality assurance of the constructions and the norms in force.

**DELIVERABLES**

The outputs of the Chief WSS Engineer will include inter alia:

1. Draft TORs for feasibility studies and other technical design studies or technical assessments revised;
2. Support to the Evaluation Committee;
3. Support to MIRD and PIU in reviewing technical studies carried out;
4. Technical inputs to the Project Operational Manual;
5. Confirmations of the approval of the reports, payment documentation and preliminary and/or final acceptance documentation for works under the Project;

**TIMING**

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.

**INSTITUTIONAL ARRANGEMENTS**

The Chief WSS Engineer will report to and work under the direct supervision of the PIU Project Manager and will be required to work in close collaboration with other PIU members.

**RESOURCES**

The PIU will provide working space, office equipment and communication facilities, as well as any other necessary means and support for consultant in carrying out this assignment.

**QUALIFICATION REQUIREMENTS AND EVALUATION CRITERIA**

* Degree in civil engineering or related field;
* Minimum of 5 years of relevant work experience in in preparing and implementing WSS projects. Previous experience with similar assignments will be an asset;
* Proficiency in English and Romanian languages;
* Computer skills (MS Office and familiarity with project management software, such as MS Project).

1. **Terms of Reference for ENVIRONMENTAL SPECIALIST**

**TERMS OF REFERENCE (ToR)**

**Implementation of the Moldova Water Security and Sanitation Project**

**(P173076)**

**Environmental Specialist**

**within**

**National Office for Regional and Local Development**

**BACKGROUND**

**Project context**

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**Environmental and Social Framework**

**The** [**Environmental and Social Framework**](https://thedocs.worldbank.org/en/doc/837721522762050108-0290022018/original/ESFFramework.pdf) **(ESF) became effective on October 1, 2018 and applies to all Investment Policy Financing (IPF) projects initiated after this date. It makes important advances in areas** such as labor, non-discrimination, climate change mitigation and adaptation, biodiversity, community health and safety, and stakeholder engagement – including expanding the role of public participation and grievance mechanisms. The ESF enhances commitment to sustainable development through ten Environmental and Social Standards (ESS) that are designed to support Borrowers’ environmental and social (E&S) risk management. The ESF uses a risk-based approach that applies increased oversight and resources to complex projects and promotes increased responsiveness to changes in project circumstances through adaptive risk management and stakeholder engagement.

**The ESF enables Borrowers to better manage project risks as well as improve environmental and social performance, consistent with good international practices.** It has provided scope for Borrowers to be innovative and has helped prompt dialogue on specific E&S risks relevant to their own national development agendas.

**The Project is processed under the new ESF and is classified as Substantial for both environmental and social risks.** Seven of the ten Environmental and Social Standards (ESS) are relevant for this project: ESS1 (Assessment and Management of Environmental and Social Risks and Impacts); ESS2 (Labor and Working Conditions); ESS3 (Resource Efficiency and Pollution Prevention and Management); ESS4 (Community Health and Safety); ESS5 (Land Acquisition, Restrictions on Land Use and Involuntary Resettlement); ESS6 (Biodiversity Conservation and Sustainable Management of Living Natural Resources); and ESS10 (Stakeholder Engagement and Information Disclosure). ESS8 (Cultural Heritage), ESS7 (Indigenous Peoples/Sub-Saharan African Historically Underserved Traditional Local Communities), and ESS9 (Financial Intermediaries) are not currently relevant since no activity will have an impact on any known cultural heritage nor will involve financial intermediaries, and no indigenous people are considered to be present in Moldova. At this stage, several subprojects are proposed by the borrower for the project’s financing, although their final location and technicalities are not yet identified. Hence, framework mitigation instruments are developed.

**Most of the environmental and social impacts and risks relate to Component 1, which will develop WSS infrastructure and services in towns and rural areas and will improve WASH facilities in schools and HCFs.** Civil works for water supply and wastewater and household-level improvements will likely generate adverse site-specific risks and impacts such as interruption of the functioning of rural and small town water supply systems; disposal of material excavated during construction/rehabilitation activities; occupational health and safety (OHS) of workers during construction and operational phases; increased levels of dust, noise, and vibration; potential finds of hazardous materials such as asbestos-cement pipes; community health and safety risks from, in particular, the risk of pollution to surface water and groundwater sources during construction.

**To manage impacts and risks, MIRD has prepared an ESMF and an ESCP.** The ESMF as prepared by MARDE was disclosed on February 23, 2021 and consulted with stakeholders on March 10, 2021, and redisclosed on November 8, 2021 to reflect the government restructuring. Subprojects and site-specific environmental and social impacts will be presented in detail in the subproject-specific environmental assessment documents (such as ESIA and Environmental and Social Management Plan [ESMP]) to be prepared by MIRD, on behalf of the related LPAs, during the project implementation phase. The ESMF sets out the environmental and social assessment requirements of the project’s activities and provides guidance on the preparation of site-specific ESMPs and/or checklists, as well as the contractors’ codes of conduct. The ESMF refers to activities that can be addressed with good engineering and construction practices, by preparing and implementing adequate mitigation measures and applying adequate OHS practices during construction for both the construction workers and the communities. On the social side, the ESMF focusses on screening for land acquisition, labor impacts, and specific vulnerable groups (for example, gender and Roma communities). The ESMF includes environmental and social guidelines for the CERC.

**The ESMF serves as a screening tool for all subprojects and will screen out high-risk project activities as ineligible for financing under this project.** The requirement for the development of the site-specific ESMPs along with adequate staffing of the PIU as well as RDAs with respect to environmental and social management is reflected in the ESCP prepared for the project and integrated into the legal agreements. One of the key concerns related to environmental sustainability is the management of sludge from the new WWTPs and the ESCP indicates the need for cost-effective technology selection and the development of a sludge management plan.

**MIRD prepared an SEP, RPF, and Labor Management Procedures (LMP) annexed to the ESMF.** These documents were disclosed on February 23, 2021 and consulted with stakeholders on March 10, 2021, and redisclosed on November 8, 2021 to reflect the government restructuring. Social risks and impacts relate to the potential exclusion of poor and vulnerable households to project benefits as well as potential issues of land acquisition for rehabilitation and new construction of civil works. Civil works under Component 1 and possibly Subcomponent 2.2 may cause temporary economic displacement, and/or temporary construction induced impacts on private assets and businesses, and disruptions to residents and local businesses or are caused by land acquisition and restrictions on land, damages to utility service lines, and access restrictions to residences and parking lots during construction. Other adverse impacts may arise from labor influx into the areas by contractors, OHS issues, adverse impacts on community health and risk of gender-based violence (GBV). There is a low risk of labor influx as most civil works are expected to be carried out by local workers. GBV risk is rated low based on the scale of activities and existing analysis of the country context and referral mechanisms and support services available. The project is expected to have positive social impacts for the households in selected rural villages and towns. The project has included specific measures to ensure inclusive project outcomes through targeted support measures for poor and vulnerable households (see Social Inclusion section for details).

**The SEP will guide implementation, identifying all types of stakeholders and appropriate methods for consultation throughout the project.** A grievance redress mechanism, with submission and resolution mechanisms at the local level (LPAs), and central PIU and MIRD level, will be established by project effectiveness. Complaints received and resolved will be reviewed during the implementation support missions. A project-specific digital citizen engagement platform will be used for consultation (for example, for all ESF documents) and for online submission of feedback and grievances.[[56]](#footnote-56) An outreach strategy will be implemented to promote its usage, with hyperlinks to web pages of LPAs, RDAs, and WSS operators. Information for submission of inquiries/grievances will be placed on MIRD’s and RDAs’ websites. The process of addressing grievances and related forms will be included in the POM. LMPs outline the measures and actions to be undertaken to ensure proper management of labor and working conditions. For the land-related impacts including construction-induced economic displacement, the RPF will guide to prepare site-specific mitigation action plans such as Resettlement Action Plans.

**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 environmental aspects related to Project implementation.** The environmental specialist will be a part of the core PIU team. The environmental specialist is expected to lead, management and coordinate timely environmental standards implementation and ensure compliance with World Bank and national requirements of the Republic of Moldova. The environmental specialist shall ensure that all environmental aspects are integrated into MWSSP activities in line with the Environmental and Social Management Framework (ESMF) documents that were prepared prior to Project Approval.

**SCOPE OF WORK**

The Environmental Specialist (*hereafter* the Consultant)will be responsible for ensuring that all environmental issues are considered and that environmental mitigation measures are developed and built into MWSSP activities. Much of the preparatory work for environmental standards implementation has already been prepared as part of Project Approval, and it is expected that the Consultant, in collaboration with the Social Specialist, shall ensure the implementation of activities and efforts in line with these documents, with adequate follow-up and oversight to ensure that these mitigation measures are implemented during the design, construction, and operational phase.

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

* Act as the focal point for coordination of activities related to environmental issues between the PIU, MIRD, Regional Development Agencies, the World Bank, the Ministry of Environment (MoE), Apele Moldovei, sector donors, contractors and other affected parties and stakeholders.
* Ensure that the Project is implemented in accordance with the ESMF/ ESMP, social standards and other relevant contractual provisions;
* Contribute to, review and comment on the environmental documentation (Environmental and Social Impact Assessment Reports or/and Environmental and Social Management Plans (ESMP) or any other documentation required by the relevant national authorities and by the World Bank prepared by the Contractors and Consultants for the Project;
* Assist in carrying out environmental screening of subprojects and activities;
* Ensure that relevant environmental requirements are included in the Bidding Documents for Service, Works, and Supply Contracts. These include ensuring that the standard environmental and social contracting clauses developed as part of the ESIAs and ESMP are incorporated into proposal requests or bid packages as necessary. Assist the Procurement Specialists and other PIU members with issues related to environmental aspects;
* Examine Project Bids for the above requirements;
* Confirm that Contractors have all the required national/local permits to perform the works and installation according to their Contracts before the commencement;
* Coordinate with the technical team and environmental specialists of RDAs to ensure that any required actions are completed before start of civil works;
* Review periodically the status of all the environmental permits. A periodic status update will be included as a component of the reporting requirements;
* Provide operational support on environmental risk management including undertaking regular site visits to assist task teams to review documentation and implementation to ensure that environmental issues have been adequately addressed and that the project is in compliance with ESMF;
* Provide ongoing monitoring and supervising of implementation by Contractors of the environmental plans and environmental protection measures specified in the ESMPs and other ESF applicable instruments in order to assess the Contractor’s environmental performance;
* Timely and accurately document cases on Contractor’s non-compliance with the environmental requirements;
* Prepare progress reports on the implementation of the ESMPs;
* Serve as main interlocutor between the project-affected parties, PIU, MIRD and Beneficiaries on environmental impact issues;
* Review comments and complaints from project-affected parties on environmental issues and recommend actions to resolve problems;
* Actively participate and/or organize and manage periodic sessions for public consultation on environmental impact issues related to the Project;
* Update ESF-related documents as and when required, as well as other Project documents such as the Project Operations Manual;
* Participate in the commissioning of works from the environmental side;
* Notify and investigate incidents on/off-site;
* Identify needs for training and awareness based on nonconformities occurred on/off-sites;
* Inspect the works during the Defects Liability Period (DLP) for ESF-related aspects;
* Participate and support MIRD in applying the Bank’s policy OP 7.50 – Projects on International Waterways regarding the notification process for riparian countries;
* Work in close collaboration with internal counterparts and external partners to strengthen the quality and consistency of environmental activities;
* Prepare and provide ad-hoc reports, information notes, and other project progress information;
* Co-ordination with other departments and agencies with particular reference to preparation;
* Upon completion of the assignment, provide a final report on activities performed;
* Perform other tasks and responsibilities related to the environmental issues as might be requested by the Project Manager and / or PIU Director.

**DELIVERABLES**

The Consultant will:

* Environmental inputs to Environmental and Social Impact Assessment (ESIA) and Environmental and Social Management Plan (ESPM) for the project sites
* Site-specific ESF documents (ESMPs etc.)
* Periodic updates to ESF Section to the Project Operational Manual
* Quarterly Reports on ESS implementation
* Contribute to the Management Progress Reports developed by MWSSP PIU
* Provide inputs on social aspects on relevant documentation elaborated by the MWSSP team

The activities will be carried out in English or Romanian languages. The written communication will be submitted in one of or both languages – English or Romanian, depending on the situation and specific requirements. However, all the deliverables will be submitted electronically in English.

**TIMING**

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.

**INSTITUTIONAL ARRANGEMENTS**

The Consultant will report to and work under the direct supervision of the PIU Project Manager. The Consultant will be a core member of the PIU working in tandem with all its members. The Consultant will prepare time-sheets and report directly to the Project Manager at the PIU about performed activities.

**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.

**QUALIFICATION REQUIREMENTS AND EVALUATION CRITERIA**

The Environmental Specialist should meet the following qualifications requirements:

* University degree in environment, natural resources management sciences, or a related field;
* A minimum of 7 (seven) years of relevant work experience;
* Proven experience in working with private or public sector to identify environmental risks, develop mitigation measures to ensure compliance with good international practice and preparation of Environmental Assessments / Management Plans for governmental organizations, NGOs and/or local communities;
* Previous experience with international organizations; working experience in environmental assessment for development projects, and familiarity World Bank’s ESS and procedures an advantage.
* Knowledge on Project Monitoring and Evaluation;
* Knowledge of national environmental legislation;
* Strong analytical skills, ability to think strategically and synthesize diverse environmentally related data and information;
* Experience in planning and conducting public consultation meetings with different stakeholders;
* Willingness to undertake regular field visits and interact with different stakeholders;
* Proficiency in English and Romanian languages.
* Computer skills (MS Office and familiarity with project management software, such as MS Project).

1. **Terms of Reference for social specialist**

**TERMS OF REFERENCE (ToR)**

**Implementation of the Moldova Water Security and Sanitation Project**

**(P173076)**

**Social Specialist**

**within**

**National Office for Regional and Local Development**

**BACKGROUND**

**Project context**

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**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 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 Gagauzia[[61]](#footnote-61) 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 twopreliminarily 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.

**Environmental and Social Framework**

**The** [**Environmental and Social Framework**](https://thedocs.worldbank.org/en/doc/837721522762050108-0290022018/original/ESFFramework.pdf) **(ESF) became effective on October 1, 2018 and applies to all Investment Policy Financing (IPF) projects initiated after this date.** It makes important advances in areas such as labor, non-discrimination, climate change mitigation and adaptation, biodiversity, community health and safety, and stakeholder engagement – including expanding the role of public participation and grievance mechanisms. The ESF enhances commitment to sustainable development through ten Environmental and Social Standards (ESS) that are designed to support Borrowers’ environmental and social (E&S) risk management. The ESF uses a risk-based approach that applies increased oversight and resources to complex projects and promotes increased responsiveness to changes in project circumstances through adaptive risk management and stakeholder engagement.

**The ESF enables Borrowers to better manage project risks as well as improve environmental and social performance, consistent with good international practices.** It has provided scope for Borrowers to be innovative and has helped prompt dialogue on specific E&S risks relevant to their own national development agendas.

**The Project is processed under the new ESF and is classified as Substantial for both environmental and social risks.** Seven of the ten Environmental and Social Standards (ESS) are relevant for this project: ESS1 (Assessment and Management of Environmental and Social Risks and Impacts); ESS2 (Labor and Working Conditions); ESS3 (Resource Efficiency and Pollution Prevention and Management); ESS4 (Community Health and Safety); ESS5 (Land Acquisition, Restrictions on Land Use and Involuntary Resettlement); ESS6 (Biodiversity Conservation and Sustainable Management of Living Natural Resources); and ESS10 (Stakeholder Engagement and Information Disclosure). ESS8 (Cultural Heritage), ESS7 (Indigenous Peoples/Sub-Saharan African Historically Underserved Traditional Local Communities), and ESS9 (Financial Intermediaries) are not currently relevant since no activity will have an impact on any known cultural heritage nor will involve financial intermediaries, and no indigenous people are considered to be present in Moldova. At this stage, several subprojects are proposed by the borrower for the project’s financing, although their final location and technicalities are not yet identified. Hence, framework mitigation instruments are developed.

**Most of the environmental and social impacts and risks relate to Component 1, which will develop WSS infrastructure and services in towns and rural areas and will improve WASH facilities in schools and HCFs.** Civil works for water supply and wastewater and household-level improvements will likely generate adverse site-specific risks and impacts such as interruption of the functioning of rural and small town water supply systems; disposal of material excavated during construction/rehabilitation activities; occupational health and safety (OHS) of workers during construction and operational phases; increased levels of dust, noise, and vibration; potential finds of hazardous materials such as asbestos-cement pipes; community health and safety risks from, in particular, the risk of pollution to surface water and groundwater sources during construction.

**To manage impacts and risks, MIRD has prepared an ESMF and an ESCP.** The ESMF as prepared by MARDE was disclosed on February 23, 2021 and consulted with stakeholders on March 10, 2021, and redisclosed on November 8, 2021 to reflect the government restructuring. Subprojects and site-specific environmental and social impacts will be presented in detail in the subproject-specific environmental assessment documents (such as ESIA and Environmental and Social Management Plan [ESMP]) to be prepared by MIRD, on behalf of the related LPAs, during the project implementation phase. The ESMF sets out the environmental and social assessment requirements of the project’s activities and provides guidance on the preparation of site-specific ESMPs and/or checklists, as well as the contractors’ codes of conduct. The ESMF refers to activities that can be addressed with good engineering and construction practices, by preparing and implementing adequate mitigation measures and applying adequate OHS practices during construction for both the construction workers and the communities. On the social side, the ESMF focusses on screening for land acquisition, labor impacts, and specific vulnerable groups (for example, gender and Roma communities). The ESMF includes environmental and social guidelines for the CERC.

**The ESMF serves as a screening tool for all subprojects and will screen out high-risk project activities as ineligible for financing under this project.** The requirement for the development of the site-specific ESMPs along with adequate staffing of the PIU as well as RDAs with respect to environmental and social management is reflected in the ESCP prepared for the project and integrated into the legal agreements. One of the key concerns related to environmental sustainability is the management of sludge from the new WWTPs and the ESCP indicates the need for cost-effective technology selection and the development of a sludge management plan.

**MIRD prepared an SEP, RPF, and Labor Management Procedures (LMP) annexed to the ESMF.** These documents were disclosed on February 23, 2021 and consulted with stakeholders on March 10, 2021, and redisclosed on November 8, 2021 to reflect the government restructuring. Social risks and impacts relate to the potential exclusion of poor and vulnerable households to project benefits as well as potential issues of land acquisition for rehabilitation and new construction of civil works. Civil works under Component 1 and possibly Subcomponent 2.2 may cause temporary economic displacement, and/or temporary construction induced impacts on private assets and businesses, and disruptions to residents and local businesses or are caused by land acquisition and restrictions on land, damages to utility service lines, and access restrictions to residences and parking lots during construction. Other adverse impacts may arise from labor influx into the areas by contractors, OHS issues, adverse impacts on community health and risk of gender-based violence (GBV). There is a low risk of labor influx as most civil works are expected to be carried out by local workers. GBV risk is rated low based on the scale of activities and existing analysis of the country context and referral mechanisms and support services available. The project is expected to have positive social impacts for the households in selected rural villages and towns. The project has included specific measures to ensure inclusive project outcomes through targeted support measures for poor and vulnerable households (see Social Inclusion section for details).

**The SEP will guide implementation, identifying all types of stakeholders and appropriate methods for consultation throughout the project.** A grievance redress mechanism, with submission and resolution mechanisms at the local level (LPAs), and central PIU and MIRD level, will be established by project effectiveness. Complaints received and resolved will be reviewed during the implementation support missions. A project-specific digital citizen engagement platform will be used for consultation (for example, for all ESF documents) and for online submission of feedback and grievances.[[62]](#footnote-62) An outreach strategy will be implemented to promote its usage, with hyperlinks to web pages of LPAs, RDAs, and WSS operators. Information for submission of inquiries/grievances will be placed on MIRD’s and RDAs’ websites. The process of addressing grievances and related forms will be included in the POM. LMPs outline the measures and actions to be undertaken to ensure proper management of labor and working conditions. For the land-related impacts including construction-induced economic displacement, the RPF will guide to prepare site-specific mitigation action plans such as Resettlement Action Plans.

**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 social aspects related to Project implementation.** The social specialist will be a part of the core PIU team. The social specialist is expected to lead, management and coordinate timely social standards implementation and ensure compliance with World Bank and national requirements of the Republic of Moldova. The social specialist shall ensure that all social aspects are integrated into MWSSP activities in line with the Environmental and Social Management Framework (ESMF) documents that were prepared prior to Project Approval.

**SCOPE OF WORK**

The Social Specialist(*hereafter* the Consultant)will be responsible for ensuring that all social issues are considered and that mitigation measures are developed and built into MWSSP activities designs. Much of the preparatory work for social standards implementation has already been prepared as part of Project Approval, and it is expected that the Consultant, in collaboration with the Environmental Specialist, shall ensure the implementation of activities and efforts in line with these documents, with adequate follow-up and oversight to ensure that these mitigation measures are implemented during the design, construction, and operational phase.

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

* Act as the focal point for coordination of activities related to social issues between the PIU, MIRD, Regional Development Agencies, the World Bank, the Ministry of Environment (MoE), Apele Moldovei, sector donors, contractors and other affected parties and stakeholders;
* Ensure that the Project is implemented in accordance with the ESMF/ ESMP, social standards and other relevant contractual provisions;
* Contribute to, review and comment on the social documentation (Environmental and Social Impact Assessment Reports or/and Environmental and Social Management Plans (ESMP) or any other documentation required by the relevant national authorities and by the World Bank prepared by the Contractors and Consultants for the Project;
* Assist in carrying out social screening of subprojects and activities and provide guidance on Environment and Social Impact Assessment (ESIA) reports and Resettlement Action Plans (RAPs), if required;
* Ensure that relevant social requirements are included in the Bidding Documents for Service, Works, and Supply Contracts. These include ensuring that the standard environmental and social contracting clauses developed as part of the ESIAs and ESMP are incorporated into proposal requests or bid packages as necessary. Assist the Procurement Specialists and other PIU members with issues related to social aspects;
* Provide operational support on social risk management including undertaking regular site visits to assist task teams to review social safeguard documentation and implementation to ensure that social issues have been adequately addressed and that the project is in compliance with ESMF;
* Coordinate with the technical team and social specialists of RDAs to ensure that the activities of resettlement and rehabilitation are completed before start of civil works;
* Provide ongoing monitoring and supervising of implementation by Contractors of the measures specified in the ESMPs and other ESF applicable instruments in order to assess the Contractor’s performance;
* Timely and accurately document cases on Contractor’s non-compliance with the social requirements;
* Serve as main interlocutor between the project-affected parties, PIU, MIRD and Beneficiaries on social impact issues;
* Review comments and complaints from project-affected parties on social issues and recommend actions to resolve problems;
* Support efforts to build capacity among colleagues and counterparts including understanding of Social Impact Assessment and stakeholder engagement as it relates to project/ sub-projects;
* Help design the citizen engagement strategy for the project and ensure regular feedback from project beneficiaries;
* Provide guidance, as needed, to project staff and other partners on social issues or sensitive matters relating to social impacts and risks;
* Provide advice and guidance to ensure inclusion of the population of affected communities, including vulnerable groups into the project activities in line with its goals;
* Guarantee that the activities arranged/supported by the project are gender sensitive and encourage the engaging of women in these activities as well as their potential employment where appropriate;
* Promote and contribute to analyses of strengthening social aspects such as gender, child protection, Gender Based Violence (GBV), Sexual Exploitation and Abuse (SEA) etc.;
* Support the design of community communication campaigns to facilitate project implementation;
* Develop and maintain the accessible and functional Grievance Redress Mechanism;
* Prepare periodical social and safeguard monitoring reports and provide a summary of the necessary follow-up actions;
* Participate at the meetings with the World Bank representatives and others relevant stakeholders.

**OUTPUTS AND DELIVERABLES**

The Consultant will:

* Social inputs to Environmental and Social Impact Assessment (ESIA) and Environmental and Social Management Plan (ESPM) for the project sites
* Site-specific ESF documents (RAPs, ESMPs etc.)
* Periodic updates to ESF Section to the Project Operational Manual
* Quarterly Reports on ESS implementation
* Contribute to the Management Progress Reports developed by MWSSP PIU
* Provide inputs on social aspects on relevant documentation elaborated by the MWSSP team

The activities will be carried out in English or Romanian languages. The written communication will be submitted in one of or both languages – English or Romanian, depending on the situation and specific requirements. However, all the deliverables will be submitted electronically in English.

**TIMING**

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.

**INSTITUTIONAL ARRANGEMENTS**

The Consultant will report to and work under the direct supervision of the PIU Project Manager. The Consultant will be a core member of the PIU working in tandem with all its members. The Consultant will prepare time-sheets and report directly to the Project Manager at the PIU about performed activities.

**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.

**QUALIFICATION REQUIREMENTS AND EVALUATION CRITERIA**

The Social Specialist should meet the following qualifications requirements:

* University degree in social science (anthropology, sociology, political economy, social development, etc.) or related fields;
* A minimum of 7 (seven) years of relevant work experience in social assessments, social surveys, public consultations;
* Proven experience in working with private or public sector to identify social risks, develop mitigation measures to ensure compliance with good international practice and preparation of Social Assessments / Management Plans for governmental organizations, NGOs and/or local communities;
* Previous experience with international organizations; working experience in social assessment for development projects, and familiarity World Bank’s ESS and procedures an advantage.
* Knowledge on Project Monitoring and Evaluation;
* Expert understanding of Moldovan legislation on social protection, access to information, public consultation, grievances, human rights;
* Experience in conducting gender/social development consultations and participatory approaches;
* Willingness to undertake regular field visits and interact with different stakeholders;
* Experience in gender and citizen engagement an advantage;
* Proficiency in English and Romanian languages;
* Computer skills (MS Office and familiarity with project management software, such as MS Project).

## Annex 3.2 The Project Coordination Group

*Template*

Approved

Decree No.\_\_\_\_ dated \_\_\_\_\_\_\_\_\_\_\_\_ 2022

Ministry of Infrastructure and Regional Development

Minister \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ (signature)

**Project Coordination Group**

for "Moldova Water Security and Sanitation Project", implemented

under the Financing Agreement between the Republic of Moldova and the International Development Association

**The composition and responsibilities of PCG**

The PCG is established by the Ministerial Decree of the MIRD within three months after the Effective Date. The main purpose of the PCG is to coordinate the implementation of the project and endorse the annual implementation plans, to operate and maintain throughout the MWSSP implementation the PCG, with structure and functions acceptable to the Association.

The PCG members, but not limited to:

|  |  |
| --- | --- |
| MIRD | Ministry of Infrastructure and Regional Development |
| MoEnv | Ministry of Environment |
| MoER | Ministry of education and Research |
| MoH | Ministry of Health |
| MIA | Ministry of Internal Affairs |

The PCG will be chaired by the State Secretary for Regional Development or otherwise designated focal point for the proposed project. The Group will represent among others MIRD, MoEnv, MoER, MoH, MIA, but the composition can be modified upon joint decision when appropriate with other relevant entities’ representatives. The PCG will convene at least annually to review and endorse the project’s annual program or upon request.

The PIU will act as the secretariat of the PCG and will provide technical support to it. The PIU will prepare the minutes of the PCG meetings, will draft the decision documents and will be keeping the archive of PCG documents and resolutions.

PCG meetings are convened at the request of one of a member or several, and / or annually by the PIU secretariat for reporting or endorse the planning for the following year. Members of PCG of the Project have the rights, but not limited to:

* Propose topics for current or future PCG meetings;
* Request, if necessary, the inclusion of complex subjects related to the objectives of the Project or the involvement of certain independent experts;
* Present the views on each of the issues raised during the meeting;
* Give a separate opinion on certain items on the agenda of the Council meeting, with the request that it be appended to the decisions adopted.

**The main responsibilities of the PCG, but not limited to:**

* Participate within the meetings when planned or / and convened ;
* Respect the principle of objectivity in the process of examining the subjects on the meetings agenda;
* Inform the members in the case of a conflict of interest, in accordance with the provisions of the legislation on conflict of interest (*if the case*);
* Review materials related to the topics discussed / proposed in the meetings;
* Approve the annual planning documents;
* Review and comment on the content of minutes and decisions approved during the meetings.

**The main responsibilities of the MIRD, but not limited to:**

* Monitor and supervise the progress of the implementation of the MWSSP and each sub-project implementation, ensuring that the amounts, costs and quality of the services and works correspond to the requirements and specifications and the budget agreed by the parties;
* Inspect at any time and without any prior notice the quality and development of services and works within the Project and sub-projects, as well as the development of non-infrastructural activities within the sub-projects;
* Record all communications received from the Beneficiaries of the sub-projects regarding any deviations from the budget and technical specifications, as well as petitions / complaints received from citizens-members of the communities. PIU examines these communications / petitions and ensures their resolution as appropriate;
* Manages the flow of communication withn the PCG.

**The main responsibilities of the PIU, but not limited to:**

* Technically ensure the activities of the PCG;
* Prepare the agenda for PCG meetings and submit it before the meetings for approval;
* Draw up the minutes and decisions approved at the PCG meeting within a maximum of 5 days from the date of the meeting and submit them to the members;
* Request endorsement of the draft minutes and decisions adopted by the members of the PCG;
* Ensure the placement on the website of the information on the work of the PCG decisions, minutes and agendas of meetings;
* Perform other duties indispensable for the implementation of the MWSSP.

## Annex 3.3 Project Implementation Agreement

## *template*

Approved

Order Nr.\_\_\_\_ dated \_\_\_\_\_\_\_\_\_\_\_\_ 2022

Ministry of Infrastructure and Regional Development

Minister \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ (signature)

Approved

Order Nr.\_\_\_\_ dated \_\_\_\_\_\_\_\_\_\_\_\_ 2022

National Office for Regional and Local Development

Director \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ (signature)

**PROJECT IMPLEMENTATION AGREEMENT**

for the "Moldova Water Security and Sanitation Project", implemented

under the Financing Agreement between the Republic of Moldova and the International Development Association

**Article 1. Parties of the Agreement**

1. The Ministry of Infrastructure and Regional Development, in the person of the Minister \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ acting on the basis of Government Decision No 690 of 30.08.2017 on the organisation and functioning of the Ministry of Infrastructure and Regional Development (hereinafter, MIRD),

And

1. The Project Implementation Unit (hereinafter, PIU) set up under the National Office for Regional and Local Development, acting on the basis of Government Decision No 271 of 20.04.2022 (hereinafter, NORLD)

**Article 2. Object of the Project Implementation Agreement**

The purpose of this Project Implementation Agreement is to facilitate the „Moldova Water Security and Sanitation Project” implementation, by carrying out the achievement of the objectives, terms and conditions as per Financing Agreement, through increasing the access to safely managed water supply and sanitation services in selected rural areas and towns and to strengthen national and local institutional capacity for the provision of water supply and sanitation services.

Components of the Project:

**Component 1: Increasing access to safely managed water supply and sanitation services in selected rural areas and small towns.** This component will develop new and rehabilitate existing WSS infrastructure and WASH facilities in rural areas and small towns, herewith expanding access and quality of services for households, businesses and in public institutions. Component 1 supports climate adaption through: i) providing reliable centralized water supply protecting vulnerable households from drought and poor water quality, ii) improving wastewater systems, sanitation and WASH facilities, reducing environmental exposure to pathogens exacerbated by flooding, and iii) climate-resilient design of all infrastructure to ensure robust functioning under extreme weather events. It consists of two subcomponents.

***Subcomponent 1.1: Expanding Access and Quality of WSS services*** will finance climate-resilient investments in small towns and rural areas. Investment will be preceded by support to ensure that WSS operators are - in line with Moldova’s regionalization and reform agenda – licensed, have service delegation contracts in place with LPAs ensuring clear roles and functions of parties involved in the operation and management of WSS assets, and that tariffs applications are updated to ensure for financial sustainability over the medium to long run. This includes:

* 1. *Water supply investments:* expansion and rehabilitation of water supply infrastructure in two subprojects preliminarily identified, i.e. regional water system expansion for LPAs in Cahul district and ATU Gagauzia and regional water supply system with drinking water treatment plant in Riscani district.
  2. *Wastewater investments:* expansion and rehabilitation of wastewater systems in two subprojects preliminarily identified in Soroca and Comrat towns, including construction and rehabilitation of sewer networks and service connections and the construction of new wastewater treatment plants.
  3. *Pilot for on-site household sanitation*: rural or peri-urban villages – to be selected – will benefit from information campaigns and civil works for individual household level on-site sanitation facilities following a demand-based approach. The pilot will be co-financed through the ADA grant. This pilot will demonstrate the use of climate-resilient low-cost technologies for rural sanitation.

This subcomponent will finance works, goods, consulting services, non-consulting services for the construction and protection measures for water intake facilities, drinking water treatment facilities, reservoirs, pumping stations, transmission mains, water distribution network and water household connections, construction and rehabilitation of sewer networks, sewer pumping stations, wastewater treatment plants including sludge treatment and disposal, sewer service manholes for connections, sewer connection support for poor households, SCADA systems and other required activities. It finances civil works for household level on-site sanitation facilities, consulting services for design, technical supervision, and monitoring of the on-site sanitation pilot. It also finances feasibility, design and other required preparation studies, technical supervision services, capacity building for citizen engagement and social mobilization activities with project beneficiaries, and consulting services to LPAs and WSS operators to develop the required tariff submission to ANRE and draft the delegation contracts between local governments and the licensed WSS operators.

***Subcomponent 1.2: Improving WASH facilities in public social institutions*** will finance works, goods, consulting services, non-consulting services and training/workshops to realize climate-resilient WASH facilities in Health Care Facilities (HCFs) and education institutions and implement a hygiene education and behavior change communication program. Following priorities of the MH, MLSP and MER, schools and health care facilities in subproject locations under Subcomponent 1.1 and other prioritized districts will be selected. The subcomponent investments will consist of water supply connections to centralized networks or existing point sources, connections to sewer systems or construction of on-site sanitation facilities and construct indoor toilet facilities with adequate handwashing and hygiene facilities, using, where appropriate, low carbon emission technologies. The design of WASH facilities will respond to girls’/women’s needs (privacy, menstrual hygiene management facilities) and be accessible for people with disabilities. The subcomponent will finance capacity development for school and health center management, and LPAs to ensure adequate O&M of the facilities. The design and siting will reduce the likelihood that the facilities will be affected by climate-related threats such as floods.

**Component 2: Strengthening institutional capacity at national and local levels for WSS service delivery***.* This component focusses on institutional capacities of national and sub-national entities and WSS operators for management, planning, regulation and reform implementation, and for performance improvement of service providers for green, resilience and inclusive service delivery. At national, development of plans, policies and regulatory documents will support climate adaptation through climate-resilient planning, and at local level, performance improvements will deliver climate benefits through reduction of non-revenue water and improving energy efficiency. It consists of two sub-components.

***Subcomponent 2.1: Building national institutional capacity for WSS*** finances goods, non-consulting services consulting services and training/workshops for activities that strengthen institutional capacities for planning, financing, economic regulation, performance monitoring, professional development and the revision and development of new policies and normative documents. Under leadership of MIRD, and in collaboration with other entities, activities under this subcomponent include but are not limited to:

* 1. The elaboration and implementation of a National Water Supply and Sanitation Sector Development Plan (NWSSDP), investment program and financing strategy and the capacity development of its assigned lead entity; the NWSSDP outlines a staged process for regionalization, consolidation of funding mechanism and a prioritized investment program;
  2. Technical assistance to selected LPAs and WSS operators to support the aggregation process into licensed regional operators (on legal, technical, financial) following the NWSSDP;
  3. The preparation of amendments and/or new legislation (e.g. Law 303 and requirements for licensing), policies and normative documents (on regulatory method and social tariffs) and design & construction norms for sanitation (updating outdated norms) and related capacity building, as per the NWSSDP;
  4. The development and roll-out of a national (MIS) for WSS operators; definition of Key Performance Indicators (KPIs) for the MIS and start benchmarking;
  5. Technical assistance to ANRE, WSS operators and LPAs to accelerate tariff review and approval in line with regulations for licensed operators;
  6. The implementation of a professional development program, in collaboration with AMAC and the Technical University of Moldova (TUM) and WSS operators, to increase qualifications and advance careers of existing staff, and attract people, specifically women, for employment in the sector.

***Subcomponent 2.2: Improving performance of WSS service providers*** will finance works, goods, consulting services, non-consulting services, training to support the implementation of a prioritized rolling multi-year Performance Improvement Plan (PIP) of selected WSS operators involved under Subcomponent 1.1. These include five WSS operators: JSC Cahul, JSC Soroca, Municipal Enterprise Comrat, Municipal Enterprise Vulcanesti, and a proposed establishment of a new JSC, founded by the LPAs of Costesti town and other LPAs. WSS operators will carry out annual assessments on PIP implementation and KPIs, including publication of results and feedback rounds with customers. The financing for selected WSS operators will be allocated based on results. Investments and technical assistance activities identified in the PIPs are based on utility diagnostics and include but are not limited to the following: improving technical and commercial operations, improving financial management, human resource management and organization & strategy aspects, including improving asset management systems and inventories, energy efficiency, NRW reduction programs, water metering practices and equipment to improve climate resilience, water safety and business continuity, and enhancing responsiveness to customers.

**Component 3: Project Management and Coordination.** 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 regional level within MIRD’s Regional Development Agencies (RDAs) for Environmental and Social Standards implementation, and at national level for MIRD as Project Implementing Entity (PIE). It will finance 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.

**Component 4: Contingent Emergency Response Component (CERC).** 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 Bank to re-categorize and reallocate financing from other Project components to cover emergency response and recovery costs. The CERC will be established and managed in accordance with the provisions of the Bank Policy and Bank Directive on Investment Project Financing. The CERC, if activated, will be able to finance eligible activities included in the positive list, stipulated in the Project Operational Manual.

**Article 3. Basic commitments of MIRD**

1. Ensure the project implementation efficiency, consistent with the project objectives and agreements signed between the Government of the Republic of Moldova and the Association.
2. Monitor and supervise the progress of the implementation of the MWSSP and each sub-project implementation, ensuring that the amounts, costs and quality of the services and works correspond to the requirements and specifications and the budget agreed by the parties;
3. Inspect at any time and without any prior notice the quality and development of services and works within the Project and sub-projects, as well as the development of non-infrastructural activities within the sub-projects.
4. Provides technical inputs on Project-related matters relevant to the EAP and procurement documents
5. Manages flow of communication between MIA and PIU and other MWSSP relevant institutions
6. Protect the national interests in the sector, but also the Association in the process of implementing the MWSSP, as per objectives and conditions stipulated in the FA.
7. Except as the Association shall otherwise agree, MIRD, shall not assign, amend, abrogate, waive, terminate or fail to enforce any Project Implementation Agreement or any of its provisions.
8. In case of any conflict between the terms of the Project Implementation Agreement and those of the FA, the terms of the FA shall prevail.

**Article 4. Basic commitments of the NORLD / PIU**

1. The PIU will have responsibility for project management and reporting, procurement, FM, and fiduciary compliance, ensuring compliance with the Environmental and Social Standards, ESCP, and technical roles as well as managing citizen engagement at the central level.
2. Ensure budgeting and planning process annually and for the entire duration of the MWSSP
3. Ensure the MWSSP implementation in accordance with the bank’s and national procurement regulations and norms
4. Ensure the MWSSP implementation in accordance with the anti corruption national norms and guidelines
5. Revises and updates EOM and EAP including all relevant procurement and ESS documents where appropriate
6. Revise and annual update of POM where appropriate
7. To provide the necessary support for the implementation of the Project, as well as other commitments deriving from the conditions and components of the Project.
8. Ensuring efficient and effective implementation of the Project, conducting programmatic monitoring and evaluation.
9. On behalf of MIA, manage procurement, ESS, and fiduciary aspects of CERC using guidelines outlined in EOM
10. Implements EAP and ensures that M&E and ESS follow procedures outlined in EOM and EPA
11. Prepares CERC package and submits to MIA

**Article 6. Mechanism of cooperation of MIRD and NORLD / PIU**

1. The Parties shall ensure smooth cooperation in order to efficiently coordinate and monitor the implementation of the provisions of this Agreement and of the FA, who shall represent the interests as per agreed terms and conditions on their behalf for the Project implementation.
2. The Parties will keep each other informed of all activities related to the implementation of the present Agreement and will consult each other in case of circumstances that may affect the achievement of the relevant objectives and components’s activities.
3. Either Party may propose amendments to this Agreement after consultation with the other Party and receipt of a mutual and consensual positive opinion.

The parties to this Agreement:

1. MIDR \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_
2. NORLD \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

## Annex 3.4. Project Implementation Agreement with RDA

## *template*

Approved

Order Nr.\_\_\_\_ dated \_\_\_\_\_\_\_\_\_\_\_\_ 2022

Ministry of Infrastructure and Regional Development

Minister \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ (signature)

Approved

Order Nr.\_\_\_\_ dated \_\_\_\_\_\_\_\_\_\_\_\_ 2022

Agency for Regional Development (South, North, TAU Găgăuzia)

Director \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ (signature)

Approved

Order Nr.\_\_\_\_ dated \_\_\_\_\_\_\_\_\_\_\_\_ 2022

Project Implementation Unit under National Office for Regional and Local Development

Director \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ (signature)

**IMPLEMENTATION SUPPORT AGREEMENT**

for "Moldova Water Security and Sanitation Project", implemented under the Financing Agreement between the Government of theRepublic of Moldova

and the International Development Association

**Article 1. Parties of the Agreement**

1. The Ministry of Infrastructure and Regional Development, in the person of the Minister \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ acting on the basis of Government Decision No 690 of 30.08.2017 on the organisation and functioning of the Ministry of Infrastructure and Regional Development (hereinafter, MIDR),

*And*

1. The Regional Development Agency XX, in the person of the Director \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ acting on the basis of Government Decision No 127 of 08.02.2008 on measures to implement Law No 438 of 28.12.2006 on regional development in the Republic of Moldova (hereinafter, RDA),

*And*

1. Project Implementation Unit for "Moldova Water Security and Sanitation Project" under National Office for Regional and Local Development, based in Chisinau, str. XX, hereinafter referred to as PIU, represented by XX, Director of NORLD (hereinafter referred to as PIU)

The Parties concluded this Implementation Support Agreement concerning the following:

**Article 2. The object of the Agreement**

The purpose of this Implementation Support Agreement is to facilitate increased access to safely managed water supply and sanitation services in the selected rural areas and towns and to strengthen national and local institutional capacity for the provision of water supply and sanitation services for the implementation of the Project "Moldova Water Security and Sanitation Project", implemented under the Financing Agreement between the Republic of Moldova and the International Development Association.

Components of the Project:

**Component 1: Increasing access to safely managed water supply and sanitation services in selected rural areas and small towns.** This component will develop new and rehabilitate existing WSS infrastructure and WASH facilities in rural areas and small towns, herewith expanding access and quality of services for households, businesses and in public institutions. Component 1 supports climate adaption through: i) providing reliable centralized water supply protecting vulnerable households from drought and poor water quality, ii) improving wastewater systems, sanitation and WASH facilities, reducing environmental exposure to pathogens exacerbated by flooding, and iii) climate-resilient design of all infrastructure to ensure robust functioning under extreme weather events. It consists of two subcomponents.

***Subcomponent 1.1: Expanding Access and Quality of WSS services*** will finance climate-resilient investments in small towns and rural areas. Investment will be preceded by support to ensure that WSS operators are - in line with Moldova’s regionalization and reform agenda – licensed, have service delegation contracts in place with LPAs ensuring clear roles and functions of parties involved in the operation and management of WSS assets, and that tariffs applications are updated to ensure for financial sustainability over the medium to long run. This includes:

* 1. *Water supply investments:* expansion and rehabilitation of water supply infrastructure in two subprojects preliminarily identified, i.e. regional water system expansion for LPAs in Cahul district and ATU Gagauzia and regional water supply system with drinking water treatment plant in Riscani district.
  2. *Wastewater investments:* expansion and rehabilitation of wastewater systems in two subprojects preliminarily identified in Soroca and Comrat towns, including construction and rehabilitation of sewer networks and service connections and the construction of new wastewater treatment plants.
  3. *Pilot for on-site household sanitation*: rural or peri-urban villages – to be selected – will benefit from information campaigns and civil works for individual household level on-site sanitation facilities following a demand-based approach. The pilot will be co-financed through the ADA grant. This pilot will demonstrate the use of climate-resilient low-cost technologies for rural sanitation.

This subcomponent will finance works, goods, consulting services, non-consulting services for the construction and protection measures for water intake facilities, drinking water treatment facilities, reservoirs, pumping stations, transmission mains, water distribution network and water household connections, construction and rehabilitation of sewer networks, sewer pumping stations, wastewater treatment plants including sludge treatment and disposal, sewer service manholes for connections, sewer connection support for poor households, SCADA systems and other required activities. It finances civil works for household level on-site sanitation facilities, consulting services for design, technical supervision, and monitoring of the on-site sanitation pilot. It also finances feasibility, design and other required preparation studies, technical supervision services, capacity building for citizen engagement and social mobilization activities with project beneficiaries, and consulting services to LPAs and WSS operators to develop the required tariff submission to ANRE and draft the delegation contracts between local governments and the licensed WSS operators.

***Subcomponent 1.2: Improving WASH facilities in public social institutions*** will finance works, goods, consulting services, non-consulting services and training/workshops to realize climate-resilient WASH facilities in Health Care Facilities (HCFs) and education institutions and implement a hygiene education and behavior change communication program. Following priorities of the MH, MLSP and MER, schools and health care facilities in subproject locations under Subcomponent 1.1 and other prioritized districts will be selected. The subcomponent investments will consist of water supply connections to centralized networks or existing point sources, connections to sewer systems or construction of on-site sanitation facilities and construct indoor toilet facilities with adequate handwashing and hygiene facilities, using, where appropriate, low carbon emission technologies. The design of WASH facilities will respond to girls’/women’s needs (privacy, menstrual hygiene management facilities) and be accessible for people with disabilities. The subcomponent will finance capacity development for school and health center management, and LPAs to ensure adequate O&M of the facilities. The design and siting will reduce the likelihood that the facilities will be affected by climate-related threats such as floods.

**Component 2: Strengthening institutional capacity at national and local levels for WSS service delivery***.* This component focusses on institutional capacities of national and sub-national entities and WSS operators for management, planning, regulation and reform implementation, and for performance improvement of service providers for green, resilience and inclusive service delivery. At national, development of plans, policies and regulatory documents will support climate adaptation through climate-resilient planning, and at local level, performance improvements will deliver climate benefits through reduction of non-revenue water and improving energy efficiency. It consists of two sub-components.

***Subcomponent 2.1: Building national institutional capacity for WSS*** finances goods, non-consulting services consulting services and training/workshops for activities that strengthen institutional capacities for planning, financing, economic regulation, performance monitoring, professional development and the revision and development of new policies and normative documents. Under leadership of MIRD, and in collaboration with other entities, activities under this subcomponent include but are not limited to:

* 1. The elaboration and implementation of a National Water Supply and Sanitation Sector Development Plan (NWSSDP), investment program and financing strategy and the capacity development of its assigned lead entity; the NWSSDP outlines a staged process for regionalization, consolidation of funding mechanism and a prioritized investment program;
  2. Technical assistance to selected LPAs and WSS operators to support the aggregation process into licensed regional operators (on legal, technical, financial) following the NWSSDP;
  3. The preparation of amendments and/or new legislation (e.g. Law 303 and requirements for licensing), policies and normative documents (on regulatory method and social tariffs) and design & construction norms for sanitation (updating outdated norms) and related capacity building, as per the NWSSDP;
  4. The development and roll-out of a national (MIS) for WSS operators; definition of Key Performance Indicators (KPIs) for the MIS and start benchmarking;
  5. Technical assistance to ANRE, WSS operators and LPAs to accelerate tariff review and approval in line with regulations for licensed operators;
  6. The implementation of a professional development program, in collaboration with AMAC and the Technical University of Moldova (TUM) and WSS operators, to increase qualifications and advance careers of existing staff, and attract people, specifically women, for employment in the sector.

***Subcomponent 2.2: Improving performance of WSS service providers*** will finance works, goods, consulting services, non-consulting services, training to support the implementation of a prioritized rolling multi-year Performance Improvement Plan (PIP) of selected WSS operators involved under Subcomponent 1.1. These include five WSS operators: JSC Cahul, JSC Soroca, Municipal Enterprise Comrat, Municipal Enterprise Vulcanesti, and a proposed establishment of a new JSC, founded by the LPAs of Costesti town and other LPAs. WSS operators will carry out annual assessments on PIP implementation and KPIs, including publication of results and feedback rounds with customers. The financing for selected WSS operators will be allocated based on results. Investments and technical assistance activities identified in the PIPs are based on utility diagnostics and include but are not limited to the following: improving technical and commercial operations, improving financial management, human resource management and organization & strategy aspects, including improving asset management systems and inventories, energy efficiency, NRW reduction programs, water metering practices and equipment to improve climate resilience, water safety and business continuity, and enhancing responsiveness to customers.

**Component 3: Project Management and Coordination.** 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 regional level within MIRD’s Regional Development Agencies (RDAs) for Environmental and Social Standards implementation, and at national level for MIRD as Project Implementing Entity (PIE). It will finance 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.

**Component 4: Contingent Emergency Response Component (CERC).** 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 Bank to re-categorize and reallocate financing from other Project components to cover emergency response and recovery costs. The CERC will be established and managed in accordance with the provisions of the Bank Policy and Bank Directive on Investment Project Financing. The CERC, if activated, will be able to finance eligible activities included in the positive list, stipulated in the Project Operational Manual.

**Article 3. Basic commitments of the MIRD**

Coordinating and monitoring the work of the entities and public institutions in which it has the status of founders, as well as providing support to the implementation of the MWSSP.

Establish, operate and maintain throughout Project Implementation the Project Coodination Group.

**Article 4. Basic commitments of the RDA**

RDAs have experience in implementation of WSS infrastructure projects, as well as local presence, and will act as employers for major civil works with responsibilities in technical inputs into design and bidding documents, overall technical supervision, and contract administration, but more specifically :

1. Support in the operationalization of the implementation process of the project "Moldova Water Security and Sanitation Project".
2. Support in the implementation process of the Project, including by supplying and complementing the PIU with environmental and social consultants.
3. Collaboration activities with MIRD, other central and local administrative authorities, development partners, civil society, economic agents, regardless of the type of ownership and form of organization.
4. Support the PIU and other stakeholders in developing training capacities in the main areas of stakeholder involvement and engagement, environmental, social, security, health.
5. Support to the process of elaboration and implementation of relevant documents related to the implementation of the Project and arising from the Project.
6. Support in the implementation of the Project in the context of regional and local development policy implementation and the conditions for Project implementation.
7. Support the LPAs in fulfilling the following obligations:

* Organise and carry out technical and administrative activities in accordance with the regulatory framework, including approval of design documents, issue of building permits and authorisations and acceptance of works.
* Operate and maintain at all phases of the Project the investment done in accordance with the provisions and conditions of the Project and plan and ensure the delegation of the responsibility on WSS services provision to a qualified water supply and sanitation operator under a Delegation Agreement.
* Facilitating, organising, carrying out citizen engagement activities and consultations at local level.
* Providing and ensuring the contributions to the financing of the works for the respective investment according to the terms and conditions of the Project.
* Ensuring firm commitment by the LPA to fulfil its obligations under the terms of this Agreement, the ESS and ESCP, the Anti-Corruption Guidelines, the Project Operational Manual, other documents as appropriate.
* In case of any divergence between the provisions of this Agreement and the provisions of the Financing Agreement between the Republic of Moldova and the International Development Association for the implementation of the Project "Moldova Water Security and Sanitation Project", the terms of the latter document shall prevail.

**Article 5. Basic commitments of the PIU**

1. Effective implementation of the terms and conditions of contracts concluded between PIU and contractors in the process of carrying out works, providing services or procuring goods.
2. Identification and management of all risks (environmental, social, health, safety, etc.) on the basis of a Risk Response Mechanism (Plan) developed and approved by the PIU. Reporting of incidents and accidents, accompanied by concrete proposals to mitigate the impact of risks.
3. Implementation of the Contractors' Code of Conduct for each contract (works, goods, services).
4. Monitoring the implementation by contractors of OHS (Occupational Health and Safety) as detailed in the ESMF/ESMP.
5. Preparation and implementation of relevant documents related to the implementation of the Project and arising from the Project.
6. Provision of necessary support for the implementation of the Project, as well as other commitments deriving from the conditions and components of the Project.
7. Ensuring efficient and effective implementation of the Project, conducting programmatic monitoring and evaluation.
8. Collaboration with MIRD, local and national public authorities, non-commercial and international organisations.
9. Ensure the management of the Project's external assistance resources in accordance with the concluded Agreement.
10. Conclude contracts with natural and legal persons of public or private law, development partners, suppliers of goods and services with care and diligence and in accordance with the clauses of the Anti-Corruption Guidelines, ESS, ESCP, other documents. As appropriate.

**Article 6. Mechanism of cooperation of the Parties : MIRD, RDA, PIU**

1. The Parties shall designate a contact person responsible for coordinating and monitoring the implementation of the provisions of this Agreement, who shall represent the interests as per agreed terms and conditions on their behalf for the Project implementation.
2. The Parties will keep each other informed of all activities related to the implementation of the present Agreement and will consult each other in the event of circumstances that may affect the achievement of the relevant objectives and component’s activities.
3. Either Party may propose amendments to this Agreement after consultation with the other Party and receipt of a mutual and consensual positive opinion.

The parties to this Agreement:

1. MIDR \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_
2. RDA \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_
3. NORLD / PIU \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

## Annex 3.5. LPA Cooperation Agreement for WSS systems

## *template*

*Approved by the Local Council Decision (raion, town, commune, village)*

*Nr. \_\_\_\_ dated \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ 2022*

**COOPERATION AGREEMENT**

for the implementation of the Project "Moldova Water Security and Sanitation Project", under the Financing Agreement between the Republic of Moldova and the

International Development Association

**Article 1. Parties of the Agreement**

The NORLD / PIU for "Moldova Water Security and Sanitation Project", based in Chisinau, xx Street, hereinafter referred to as PIU, represented by the Director,

*and*

LPA (district, city, commune, village - the localities where the investment will be carried out and beneficiary of the Project), in the person of the head of the LPA (president of rayon, mayor) YY acting under the Law no. 436 of 28.12.2006 on local public administration

The cooperation agreement is based on the implementation of Decree No 358 of 09.03.2022 of the President of the Republic of Moldova on the approval of the signing of the Financing Agreement between the Republic of Moldova and the International Development Association for the implementation of the Project " Moldova Water Security and Sanitation Project " and on the basis of XX (*indicate also other relevant normative acts for the implementation of the Project*)

**Article 2. Object of the Agreement**

The Object of the respective Agreement is to establish a sustainable and effective partnership on assuring increasing access to safely managed water supply and sanitation services in *the selected rural area / town* and to strengthen national and local institutional capacity for the provision of water supply and sanitation services, as per the Project’s Component 1 and Sub-Component 1,1 bellow:

**Component 1: Increasing access to safely managed water supply and sanitation services in selected rural areas and small towns.** This component will develop new and rehabilitate existing WSS infrastructure and WASH facilities in rural areas and small towns, herewith expanding access and quality of services for households, businesses and in public institutions. Component 1 supports climate adaption through: i) providing reliable centralized water supply protecting vulnerable households from drought and poor water quality, ii) improving wastewater systems, sanitation and WASH facilities, reducing environmental exposure to pathogens exacerbated by flooding, and iii) climate-resilient design of all infrastructure to ensure robust functioning under extreme weather events. It consists of two subcomponents.

***Subcomponent 1.1: Expanding Access and Quality of WSS services*** will finance climate-resilient investments in small towns and rural areas. Investment will be preceded by support to ensure that WSS operators are - in line with Moldova’s regionalization and reform agenda – licensed, have service delegation contracts in place with LPAs ensuring clear roles and functions of parties involved in the operation and management of WSS assets, and that tariffs applications are updated to ensure for financial sustainability over the medium to long run. This includes:

* 1. *Water supply investments:* expansion and rehabilitation of water supply infrastructure in two subprojects preliminarily identified, i.e. regional water system expansion for LPAs in Cahul district and ATU Gagauzia and regional water supply system with drinking water treatment plant in Riscani district.
  2. *Wastewater investments:* expansion and rehabilitation of wastewater systems in two subprojects preliminarily identified in Soroca and Comrat towns, including construction and rehabilitation of sewer networks and service connections and the construction of new wastewater treatment plants.
  3. *Pilot for on-site household sanitation*: rural or peri-urban villages – to be selected – will benefit from information campaigns and civil works for individual household level on-site sanitation facilities following a demand-based approach. The pilot will be co-financed through the ADA grant. This pilot will demonstrate the use of climate-resilient low-cost technologies for rural sanitation.

This subcomponent will finance works, goods, consulting services, non-consulting services for the construction and protection measures for water intake facilities, drinking water treatment facilities, reservoirs, pumping stations, transmission mains, water distribution network and water household connections, construction and rehabilitation of sewer networks, sewer pumping stations, wastewater treatment plants including sludge treatment and disposal, sewer service manholes for connections, sewer connection support for poor households, SCADA systems and other required activities. It finances civil works for household level on-site sanitation facilities, consulting services for design, technical supervision, and monitoring of the on-site sanitation pilot. It also finances feasibility, design and other required preparation studies, technical supervision services, capacity building for citizen engagement and social mobilization activities with project beneficiaries, and consulting services to LPAs and WSS operators to develop the required tariff submission to ANRE and draft the delegation contracts between local governments and the licensed WSS operators.

**Article 3. LPA’s main responsibilities**

The LPA will have the following responsibilities and obligations:

1. Organise and carry out technical and administrative activities in accordance with the regulatory framework, including approval of design documents, issue of building permits and authorisations and acceptance of works.
2. Operate and maintain at all phases of the Project the investment done in accordance with the provisions and conditions of the Project and plan and ensure the delegation of the responsibility on WSS services provision to a qualified water supply and sanitation operator under a Delegation Agreement.
3. Facilitate, organise, carry out citizen engagement activities and consultations at local level.
4. Provide and ensure the contributions to the financing of the works for the respective investment according to the terms and conditions of the Project.
5. Ensure firm commitment by the LPA to fulfil its obligations under the terms of this Agreement, the ESS and ESCP, the Anti-Corruption Guidelines, the Project Operational Manual, other documents as appropriate.
6. In the case of any divergence between the provisions of this Agreement and the provisions of the Financing Agreement between the Republic of Moldova and the International Development Association for the implementation of the Project "Moldova Water Security and Sanitation Project", the terms of the latter document shall prevail.

**Article 5. PIU’s responsibilities**

1. Provision of necessary support for the implementation of the Project, as well as other commitments deriving from the conditions and components of the Project.
2. Effective implementation of the terms of contracts concluded between PIU and contractors in the process of carrying out works, providing services or procuring goods.
3. Ensuring efficient and effective implementation of the Project, conducting programmatic monitoring and evaluation.
4. Collaboration with MIDR, local and national public authorities, non-commercial and international organisations.
5. Preparation and implementation of relevant documents related to the implementation of the Project and arising from the Project.
6. Ensure the management of the Project's external assistance resources in accordance with the concluded Agreement.
7. Identify and manage all risks (environmental, social, health, safety, etc.) on the basis of a Risk Response Mechanism (Plan) developed and approved by the PIU. Report incidents and accidents to the bank, accompanied by concrete proposals to mitigate the impact of risks.
8. Conclude contracts with natural and legal persons of public or private law, development partners, suppliers of goods and services with care and diligence and in accordance with the clauses of the Anti-Corruption Guidelines, ESS, ESCP, other documents. As appropriate.

**Article 4. Mechanism of cooperation of the Parties (PIU and LPA)**

1. The Parties shall designate a person responsible for coordinating and monitoring the implementation of the provisions of this Agreement, who shall act on their behalf for its implementation.
2. The Parties will keep each other informed of all activities related to the implementation of the Agreement and will consult each other in the event of circumstances that may affect the achievement of the relevant objectives and components.
3. Either Party may propose amendments to this Agreement after consultation with the other Party and receipt of a positive opinion.

Parties to this Agreement:

|  |  |
| --- | --- |
| Project Implementation Unit  Head of the PIU XX  Signature, stamp | Local Public Authority  Mayor / Rayon President of XX  Signature, stamp |

## Annex 3.6. WASH institutional coordination and arrangements

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**WASH INSTITUTIONAL COORDINATION AND ARRANGEMENTS**

for the implementation of the Project "Moldova Water Security and Sanitation Project",

under the Financing Agreement between the Republic of Moldova

and the International Development Association

**General Framework**

Component 1.2. ***Improving WASH facilities in public social institutions***

**Project Coordination Group** – shall preselect and provide the shortlist of the WASH beneficiaries (100 schools and aprox. 25 HCFs) based on results of evaluation of technical design materials and project interventions within the certain communities.

**LPAs** (level I and II) shall be co-signatory of WASH Facility Cooperation Agreement along with the WASH beneficiary institution (school or HCFs).

**Procurement procedures:** carried out exclusively by PIU according to XX procurement guidelines.

**Monitoring and supervision:** WASH engineer within PIU.

**Minimum Eligibility Criteria**

Educational institutions hall be selected based on **minimum eligibility criteria**, as follows:

* Institution shall be primary, secondary and high school educational institutions *(kindergartens shall be selected only under specific circumstances/ kindergartens aren’t eligible);*
* Instution located in community that is included in the list of project target regions will be given a priority (town Soroca, town Comrat, Riscani, Soroca, Cahul raion and UTAG);
* Quality of drinking water must be attensted by the authorized certificate issued by the National Center for Public Health or its subordinated regional entities;
* Educational institution should be in public ownership and should not be allowed to be privatized for 5 years;
* Educational institution should not be included in the plan for closure/liquidation for upcoming 3-5 years;
* Current condition of functional interior sanitary blocks; water supply, treatment and sewerage system
* Existence of interior spaces for the location of sanitary blocks;
* Existence of the technical project (technical drawings) for the renovation / construction works of the sanitary blocks and of the water, sewerage, purification systems;
* Allocation of co-financing from LPAs (level I or II) or other actors (local business, NGO, community) in a form of in-kind / cash (min 10%);
* Corelation/ consistence with the overall technical interventions within the project target community;
* Immediate impact of produced works and contribution to the improvement of the educational activities after the project ends;
* Concent / willingness of school administration and staff to support and be involved in educational activities on improvement of water and sanitation and the capacity building, that will be organized by project.

**Health Care Facilities**, on their turn shall comply with the following **minimum eligibility criteria:**

* Facility located in community, that is included in the list of project taget regions will be given a priority (town Soroca, town Comrat, Riscani, Soroca, Cahul raion and UTAG);
* Number of population served by facility (min 2000);
* Existence / lack at the moment of the functional interior sanitary blocks;
* Existence / lack of a functional system of water, sewerage, treatment;
* Existence of spaces for the location of sanitary blocks (destinated specificatlly for patiens and medical staff);
* Immediate impact of produced works and contribution to the improvement of the medical service provision after the project ends.

WASH facilities in schools and HCFs will enter into a ***WASH Facility Cooperation Agreement*** with the PIU, specifying their roles and responsibilities.

The agreement shall be concluded as a tri-lateral agreement comprising of the following parties:

* **PIU** - as the entity responsible for overall coordination and implementation, signatury and disbursement of the financial allocations, monitoring, visibility and reporting of the project, including the establishing relationships of partnership with different partners involved in activities:
* **LPAs (level I or II, depending on status of ownership status)** benefiting from investments, responsible for monitoring the quality of civil works, for mobilization and involvement of the key community stakeholders, collection/ allocation of contribution (not less than 10% of the cost of the intervention), and ensuring the sustainability of the implemented project.
* **School administration / HCFs management,** benefiting from investments, responsible for monitoring the quality of civil works, ongoing financing of soap, toilet paper and other necessary accessosries, participation in capacity building and educational activities promoting hygiene behavior change, organized by an specialized NGO, contracted by the project, facilitating visibility of th the project

All responsible entities shall secure that the actions under the **gender and PwD sensitive:** WASH facilities will respond to girls’/women’s needs (privacy, menstrual hygiene management facilities) and be accessible for people with disabilities.

Selected projects shall be implemented based on the following **project cycle:**

* 1. Technical evaluation of WASH educationl or HCFs, proposed by the MER / MH, compiling final list of WASH beneficiaries
  2. Signing of WASH Facility Cooperation Agreement;
  3. Contracting the construction company (procurement procedure conducted by PIU);
  4. The actual execution of the works of the object;
  5. Signatory of the final protocol on reception or works and maintenance / guarantee commitments agreements.

Ongoing: monitoring of works, visibility tof the project and contribution to sustainability of intervention.

## Annex 3.7. WASH Facility Cooperation Agreement

## *template*

**WASH FACILITY COOPERATION AGREEMENT**

for the implementation of the Project "Moldova Water Security and Sanitation Project",

under the Financing Agreement between the Republic of Moldova and

the International Development Association

Parties to the Agreement (hereinafter – the **Parties**):

The Projects Implementation Unit on behalf of the MIRD /the Borrower, Director (hereinafter -PIU),

and

LPA XX[[63]](#footnote-63), IDNO XX, in the person of Mr / Ms XX (hereinafter –Beneficiary ),

and

WASH Institution manager (school or HCF), IDNO XX, in the person of Mr / Ms XX (hereinafter XX)

**Given that:**

***PIU / Ministry of Infrastructure and Regional Development of the Republic of Moldova,*** based on Law Nr.XXX on ratification of the Financing Agreement XX between the Republic of Moldova and the International Association for Development on implementation of the Moldova Water Security and Sanitation Project, is responsible for implementation of Sub-component 1.2. *Improving WASH facilities in public social institutions.*

***LPA*** and ***WASH institution*** (hereinafter – Beneficiaries of WASH Facility Cooperation Agreement) for the implementation of sub - project nr. XXx "Improvement of the WSS facilities in institution/community X" within the MWSSP project.

*The parties agreed on the following:*

**I. Objective and cost of the sub-project**

1.1 The beneficiaries will implement the sub-project NAME, further in this Agreement called "sub-project", with the assistance of PIU/MIRD.

1.2 Cost estimates of the sub – project is XXX lei (amount in letters), equivalent to/ USD (amount in letters). The estimated cost is calculated based on the USD / MDL exchange rate of the National Bank of Moldova for XXX , according to which one US dollar (USD) is equivalent to XXXX (MDL).

1.3 Cost estimates include:

|  |  |
| --- | --- |
| Civil works | MDL |
| Technical management and supervision services | MDL |
| Services technical drawings / Modification of technical drawings and author's supervision | MDL |
| Placing of announcements on procurement | MDL |
| XXXX |  |
| Total | MDL |

1.4 The cost of the sub-project is based on the calculation of the complex costs for the types of works included in the sub-project, at the time of signing this Agreement.

1.5 Agreement of investment will be updated based on procurement results employing construction Company for the execution of civil works , the cost of the service contract signed with the Technical , Service Agreement amending technical drawings ( *if applicable* ) and supervision of the author , provided of sub-project.

1.6 The final cost of the sub-project will be the one indicated by the Parties in the Certificate of Completion (transfer of investments to the balance of the beneficiary).

1.7 PIU will contribute to the implementation of sub-project by providing funds /investments , not exceeding the sum of XXX lei , equivalent to XX dollars US calculated based on the exchange rate USD / MDL National Bank Moldova for date XX , according to which one US dollar (USD) is equivalent to XX Moldovan lei (MDL) (hereinafter " funding /investment amount ").

**II. Payments Procedure**

2.1 Payments for executed civil works will be made by PIU directly to the Contractor, within the amount provided in p.1.3. of this Agreement and the contribution of the Community, provided that it is received by the PIU in the bank account mentioned below. For the purposes of this Agreement, the Contractor is a legal person that is winner of the tender for the execution of civil works under sub-project, with which the PIU/ WASH Beneficiary has signed a contract for execution of works them to implement the sub-project.

2.2 In order to receive the payments, the contractor will present to PIU the form of the Request for payment, filled in accordingly.

2.3 The request for payment submitted by the Contractor to the PIU must:

a) to contain complete information about the name, address of the bank, bank code and IBAN code;

b) to be signed by authorized persons; and

c) to be accompanied by the originals of the Protocol of reception of the works with all the annexes established by the legislation.

2.4 In the case of civil works contracts, all documents must be signed by the Contractor, Technical Manager (responsabil tehnic), PIU, WASH Beneficiary Institution of the sub-project. The payment procedures for the renovation works will be described in the Contract between the PIU/WASH Beneficiary of the sub-project and the Contractor.

2.5 All payments within the sub-projects implemented with the financial support of the PIU will be executed with the VAT exemption with the right of deduction, according to the Law of the Republic of Moldova no. XXXX with subsequent amendments.

**III. Procurement and contracting**

3.1 For the purposes of MWSSP Agreement No.. procurements under Component 1,2 will be carried out centrally and exclusively by the PIU.

3.2 It provides funding, including for works and consultancy services that include: (i) developing and verifying technical implementation projects for WASH beneficiary (school of HCF); (ii) the correction of the technical execution projects previously elaborated by the WASH beneficiary institution / LPAs; (iii) technical supervision of civil works.

3.3 All work and consultancy services required for the implementation of Component 1.2 and to be financed from the funds allocated under the Financing Agreement will be procured in accordance with the requirements set out or mentioned in:

(i), (ii), etc – listing of the Sections under the relevant IDA Credits/WB procurement rules and the Financing Agreement signed between the Republic of Moldova and the International Development Association.

3.4 Service contracts will be signed by PIU and consultants/companies.

3.5 The civil works contracts will be signed by the PIU and the Contractor.

3.6 The evaluation commission of the tenders for the procurement of contracts for design services and civil works for the renovation of schools will have the following composition:

3.7 PIU will publish the *Request for expression of interest* (for consultancy contracts) and the *Announcement* / *Request for tenders* (for civil works contracts) in the Monitorul Oficial of the Republic of Moldova and on the official website of MIRD/PIU.

**3.8 Guarantees:**

- to insert the applicable guarantees (for ex. Guarantee of participation in bid/tender, Guarantee of good execution , Advance guarantee)

3.9 For consultancy contracts, the advance payment will be X% of the total value of the contract.

3.10 For civil works contracts, the advance payment will be up to X% of the total value of the contract.

3.11 Applicable procurement methods: (to be described applicable WB procurement procedures)

* Procurement of Services
* Procurement of Works

**IV. Responsibilities and obligations of sub-project beneficiaries regarding the implementation of the sub-project**

4.1 During the implementation of the sub-project, in addition to those mentioned in other compartments of the Agreement, the Beneficiaries of the sub-project assume the following obligations:

a) will implement the sub-project in the interest of the community and will supervise all the works described in the contract concluded between the Beneficiaries of the sub-project and the Contractor;

b) throughout the implementation of the sub-project will be responsible for ensuring safety measures for children and teaching and technical staff, in particular prohibiting access to the area of the works; or

b) throughout the implementation of the sub-project will be responsible for ensuring safety measures for patients, medical and support staff, in particular prohibiting access to the area of the works;

c) until the launch of the repair works, they will release the furniture, materials, etc. from own financial sources in order to ensure the unhindered fulfillment of the renovation works;

d) will coordinate with the construction company and with the respective bodies the changes in the execution project;

e) will be responsible for the financial coverage of the public utilities expenses and ensuring that faicilities are utilizable ;

f) will ensure the connection points of the power supply sources, electricity and sewerage on the territory of the construction site;

g) will supervise the observance of the Environmental and Social Management Framework regarding the renovation of the public institution.

h) will supervise the execution of the contract signed with the construction company in accordance with the provisions of the Contract and the Schedule for the execution of the works, ensuring the necessary premises for the durability of the renovated object. For this purpose, the Beneficiaries of the sub-project will periodically organize, as necessary, joint meetings in which the Contractor and the Technical Manager will participate in order to analyze the development of the sub-project and to elaborate the necessary measures to overcome possible problems;

i) shall not transfer to third parties, without the written approval of the PIU, the rights and obligations established by this Agreement, as well as the rights to receive the funds provided by it;

j) will not make any changes to the civil works contract signed with the Contractor such as: cost, structure, technical and material specifications, without the approval of the PIU, the Project Evaluation Committee and the World Bank;

k) will not approve, receive, accept the works executed without the approval of PIU or in violation of the technical specifications and the sub-project budget;

l) shall be responsible for monitoring and eliminating any possible defects in the works performed by the Contractor during the period of remedying the defects, in accordance with the provisions of the contract with the Contractor;

m) will remedy any defects in the construction works on behalf of the Beneficiaries of the sub-project, after the preliminary operation of the object, during the entire period of remediation of defects, stipulated in the Contract concluded between the Beneficiaries of the sub-project and Contractor for construction works, in case the Beneficiaries of the sub-project will not take the measures to remedy these defects by the Contractor according to the provisions of the respective contract;

n) will install from their own financial sources an information panel at a visible place on the construction site for the entire period of the construction process, in accordance with the specifications described in chap. VI of this Agreement;

o) shall keep the accounting records, according to the legislation of the Republic of Moldova, and shall keep the originals or, as the case may be, copies of all operational documents of the sub-project, completed throughout its implementation, not less than 5 years after final acceptance of works. These documents will be available to any member of the community who would like to know the financial reports regarding the capitalization of the amount of the Investment obtained, as well as to any auditor or authorized person who performs the financial, technical, social, procurement audit, etc.;

p) will organize and be responsible for the preliminary and final reception of all works of the renovated object, in accordance with the legislation in force of the Republic of Moldova;

q) will present to the community, after the preliminary commissioning of the object, but not later than the final commissioning, a report on the results of the implementation of the sub-project.

4.2. In order to achieve the provisions of this Agreement, in addition to those mentioned in other compartments of the Agreement, the Beneficiary of the sub-project assume the following specific obligations:

a) if necessary, include the resources of this Agreement in the financing plan of the Beneficiary;

b) records, in accordance with the legislation of the Republic of Moldova, the works executed within the sub-project, within two months from the date of their final reception;

c) all works paid for from the resources of this Agreement will become the property of the Beneficiary from the moment they are taken to the accounting records of the Beneficiary;

d) ensures the sustainability of the renovated object, allocating annually financial sources from the budget of the Beneficiary for maintenance and operation;

e) does not perform other works and does not contract the Contractor or third parties for works (other than those provided for in this Agreement) regarding the object of the sub-project during the implementation period of the sub-project and until the Completion Date.

4.3. In the process of implementing the sub-project, the **WASH beneficiary institution (school of HCF) along with LPAs** will have the following obligations compliant with the O&M plan and implementation, keeping the facilities working conditions:

a) monitoring the implementation process of the sub-project;

b) informing the PIU (in writing) about the progress of the implementation of the sub-project and the existence of the problems encountered;

c) coordination of ensuring the educational process during the implementation of the sub-project in the educational institution subject to renovation; or

c) coordination of ensuring the provision of medical services to patients during the implementation of the sub-project in the HCFs subject to renovation;

d) participation in the preliminary and final reception of the works on the renovated object.

e) ensuring visibility, transparency and dissemination of sub-project results.

**V. PIU/ MIRD Responsibilities and Obligations**

5.1. In order to achieve the provisions of this Agreement, in addition to those mentioned in other sections of the Agreement, the PIU has the following specific obligations:

a) monitors and supervises the progress of the sub-project implementation, ensuring that the amounts, costs and quality of construction works and services correspond to the technical specifications and the budget agreed by both parties within the investment amount;

b) has the right to inspect at any time and without any prior notice: the quality and development of renovation works within the sub-project, the quality of materials used, as well as the development of non-infrastructural activities within the sub-project.

c) records all communications received from the Beneficiaries of the sub-project regarding any deviations from the budget and technical specifications, as well as petitions / complaints received from citizens-members of the communities. PIU examines these communications / petitions and ensures their resolution as appropriate;

d) finances the procurement of works and services necessary for the implementation of the sub-project within the amount of the investment and in compliance with the conditions indicated in p.6.2;

e) submits to the balance sheet of the Investment Beneficiary, in accordance with the legislation of the Republic of Moldova, the investment within two months from the date of their final receipt.

**VI. Visibility, information and communication conditions**

6.1. The beneficiaries of the sub-project are obliged to undertake information measures in the order established in p.6.2 - 6.6. about the non-reimbursable financial assistance obtained from the World Bank in the implementation of the sub-project

6.2. Once the renovation works have started, the Beneficiary, will install a temporary information panel at the entrance to the construction site in the most visible place;

6.3. The following information elements must be presented on the temporary panel:

* + Logos of XX
  + The name of project MWSSP
  + Name of the sub-project “Civil works at ....”
  + Total value of the sub-project
  + Start date of works
  + Date of completion of works
  + The contractor
  + Technical supervisor
  + Site master
  + Relevant information on technical consultants/ environmental consultants

6.4. The recommended panel size is X m wide x X m high. The background will be white and the characters will be black;

6.5. The material from which the panel will be made must be resistant to weather conditions and, in case of damage, be replaced within 10 days;

6.6. The panel will be displayed throughout the implementation of the sub-project;

6.7. On the date of the final reception of the sub-project, the Beneficiaries of the sub-project, with the financial support of the PIU, will mount a permanent plaque at the entrance door of the WASH beneficiary institution building.

**VII. Amendments to the agreement**

7.1 Any proposal to amend this Agreement shall be made by the Parties in accordance with the procedure described below:

a) The proposal will be presented in writing.

b) Within 10 days of receipt of the proposal, the other Party shall decide on the approval or rejection of the proposal.

c) In case of approval of the proposal to amend this Agreement, an annex to the contract shall be drawn up and signed, indicating the amendments made, which shall become an integral part of this Agreement upon signature by the Parties.

**VIII. Termination of the agreement**

8.1. PIU may unilaterally terminate the Agreement at any time during the implementation of the sub-project, if it finds a breach by the beneficiaries of the sub-project of any of the obligations assumed under this Agreement.

8.2. PIU will inform the beneficiaries of the sub-project in writing about the existence of any grounds for termination and will set a deadline during which the beneficiaries of the sub-project will be able to remedy or remove the grounds for termination or suspension (grace period). If the situation is not resolved within the set deadline, the PIU may terminate the Agreement unilaterally. In the event of such termination, the responsibility to the community, the Contractor and third parties shall be borne by the beneficiaries of the sub-project.

**IX. Dispute settlement**

9.1. The parties will make every effort to resolve disputes or differences of opinion through negotiations. If the dispute is not settled through negotiations, it shall be referred to the (to include the arbitration procedures applicable)

**X. Force majeure**

10. 1. In the event of force majeure, this Agreement shall be affected in accordance with the procedures described in the Civil Code of the Republic of Moldova.

**XI. Final provisions**

11.1. The duration of this Agreement is from the date of its signing until XX.

11.2. The beneficiaries of the sub-project acknowledge that they are aware of all PIU/WB documents and procedures, which are used for the purposes of this Agreement, so that any possible statement from the beneficiaries of the sub-project, made at any stage of implementation of the sub-project, about ignorance of any relevant document or procedure, may not relieve the beneficiaries of the sub-project of liability for any breach of this Agreement or non-compliance with any obligations to third parties arising out of or in connection with this Agreement.

11.3. PIU/WB is not liable for any obligation or liability, assumed by the beneficiaries of the sub-project to third parties or to the Contractor, without the approval or acceptance by PIU/MIRD/WB or assumed in breach of the financing conditions set out in this Agreement.

11.4. The obligations of the beneficiaries of the sub-project towards third parties, including those related to losses and damages of any kind, suffered in the process of implementing the sub-project, will be fully fulfilled by the beneficiaries of the sub-project.

11.5. Any exchange of information between the Parties regarding their relations under this Agreement shall be made in writing to the following addresses:

* 1. This Agreement is drawn up in accordance with the Legislation of the Republic of Moldova.

**LEGAL ADDRESSES AND SIGNATURES OF THE PARTIES**

|  |  |  |
| --- | --- | --- |
| **NORLD / PIU**  **Address**  **Director**  **Signature, stamp** |  | **LPA**  **Address**  **Head (council chairman or mayor)**  **Signature, stamp** |
| **WASH Beneficiary institution**  **Address**  **Head**  **Signature, stamp** |

## Annex 3.8. ToRs for consulting services on conducting the detailed screening of educational institutions and HCF under WASH Component

**MOLDOVA WATER SECURITY AND SANITATION PROJECT**

**Terms of Reference for Consulting Services**

|  |  |
| --- | --- |
| **Assignment Title:** | Conducting detailed screening in the field for educational institutions and HCF under WASH Component |
| **Supervisors:** | WASH engineer / PIU manager |
| **Location:** | Moldova |
| **Assignment Duration:** | TBC, depending on works progress – (approximate 4 months) |
| **Appointment Type:** | Firm selection |

* 1. **Introduction**

Moldova Water Security and Sanitation Project (MWSSP) is implemented by the Government of the Republic of Moldova with the support of the World Bank with the purpose to increase access, quality and efficiency of water supply and sanitation services in selected rural areas and small towns in Moldova, and to strengthen institutional capacities in planning and management for enhanced water security.

The Project Development Objective (PDO) of the project in Moldova is to increase access to improved water supply, sanitation services in selected rural areas and small towns, and to strengthen institutional capacities for supply and sanitation service delivery. Strengthening institutional capacities for water supply and sanitation service delivery refers to both national level planning and sector development capacities, as well as to improved operational efficiency and delivery at utility level.

Under ***Subcomponent 1.2: Improving WASH facilities in public social institutions,*** the projectfinances work, goods, consulting services, non-consulting services and training/workshops to realize climate-resilient WASH facilities in Health Care Facilities (HCFs) and education institutions and implement a hygiene education and behavior change communication program. The subcomponent investments will consist of water supply connections to centralized networks or existing point sources, connections to sewer systems or construction of on-site sanitation facilities and construct indoor toilet facilities with adequate handwashing and hygiene facilities, using, where appropriate, low carbon emission technologies.

Whereas referring to schools, the project intends to ensure access to improved sanitation and hygiene facilities in schools defined in line with the methodology for key WASH indicators in schools under the Sustainable Development Goals (SDGs) and WHO/UNICEF Joint Monitoring Programme for Water Supply, Sanitation and Hygiene (JMP) core indicators[[64]](#footnote-64) as follows:

* **Basic drinking water services** are defined as proportion of schools (including pre-primary, primary and secondary) with drinking water from an improved source available at the school premises;
* **Basic sanitation services** are defined as proportion of schools with improved sanitation facilities at the school, which are single-sex and usable;
* **Basic hygiene services** are defined as proportion of schools (including pre-primary, primary and secondary) with handwashing facilities, which have soap and water available;

In addition, the project should also target **improvements in access to menstrual hygiene facilities**, defined as gender-segregated sanitation facilities which take into account special needs of adolescent girls and female teachers. In the design of toilets, facilities should be provided for meeting hygiene requirements.

**2. Objective of the assignment**

The general objective of the Consultancy Services is to support the PIU within the Ministry of Infrastructure and Regional Development (MIRD) / WASH Beneficiary in carrying out the rehabilitation and construction works within the preselected pool of the educational institutions and health care facilities incl. in target project regions.

**Duties and responsibilities**:

The assignment on carrying out the **detailed screening of the selected educational institutions (schools 100 units and HCF – 20 units)** is expected to be completed in 2 stages, each having is specific tasks and responsibilities:

|  |  |
| --- | --- |
| **Stage 1 – Assessment of WASH conditions in educational settings and healthcare institutions** | Based on **existing assessments** of the educational institutions and HCF, completed by the PIU and aggregation of data received from other donors-supported projects, to consolidate and prepare the baseline report summarizing structural, environmental, social and other parameters of the existing WASH facilities within institutions.  The assessment should cover site parameters, assessment of existing structural, architectural and technical solutions for water, sanitation, hand hygiene, wastewater management in educational settings and healthcare facilities in the project area. Where information from the assessments conducted by the PIU is incomplete/unsuitable, the Consultant will collect additional information, as needed.  The Stage 1 report is expected to cover Tasks described below and should be organized in two distinct sections covering: (1) WASH in educational settings and (2) WASH in healthcare institutions.  For each section the report should separately consider information elaborated and delivered under 2 tasks below. |
| *Task 1. Review of existing rules and regulations governing the installation of WASH infrastructure in schools and healthcare facilities, including a review and inventory of existing typical designs.* | The review should focus, but not limited, on assessment of the following parameters:  1) Requirements for water supply, wastewater disposal, heating, ventilation, lighting in sanitation facilities in rural school and health centers;  2) The number of toilets and washstands for students and staff, depending on the number of students and staff at the school; minimum floor space per unit, the number of toilet units per person served in accordance with norms / standards;  3) Hygiene rooms for girls: number of rooms per school and necessary equipment; availability of cold and hot water supply the number of rooms per school, the necessary equipment;  4) Sanitation facilities and hygiene rooms for pupils and patients with special needs:  5) The need for water supply, wastewater treatment, handwashing facilities, showers, if any, for rural health centers based on their original design parameters;  6) Existing models at the school/community-level/healthcare facilities to ensure operation/maintenance of the suggested wastewater collection/disposal and treatment options;  7) Availability of budget and existing financing mechanisms for operation and maintenance of sanitation facilities in social institutions and HCF. |
| *Task 2. Assessment of existing WASH solutions and applicable technical solutions in the project area for selected institutions* | Consultant is expected to support PIU on identification of the specific aspects related to technical solutions prosed by the project, and namely taking into account the following characteristics:  **1) Demand in the school catchment areas** including:   * + Information on size of the population in the school catchment area and any anticipated future population growth; and   + General information on the social and economic profile   + Information on seasonality of illnesses, outbreaks, etc   **2) Supply in the catchment area**:   * + Detailed mapping of educational sites and healthcare facilities in the catchment area   **3) Description and profile of the existing schools and healthcare facilities, including the:**   * *Schedule and attendance*: Opening times and attendance including actual numbers and ages of pupils disaggregated by gender and details of the division of attendance into different classes and sessions such as morning and afternoon. Figures should indicate the average number of children typically present at the site. Visitor numbers should be included (for example parents). * Referral process and rules between health care facilities available in the area; * List of services to be offered at the health care facility in question (e.g. out-patients, inpatients, maternity, infectious diseases, preventive health services (e.g. immunization), dispensary, training and capacity development rooms and any other relevant). * Detailed capacity of services (e.g. number of rooms, number of beds) per service. * *Staff numbers* to be collected including administrative, teaching/or medical staff disaggregated by gender. * *Ownership of land, the buildings and the other facilities* located at the site. * *Socio-cultural practices relating to WASH in the area*. |

|  |  |
| --- | --- |
| **Stage 2. Provide specific guidance on designs to improve the standard options for female friendly and disabled friendly WASH facilities in educational settings and healthcare facilities** | Under this stage, the Consultant shall review the proposed technical solutions and check for their compliance to meet the **gender and disability responsive water, sanitation and hygiene requirements** under WASH component. More particularly the consultant shall check be the following parameters of t he solutions:   1. **Inclusiveness and adaptation level** **for persons with disabilities** The designs shall focus on inclusive access, focusing on identified typology of disability[[65]](#footnote-65). Pay special attention to:   i) Space standards and dimensions of corridors, ceiling heights, service room sizes and minimum dimensions.  ii) Details like fixtures and fittings, staircases and ramps, doors, grab rails and handrails, floor finishes, height of sinks, etc.  iii) Signs and labelling  iv) Any other relevant details.  2. **Gender sensitive design**, the consultant shall check for the following features secured within the design:  i) Ensure specific requirements for men and women facilities  ii) Take into account privacy and safety considerations are vital to make sure that using the toilets does not increase the risk of violence against women and girls, or make users feel vulnerable in any way (separate access, lightening, trained caretakers, etc)  iii) Ensure practice of key hygiene behaviours – including handwashing and safe, private and hygienic management of menstruation (access to running water and soap, access to menstrual products and their appropriate disposal bins inside the female toilets, availability of hooks and mirrors)  3. Be sufficient to meet the demand in terms of current student numbers/patient numbers, as well as potential future demand due to population increase/expansion of the social institution catchment; (approximate timeframe of 10 years) |

When elaborating the outputs, the Consultant should also carry out a user preferences consultation with students/community members (potential patients) and key stakeholders including community that relate to WASH at the educational site as well as any health related groups within the catchment of the targeted communities. The Consultant will ensure that the consultation and subsequent design process includes male and female students of all ages, people living with disabilities and any other vulnerable/marginalized groups.

If requested by the PIU, the consultant will come with specific thematic presentation during the public consultations to present standard solutions for various typologies to the client and a wider range of stakeholders.

**3. Eligibility requirements for the Bidder/ Potential Applicant:**

**The Company will be eligible for the work if it has:**

* **Company Profile**
  + The average annual turnover of the bidder should be not less than equivalent of USD XXX or equivalent, for the most recent three (3) years and this turnover must have been derived solely through the provision of similar consulting services.
  + It should have been in operation for at least 3 years with an important part of its business being the provision of consulting services
  + The bidder must have demonstrated experience in successfully implementing at least 1 contract of similar nature (similar platforms) and complexity in the past 3 years;
* **Staff qualification (confirmed by presented CVs)**

The bidder project team must include at least following staff qualifications:

* + - Project manager
    - At least two technical/ support staff
  + The **Project Manager** with at least 3 years proven tracked experience in the area of project management and at least one successfully delivered project of similar complexity.
  + The technical expert shall have the education in construction and/or architecture, environmental protection, water supply with minimum 3 years in WSS works
  + The social expert with minimum 3 years of activity/experience in evaluating the gender and disability requirements and community needs

**List of mandatory documents to be presented by Bidder:**

* + Certificate of registration
  + CVs of proposed staff
  + Reference Letters (at least 2 references)
  + Proof of works:
  + Financial Balance Sheet for the last 3 fiscal years / last Audit Report

Presence of all documents requested according to these Terms of Reference;

The bidder who does not meet the eligibility requirements will be disqualified and his bid will not be subject to technical evaluation.

**4. Bidder's method and evaluation criteria:**

The evaluation process of offers will be conducted based on XXX procedure.

**5. Conditions for submitting documents:**

Potential Bidders shall submit the documents in XX envelopes, as follows

Technical offer (original)

Financial offer (original)

Technical offer (copy)

Financial offer (copy)

All envelopes are to be signed/sealed. Envelopes must be marked "Original" or "Copy" accordingly and contain the name of the tenderer and the name of the competition.

All envelopes will be submitted in an outer envelope equally signed / sealed indicating the name of the bidder, address, telephone, email and the name of the contest.

*The offers must be submitted to PIU address XXX before the deadline of XXX (date and hour)*

## Annex 3.9. ToRs for consulting services on preparing school assistance and education program under WASH Component

**MOLDOVA WATER SECURITY AND SANITATION PROJECT**

**Terms of Reference for Consulting Services**

|  |  |
| --- | --- |
| **Assignment Title:** | Preparing school assistance and education program under WASH Component |
| **Supervisors:** | WASH engineer / PIU manager |
| **Location:** | Moldova |
| **Assignment Duration:** | TBC, depending on works progress – (approximate 4 months) |
| **Appointment Type:** | Firm selection |

* 1. **Introduction**

Moldova Water Security and Sanitation Project (MWSSP) is implemented by the Government of the Republic of Moldova with the support of the World Bank with the purpose to increase access, quality and efficiency of water supply and sanitation services in selected rural areas and small towns in Moldova, and to strengthen institutional capacities in planning and management for enhanced water security.

The Project Development Objective (PDO) of the project in Moldova is to increase access to improved water supply, sanitation services in selected rural areas and small towns, and to strengthen institutional capacities for supply and sanitation service delivery. Strengthening institutional capacities for water supply and sanitation service delivery refers to both national level planning and sector development capacities, as well as to improved operational efficiency and delivery at utility level.

Under ***Subcomponent 1.2: Improving WASH facilities in public social institutions,*** the projectfinances work, goods, consulting services, non-consulting services and training/workshops to realize climate-resilient WASH facilities in Health Care Facilities (HCFs) and education institutions and implement a hygiene education and behavior change communication program. The subcomponent investments will consist of water supply connections to centralized networks or existing point sources, connections to sewer systems or construction of on-site sanitation facilities and construct indoor toilet facilities with adequate handwashing and hygiene facilities, using, where appropriate, low carbon emission technologies.

Latest studies conducted by UNICEF and other donors present within Moldova identified the lack of clean toilets, safe drinking water and sanitation blocks of the common challenges contributing to student absenteeism and also surveyed pupils highlighted the condition of toilets as an area that they did not like about their schools. Hand washing with soap is mainly practiced by the pupils before meal and less practiced after using toilets.

Adolescent girls stay absent or get sent home unfairly during their monthly menstrual cycle due to lack of access to sanitary napkins, private changing rooms with provisioning of water and soap and proper pad disposal facilities.

Improvement of the hygiene education and behavior change within the project is intended to be achieved through development of the WASH in Schools manual (support didactic and visibility materials) and training on WASH. Activities as well intend to promote WASH in schools for a safe and healthy and quality learning environment.

**2. Objective of the assignment**

The general objective of the Consultancy Services is to support the PIU within the Ministry of Infrastructure and Regional Development (MIRD) / WASH Beneficiary in improving the WSS conditions within the project target regions through promoting WASH in schools for a safe and healthy and quality learning environment.

The main objective of the assignment is to develop education program, comprising of:

* WASH in Schools training manual (child friendly and gender/disability sensitive) with support materials,
* WASH facilitators guide and,
* Conducts training of teachers on hygiene promotion in schools

**Duties and responsibilities**:

**WASH education program in schools** is intended to bring about sustainable behaviour change among school children and catchment community to boost the existing health promoting school efforts.

Development of the WASH in Schools manual and training on WASH is intended to promote WASH in schools for a safe and healthy and quality learning environment.

1. The **WASH manual** must have succinct content on the importance and standards on implementation and promotion on Water, Sanitation and Hygiene in schools , shall be guided for promotion of simple, sustainable and scalable WASH practice and shall comprise of at least the following chapters:

- **Introduction** *(definitions, structural setting, objectives of manual and tools to be used for its application)*

- **Key Hygiene Behaviour at schools** (safe usage of toilet; handwashing with soap; use of safe drinking water; menstrual hygiene; personal hygiene; food hygiene; waste management)

- **Behaviour Change Communication.** Besides seven key hygiene behaviour, the manual must also include a chapter on behaviour change communication with detailed guidance on awareness raising and social mobilization founded on key motivation for behaviour change. It must include guidance on consultations with the community, parents, child participation, hygiene promotion for behaviour change in the school and community, community decision making, mobilization of the community and handling contributions for the operation and maintenance of school facilities and education.

**- Roles and Responsibilities**. The manual must also include a section for detailed roles and responsibilities for different actors on WASH promotion in schools.

- **Monitoring and Rating of Schools:** The manual must include a monitoring format for WASH in schools. Set of the indicators/ evaluation questionnaire shall include at least i) daily routine to promote healthy habits & practice monitoring; ii) incremental improvements iii) meeting of national health and environment standars.

- **Templates and promo materials for promoting** of the WASH in schools (posters, flyers, social media press releases, etc)

- **Draft lesson plan & support materials** for primary, gymnasium and lyceum on WASH

- **Reader and bibliography**, reference materials.

The **WASH training** is centred on schools, it must engage education, health officials, and school board of management, community leaders and caretakers. The training is intended to translate into behaviour change of school children and improve health of the school and the catchment community. The training curriculum must aid the school health coordinator and the school administration in promoting improved hygiene practices among school children in their respective schools and support improved operation and maintenance of water and sanitation facilities.

*Training attendances and the format (online or live) shall be defined at a latest stage of the preparation of the campaign, depending on the COVID 19 pandemics and availability of the facilitators.*

**Language:** the manual and training shall be developed in Romanian and Russian languages.

**3. Eligibility requirements for the Bidder/ Potential Applicant:**

**The Company will be eligible for the work if it has:**

* **Company Profile**
  + The average annual turnover of the bidder should be not less than equivalent of USD XXX or equivalent, for the most recent three (3) years and this turnover must have been derived solely through the provision of similar consulting services.
  + It should have been in operation for at least 3 years with an important part of its business being the provision of consulting services
  + The bidder must have demonstrated experience in successfully implementing at least 1 contract of similar nature (similar platforms) and complexity in the past 3 years;
* **Staff qualification (confirmed by presented CVs)**

The bidder project team must include at least following staff qualifications:

* + - Project manager
    - At least two support staff
  + The **Project Manager** with at least 3 years proven tracked experience in the area of project management and at least one successfully delivered project of similar complexity.
  + The educational experts with minimum 3 years of activity/experience in evaluating the gender and disability requirements and community needs
  + Support staff to secure the translation of the manual (Romanian- Russian) and secure logistical arrangements for the training.

**List of mandatory documents to be presented by Bidder:**

* + Certificate of registration
  + CVs of proposed staff
  + Reference Letters (at least 2 references)
  + Proof of works:
  + Financial Balance Sheet for the last 3 fiscal years / last Audit Report

Presence of all documents requested according to these Terms of Reference;

The bidder who does not meet the eligibility requirements will be disqualified and his bid will not be subject to technical evaluation.

**4. Bidder's method and evaluation criteria:**

The evaluation process of offers will be conducted based on XXX procedure.

**5. Conditions for submitting documents:**

Potential Bidders shall submit the documents in XX envelopes, as follows

Technical offer (original)

Financial offer (original)

Technical offer (copy)

Financial offer (copy)

All envelopes are to be signed/sealed. Envelopes must be marked "Original" or "Copy" accordingly and contain the name of the tenderer and the name of the competition.

All envelopes will be submitted in an outer envelope equally signed / sealed indicating the name of the bidder, address, telephone, email and the name of the contest.

*The offers must be submitted to PIU address XXX before the deadline of XXX (date and hour)*

## Annex 3.10 On-Site Sanitation Household Agreement

## *template*

**On-Site Sanitation Household Agreement**

for the implementation of the Project "Moldova Water Security and Sanitation Project", under the Financing Agreement between the Republic of Moldova and the International Development Association

**Article 1. Parties of the Agreement**

The Project Implementation Unit for "Moldova Water Security and Sanitation Project" under the National Office for Regional and Local Development, based in Chisinau, xx Street, hereinafter referred to as PIU, represented by the Director,

*and*

LPA (district, city, commune, village - the localities where the investment will be carried out and beneficiary of the Project), in the person of the head of the LPA (president of rayon, mayor) YY acting under the Law no. 436 of 28.12.2006 on local public administration

*and*

The On-Site Sanitation Household / OSS Participant (*name, surname, cadastral number, ID* )

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The on-site sanitation agreement is part of the "Moldova Water Security and Sanitation Project" and based on the implementation of Decree No 358 of 09.03.2022 of the President of the Republic of Moldova on the approval of the signing of the Financing Agreement between the Republic of Moldova and the International Development Association for the implementation of the Projec and on the basis of XX (*indicate also other relevant normative acts for the implementation of the Project*)

**Article 2. Object of the Agreement**

The Object of the Agreement is to establish a sustainable and ef fective partnership on assuring increasing access to safely managed sanitation services in *the selected rural area / town* by carrying out on-site sanitation support activities, as per the Project’s Component 1, Sub-Component 1.1 bellow:

**Component 1: Increasing access to safely managed water supply and sanitation services in selected rural areas and small towns.** This component will develop new and rehabilitate existing WSS infrastructure and WASH facilities in rural areas and small towns, herewith expanding access and quality of services for households, businesses and in public institutions. Component 1 supports climate adaption through: i) providing reliable centralized water supply protecting vulnerable households from drought and poor water quality, ii) improving wastewater systems, sanitation and WASH facilities, reducing environmental exposure to pathogens exacerbated by flooding, and iii) climate-resilient design of all infrastructure to ensure robust functioning under extreme weather events. It consists of two subcomponents.

***Subcomponent 1.1: Expanding Access and Quality of WSS services*** will finance climate-resilient investments in small towns and rural areas. Investment will be preceded by support to ensure that WSS operators are - in line with Moldova’s regionalization and reform agenda – licensed, have service delegation contracts in place with LPAs ensuring clear roles and functions of parties involved in the operation and management of WSS assets, and that tariffs applications are updated to ensure for financial sustainability over the medium to long run. This includes:

* 1. *Water supply investments:* expansion and rehabilitation of water supply infrastructure in two subprojects preliminarily identified, i.e. regional water system expansion for LPAs in Cahul district and ATU Gagauzia and regional water supply system with drinking water treatment plant in Riscani district.
  2. *Wastewater investments:* expansion and rehabilitation of wastewater systems in two subprojects preliminarily identified in Soroca and Comrat towns, including construction and rehabilitation of sewer networks and service connections and the construction of new wastewater treatment plants.
  3. *Pilot for on-site household sanitation*: rural or peri-urban villages – to be selected – will benefit from information campaigns and civil works for individual household level on-site sanitation facilities following a demand-based approach. The pilot will be co-financed through the ADA grant. This pilot will demonstrate the use of climate-resilient low-cost technologies for rural sanitation.

This subcomponent will finance works, goods, consulting services, non-consulting services for the construction and protection measures for water intake facilities, drinking water treatment facilities, reservoirs, pumping stations, transmission mains, water distribution network and water household connections, construction and rehabilitation of sewer networks, sewer pumping stations, wastewater treatment plants including sludge treatment and disposal, sewer service manholes for connections, sewer connection support for poor households, SCADA systems and other required activities. It finances civil works for household level on-site sanitation facilities, consulting services for design, technical supervision, and monitoring of the on-site sanitation pilot. It also finances feasibility, design and other required preparation studies, technical supervision services, capacity building for citizen engagement and social mobilization activities with project beneficiaries, and consulting services to LPAs and WSS operators to develop the required tariff submission to ANRE and draft the delegation contracts between local governments and the licensed WSS operators.

**Article 3. Basic commitments of the PIU**

1. To provide the necessary support in the context of the implementation of the Project at the local level to OSS Participants.
2. To facilitate and ensure the consent to the provision of the on site sanitation support, including the commitment to provide access to the premises, where the on site sanitation activities will be carried out.
3. To ensure support for the LPA in the consultancy and transparency of the decision making process on the awarenness and obligations to contribute financially, as per conditions and terms stipulated in the FA
4. Ensuring efficient and effective implementation of the Project, conducting programmatic monitoring and evaluation.
5. Collaboration with MIDR, local and national public authorities, non-commercial and international organisations.
6. Ensure the management of the Project's external assistance resources in accordance with the concluded Agreement.
7. Conclude contracts with natural and legal persons of public or private law, development partners, suppliers of goods and services with care and diligence and in accordance with the clauses of the Anti-Corruption Guidelines, ESS, ESCP, other documents. As appropriate.

**Article 4. Basic commitments of the LPA**

1. Organise and carry out technical and administrative activities in accordance with the regulatory framework, including approval of design documents, issue of building permits and authorisations and acceptance of works.
2. Operate and maintain at all phases of the Project the investment done in accordance with the provisions and conditions of the Project and plan and ensure the delegation of the responsibility on WSS services provision to a qualified water supply and sanitation operator under a Delegation Agreement.
3. Facilitate, organise, carry out citizen engagement activities and consultations at local level.
4. Provide and ensure the contributions to the financing of the works for the respective investment according to the terms and conditions of the Project.
5. Ensure firm commitment by the LPA to fulfil its obligations under the terms of this Agreement, the ESS and ESCP, the Anti-Corruption Guidelines, the Project Operational Manual, other documents as appropriate.

**Article 5. Mechanisms of cooperation of the Parties (PIU, LPA, OSS Participant or Household)**

1. The Parties will keep each other informed of all activities related to the implementation of the Agreement and will consult each other in the event of circumstances that may affect the achievement of the relevant objectives and components, will have contact responsible persons for communication within the respective Agreement.
2. Either Party may propose amendments to this Agreement after consultation with the other Party and receipt of a positive opinion.

Parties to this Agreement:

|  |  |  |
| --- | --- | --- |
| NORLD / Project Implementation Unit Director, Signature, stamp | Local Public Authority Mayor / Rayon President of XX Signature, stamp | OSS Participant *name, surname, cadastral number, ID* |

## Annex 4. Results Framework and Monitoring

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| **RESULTS FRAMEWORK AND MONITORING** |

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| **Results Framework** |
| **COUNTRY: Moldova  Moldova Water Security and Sanitation Project** |
| **Project Development Objectives(s)** |
| The PDO is i) to increase access to safely managed water supply and sanitation services in selected rural areas and small towns, and to strengthen national and local institutional capacity for water supply and sanitation service delivery; and (ii) in case of an Eligible Crisis or Emergency, respond promptly and effectively to it. |
| **Project Development Objective Indicators** |

| **RESULT\_FRAME\_TBL\_PDO** |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| **Indicator Name** | **PBC** | **Baseline** | **Intermediate Targets** | | | | **End Target** |
|  |  |  | **1** | **2** | **3** | **4** |  |
| **Increasing access to safely managed water supply services in selected rural areas and small towns** | | | | | | | |
| People provided with safely managed water supply services in selected rural areas and small towns (Number) |  | 0.00 | 0.00 | 0.00 | 27,000.00 | 30,000.00 | 30,000.00 |
| Out of which female (Percentage) |  | 0.00 |  |  |  |  | 50.00 |
| People provided with access to safely managed sanitation services in selected rural areas and small towns (Number) |  | 0.00 | 0.00 | 275.00 | 8,750.00 | 32,500.00 | 36,500.00 |
| Out of which female (Percentage) |  | 0.00 |  |  |  |  | 50.00 |
| **Strengthening institutional capacity at national and local levels for improved WSS service delivery** | | | | | | | |
| National Water Supply and Sanitation Sector Development Plan (NWSSDP) with prioritized investment program and financing strategy developed and under implementation (Text) |  | No NWSSDP exists | Working group for NWSSDP created | Draft NWSSDP elaborated | Implementation of NWSDP started. | Funding mechanisms aligned with NWSSDP | NWSSDP with prioritized investment program and financing strategy prepared, implementation started and national funding mechanism aligned. |
| Number of participating operators demonstrating core institutional capacities for improved water supply and sanitation service delivery (Number) |  | 0.00 | 0.00 | 3.00 | 4.00 | 4.00 | 4.00 |

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| **PDO Table SPACE** |

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| **Intermediate Results Indicators by Components** |

| **RESULT\_FRAME\_TBL\_IO** |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| **Indicator Name** | **PBC** | **Baseline** | **Intermediate Targets** | | | | **End Target** |
|  |  |  | **1** | **2** | **3** | **4** |  |
| **Subcomponent 1.1: Expanding access and quality of WSS services** | | | | | | | |
| Number of households with a functional connection to a safely managed water supply service (Number) |  | 0.00 | 0.00 | 0.00 | 10,350.00 | 12,720.00 | 12,720.00 |
| Number of households with increased resilience to droughts resulting from a functional connection to a safely managed water supply service (Number) |  | 0.00 | 0.00 | 0.00 | 4,900.00 | 7,270.00 | 7,270.00 |
| Number of households with a functional sewer connection to a safely managed sanitation service (Number) |  | 0.00 | 0.00 | 0.00 | 2,900.00 | 11,270.00 | 12,720.00 |
| Number of households contributing to reduction in GHG emissions resulting from a functional sewer connection to a safely managed sanitation service (Number) |  | 0.00 | 0.00 | 0.00 | 545.00 | 5,145.00 | 6,600.00 |
| Wastewater and septage treated in selected small towns as per national discharge standards (Cubic meters/year) |  | 0.00 | 0.00 | 0.00 | 545.00 | 2,600.00 | 2,940.00 |
| Number of households gaining access to safely managed sanitation through the on-site household sanitation pilot (Number) |  | 0.00 | 100.00 | 545.00 | 545.00 | 545.00 | 545.00 |
| Number of poor and vulnerable households gaining access to safely managed sanitation services (Number) |  | 0.00 | 0.00 | 15.00 | 160.00 | 510.00 | 1,070.00 |
| **Subcomponent 1.2: Improving WASH facilities in public institutions** | | | | | | | |
| Number of schools with functional safely managed drinking water supply, and basic sanitation and hygiene facilities (Number) |  | 0.00 | 0.00 | 0.00 | 50.00 | 95.00 | 100.00 |
| Number of health care facilities with functional safely managed drinking water supply, basic sanitation and hygiene facilities (Number) |  | 0.00 | 0.00 | 0.00 | 4.00 | 20.00 | 25.00 |
| Number of people in schools participating in hygiene education and communication programs (Number) |  | 0.00 | 0.00 | 0.00 | 12,250.00 | 23,750.00 | 25,000.00 |
| **Subcomponent 2.1.: Building national institutional capacity for WSS** | | | | | | | |
| Number of legislative and/or normative documents developed in support of sector modernization (Number) |  | 0.00 | 0.00 | 0.00 | 0.00 | 2.00 | 3.00 |
| National Management Information System (MIS) for WSS service providers developed and operational (Text) |  | No national system exists; KPIs are not yet agreed | KPIs defined and approved by ANRE | MIS tested with at least five Operators | MIS operational with 75 percent of licensed operators | MIS operational with 95 percent of licensed operators | Nation-wide usage of MIS for annual benchmarking |
| Number of participants that have successfully completed accredited professional development program and that advance or gain employment in technical positions in WSS utility sector (Number) |  | 0.00 | 0.00 | 70.00 | 120.00 | 150.00 | 165.00 |
| Number of female participants successfully completing the accredited professional development program and that advance or gain employment in technical positions within the WSS utility sector (Number) |  | 0.00 | 0.00 | 25.00 | 42.00 | 50.00 | 55.00 |
| Number of people benefitting from training and workshops related to regulatory framework, policy implementation and the use sector MIS (Number) |  | 0.00 | 0.00 | 40.00 | 100.00 | 150.00 | 200.00 |
| **Subcomponent 2.2: Improving performance of WSS service providers** | | | | | | | |
| Average relative reduction of Non Revenue Water (expressed in m3/km network per year) for participating utilities compared to baseline value (Percentage) |  | 0.00 | 0.00 | 0.00 | 5.00 | 10.00 | 15.00 |
| Average relative increase of Total Cost Coverage ratio for participating utilities over the baseline value (Percentage) |  | 0.00 | 0.00 | 0.00 | 5.00 | 7.50 | 10.00 |
| Share of beneficiaries who report that the project has established effective engagement processes (Percentage) |  | 0.00 | 75.00 | 75.00 | 75.00 | 75.00 | 75.00 |
| Share of female beneficiaries who report that the project has established effective engagement processes (Percentage) |  | 0.00 | 75.00 | 75.00 | 75.00 | 75.00 | 75.00 |

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Monitoring & Evaluation Plan: PDO Indicators** | | | | | |
| **Indicator Name** | **Definition/Description** | **Frequency** | **Datasource** | **Methodology for Data Collection** | **Responsibility for Data Collection** |
| People provided with safely managed water supply services in selected rural areas and small towns | The indicator for SDG 6.1, safely managed drinking water services is defined as use of an improved drinking water source which is accessible on premises, available when needed and free from contamination (i.e. 24 hr service with compliant drinking water quality as per national norms) | semi-annually | Reports from PIU. | Data to be compiled by RDAs with inputs from LPAs/operators and recorded in PIU progress reports. | RDAs and PIU |
| Out of which female | The indicator provides supplemental information on the percentage of women benefiting from increased access to safely managed water services. | semi annually | PIU reports | Data to be compiled by RDAs ("employers') with inputs from LPAs/operators and recorded in PIU progress reports. | PIU and RDAs |
| People provided with access to safely managed sanitation services in selected rural areas and small towns | The indicator for SDG 6.2, safely managed sanitation services, is defined as households that use an improved, not shared sanitation facility where excreta are disposed in situ or transported and treated offsite as per national effluent norms. | semi-annually | PIU reports | Data to be compiled by RDAs with inputs from LPAs/operators and recorded in PIU progress reports. | RDAs and PIU |
| Out of which female | The indicator provides supplemental information on the percentage of women benefiting from increased access to safely managed sanitation services. | semi annually | PIU reports | Data to be compiled by RDAs ("employers') with inputs from LPAs/operators and recorded in PIU progress reports. | RDAs and PIUs |
| National Water Supply and Sanitation Sector Development Plan (NWSSDP) with prioritized investment program and financing strategy developed and under implementation | The National Water Supply and Sanitation Sector Development Plan includes a prioritized investment program and financing strategy, measures and actions to operationalize the national WSS strategy and implement the reform. | Annually | Reports from PIU | MIRD to advise PIU on status of NWSSDP elaboration, endorsement, implementation and alignment of the national funds. | PIU |
| Number of participating operators demonstrating core institutional capacities for improved water supply and sanitation service delivery | Utilities should meet the following five core institutional capacities (1) Have reported on Key Performance Indicators (KPIs) in a timely and transparent manner to shareholders and through citizen engagement channels; (2) Have consulted with customers on the Performance Improvement Plan (PIP) and included feedback; (3) Have implemented or are in the process of implementing all measures in the PIP; (4) Are licensed and have delegation contracts in place with all relevant Local Public Administrations where services are provided; (5) Have approved and updated tariffs in place or have submitted a tariff application to the National Regulator compliant with the regulatory framework. | Annually | Reports from PIUs | Data to be compiled by PIUs using data from operators/LPAs and recorded in PIU progress reports | PIU |

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Monitoring & Evaluation Plan: Intermediate Results Indicators** | | | | | |
| **Indicator Name** | **Definition/Description** | **Frequency** | **Datasource** | **Methodology for Data Collection** | **Responsibility for Data Collection** |
| Number of households with a functional connection to a safely managed water supply service | Households that are gaining and sustaining access to safely managed drinking water supply services through service connection in two categories: i) new connections to premises for households that were previously not connected to a centralized drinking water supply network and ii) existing connections that have seen an increase in service level from "improved" to "safely managed" due to improvements in water quality delivered and/or reliability of supply. | Semi-annually | PIU reports | Data to be compiled by RDAs with inputs from LPAs/operators and recorded in PIU progress reports. | PIU. |
| Number of households with increased resilience to droughts resulting from a functional connection to a safely managed water supply service | Households that at baseline relied on shallow wells prone to impacts of drought, and that gained access to a safely managed water service through the project (climate adaptation indicator) | Semi-annually | Reports from PIU | Reports from PIU | Data to be compiled by RDAs with inputs from LPAs/operators and recorded in PIU progress reports |
| Number of households with a functional sewer connection to a safely managed sanitation service | These are households that use an improved, not shared, sanitation facility connected to a functional sewer network and with treatment of the wastewater as per national standards. These include: i) households who move from septic tanks or other individual solution to sewerage, and ii) households already with a sewer connection that gained access to adequate wastewater treatment | Semi-annually | PIU Reports | Data to be compiled by RDAs with inputs from LPAs/operators and recorded in PIU progress reports | PIU |
| Number of households contributing to reduction in GHG emissions resulting from a functional sewer connection to a safely managed sanitation service | These are households gaining access to sewer connections to a system with off-site wastewater treatment that at baseline were not connected and used on-site facilities, such as pit latrines, or septic tanks. This shift result in a decrease of GHG emissions compared to the baseline (climate mitigation indicator) | Semi-annually | Reports from PIU | Data to be compiled by RDAs with inputs from LPAs/operators and recorded in PIU progress reports. | PIU and operators |
| Wastewater and septage treated in selected small towns as per national discharge standards | This is the volume of wastewater treated at the newly constructed treatment plants up to the national effluent standards. It may also include septage from septic tanks that is treated within the plant. | Annually | PIU Reports | RDAs and LPA | PIU |
| Number of households gaining access to safely managed sanitation through the on-site household sanitation pilot | These include households that participated in the pilot and as a result have gained access to an improved, not shared flush-toilet facility using on-site sanitation technology compliant with national standards (that can be emptied safely in the future); the pilot will include the development of a service chain for regular emptying although first time emptying will likely not occur duration of the project for these new facilities. | Semi- annually | PIU reports. | Data to be compiled by PIU and recorded in PIU progress reports | PIU |
| Number of poor and vulnerable households gaining access to safely managed sanitation services | These include poor and vulnerable households that have received pro-poor support under the project for sewer connections or for installation of on-site sanitation facilities; the eligibility criteria for poor and vulnerable households are defined in the POM | Semi-annually | Reports from PIU | Data to be compiled by PIU and RDAs with inputs from LPAs/operators and recorded in PIU progress reports. | PIU |
| Number of schools with functional safely managed drinking water supply, and basic sanitation and hygiene facilities | These are the number of schools with facilities that include safely managed drinking water supply (available, on premises, free of contamination), at least a basic sanitation service (improved, single-sex and usable) and basic hygiene (water and soap available). Functional refers to facilities with O&M maintenance plans being followed. Facilities should be accessible for people with disability and respond to needs of women and girls (privacy, lockable door, menstrual hygiene facility) | Semi-annually | ​​​​​​​Surveys | Data to be compiled by PIU with inputs from the survey and LPAs/schools and recorded in PIU progress reports | LPAs and PIU |
| Number of health care facilities with functional safely managed drinking water supply, basic sanitation and hygiene facilities | These are the number of health care centers with safely managed drinking water supply (available, on premises, free of contamination), at least basic sanitation (improved, single-sex and usable) and basic hygiene at the point of patient treatment (water and soap available). Functional refers to facilities with O&M maintenance plans being followed. Facilities should be accessible for people with disability and respond to needs of women and girls (privacy, menstrual hygiene facilities) | Semi-annually | Surveys | Data to be compiled by PIU with inputs from LPAs and health centers and recorded in PIU progress reports. | LPAs and PIU |
| Number of people in schools participating in hygiene education and communication programs | This includes the number school staff that have been trained in hygiene education and behavior change communication tools and the number of students in all participating schools that were reached with hygiene education and communication messages on WASH behaviors (including hand hygiene, menstrual hygiene for girls). | Semi-annually | PIU supported with surveys | Data to be compiled by PIU with inputs from schools and recorded in PIU progress reports | PIU |
| Number of legislative and/or normative documents developed in support of sector modernization | These refer to i) updates to sanitation norms for populations >2.000 p.e. and < 10,000 p.e.; ii) amendments to Law 303; iii) amendments and revised tariff policies and/or other regulatory norms issued by ANRE | Annually | Reports from PIU | MIRD/ANRE to advise PIU on status of documents | PIU |
| National Management Information System (MIS) for WSS service providers developed and operational | A MIS benchmarking system to support ANRE's regulatory oversight of licensed operators; the system will allow for comparison and analysis (benchmarking) and will be hosted online serving multiple users (ANRE, MIRD, Operators, public) through various interfaces | Annually | Reports from PIU | PIU to with input from ANRE as managing organization for the MIS | PIU |
| Number of participants that have successfully completed accredited professional development program and that advance or gain employment in technical positions in WSS utility sector | The professional development program includes i) two cohorts of continuous education for 100 people (existing/newly recruited staff) for accredited operator at technical college level ii) one cohort of 50 people (existing/newly recruited staff) for accredited WSS operator at BSc level, and iii) one cohort of 15 students receiving a BSc with WSS operator support for internships. | Annually | Reports from PIU | Data compiled by PIU from program progress report; feedback surveys | PIU |
| Number of female participants successfully completing the accredited professional development program and that advance or gain employment in technical positions within the WSS utility sector | Gender indicator. These are the female participants that complete the program and advance and/or gain their employment in technical positions. Existing female representation in technical positions is 20 percent and female participation in BSc programs in engineering fields is 10 percent. The professional development program aims to reach at least 30 percent share of participants to be women. | Annually | Reports from PIU | Compiled by PIU and surveys  ​​​​​ | PIU |
| Number of people benefitting from training and workshops related to regulatory framework, policy implementation and the use sector MIS | These include representatives from WSS operators, from LPAs, from ANRE, RDAs, AMAC, design institutes and other sector institutions that have benefited from training and workshops to increase understanding, knowledge and capacities to implement existing (or new) tariff regulations, policies and use sector instruments, including the WSS MIS | semi-annually | PIU | Annual training plan | PIU |
| Average relative reduction of Non Revenue Water (expressed in m3/km network per year) for participating utilities compared to baseline value | NRW expressed in m3/km network/year calculated annually and compared to value in baseline to establish relative change in percentage; baseline values will be established in Y1; the indicator uses an arithmetic mean for the participating utilities. | Annually | Reports from PIU | Data to be compiled by Operators and recorded in PIU progress reports. | PIU |
| Average relative increase of Total Cost Coverage ratio for participating utilities over the baseline value | Total Cost Coverage is expressed as ratio between the total revenues and the total costs for water and wastewater services (%); this includes the costs for depreciation and the royalty for the development fund as per ANRE methodology; the ratio is calculated annually and compared with the baseline value to estabslish the relative change; baseline values will be established in year 1; the indicator uses the arithmetic mean for the participating utilities | Annually | Reports from PIU | Data to be compiled by Operators and recorded in PIU progress reports | PIU |
| Share of beneficiaries who report that the project has established effective engagement processes | Citizen engagement indicator that looks into three core elements: i) satisfaction with access to information, ii) with opportunities/channels for feedback and dialogue, and iii) satisfaction with responses received to feedback. Engagement mechanisms include community consultations, online survey complemented by local snapshots, public hearings, roundtables, accessibility of the GRM, and outreach through Citizen Water and Sanitation Committees. | Annually | Satisfaction surveys | Data compiled by PIU, and support NGO, and recorded in PIU progress reports | PIU |
| Share of female beneficiaries who report that the project has established effective engagement processes | This indicator monitors if female beneficiaries are satisfied with the projects engagement processes as described in the parent indicator | Annually | Satisfaction surveys | Data compiled by PIU, and support NGO, and recorded in PIU progress reports | PIU |

## Annex 5. Environmental and Social Screening Checklist

***Note:*** *Applicable for sub-projects under components 1.1, 1.2 and 2.2 1. - in case any small civil work will be planned*)

This form is to be used by the PIU for relevant small civil work to screen potential environmental and social risk levels of a proposed subproject of this nature. The screening will determine the relevance of Bank environmental and social safeguard policies and propose the instrument to be prepared for the sub-project.

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Name of the subcomponent:** |  | | | |
| **City/Municipality:** |  | | | |
| **Name of applicant (implementing unit):** |  | | | |
| **Contact:** |  | | | |
| **ENVIRONMENTAL AND SOCIAL CHECKLIST QUESTIONNAIRE**  **(must be filled out and filed for every sub-project)** | | | | |
| **CRITERIA** | | **YES** | | **NO** |
| Does the proposed activity require a FULL Environmental Impact Assessment as per the Moldova Law on Environmental Impact Assessment nr.86/2014 (list of Projects for which full EIA is mandatory)? *If yes, this activity cannot be financed.* | |  | |  |
| Will the works financed include construction, reconstruction or demolition works?"  *If yes, an ESMP needs to be prepared!* | |  | |  |
| Does the existing enterprise / institution/ operator have valid operating permit, licenses, approvals etc.? If not, please explain. Permits to screen for include: construction permit, operational/use permit, urban permit, water management permit…  *If not, will the financing be used to correct this condition?* | |  | |  |
| Does the existing enterprises have a valid environmental permit (or is in the procedure of obtaining an environmental permit as per the Moldovan laws) and does the proposed activity fall under those for which this permit was issued? | |  | |  |
| Does the existing enterprise have a valid water management permit that calls for special investments or measures for the enterprise’s wastewater releases (or is in the procedure of obtaining this permit as per the Moldovan laws)? | |  | |  |
| Does the existing enterprise / institution/ operator need to follow specific Moldovan environmental regulations regarding air emissions, water use or wastewater discharge and solid waste management? | |  | |  |
| Are there any significant outstanding environmental fees, fines or penalties or any other environmental liabilities (e.g. pending legal proceedings involving environmental issues etc.)  *If so, will the financing be used to correct this condition and please explain?* | |  | |  |
| Have there been any complaints raised by local affected people or groups or NGOs regarding conditions at the facility?  *If so, will the grant financing be used to remedy these complaints?* | |  | |  |
| Proposed Activity | | | | |
| Will the proposed activity require acquisition of land, e.g.  Encroachment on private property  Relocation of Project affected persons  Loss of private lands or assets  Impacts on livelihood incomes  *If yes, a site-specific Resettlement/Livelihood restoration Action Plan or Abbreviated Resettlement/Livelihood restoration Action Plan shall be prepared* | |  |  | |
| Will the proposed activity disrupt access to education? | |  |  | |
| Will the proposed activity disrupt access to health services? | |  |  | |
| Will the proposed activity disrupt daily /ordinary operation of the institution/operator? | |  |  | |
| Will the project affect vulnerable[[66]](#footnote-66) groups by any of impacts identified above? | |  |  | |
| Will the activity generate water effluents (wastewater) that may require special treatment, control or the water management permit? | |  |  | |
| Will the activity generate air emissions, which would require special controls in order to ensure compliance with the Moldovan Laws? | |  |  | |
| Will the activity generate noise levels that would require control measures to ensure compliance with the Moldovan Laws? | |  |  | |
| Will the noise levels affect particularly sensitive receptors (natural habitats, hospitals, schools, local population centers)? | |  |  | |
| Will the activity consume, use or store, produce hazardous materials that:   * require special permits or licenses require licensed or trained personnel * are outlawed or banned in EU or Western countries are difficult, expensive, or hard to manage * may cause soil and water pollution or health hazards if adequate control measures are not in place | |  |  | |
| Will the activity generate solid waste that may be considered hazardous, difficult to manage, or may be beyond the scope of regular household waste?  *(This may include, but not be limited too, animal carcasses, toxic materials, pesticides, medical waste, cleaning materials, flammables etc.)* | |  |  | |
| Will the activity be located within or close to natural habitats or areas under consideration by the State Natural Protection Areas? Will the activity potentially affect areas of known significance to local, regional or national natural and cultural heritage? | |  |  | |
| Will the activity involve import of living organisms, e.g. saplings, insects, animals, etc. or works that can affect sensitive environmental receptors? | |  |  | |
| Has the local population or any NGOs expressed concern about the proposed activity’s environmental aspects or expressed opposition? | |  |  | |
| Is there any other aspect of the activity that would – through normal operations or under special conditions – cause a risk or have an impact on the environment, the population or could be considered as a nuisance (e.g. use of pesticides)? | |  |  | |
| Does the subproject follow national guidelines and protocols for COVID-19 on issues of accessibility in non-discriminatory manner (equal access to the facility irrespective of age, gender, pre-existing medical conditions etc.) | |  |  | |

## Annex 6. National Environmental and Social Assessment Procedure

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**ETAPELE PROCEDURII DE EVALUARE A IMPACTULUI ASUPRA MEDIULUI**

**PROIECT PUBLIC SAU PRIVAT / ACTIVITATEA PLANIFICATĂ**

**I. EVALUARE PREALABILĂ**

**II. ELABORAREA ȘI PREZENTAREA**

către Autoritatea Competentă a proiectului **Programului** de realizare a EIM consultat public, pentru examinare și coordonare

**III. EXAMINAREA SI CONSULTAREA**

referitoare la Documentația de EIM și obținerea acordului de mediu

**Este necesară efectuarea EIM ?**

**Da**

**Nu**

**Obținerea avizului EES**

**Este necesară efectuarea EIM in context transfrontalier ?**

**Da**

**Nu**

Procedura EIM se realizează la nivel național.

Procedura EIM se realizează cu participarea părții afectate în baza notificării acceptate in termen.

**Este Programul coordonat ?**

**Da**

**Nu**

**Revizuire Program, definitivare.**

**Elaborarea și prezentarea către autoritatea competentă a documentației EIM**

**Decizia Autorității Competente:**

**EMITE**

acordul de mediu

**REFUZĂ**

eliberarea acordului de mediu

**REMITE**

documentația EIM pentru definitivare

## Annex 7. Contract Management Plan (template)

**CONTRACT MANAGEMENT PLAN**

**Project name: ………………………………………………………………………………………………..**

**Project ID number: ………………………………………………………………………………………..**

**Contract name: ……………………………………………………………………………………………..**

**Contract description: …………………………………………………………………………………….**

**Date: ……………………………………………………………………………………………………………..**

***Instructions for preparation of a Contract Management Plan (CMP).***

*This template should be customized to suit the specific needs of the contract implementation. Entries inserted in this sample template tables are examples and the CMP should therefore be prepared based on the needs and specifics of the contract.*

*A draft contract management plan should be prepared promptly after the contract award decision has been made. It is good practice to share the CMP with the contractor, to ensure that there is a shared understanding of how the delivery of the contract will be managed.*

*The CMP should be a living document that is updated on a regular basis to ensure that it stays relevant and reflects the latest status of the contract.*

**PROJECT DESCRIPTION**

[Insert a brief description of the project under which the contract is being implemented]

**GENERAL CONTRACT INFORMATION**

|  |  |
| --- | --- |
| **Contract Title** |  |
| **Contract Number:** |  |
| **Contract Type:** |  |
| **Location:** |  |
| **Contract Start Date:** |  |
| **Contract Duration:** |  |
| **Contract end Date:** |  |
| **Contract Amount and currency** |  |
| **Name of Contractor and address** |  |

**PURPOSE OF THE CONTRACT MANAGEMENT PLAN**

[Indicate the purpose of the contract management plan as it relates to the contract under consideration. The information shall include the intended user, values and benefits].

The main objectives of the CMP are to ensure that there is a clear understanding of the roles and responsibilities of the Employer/Client and Contractor.

**GOVERNANCE STRUCTURE**

[Describe the governance structure relevant to the contract. Where possible include a diagram showing the key parties, the hierarchy, lines of reporting etc.]

**RISK MANAGEMENT**

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **Event** | **Risk** | **Impact** | **Likelihood** | **Risk Rating** | **Risk Mitigation Action** | **Time line** | **Responsible** | **Remark** |
|  |  |  |  |  |  |  |  |  |
|  | [insert the identified potential risks.] |  |  |  |  |  |  |  |
|  |  | | | | | | | |
|  |  | | | | | | | |

**KEY CONTACTS, ROLES AND RESPONSIBILITIES**

|  |  |  |  |
| --- | --- | --- | --- |
| **Organization** | **Name and Title** | **Roles and Responsibilities** | **Contact Information (email, tel, address)** |
| **PIU** | *Contract Manager* |  |  |
|  |  |  |  |
| **Contractor** | *Contractor’s representative:* |  |  |
|  |  |  |  |
| **Consultant** | *Engineer* |  |  |

**COMMUNICATION AND REPORTING PROCEDURE**

**Communication Procedures**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Communication Type** | **Objective** | **Format** | **Frequency** | **Audience** | **Owner** |
|  |  |  |  |  |  |
|  |  |  |  |  |  |
|  |  |  |  |  |  |

**Contractual Notices**

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **Descriptions** | **Objective** | **Contract Reference** | **Frequency/ Timing** | **From** | **to** |  |
|  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |

**Contractor’s documents**

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **Descriptions** | **Objective** | **Contract Reference** |  |  |  |  |
|  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |

**Reporting Requirement and Procedure**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **No.** | **Contract Ref. Clause** | **Due date/ frequency** | **Recipients** | **Responsibilities** | **Required Action** |
| **[Progress Report]** |  | *[Monthly]* |  |  |  |
| **[ESHS**  **Progress reports]** |  | *[Monthly]* |  |  |  |
| **[ESHS**  **immediate reports]** |  | *[immediately after occurrence of event* |  |  |  |
| **Test results** |  |  |  |  |  |
|  |  |  |  |  |  |

**Issues Escalation Procedure**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Nature of Issue** | **Level of review** | **Responsible body** | **Response time** | **Type of issue** |
| **Low or Routine** |  |  |  |  |
| **Medium** |  |  |  |  |
| **High** |  |  |  |  |
| **Critical** |  |  |  |  |

**KEY CONTRACTUAL PROVISIONS**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **No.** | **Description** | **Contract reference** | **Responsible** | **Remark** | **Risks** |
| **1.** | *Care and Supply of Documents* |  | *Employer* | *2 copies issued to contractor* |  |
| **2.** | *Delayed Drawings or Instructions* |  | *Employer* |  | *Time extension cost compensation* |
| **3.** | *Right of Access to the Site* |  | *Employer* | *Give right of access within time stated in data sheet.* |  |
| **4.** |  |  |  |  |  |

**CONTRACTUAL MILESTONES AND DELIVERABLES**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Activity / Milestone** | **Responsible** | **Contract Reference** | **Start date** | **End date** | **Remark** |
| ***Submit work schedule*** | *Contractor* |  |  |  |  |
| ***Foundation work for section*** | *Contractor* |  |  |  | Critical path |
| ***Complete***  ***structure for*** | *Contractor* |  |  |  |  |
| ***Pilot testing for*** |  |  |  |  |  |

**KEY PERFORMANCE INDICATORS (to MEASURE PERFORMANCE AND OUTCOMES)**

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **No.** | **Deliverable** | **KPI** | **Performance target** | **Test** | **Verification** | **Remark** |
| **1.** |  |  |  |  |  |  |
| **2.** |  |  |  |  |  |  |
| **3.** |  |  |  |  |  |  |

**UNDERPERFORMANCE/DEFAULT CONTRACTUAL ACTIONS**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **No.** | **Description of underperformance** | **Responsible** | **Applicable contractual provision/s** | **Actions to be taken** | **Remark** |
| **1.** |  |  |  |  |  |
| **2.** |  |  |  |  |  |
| **3.** |  |  |  |  |  |

**CHANGE MANAGEMENT PROCESS**

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| **No.** | **Change initiated by** | **Type of change** | **Respon-sible** | **Required Action** | **Review/ Approval Process** | **Contract Amendment Requirement** | **Status** |
| **1.** | *Employer* | *Change in authority of the Engineer* | *Employer* | *Inform Contractor of any change* |  |  |  |
| **2.** | *Employer* | *Change in scope of work* | *Engineer* |  |  |  |  |
| **3.** |  |  |  |  |  |  |  |

**INSURANCE**

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **No.** | **Type of Insurance** | **Contract Ref.** | **Amount/**  **Limit of liability** | **Required**  **Date** | **Expiry date** | **Information Required** |
| **1.** |  |  |  |  |  |  |
| **2.** |  |  |  |  |  |  |
| **3.** |  |  |  |  |  |  |

**GUARANTEES AND SECURITIES**

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **No** | **Type of Guarantee / Security** | **Contract Ref.** | **Amount / Limit of liability** | **Required Date** | **Expiry date** | **Information Required** |
| **1.** | *[Advance Payment Guarantee]* |  |  |  |  |  |
| **2.** | *[Performance Security]* |  |  |  |  |  |
| **3.** | *[ESHS Performance Security]* |  |  |  |  |  |
| **4.** | [Retention Guarantee] |  |  |  |  |  |

**PAYMENT PLAN /PROCEDURES**

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **No.** | **Type of Payment** | **When / frequency** | **Documents Required** | **Process time** | **Verification process** | **Approvals** |
| **1.** | *Advance payment* | *Once* | *Advance payment Guarantee* |  |  |  |
| **2.** | *Interim payments* | *Every month* | *Interim payment certificates, timesheets, proof of incurred expenditure, shipping documents etc.* |  |  |  |
| **3.** | *Interest payments* | *Delayed payments* |  |  |  |  |
| **4.** | Price adjustment | - |  |  |  |  |
| **5.** | Claims/ Compensation | As needed | Contractors |  |  |  |
| **6.** | Final Payment |  |  |  |  |  |

**RECORDS MANAGMENT**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **No.** | **Type of Record** | **Owner** | **Responsible** | **Action required** | **Remark** |
| **1.** | *[Contract documents and any amendments/]* |  |  |  |  |
| **2.** | *Insurance details* |  |  |  |  |
| **3.** | *[change orders]* |  |  |  |  |
| **4.** | *[notices]* |  |  |  |  |
| **5.** | *[Payment Documents, including documents on application of price adjustment if any]* |  |  |  |  |
| **6.** | *Minutes of contract related meetings* |  |  |  |  |
| **7.** | *[Progress Reports]* |  |  |  |  |
| **8.** | [*immediate Reports on ESHS, if applicable*] |  |  |  |  |
| **9.** | *[Test Results]* |  |  |  |  |
| **10.** | *[Guarantees, warranty/defect liability and Securities]* |  |  |  |  |
| **11.** | *Documents related to any suspension or termination* |  |  |  |  |

**KEY STAKEHOLDERS ENGAGEMENT PLAN**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **No.** | **Stakeholder** | **Format** | **Frequency** | **Remark** |
| **1.** |  |  |  |  |
| **2.** |  |  |  |  |
| **3.** |  |  |  |  |

**CONTRACT CLOSURE PROCEDURES**

|  |  |  |  |
| --- | --- | --- | --- |
| **No.** | **Activity** | **Responsible** | **Remark** |
| **1.** |  |  |  |
| **2.** |  |  |  |
| **3.** |  |  |  |

**PRICE ADJUSTMENT PROCEDURES**

|  |  |  |  |
| --- | --- | --- | --- |
| **No.** | **Activity** | **Responsible** | **Remark** |
| **1.** | *e.g. verification of indices* |  |  |
| **2.** |  |  |  |
| **3.** |  |  |  |

**INTERFACE MANAGEMENT**

|  |  |  |  |
| --- | --- | --- | --- |
| **No.** | **Activity** | **Responsible** | **Remark** |
| **1.** |  |  |  |
| **2.** |  |  |  |
| **3.** |  |  |  |

## Annex 8. Grievance/Inquiry Record

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| **GRIEVANCE/INQUIRY RECORD (Form A)**  *Instructions: This form is to be completed by staff receiving the inquiry or grievance and kept in the Project’s file. Attach any supporting documentation/letters as relevant.* | | | | | | | |
| Date Grievance Received: | | | | | Name of Staff Completing Form: | | |
| Grievance Received (check √):  □ National □ Regional (RDA) □ Rayon □ City/Village | | | | | | | |
| Mode of Filing Inquiry or Grievance (check √):  □ In person □ Telephone □ E-mail □ Phone Text Message □ Website  □ Grievance/Suggestion box □ Community meeting □ Public consultation □ Other \_\_\_\_\_\_\_\_\_\_\_\_\_\_ | | | | | | | |
| Name of Person Raising Grievance: *(information is optional and always treated as confidential)*  *Gender:* □ *Male* □ *Female* | | | | | | | |
| Address or contact information for Person Raising Grievance: *(information is optional and confidential)* | | | | | | | |
| Location where grievance/problem occurred [write in] | | | | | | | |
| National: | | | Regional | Rayon: | | City/ Village: |  |
| Brief Description of Grievance or Inquiry: *(Provide as much detail and facts as possible)* | | | | | | | |
|  | Category 1 | Social Safeguards | | | | | |
|  | Category 2 | Environmental Safeguards | | | | | |
|  | Category 3 | Grievances regarding violations of policies, guidelines and procedures | | | | | |
|  | Category 4 | Grievances regarding contract violations | | | | | |
|  | Category 5 | Grievances regarding the misuse of funds/lack of transparency, or other financial management concerns | | | | | |
|  | Category 6 | Grievances regarding abuse of power/intervention by project or government officials | | | | | |
|  | Category 7 | Grievances regarding staff performance | | | | | |
|  | Category 8 | Reports of force majeure | | | | | |
|  | Category 9 | Grievance about project interventions | | | | | |
|  | Category 10 | Other | | | | | |
| Who should handle and follow up on the grievance: | | | | | | | |
| Progress in resolving the grievance (e.g. answered, being resolved, settled): | | | | | | | |

## Annex 9. Interim Financial Reports (IFRs)

|  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **Project Sources and Uses of Funds** | | | | | | | | |  |  |
| **As at: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_** | **Currency: USD** | |  |  |  |  |  |  |  |  |
|  | Actual | | | Planned | | | Variance (Over) Under | | | Life of Proj. |
|  | Current Quarter | YTD | CTD | Current Quarter | YTD | CTD | Current Quarter | YTD | CTD |
| **Opening Cash Balance(s)** |  |  |  |  |  |  |  |  |  |  |
| Designated Accounts (by accounts) |  |  |  |  |  |  |  |  |  |  |
| Other accounts (if any)  **Total opening cash balance(s)** |  |  |  |  |  |  |  |  |  |  |
| **Add: Sources of Funds (by financiers)** |  |  |  |  |  |  |  |  |  |  |
| Designated Account  Direct payments  Interest earned (if any)  Other sources (to specify if any) |  |  |  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |  |
| **Total Sources** |  |  |  |  |  |  |  |  |  |  |
| **Less: Uses of Funds (by expenditure category for each financier in accordance with Financing Agreement)** |  |  |  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |  |
| **Total Uses** |  |  |  |  |  |  |  |  |  |  |
| **Closing Cash Balance(s)** |  |  |  |  |  |  |  |  |  |  |
| Designated Account and other accounts (for each account) |  |  |  |  |  |  |  |  |  |  |
| Other accounts (if any)  **Total closing cash balance(s)** |  |  |  |  |  |  |  |  |  |  |

|  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **Uses of Funds by Project Component/Activity** | | |  |  |  |  |  |  |  |  |
|  | | | | | | | | |  |  |
| **As at: \_\_\_\_\_\_\_\_\_\_** |  |  |  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |  |
| **Project Components/Activities** | **Actual** | | | **Planned** | | | **Variance (Over) Under** | | | **Life of the Project** |
| **Current Quarter** | **YTD** | **CTD** | **Current Quarter** | **YTD** | **CTD** | **Current Quarter** | **YTD** | **CTD** |
|  |  |  |  |  |  |  |  |  |  |  |
| * 1. Increasing access to safely managed water supply and sanitation services in selected rural areas and small towns. |  |  |  |  |  |  |  |  |  |  |
| *1.1 – Expanding Access and Quality of WSS services*  *1.2 – Improving WASH facilities in public social institutions* |  |  |  |  |  |  |  |  |  |  |
| * 1. Strengthening institutional capacity at national and local levels for WSS service delivery |  |  |  |  |  |  |  |  |  |  |
| *2.1 - Building national institutional capacity for WSS*  *2.2 - Improving performance of WSS service providers* |  |  |  |  |  |  |  |  |  |  |
| *3.* Project Management and Coordination |  |  |  |  |  |  |  |  |  |  |
| *4.* Contingent Emergency Response Component (CERC) |  |  |  |  |  |  |  |  |  |  |
| **Overall Total** |  |  |  |  |  |  |  |  |  |  |

|  |  |  |  |
| --- | --- | --- | --- |
| **Designated Account Statement** | |  |  |
| (for the quarter ended XXXX.) | |  |  |
| **Designated Account № \_\_\_\_\_\_\_\_\_\_\_\_ in USD** | | | |
| **Bank:** | | | |
|  |  |  | **USD** |
| **Designated Account opening balance as at \_\_\_\_\_\_ 1, 200x** | |  | **0.00** |
|  |  |  |  |
| **Total Credits (add):** |  |  |  |
|  | IDA advance to DA during the period | 0.00 |  |
|  | IDA replenishments of DA during the period | 0.00 |  |
|  |  | 0.00 | **0.00** |
|  |  |  |  |
| **Total debits (less):** | Refund to IDA from DA during the period | 0.00 |  |
|  | IDA eligible expenditures paid from DA during the period | 0.00 |  |
|  | IDA funds transferred to the project account in MDL | 0.00 |  |
|  |  | 0.00 | **0.00** |
|  |  |  |  |
|  |  |  | **0.00** |
| **Designated Account closing balance as at xxx** | |  |  |
|  |  |  |  |
| **Signed by** |  |  |  |
| Date |  |  |  |

|  |  |  |  |
| --- | --- | --- | --- |
|  | | | |
| **Project** | | | |
| **Review of Physical Progress** | | | |
| **For the quarter --------------------** | | | |
| **Component** | **Cumulative expenditures, USD** | **% of planned total cost** | **Progress made** |
| 1. Increasing access to safely managed water supply and sanitation services in selected rural areas and small towns. |  |  |  |
| 1. Strengthening institutional capacity at national and local levels for WSS service delivery |  |  |  |
| *3.* Project Management and Coordination |  |  |  |
| *4.* Contingent Emergency Response Component (CERC) |  |  |  |
| **Total** |  |  |  |

## Annex 10. TOR for Audit

TERMS OF REFERENCE

FOR THE AUDIT OF THE PROJECT

“MOLDOVA WATER SECURITY AND SANITATION PROJECT”

FOR THE AUDIT REFERENCEPERIOD

MMM DD, YYYY – MMM DD, YYYY

1. **Background**

The Government of Moldova is determined to ……..

To achieve the stated objectives, the Government requested the World Bank’s assistance for ……..(hereafter *MWSSP* or *the Project*).

The design of the project takes into account the Government of Moldova’s vision, stated in the ………………………… implemented by the Government of Moldova and World Bank in the period between ……………………..

The project aims to achieve ……………….. through the following components:

1. **Increasing access to safely managed water supply and sanitation services in selected rural areas and small towns**

This component will develop new and rehabilitate existing WSS infrastructure and WASH facilities in rural areas and small towns, herewith expanding access and quality of services for households, businesses and in public institutions. Component 1 supports climate adaption through: i) providing reliable centralized water supply protecting vulnerable households from drought and poor water quality, ii) improving wastewater systems, sanitation and WASH facilities, reducing environmental exposure to pathogens exacerbated by flooding, and iii) climate-resilient design of all infrastructure to ensure robust functioning under extreme weather events. It consists of two subcomponents.

1. **Strengthening institutional capacity at national and local levels for WSS service delivery**

This component focusses on institutional capacities of national and sub-national entities and WSS operators for management, planning, regulation and reform implementation, and for performance improvement of service providers for green, resilience and inclusive service delivery. At national, development of plans, policies and regulatory documents will support climate adaptation through climate-resilient planning, and at local level, performance improvements will deliver climate benefits through reduction of non-revenue water and improving energy efficiency. It consists of two sub-components

1. **Project Management**

This component will finance operational costs, consulting services, non-consulting services, goods, and training to finance the overall Project management cost, including the core Project Team at the Project Implementation Unit (PIU), implementation support consultants at regional level within MIRD’s Regional Development Agencies (RDAs) for Environmental and Social Standards implementation, and at national level for MIRD as Project Implementing Entity (PIE). It will finance 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.

1. **Contingent Emergency Response Component (CERC)**

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 Bank to re-categorize and reallocate financing from other Project components to cover emergency response and recovery costs. The CERC will be established and managed in accordance with the provisions of the Bank Policy and Bank Directive on Investment Project Financing. The CERC, if activated, will be able to finance eligible activities included in the positive list, stipulated in the Project Operations Manual.

1. **Objective of the assignment**

The objective of the audit of the project financial statements (PFS) is to enable the auditor to express a professional opinion on the project's financial position as at the end of Audit Reference Period and of the income and expenditure for the accounting period ending on that date. The project's books of account provide the basis for preparation of the financial statements and are established to reflect the financial transactions in respect of the project.

**Responsibility for preparation of financial statements**

The project’s management is responsible for the preparation of financial statements, including the maintenance of adequate accounting records and internal controls, the selection and application of accounting policies, the safeguarding of the assets of the project, and adequate disclosure. As part of the audit process, the auditor will request from management written confirmation concerning representations made to us in connection with the audit.

1. **Scope of Work**

The audit will be conducted in accordance with [International Standards on Auditing](http://www.ifac.org/system/files/publications/files/2014-IAASB-HANDBOOK-VOLUME-1_0.pdf). Those Standards require that the auditor plans and performs the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

*The expenditures and the total number of transactions for the* ***Audit Reference Period****:*

* *(AMOUNT OF AUDITED TRANSACTIONS – US$XXXXXX*

In complying with International Standards on Auditing, the auditor is expected to pay particular attention to the following matters, including special considerations for public sector entities:

1. In planning and performing the audit to reduce audit risk to an acceptably low level, the auditor should consider the risks of material misstatements in the financial statements due to fraud, as required by [International Standard on Auditing 240: The Auditor’s Responsibilities Relating to Fraud in an Audit of Financial Statements](http://www.ifac.org/system/files/publications/files/2014-IAASB-HANDBOOK-VOLUME-1_0.pdf).
2. When designing and performing audit procedures and in evaluating and reporting the results thereof, the auditor should recognize that noncompliance by the entity with laws and regulations may materially affect the financial statements, as required by [International Standard on Auditing 250: Consideration of Laws and Regulations in an Audit of Financial Statements](http://www.ifac.org/system/files/publications/files/2014-IAASB-HANDBOOK-VOLUME-1_0.pdf).
3. The auditor should communicate audit matters of governance interest arising from the audit of financial statements to those charged with governance of an entity, as required by [International Standard on Auditing 260: Communication with those Charged with Governance](http://www.ifac.org/system/files/publications/files/2014-IAASB-HANDBOOK-VOLUME-1_0.pdf).
4. The auditor should appropriately communicate to those charged with governance and to management any deficiencies in internal control that the auditor has identified in an audit of financial statements, as required by [International Standard on Auditing 265: Communicating Deficiencies in Internal Control to Those Charged with Governance and Management](http://www.ifac.org/system/files/publications/files/2014-IAASB-HANDBOOK-VOLUME-1_0.pdf).
5. To reduce audit risk to an acceptably low level, the auditor should determine overall responses to assessed risks at the financial statement level, and should design and perform further audit procedures to respond to assessed risks at the assertion level, as required by [International Standard on Auditing 330: The Auditor’s Responses to Assessed Risks](http://www.ifac.org/system/files/publications/files/2014-IAASB-HANDBOOK-VOLUME-1_0.pdf).
6. When certain aspects of an entity’s operations are performed by a third-party service provider, the auditor is expected to include an understanding and assessment of the internal control environment of the service provider during the audit process, as required by [International Standard on Auditing 402: Audit Considerations Relating to an Entity Using a Service Organization](http://www.ifac.org/system/files/publications/files/2014-IAASB-HANDBOOK-VOLUME-1_0.pdf).
7. As part of the audit process, the auditor is expected to obtain written representations from management and, where appropriate, those charged with governance, as required by [International Standard on Auditing 580: Written Representations](http://www.ifac.org/system/files/publications/files/2014-IAASB-HANDBOOK-VOLUME-1_0.pdf).
8. When the external auditor decides to use the work of an entity’s internal audit function to modify the nature or timing, or reduce the extent, of audit procedures to be performed directly by the external auditor, the determination shall be in accordance with [International Standard on Auditing 610: Using the Work of Internal Auditors](http://www.ifac.org/system/files/publications/files/2014-IAASB-HANDBOOK-VOLUME-1_0.pdf).
9. In determining whether to use the work of an auditor’s expert or the extent to which the work of an auditor’s expert is adequate for audit purposes, the determination shall be made in accordance with [International Standard on Auditing 620: Using the Work of an Auditor’s Expert.](http://www.ifac.org/system/files/publications/files/2014-IAASB-HANDBOOK-VOLUME-1_0.pdf)

In evidencing compliance with agreed project financing arrangements the auditor is expected to carry out tests to confirm that:

1. All external funds have been used in accordance with the conditions of the relevant financing agreements, with due attention to economy and efficiency, and only for the purposes for which the financing was provided. Relevant financing agreements include *(Project Name and Project Number*.
2. Counterpart funds have been provided and used in accordance with the relevant financing agreements, with due attention to economy and efficiency, and only for the purposes for which they were provided.
3. Goods, works, and services financed have been procured in accordance with relevant financing agreements,[[67]](#footnote-67) including specific provisions of the World Bank Procurement Framework.
4. All necessary supporting documents, records, and accounts have been maintained in respect of all project activities, including expenditures reported using Statements of Expenditure (SOE) or Interim Unaudited Financial Statements (IFS) methods of reporting. The auditor is expected to verify that respective reports issued during the period were in agreement with the underlying books of account.

**Project Financial Statements**

The auditor should verify that the financial statements have been prepared in accordance with [International Public Sector Accounting Standards](http://www.ifac.org/system/files/publications/files/Handbook-of-International-Public-Sector-Accounting-Pronouncements-Volume-1.pdf). The financial statements should include:

* 1. A statement of financial position;
  2. A summary of funds received from the World Bank, other financiers and counterpart contributions from the borrower, all presented separately;
  3. A summary of expenditures paid, presented under project account headings and main categories of expenditures;
  4. Additional disclosures in explanatory notes, including details of statements of expenditures (SOE) supporting Withdrawal Applications submitted during the period, a reconciliation of movements on the Designated Account, and a statement of fund balances.
  5. When the entity makes publicly available its approved budget, a comparison of budget and actual amounts either as a separate additional financial statement or as a budget column in the financial statements; and
  6. Notes, comprising a summary of significant accounting policies and other explanatory notes.

[*The explanatory notes should include reconciliation between the amounts shown as “received by the project from the World Bank” and those disbursed by the Bank and a summary of movements on the project’s designated account.*]

**Review of Statements of Expenditure and Interim Unaudited Financial Statements**

The auditor is required to audit all SOE/IFS submitted to the World Bank in support of requests for periodic replenishment of the project designated account(s). Expenditures should be examined for eligibility based on criteria defined in the terms of the financing agreement and detailed in the Project Appraisal Document. The auditor should report any ineligible expenditures identified as having been included in withdrawal applications and reimbursed.

**Review of designated accounts**

During the audit of the project financial statements, the auditor is required to review the activities of the project’s designated account(s). Activities to be examined will include deposits received, payments made, interest earned, and reconciliation of period-end balances.

1. **Audit Reports**

***Audit opinion***

The auditor will issue an audit opinion on the financial statements. The auditor’s opinion shall be based on an evaluation of the conclusions drawn from the audit evidence obtained and shall be expressed clearly through a written report that also describes the basis for that opinion. The audit report shall be prepared in accordance with [International Standard on Auditing 700: Forming an Opinion and Reporting on Financial Statements](http://www.ifac.org/system/files/publications/files/2014-IAASB-HANDBOOK-VOLUME-1_0.pdf).

A modified audit opinion shall be rendered in the financial statements when the auditor concludes, on the basis of the audit evidence obtained, that the financial statements as a whole are not free from material misstatement; or the auditor is unable to obtain sufficient appropriate audit evidence to conclude that the financial statements as a whole are free from material misstatement. Modified audit opinions shall be in accordance with [International Standard on Auditing 705: Modifications to the Opinion in the Independent Auditor’s Report](http://www.ifac.org/system/files/publications/files/2014-IAASB-HANDBOOK-VOLUME-1_0.pdf).

The auditor will include emphasis of matter paragraphs or other matter paragraphs in the audit opinion where the auditor, having formed an opinion on the financial statements, seeks to draw users’ attention, when in the auditor’s judgment it is necessary to do so, by way of clear additional communication in the auditor’s report. The paragraphs will refer to either a matter that, although appropriately presented or disclosed in the financial statements, is of such importance that it is fundamental to users’ understanding of the financial statements; or as appropriate, any other matter that is relevant to users’ understanding of the audit, the auditor’s responsibilities, or the auditor’s report. This form of opinion will be presented in accordance with [International Standard on Auditing 706: Emphasis of Matter Paragraphs or Other Matter Paragraphs in the Independent Auditor’s Report](http://www.ifac.org/system/files/publications/files/2014-IAASB-HANDBOOK-VOLUME-1_0.pdf).

***Other audit reports***

In addition to the audit opinion, the auditor will also, either in the audit report or in the report to management:

1. provide comments and observations on the accounting records, systems, and controls that were examined during the course of the audit;
2. identify specific deficiencies and areas of weakness in systems and controls and make recommendation for their improvement;
3. report on instances of noncompliance with the terms of the financial agreement(s);
4. quantify and report expenditures that are considered to be ineligible and either paid out of the designated account(s) or claimed from the World Bank;
5. communicate matters that have come to attention during the audit that might have a significant impact on the implementation of the project;
6. draw to the borrower’s attention any other matters that the auditor considers pertinent; and
7. responses from management, including implemented and proposed remedial actions.

The draft of the auditors’ report (financial statements, including the audit opinion, and management letter) should be submitted not later than **MMM DD, YYYY** and the final version of the signed report (3 originals in English) not later than **MMM DD, YYYY**

1. **Timing**

This assignment is expected to start in **MMM YYYY** and be accomplished by end of **MMM YYYY**.

1. **Institutional arrangements**

The Consultant will report to and work under the direct supervision of the I.P. UIPM Chief Accountant being assisted by the FM Specialist within MWSSP Project.

1. **Qualification requirements**

The Consultant shall be an Audit firm included in the ***List of World Bank’s ECA Region Eligible Audit Firms updated as of March 4, 2020***, and meet the following qualification requirements:

**Company’s general experience**

* Experience in auditing donor funded projects comparable in size and complexity;
* Experience with IFAC standards, in particular International Standards on Auditing;

**Company’s experience in similar assignments**

* At least five (5) years of consistent audit experience with World Bank funded and/or administered projects;
* Experience of auditing at least two (2) World Bank funded projects comparable in size and complexity;

**The Consulting Firm will provide a team of experts with the following qualifications:**

**Team Leader**

* University degree in auditing/finance/accounting or other related area such as professional certification in accounting/auditing;
* Professional Qualification as a Certified Accountant or equivalent is desirable;
* At least 5 years of professional experience in the audit area (including supervisory and management experience);
* Demonstrated experience and knowledge in the audit of the World Bank projects;
* Knowledge of the World Bank procurement procedures;
* Fluency in written and spoken English. Knowledge of Romanian and/or Russian languages would be considered an asset.

**Senior Auditor**

* University degree in auditing/finance/accounting or other related area such as professional certification in accounting/auditing;
* At least 3 years of professional experience in the audit area;
* Professional Qualification as a Certified Accountant is desirable;
* Demonstrated experience and knowledge in the audit of the World Bank projects;
* Knowledge of the World Bank procurement procedures;
* Fluency in written and spoken English, and Romanian or Russian languages is required.

**Auditor**

* University degree in auditing/finance/accounting or other related area such as professional certification in accounting/auditing;
* At least 2 years of professional experience in the audit area;
* Experience in the audit of the World Bank projects will be considered an advantage;
* Fluency in written and spoken English, and Romanian or Russian languages is required.

## Annex 11.

***Template***

Approved

Order Nr.\_\_\_\_ dated \_\_\_\_\_\_\_\_\_\_\_\_ 2022

Ministry of Infrastructure and Regional Development

Minister \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ (signature)

Approved

Order Nr.\_\_\_\_ dated \_\_\_\_\_\_\_\_\_\_\_\_ 2022

National Energy Regulatory Agency

Director \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ (signature)

**INTER-INSTITUTIONAL COOPERATION AGREEMENT**

for "Moldova Water Security and Sanitation Project", implemented

under the Financing Agreement between the Republic of Moldova and the International Development Association

**Article 1. Parties of the Agreement**

* + - 1. The Ministry of Infrastructure and Regional Development, in the person of the Minister \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ acting on the basis of Government Decision No 690 of 30.08.2017 on the organisation and functioning of the Ministry of Infrastructure and Regional Development (hereinafter, MIRD),

AND

* + - 1. The Project Implementation Unit (hereinafter, PIU) set up under the National Office for Regional and Local Development, acting on the basis of Government Decision No 271 of 20.04.2022 (hereinafter, NORLD)

AND

* + - 1. The National Energy Regulatory Agency, acting on the basis of the Parliamentary Decision No 334 of 14.12.2018 on the organisation and functioning (hereinafter, ANRE)

**Article 2. Object of the Inter-Institutional Cooperation Agreement**

The purpose of this Project Implementation Agreement is to facilitate the „Moldova Water Security and Sanitation Project” implementation, by carrying out the achievement of the objectives, terms and conditions as per Financing Agreement, through increasing the access to safely managed water supply and sanitation services in selected rural areas and towns and to strengthen national and local institutional capacity of the operators to ensure improved services provision through WSS legal and institutional frame, MIS platform, licensing and tarrif calculations.

Components of the Project:

**Component 1: Increasing access to safely managed water supply and sanitation services in selected rural areas and small towns.** This component will develop new and rehabilitate existing WSS infrastructure and WASH facilities in rural areas and small towns, herewith expanding access and quality of services for households, businesses and in public institutions. Component 1 supports climate adaption through: i) providing reliable centralized water supply protecting vulnerable households from drought and poor water quality, ii) improving wastewater systems, sanitation and WASH facilities, reducing environmental exposure to pathogens exacerbated by flooding, and iii) climate-resilient design of all infrastructure to ensure robust functioning under extreme weather events. It consists of two subcomponents.

***Subcomponent 1.1: Expanding Access and Quality of WSS services*** will finance climate-resilient investments in small towns and rural areas. Investment will be preceded by support to ensure that WSS operators are - in line with Moldova’s regionalization and reform agenda – licensed, have service delegation contracts in place with LPAs ensuring clear roles and functions of parties involved in the operation and management of WSS assets, and that tariffs applications are updated to ensure for financial sustainability over the medium to long run. This includes:

* 1. *Water supply investments:* expansion and rehabilitation of water supply infrastructure in two subprojects preliminarily identified, i.e. regional water system expansion for LPAs in Cahul district and ATU Gagauzia and regional water supply system with drinking water treatment plant in Riscani district.
  2. *Wastewater investments:* expansion and rehabilitation of wastewater systems in two subprojects preliminarily identified in Soroca and Comrat towns, including construction and rehabilitation of sewer networks and service connections and the construction of new wastewater treatment plants.
  3. *Pilot for on-site household sanitation*: rural or peri-urban villages – to be selected – will benefit from information campaigns and civil works for individual household level on-site sanitation facilities following a demand-based approach. The pilot will be co-financed through the ADA grant. This pilot will demonstrate the use of climate-resilient low-cost technologies for rural sanitation.

This subcomponent will finance works, goods, consulting services, non-consulting services for the construction and protection measures for water intake facilities, drinking water treatment facilities, reservoirs, pumping stations, transmission mains, water distribution network and water household connections, construction and rehabilitation of sewer networks, sewer pumping stations, wastewater treatment plants including sludge treatment and disposal, sewer service manholes for connections, sewer connection support for poor households, SCADA systems and other required activities. It finances civil works for household level on-site sanitation facilities, consulting services for design, technical supervision, and monitoring of the on-site sanitation pilot. It also finances feasibility, design and other required preparation studies, technical supervision services, capacity building for citizen engagement and social mobilization activities with project beneficiaries, and consulting services to LPAs and WSS operators to develop the required tariff submission to ANRE and draft the delegation contracts between local governments and the licensed WSS operators.

***Subcomponent 1.2: Improving WASH facilities in public social institutions*** will finance works, goods, consulting services, non-consulting services and training/workshops to realize climate-resilient WASH facilities in Health Care Facilities (HCFs) and education institutions and implement a hygiene education and behavior change communication program. Following priorities of the MH, MLSP and MER, schools and health care facilities in subproject locations under Subcomponent 1.1 and other prioritized districts will be selected. The subcomponent investments will consist of water supply connections to centralized networks or existing point sources, connections to sewer systems or construction of on-site sanitation facilities and construct indoor toilet facilities with adequate handwashing and hygiene facilities, using, where appropriate, low carbon emission technologies. The design of WASH facilities will respond to girls’/women’s needs (privacy, menstrual hygiene management facilities) and be accessible for people with disabilities. The subcomponent will finance capacity development for school and health center management, and LPAs to ensure adequate O&M of the facilities. The design and siting will reduce the likelihood that the facilities will be affected by climate-related threats such as floods.

**Component 2: Strengthening institutional capacity at national and local levels for WSS service delivery***.* This component focusses on institutional capacities of national and sub-national entities and WSS operators for management, planning, regulation and reform implementation, and for performance improvement of service providers for green, resilience and inclusive service delivery. At national, development of plans, policies and regulatory documents will support climate adaptation through climate-resilient planning, and at local level, performance improvements will deliver climate benefits through reduction of non-revenue water and improving energy efficiency. It consists of two sub-components.

***Subcomponent 2.1: Building national institutional capacity for WSS*** finances goods, non-consulting services consulting services and training/workshops for activities that strengthen institutional capacities for planning, financing, economic regulation, performance monitoring, professional development and the revision and development of new policies and normative documents. Under leadership of MIRD, and in collaboration with other entities, activities under this subcomponent include but are not limited to:

* The elaboration and implementation of a National Water Supply and Sanitation Sector Development Plan (NWSSDP), investment program and financing strategy and the capacity development of its assigned lead entity; the NWSSDP outlines a staged process for regionalization, consolidation of funding mechanism and a prioritized investment program;
* Technical assistance to selected LPAs and WSS operators to support the aggregation process into licensed regional operators (on legal, technical, financial) following the NWSSDP;
* The preparation of amendments and/or new legislation (e.g. Law 303 and requirements for licensing), policies and normative documents (on regulatory method and social tariffs) and design & construction norms for sanitation (updating outdated norms) and related capacity building, as per the NWSSDP;
* The development and roll-out of a national (MIS) for WSS operators; definition of Key Performance Indicators (KPIs) for the MIS and start benchmarking;
* Technical assistance to ANRE, WSS operators and LPAs to accelerate tariff review and approval in line with regulations for licensed operators;
* The implementation of a professional development program, in collaboration with AMAC and the Technical University of Moldova (TUM) and WSS operators, to increase qualifications and advance careers of existing staff, and attract people, specifically women, for employment in the sector.

***Subcomponent 2.2: Improving performance of WSS service providers*** will finance works, goods, consulting services, non-consulting services, training to support the implementation of a prioritized rolling multi-year Performance Improvement Plan (PIP) of selected WSS operators involved under Subcomponent 1.1. These include five WSS operators: JSC Cahul, JSC Soroca, Municipal Enterprise Comrat, Municipal Enterprise Vulcanesti, and a proposed establishment of a new JSC, founded by the LPAs of Costesti town and other LPAs. WSS operators will carry out annual assessments on PIP implementation and KPIs, including publication of results and feedback rounds with customers. The financing for selected WSS operators will be allocated based on results. Investments and technical assistance activities identified in the PIPs are based on utility diagnostics and include but are not limited to the following: improving technical and commercial operations, improving financial management, human resource management and organization & strategy aspects, including improving asset management systems and inventories, energy efficiency, NRW reduction programs, water metering practices and equipment to improve climate resilience, water safety and business continuity, and enhancing responsiveness to customers.

**Component 3: Project Management and Coordination.** 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 regional level within MIRD’s Regional Development Agencies (RDAs) for Environmental and Social Standards implementation, and at national level for MIRD as Project Implementing Entity (PIE). It will finance 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.

**Component 4: Contingent Emergency Response Component (CERC).** 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 Bank to re-categorize and reallocate financing from other Project components to cover emergency response and recovery costs. The CERC will be established and managed in accordance with the provisions of the Bank Policy and Bank Directive on Investment Project Financing. The CERC, if activated, will be able to finance eligible activities included in the positive list, stipulated in the Project Operational Manual.

**Article 3. Basic commitments of MIRD**

* + 1. Ensure the project implementation efficiency, consistent with the project objectives and agreements signed between the Government of the Republic of Moldova and the Association;
    2. Ensure the national policies, inter-sectoral correlation with regional and local levels, institutional frame relevant for WSS services provision, regionalization of operators;
    3. Provide technical inputs on Project-related matters relevant to the EAP and procurement documents;
    4. Protect the national interests in the sector in the process of implementing the MWSSP, as per objectives and conditions stipulated in the FA.

**Article 4. Basic commitments of the PIU under the NORLD**

* + 1. The PIU will have responsibility for project management and reporting, procurement, FM, and fiduciary compliance, technical roles, ensure budgeting and planning process annually and for the entire duration of the MWSSP;
    2. Ensure the MWSSP implementation in accordance with the bank’s and national procurement regulations and norms;
    3. Ensure the MWSSP implementation in accordance with the anti corruption national norms and guidelines;
    4. Provide the necessary support for the implementation of the Project, as well as other commitments deriving from the conditions and components of the Project;
    5. Ensuring efficient and effective implementation of the Project, conducting programmatic monitoring and evaluation.

**Article 6. Basic commitments of the ANRE**

1. Develop and approve regulations, methodologies and other normative acts in the field of WSS based on the provisions of the legislation in force;
2. Issue licenses for WSS operators based on the provisions stipulated in Law 303;
3. Monitor and control the compliance of the license owners with the conditions stipulated in the laws on the WSS authorized activity;
4. Temporarily suspend and withdraw licences in the cases and according to the procedure laid down in the laws and regulations;
5. Promote an appropriate tariff policy, which corresponds to the principles of the market economy, so as to ensure both the protection of the rights of WSS services consumers and the economic interest of the operators ;
6. Approve the tariffs calculated in accordance with the methodologies approved by it and monitor their correct application;
7. Introduces licensing requirements for certain WSS operators;
8. Develop basic information and guidance for the rural small operators;
9. Develop normative documents and on the measures for improving on-site sanitation;

**Article 7. Mechanism of cooperation between MIDR , NORLD/ PIU and ANRE**

1. The Parties shall ensure smooth cooperation in order to efficiently facilitate the WSS operators become licensed and have service delegation contracts in place with LPAs , ensuring clear roles and functions for the operation and management of WSS assets;
2. The Parties shall cooperate and facilitate the operators regionalization policies and concept implementation on extented areas and multiply the existing successful experience of a licensed regional operator and expand the lessons learned;
3. The Parties shall sychronize efforts to ensure TA on legal, technical, financila aspects to ANRE, WSS operators, and LPAs to accelerate tariff review and approval in line with updated regulations for licensed operators;
4. The development and rollout of a national WSS management information system (MIS) for WSS operators including definition of KPIs benchmarking;
5. The Parties shall coordinate and monitor the implementation of the provisions of this Agreement and of the FA, who shall represent the interests as per agreed terms and conditions on their behalf for the Project implementation;
6. The Parties will keep each other informed of all activities related to the implementation of the present Agreement and will consult each other in case of circumstances that may affect the achievement of the relevant objectives and components’s activities;
7. Either Party may propose amendments to this Agreement after consultation with the other Party and receipt of a mutual and consensual positive opinion.

The parties to this Agreement:

1. MIDR \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_
2. NORLD / PIU \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_
3. ANRE \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

## Annex 12.

**SEWER CONNECTION PROGRAM**

## *TEMPLATE*

**Background data**

WSS conditions in the rural households of the targeted sub-projects are low and require urgent attention. Usually bathroom conditions are the major issue, many do not have a toilet in the house, and as many rely on pit latrines of questionable hygiene and comfort, while soap and water not often accessible. Pit latrines are not septic tanks according to design standards but are simple cesspools (or soak pits) infiltrating at the bottom (non-sealed). The survey revealed that many households are used to the condition of using outdoor latrines, at the same time, many expressed interest to modernize their sanitation facilities by means of indoor toilets/bathrooms. Very few people have a bath or shower – many more have sink in kitchen, washing machine.

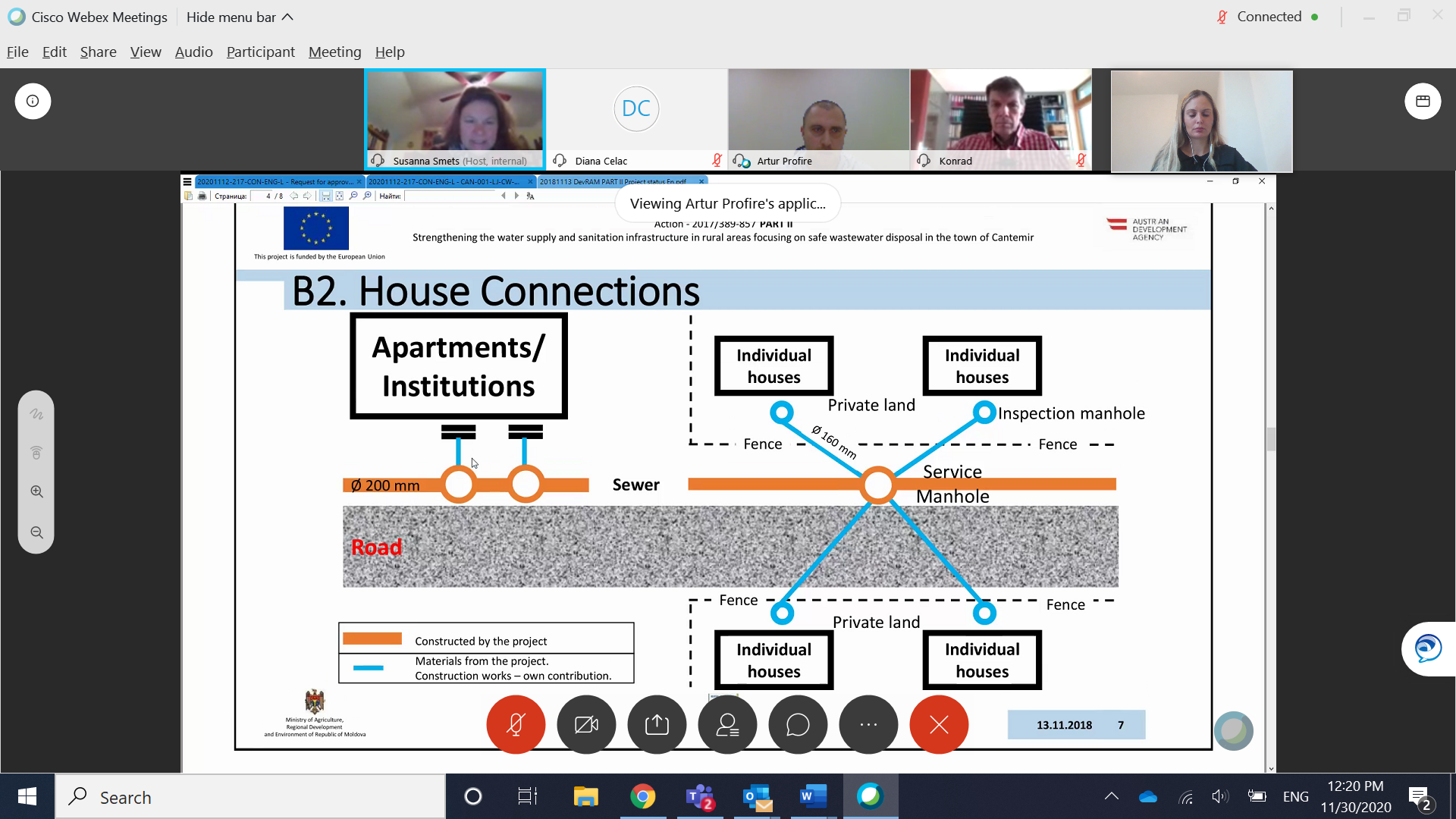
Financial reasons are the major barriers for improving sanitation facilities, as the perceived costs of services vis-à-vis “free” solutions are not affordable for too many cases. Sometimes there is no network in the region, in other cases households do not have space for an indoor toilet/bathroom

**Challenges in existing sanitation services**

* 1. Households with pit latrine or other unimproved facility
  2. Households with flush toilet not connected to water system (pour-flush)
  3. Households with flush toilet not connected to sewer system (cesspools/soak pits)
     + Preference for indoor toilet if there is space to build
     + For outside facilitates, would need to be an add-on to the house to protect against low temperatures
     + Requires improved facilities for hygiene (connection to sewer, handwashing facility) as well as for comfort (toilet seats, especially for elderly, etc.).

In order to address the challenges, an illustrative example is given below to be further developed as appropriate, during the implementation period.

**Illustrative example of sewer connection from Cantemir \***



For sewer network solutions, given the reported behavioral and financial barriers to connect, the project will deliver extensive citizens engagement activities, sewer networks, with service manholes and inspection chambers (included in civil works for all target households), targeted support to eligible poor and vulnerable households for on-plot and in-door plumbing costs for (i) small civil works for on-the-plot plumbing, (ii) small civil works for in-door plumbing to connect toilet/bathroom/kitchen, (iii) households would need to improve their own facilities, although simple low-cost package could be included (toilet seat, basin and faucet, for example).

Eligible households: On-plot plumbing from inspection manhole to house, and in-door plumbing

All households: poor and non poor: service and inspection manholes. Inspection manhole cost is equivalent to about $200, plus installation that is about $15.

**Project level support**

|  |  |  |  |
| --- | --- | --- | --- |
|  | All households | Poor/vulnerable households only | Household contribution |
| Sewer network | x |  | None |
| Service manhole | x |  | None |
| Inspection chamber | x |  | None |
| On-plot (pipes on plot to inspection chamber) |  | x | Non-poor households pay connection fee |
| In-house plumbing and goods (toilet seat etc.) |  |  | All households pay |

**Existing process for household connections**

Apa-Canals manage connections

* 1. Household application to Apa Canal
  2. Apa Canal issues technical conditions for connection and project sketch
  3. Service contract between household and Apa Canal
  4. Provision of sewerage connection services

Questions:

**Sewer connection program design**

* 1. Training of Sewer Connection Working Group: LPA, Apa Canal, PIU (social specialist, CE specialist, Engineer), including assignment of focal point at LPA and Apa Canal
  2. Public announcement and community meetings to explain the program, conditions and eligibility criteria for participation (Working Group)
  3. Outreach to eligible households on sewer connection program (Working Group)
     + Target communities: sewer network rehabilitation/expansion and where water supply systems exist
  4. Submission of household application form to express interest, including required information and documentation on existing sanitation facilities, and other documentation proving eligibility (provide template form)
  5. Confirm eligibility to interested households and publicize the list of accepted beneficiaries at LPA office
  6. Apa Canal to elaborate project sketch and estimate costs
  7. Households to sign household sewer connection program agreement (with PIU) at same time as Service Agreement (with Apa Canal)
  8. Once public sewer is in place, PIU contracts civil works (packaged for multiple households)
     + Apa canal provides civil works services OR
     + Private company provides services for connecting (not currently done in Soroca)
  9. For eligible groups, project would support connection costs up to the house. Household would need to:
     + - Build new room to house toilet (indoors or joining on household on outside)
       - Improve toilet and bathroom facilities to ensure service is functional (toilet seat, shower, bath, basin)

**Eligibility**

* An eligible beneficiary means a physical household declared eligible to participate
* PIU is responsible for ensuring that only eligible beneficiaries receive support, based on pre-established eligibility criteria and data received from household/LPA office
* The selection, registration and identification of eligible beneficiaries needs to be conducted in an open and transparent manner
* Eligible beneficiaries need to submit an Application Form (to express interest), providing proof of above requirements and including a signed statement by the head of households that they:
  + Intend to improve their sanitary conditions and are ready to invest their own funds in construction of new sanitary facilities
  + Have informed themselves and fully understood the terms and conditions to participate in the program, including:
    - The requirement to sign a Sewer Connection Support Agreement and comply with its terms
    - Receive support on their plot/in household for plumbing (liability concerns)

Eligible beneficiaries need to meet the following criteria:

1. Be a resident in participating town
2. Have ownership document of the house/plot, or in the case of tenants, permission of house owner
3. Proximity to existing or new sewer (5m)

AND

1. Benefiting from Government support of any of the below:
   * Social assistance
   * Energy subsidies (APRA)
   * Disability assistance
   * Childcare assistance
   * Unemployment allowance
   * Social aid

OR

1. Roma household

Specific outreach would be needed to help Roma families access support, as they are in other disadvantaged conditions (literacy, difficulty to interact with authorities, and the need for Ombudsman/social facilitator).

**Timeframe for implementation**

* Offered within a limited time-frame to ensure that households that express interest also commit to timely construction of improved facilities
* Six months, determined from the date of published list of eligible households (PIU may decide to announce multiple rounds later if there are clear indications that additional households have demand), for example:

|  |  |
| --- | --- |
| Steps | Expected timeline (weeks) |
| Training of Working Group | 1st and 2nd weeks |
| Public announcement and community meetings | 3rd and 4th weeks |
| Submission of household application form (EoI) | 5th and 6th weeks |
| Publication of the accepted list households | 7th week |
| Design by apa canal | 7th to 10th weeks |
| Signing of the sewer connection support agreement | 10th to 12th weeks |
| Construction | 12th to 20th weeks |
| Reporting of progress and completion | 20th – 24th weeks |

**Cost of connection**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | All households | Poor/vulnerable households only | Household contribution | Costs |
| Sewer network | x |  | None | BoQ |
| Service manhole | x |  | None | BoQ |
| Inspection chamber | x |  | None | BoQ (Inspection manhole = $200 + installation ($15)) |
| On-plot (pipes on plot to inspection chamber) |  | x | Non-poor households pay connection fee |  |
| In-house plumbing and goods (toilet seat etc.) |  |  | All households pay | $80 for goods, more if they need to build the room |

**Cost of connection**

**Cost borne by sewer connection program**: **$100**

* + Concrete inspection chamber **$**
  + Additional costs might be due to need for wastewater pump, need to restore asphalt road, or prefabricated inspection manhole can up to $1,045
* Household plumbing **$80**
* **Total average cost per household: $550?**
* **Although would be less without inspection manhole if already included**

**Household contribution (would not require cash contribution but procurement of below)**

* Costs for basin in-door sanitation
  + Toilet itself $80
  + Basin $27
  + Bathtub $195
  + Shower $138
  + Kitchen sink $16 - $55
  + Construction of toilet room/bathroom $670
* WTP is $120 on average
* Sewer connection program would provide information for standard “solutions” to the households to make it easer for them to make the switch to a water-toilet (indoor)

**Procurement and FM aspects**

* + Small works contracts will be financed for eligible poor and vulnerable households for on-plot piping and plumbing
  + Small works will be supervised by the PIU (or delegated to RDAs?)
  + No cash contribution from HH (they need to improve facilities themselves)

**Sewer Connection Support Agreement**

Includes mechanisms for the planning, implementation, supervision, and monitoring

* + eligibility criteria (detailed rules and procedures for identification, registration and selection)
  + modalities for documentation and information management
  + Maximum ceiling per household ($XXX?)
  + Roles of parties
    - Household
    - LPA
    - PIU
    - Apa Canal
  + Registration and selection of participating households
  + Supervision and monitoring of the small works by the PIU
  + Forms for consent with design, acceptance of works, and completion of household contribution

The project funds can be used for developing and designing service delivery models and innovative technical solutions needed in the context of Soroca and Comrat schemes.

## Annex 13. Operational Manual for CERC Component

**Contingency Emergency Response Component - CERC**

**MOLDOVA WATER SECURITY AND SANITATION PROJECT**

**(P173076)**

**EMERGENCY RESPONSE MANUAL**

**DRAFT**

NOTE To GoM: All text in the document (including footnotes) highlighted in yellow needs to be updated to reflect details/arrangements relevant for your Project. Text highlighted in green will be updated with input from the World Bank. Please update those in yellow, and delete this note.

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# Executive Summary

1. This Annex was prepared pursuant to the Financing Agreement for the Moldova Water Security and Sanitation Project (MWSSP) (P173076). The Financing Agreement stipulates the preparation and submission of an Emergency Response Operations Manual (hereafter referred to as the Emergency Operations Manual - EOM) for the Contingency Emergency Response Component (CERC) as one of the conditions for implementation of said Component. The contents of this EOM as well as the MWSSP Project Operation Manual (POM) represent the framework by which this component will be triggered and by which the approved activities will be coordinated and implemented in accordance with the World Bank (hereafter referred to as the Bank) and national policies and procedures as agreed with the Bank.
2. This document serves as the Government of Moldova’s (GoM) EOM and details (i) the proposed emergency activities to be financed by the proceeds allocated to the Project’s CERC and its Disbursement Category X as described in the above-mentioned Financing Agreement; and (ii) the coordination and implementation arrangements related to the programming and execution of said activities.
3. Upon non-objection by the Bank, the EOM will be considered an annex to the Project Operation Manual (POM) of the MWSSP (P173076) and will be used by the Borrower’s Implementing Agency, namely Ministry for Internal Affairs (MIA) through the General Inspectorate for Emergency Situations (GIES) as they relate to:
   1. Triggering the CERC;
   2. Coordination and implementation of the emergency activities;
   3. Procurement, financial management and disbursement functions;
   4. Compliance with the Project’s environmental and social standards and policies;
   5. Monitoring and evaluation (M&E) of the emergency activities.
4. The specific activities to be financed by the funds reallocated to CERC are event and demand driven. The activities selected should be consistent with the CERC’s purpose to provide short-term bridge financing exclusively for the immediate recovery needs related to an eligible emergency. There is no limit to the number of times the CERC may be activated, but the framework described in this EOM should be followed for each activation.

# A - Background

1. The GoM has received financing from the Bank/IDA (IDA Credit No.X) for the MWSSP, whose project development objective (PDO) is to increase access to safely managed water supply and sanitation services in selected rural areas and small towns, and to strengthen local and national institutional capacities for water supply and sanitation service delivery.. The Project’s total cost is US$ 52 million, of which IDA is financing US$ 18.2million, IBRD is financing US$ 31.8 million and a Donor Trust Fund $US 2 million.
2. The Project has 4 components, including the CERC (Component 4); and X disbursement categories, with a CERC Category with 0 allocation.
3. The CERC will support the immediate response to an eligible crisis or emergency, as needed. Eligible expenditures may include critical goods, services and works to quickly restore livelihoods and lifeline infrastructure.
4. In an event of eligible crisis or emergency, the GoM may submit a request to reallocate uncommitted and undisbursed funds from the MWSSP to the CERC. The use of such resources will be subject to Bank non-objection and would be implemented in accordance with the Bank’s Policy on Investment Project Financing, Projects in Situations of Urgent Need of Assistance or Capacity Constraints. Details on activating the CERC are included below under Section B - Mechanism for Activating CERC.

# B - Mechanism for Activating CERC

1. The MWSSP’s Financing Agreement establishes that four conditions should take place for requesting CERC activation (equivalent to disbursement conditions for the CERC). These are:
   1. The GoM has determined that an Eligible Crisis or Emergency (as per paragraph 9 below) has occurred and has furnished such to the Bank, has submitted to the Bank a request to include the proposed activities in the Emergency Action Plan (EAP) in order to respond to said crisis or emergency, and the Bank has agreed with such determination, accepted said request and notified the GoM thereof;
   2. The GoM has updated the Environmental and Social Management Framework (ESMF) to include the provisions related to Component 4 of the Project and the Borrower has prepared, disclosed and consulted all environmental and social framework instruments required for Part 4 of the Project and ensured that any actions which are required to be taken under said instruments have been implemented, all in accordance with the provisions of Section I.E of Schedule 2 of the Financing Agreement;
   3. The entities in charge of coordinating and implementing the EAP have adequate staff and resources, in accordance with the provisions of Section I.G schedule 2 of the Financing Agreement, for the purposes of said activities; and
   4. The GoM has adopted the EOM, in form and substance acceptable to the Bank, and the provisions of the EOM remain – or have been updated in accordance with the provisions of Section I.G Schedule 2 of the Financing Agreement so as to be appropriate for the inclusion and implementation of the EAP. It is noted that this condition is being fulfilled with this document.
2. Further information on these are described in paragraphs 10 – 16 below.
3. An Eligible Crisis or Emergency is defined by the Bank as an event that has caused or is likely to imminently cause a major adverse economic and/or social impact associated with natural or man-made crises or disasters.
4. The causal relationship between the eligible emergency and the need to activate the CERC will be established by an official letter stating the Emergency Situation or a Statement of Facts[[68]](#footnote-68) from a designated authority of the GoM that is also acceptable to the Bank. The Statement of Facts can also be a third-party declaration of emergency, such as the United Nations (UN) Flash Appeal[[69]](#footnote-69).
5. In case of health emergencies, third-party declarations will be considered for activating, such as the World Health Organization (WHO) Risk Assessment[[70]](#footnote-70) level 2 grade and greater as described by the WHO Emergency Response Framework; or an equivalent grading by other international agencies such as World Organization for Animal Health (OIE), United Nations Environment Program (UNEP), or the Food and Agriculture Organization (FAO).
6. Upon the official letter or Statement of Facts (as per paragraphs 11 and 12 above) described above, the GoM will undertake the necessary steps to complete a Rapid Needs Assessment[[71]](#footnote-71) conducted by the GoM or a third-party that is acceptable to the Bank, with the objective of identifying a list of potential activities for inclusion in the EAP.
7. The GoM will select a list of activities for financing under the CERC and include these in the EAP based on (i) the positive list presented in the Procurement Section of this EOM (Table 1) and the negative list presented in paragraph 41 of this EOM, (ii) priorities identified in the Rapid Needs Assessment of the emergency’s impact; and (iii) based upon the eligibility and environmental and social standards’ criteria outlined in the Financing Agreement. The GoM may seek advice from the Bank in the selection of the Project’s component and disbursement categories from which funds will be reallocated to CERC, if necessary.
8. The GoM will send an official letter from the Ministry of Finance (MoF) to the World Bank’s Regional Country Director for the Eastern Europe, Belarus, Moldova, Ukraine requesting to activate the CERC along with an activation package that includes the following information:
9. Nature of emergency, its impacts, and confirmation of causal relationship between the event and the need to access the funding through CERC[[72]](#footnote-72), as supported by the official letter or Statement of Facts (as per paragraphs 11 and 12 above).
10. Rapid Needs Assessment (as per paragraph 17 below).
11. List of emergency activities to be carried out with estimated cost (brief description) as per the EAP (as per paragraph 18 below)[[73]](#footnote-73).
12. Indication of Project’s funding to be reallocated to CERC and the distribution of reallocation across components and disbursement categories as per the EAP (as per paragraph 18 below).
13. Implementation modalities with respect to activities as per the EAP (as per paragraph 18 below).
14. The GoM may request Bank technical assistance to undertake the activities detailed in paragraphs 13 and 14 above (e.g. Rapid Needs Assessment or other related preparatory activities to support CERC activation and implementation activities). This request can be made directly to the Country Director in written form via letter or electronic communication.

# C – Key Instruments of CERC

1. As detailed below, the key instruments of CERC are the Rapid Needs Assessment and the Emergency Action Plan (EAP):
2. **Rapid Needs Assessment**. The GoM will conduct or adopt a Rapid Needs Assessment of the impacts and/or needs due to the emergency as a basis for the EAP. The assessment will focus on immediate needs as a more comprehensive impact and needs assessment may follow if the situation so demands. A template of the Rapid Needs Assessment is in Annex 3 of this manual.
3. **Emergency Action Plan (EAP).** The GoM will prepare an EAP, which at a minimum, will include the following:

* The list of emergency activities, goods, works, services, and/or emergency operating costs (based on the positive/negative list included in this manual) to be financed under the CERC, including itemized costs.
* If civil works are being proposed, the locations, types and number of civil works.
* It either confirms the CERC’s implementation modalities outlined in this manual, or proposes changes (which would require Bank’s no-objection to the updates in the manual).
* It should also include a summary of the Environmental and Social Framework (ESF) implications (e.g. potential environmental and social impacts) of proposed activities and, if needed, the environmental and social instrument(s) to be prepared in order to comply with the national law and the Bank’s ESS policies. If deferral of instruments’ completion is agreed upon CERC activation, it should include an action plan for such completion. More information on requirements is in the Safeguard section of this manual.
* A (simplified) Procurement Plan as described in the Procurement section of this manual[[74]](#footnote-74).
* It specifies the End of Implementation Date, upon which all items financed under the EAP should have been received or completed.

1. A template for the EAP is in Annex 4 of this manual.

# D - Coordination & Implementation Arrangements

**National Institutional, Policy, and Legislative Framework for DRM**

1. Disaster risk management (DRM) in Moldova is currently performed at different government levels and is gradually becoming more comprehensive. The institutional set-up for DRM is complex and covers various natural, biological, health, and man-made hazards. Moldovan institutions involved in disaster risk mitigation can be roughly divided into coordinating emergency commissions, early warning and weather forecasting bodies, sectoral line ministries, and disaster management bodies.
2. The legislative framework for DRM in Moldova is centred on the Law on Civil Protection adopted in 1994 (Law 271/1994). The Law on Civil Protection defines the fundamental principles of the civil protection organization at national, regional, and local levels and establishes principles, rights, and obligations of national authorities, local authorities, and citizens. Moldova has two key institutions that deal with emergencies and disasters.
3. **The General Inspectorate for Emergency Situations (GIES):** GIES, Moldova’s Civil Protection Force created in 1993, is an all-hazard emergency response agency which oversees planning, coordinating, and managing disaster preparedness and emergency management. The GIES coordinates the activities of national and local agencies and authorities; informs local authorities of emergency situations; organizes trainings for paramilitary, nonmilitary, and rescue agencies for emergency response; develops educational programs for the public; drafts normative acts and civil protection plans to be submitted to the Parliament; and coordinates research activities related to civil protection. It coordinates the political and technical actors involved in emergency management and preparedness, including representatives of all relevant ministries. The GIES is the operational point for the National Command Center and ensures the coordination of interinstitutional disaster response efforts, with a focus on information management.
4. **The Republican Commission for Emergency Situations (RCES):** RCES, established in 2001, is the main entity responsible for managing the activities of state executive organs during major emergencies and for implementing long-term programs to prevent emergencies and eliminate their consequences. The chair of the commission is the prime minister; the first deputy chair is the first deputy prime minister; and deputy chairs are the state secretaries of the involved ministries and the head of the GIES of the MIA. The commission is a permanently operating institution and is convened if danger is detected or when various emergencies begin. The commission also meets semiannually and includes representatives from all line ministries and executive branches.
5. Regional and local governments are also involved in coordination with GIES and other local departments, as well as in mobilizing local funds and other resources for relief and recovery operations. District and local emergency commissions have a structure similar to that of the national commission and include heads of local governments and relevant public services.
6. In the event of a disaster, the Parliament has the authority to issue a state of national emergency, regulated by Law 212/2004, On Declaring the State of Emergency, Martial Law and War. The law regulates the conditions under which a state of emergency or war is declared and how it affects citizens’ rights and obligations as well as the enforcement of other laws. It establishes a common methodology for assessing emergency situations, delineates emergency situation zones, calls for an adequate response, and establishes how information will be collected and presented to the population.

**Coordination & Implementation Arrangements for the CERC**

1. The Ministry of Internal Affairs (MIA), through the General Inspectorate for Emergency Situations (GIES), serves as the Implementing Agency for the CERC of the MWSSP and is responsible for the implementation of all activities under the CERC based on its mandate as the lead Ministry for emergency response efforts in Moldova. The MIA has delegated the procurement, financial management, safeguard compliance and M&E functions related to the CERC to the established Project Implementation Unit (PIU) under the MWSSP (Public Institution "Environmental Projects Implementation Unit")).
2. In case an Emergency Situation has occurred or is imminent, the Republican Commission for Emergency Situations (RCES) will coordinate among the Government bodies to make a decision and determination of the Eligible Crisis or Emergency and the Government recommendation to trigger the CERC to MoF. MoF will make the decision to request to the Bank to activate the CERC, meeting the four conditions referred to in Paragraph 18.
3. In relation to activation of the CERC, the MIA, with support of the RCES should:
4. Carry out an initial assessment serving as basis for the official letter requesting to trigger CERC (referred to in paragraph 15 above); and
5. Compare and prioritize immediate disaster relief requirements (referred to in paragraph 15 above).
6. In relation to implementation of activities under the CERC, the MIA will be responsible for:
7. Ensuring the delivery of the emergency activities outputs and the attainments of outcomes by facilitating coordination amongst the governmental agencies and institutions participating in the implementation and by addressing coordination issues as they arise;
8. Reviewing progress reports as submitted by the PIU and take action thereon if needed; and
   1. Providing guidance as needed.
9. Other relevant line agencies may provide technical assistance to MIA as related to the finalization of CERC activities, procurement documents and the technical supervision of the CERC. The GoM may strengthen its implementation and supervision capacity through the engagement of technical consultants to support the governmental agencies in the finalization of procurement documents and site supervision of works. The technical consultants shall work closely with the governmental agencies but report to the MIA.
10. Below is a table that summarizes the specific implementation steps associated with the emergency activities and the assigned responsibilities:

Figure 1: Implementation Arrangements for CERC

MOF

* Decides whether to activate the CERC
* Provides financial oversight and approval

RCES

* Recommends to MoF whether the CERC should be activated
* Provides technical oversight and approval over CERC activities carried out my MIA

MIRD

* Key partner in RCES as overall MWSSP Project Implementing Agency
* Provides technical inputs on Project-related matters relevant to the EAP and procurement documents
* Manages flow of communication between MIA and PIU and other MWSSP relevant institutions

MIA through GIES

* Project Implementing Agency for CERC Component responsible for ensuring delivery of emergency activities outputs and attainments of outcomes
* Collects information from line ministries on post disaster needs
* Facilitates coordination amongst institutions participating in implementation
* Submits the CERC package to MoF, including the Rapid Needs Assessment and EAP
* Accountable for EOM and EAP and all relevant procurement, financial management and ESS documents
* Accountable for implementation of EAP and ensures that procurement, financial management, ESS and M&E aspects follow procedures outlined in EOM and EAP
* Delegates procurement, financial management, ESS and M&E functions related to the CERC to PIU
* Provides oversight to the PIU

PIU

* Prepares CERC package and submits to MIA Minister
* Revises and updates EOM and EAP including all relevant procurement and ESS documents where appropriate
* On behalf of MIA, manages procurement, ESS, and fiduciary aspects of CERC using guidelines outlined in EOM
* Implements EAP and ensures that M&E and ESS follow procedures outlined in EOM and EPA
* Reports to MIA

1. Below is a table that summarizes the specific steps associated with the activation, implementation, and closing and evaluation of the CERC, the assigned responsibilities and estimated time:

|  |  |  |  |
| --- | --- | --- | --- |
| **Table 1: Steps for implementation** | | |  |
| **Step** | **Actions** | **Responsible** | **Estimated**  **Time** |
| 0 | ***Decision to trigger CERC:*** The GoM may inform the Bank in advance about its interest of activating CERC (and of the need for Bank technical assistance for preparatory activities such as the Rapid Needs Assessment). | MoF | NA |
| 1 | ***Preparation of Rapid Needs Assessment:*** MIA, through its GIES, will undertake the necessary steps to complete a Rapid Needs Assessment (as per paragraph 18 above) | MIA | 1 week |
| 2 | ***Preparation of Emergency Action Plan (EAP):*** MIA will prepare the EAP (as per paragraph 19 above) including a list of emergency response activities from the List of Eligible Expenditures and based on the results of the Rapid Needs Assessment. Summary information will be prepared on proposed activities, such as the nature and amount of goods, the location and type of the proposed emergency services and their preliminary technical specifications, estimated costs and safeguard implications, and the nature of grants, subsidies, stipends, cash benefit programs, the targeted beneficiaries and modes of implementation. | MIA/ WB & governmental agencies | 2 weeks |
| 3 | ***Request of activation*:** The MoF will send a letter requesting the activation of the CERC to WB. This letter will be part of a package as per paragraph 15 above. | MoF / MIA | 3 weeks |
| 4 | ***Bank review and non-objection of CERC Activation:*** The Bank upon positive review of activation request formally grants no-objection, including in the same communication the notification of fulfillment of disbursement conditions. | WB | 4 weeks |
| 5 | ***Advance of Funds to CERC*:** The Bank provides CERC advance(s) upon activation. It will process the reallocation of funds from Project components/disbursement categories to CERC as part of overall Project restructuring within 3 months of CERC activation. CERC disbursements will follow the Disbursement and Financial Information letter’s (DFIL) instructions. | WB | 5 weeks |
| 6 | ***Implementation of EAP under CERC:*** MIA starts the implementation of approved emergency activities agreed upon in the EAP. All financial management, procurement, ESS and M&E aspects of the EAP will follow the guidance of this EOM. The oversight and reporting mechanisms established for the Project will also be applied. An external audit firm will audit the annual financial statements of the whole Project, including those financed through Disbursement Category X, as well as compliance with environmental and safeguards, technical aspects and compliance with the World Bank’s Anti-Corruption Guidelines[[75]](#footnote-75). | MIA with support of PIU | 18 months  (EAP implementation period) |
| 7 | ***Final reporting***: A final evaluation report will be prepared by MIA once all emergency activities are finished and submitted to the WB. | MIA with support of PIU | 24 months  (6 months from end of EAP implementation date) |
| 8 | ***Closing of CERC Activation and end of EAP implementation****:* GoM and the Bank will ensure adequate closing within six months of end of EAP implementation date. This will include submission of audit reports and any other agreed technical, fiduciary and safeguards reports. | MoF/MIA/WB | 24 months  (6 months from end of EAP implementation date) |

# E - Procurement

1. Procurement falls under Paragraph 12 of IPF Policy, Projects in Situations of Urgent Need of Assistance or Capacity Constraint, once the CERC is activated. MIA is responsible for ensuring that the procurement policies and procedures governing the CERC are fully and successfully applied to the contracting of goods, works and services related to the EAP. These policies and procedures are detailed in chapter 6 of the MWSSP’s POM. In addition to ensuring that the procurement policies and procedures are applied, MIA is also responsible for ensuring that all the proposed activities on the EAP are on the EOM positive list of activities. The Procurement Specialist within MWSSP will help with all procurement activities financed under the Project.
2. Procurement will be carried out in accordance with the World Bank Procurement Regulations for Investment Project Financing (IPF) Borrowers – Procurement in IPF of Goods, Works, Non-Consulting and Consulting Services, November 2020 (hereinafter referred to as “Procurement Regulations”) . The Project, including the CERC, will be subject to the World Bank’s Anti-Corruption Guidelines, dated October 15, 2006, revised in July 1, 2016, and other provisions stipulated in the Financing Agreement.
3. Using the funds allocated to Disbursement Category X, the EAP will finance the immediate response to an eligible crisis or emergency, as needed. Eligible expenditures may include critical goods, services and works to quickly restore livelihoods, lifeline infrastructure and services. Per the World Bank’s review of procurement methods and prior review thresholds the following standard thresholds for procurement methods and the respective prior reviews will govern the procurement activities associated with the EAP. Upon activating the CERC and with a request from the GoM, the potential waiver to the procurement thresholds could be applied for Bank’s management approval. Table 2 presents the thresholds for procurement methods and prior review to be applied to CERC based on the World Bank’s emergency procurement procedures.

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1. Bidding Documents**:** International Competitive Bidding (ICB) procurement for works, goods and non-consulting services will be carried out using the Bank’s Standard Bidding Document (SBD). The Standard Request for Proposal (RFP) shall be used for the selection of consultants through competitive procedures. In the case of National Competitive Bidding (NCB) and shopping, the Harmonized National SBD and Request for Quotations as agreed with the Bank would be used in accordance with the national regulations, including Procurement Decree No. 03, dated January 9, 2004, and Implementation Rule and Regulations (IRR) No. 0063 issued by the MOF on March 12, 2004, and No.0861/MOF, dated May 5, 2009 (amended version); Procurement Manual, dated May 2009, and conditions for use of such procedures as bellows:
2. The request for bids/request for proposals document shall require that bidders/proposers submitting bids/proposals present a signed acceptance at the time of bidding, to be incorporated in any resulting contracts, confirming application of, and compliance with, Bank Anti-Corruption Guidelines, including without limitation the Bank’s right to sanction and the Bank’s inspection and audit rights;
3. Information related to award of contract including reasons for rejection of unsuccessful bidders shall be published on the implementing agency websites and/or newspaper of wide circulation.
4. All complaints on procurement related matters including complaints arising from procurement under Bank financed Projects whilst using National Procurement Procedures shall be dealt with in accordance with Article 33 of the Procurement Decree. Borrower shall put in place an effective complaints review mechanism for dealing with procurement related complaints, and shall disclose the details in all the bidding documents.  All complaints shall be recorded by the Borrower in the appropriate tracking and monitoring system, as agreed between the Bank and the Borrower.
5. In accordance with paragraph 1.16 (a) and 1.16 (e) of the Procurement Guidelines, each bidding document and contract financed under the CERC funds shall provide the provisions on fraud and corruption, and the provision that the bidders, suppliers, contractors and subcontractors shall permit the World Bank to inspect their accounts, records and other documents relating to the bid submission and performance of the contract, and to have them audited by auditors appointed by the World Bank.
6. Table 3 present a positive list that should be used for the procurement or upon Bank’s review and agreement reimbursement of already procured goods that might be required for the Government’s immediate emergency response, as well as services, works and operating costs. The GoM and the World Bank may reach agreement on the conditions for the release of the financial tranches and the required documentation and certifications, such as customs and tax certificates or invoices. The acceptable procedures and addressing any associated risks and mitigation measures should be agreed.

|  |
| --- |
| **Table 3: positive list of goods, services and works** |
| **Item** |
| **Goods** |
| * Medical equipment and supplies * Non-perishable foods, bottled water and containers * Tents for advanced medical posts, temporary housing, and classroom/daycare substitution * Equipment and supplies for temporary housing/living (gas stoves, utensils, tents, beds, sleeping bags, mattresses, blankets, hammocks, mosquito nets, kit of personal and family hygiene, etc.) and school * Gasoline and diesel (for air, land and sea transport) and engine lubricants * Spare parts, equipment and supplies for engines, transport, construction vehicles * Lease of vehicles (Vans, trucks and SUVs) * Equipment, tools, materials and supplies for search and rescue (including light motorboats and engines for transport and rescue) * Tools and construction supplies (roofing, cement, iron, stone, blocks, etc.) * Equipment and supplies for communications and broadcasting (radios, antennas, batteries) * Water pumps and tanks for water storage * Equipment, materials and supplies for disinfection of drinking water and repair/rehabilitate of black water collection systems * Equipment, tools and supplies for agricultural, forestry, and fisheries * Feed and veterinary inputs (vaccines, vitamin tablets, etc.) * Construction materials, equipment and industrial machinery * Water, air, and land transport equipment, including spare parts * Temporary toilets * Groundwater boreholes, cargos, equipment to allow access to affected site, storage units * Any other item agreed on between the World Bank and the Recipient (as documented in an Aide-Memoire or other appropriate formal Project document) |
| **Services** |
| * Consulting services related to emergency response including, but not limited to urgent studies and surveys necessary to determine the impact of the disaster and to serve as a baseline for the recovery and reconstruction process, and support to the implementation of emergency response activities * Feasibility study and technical design * Works supervision * Technical Assistance in developing TORs, preparing Technical Specifications and drafting tendering documents (Bidding Documents, ITQ, RFP) * Non-consultant services including, but not limited to drilling, aerial photographs, satellite images, maps and other similar operations, information and awareness campaigns * Non-consultant services to deliver any of the activities described in the “Goods” section of this table (e.g., debris removal, dump trucks, drones survey) |
| **Works** |
| * Repair of damaged infrastructure including, but not limited to water supply and sanitation systems, dams, reservoirs, canals, roads, bridges and transportation systems, energy and power supply, telecommunication, and other infrastructure damaged by the event * Re-establish of the urban and rural solid waste system, water supply and sanitation (including urban drainage) * Repair of damaged public buildings, including schools, hospitals and administrative buildings * Repair, restoration, rehabilitation of schools, clinics, hospitals * Removal and disposal of debris associated with any eligible activity. |
| **Training** |
| * Conduct necessary training related to emergency response including, but not limited to the Implementation of EAP * Training on rapid needs assessment and other related assessments |
| **Emergency Operating Costs** |
| * Incremental expenses by the Government for a defined period related to early recovery efforts arising as a result of the impact of an eligible emergency. This includes, but is not limited to costs of staff attending emergency response, operational costs and rental of equipment |

1. The following uses for goods and equipment financed by the CERC are prohibited, which also applies to use and storage for DRM-related activities including hazard monitoring, disaster preparedness, and future response to natural disasters
2. Activities of any type classifiable as High-Risk pursuant to the new ESF
3. Activities that would lead to conversion or degradation of critical forest areas, critical natural habitats, and clearing of forests or forest ecosystems
4. Activities affecting protected areas (or buffer zones thereof), other than to rehabilitate areas damaged by previous natural disasters.
5. Land reclamation (i.e., drainage of wetlands or filling of water bodies to create land)
6. Land clearance and levelling in areas that are not affected by debris resulting from the eligible crisis or emergency
7. River training (i.e., realignment, contraction or deepening of an existing river channel, or excavation of a new river channel)
8. Activities that will result in the involuntary taking of land, relocation of households, loss of assets or access to assets that leads to loss of income sources or other means of livelihoods, and interference with households’ use of land and livelihoods
9. Construction of new roads, realignment of roads, or expansion of roads, or rehabilitation of roads that are currently located on communal lands but will be registered as government assets after rehabilitation
10. Use of goods and equipment on lands abandoned due to social tension / conflict, or the ownership of the land is disputed or cannot be ascertained
11. Use of goods and equipment to demolish or remove assets, unless the ownership of the assets can be ascertained, and the owners are consulted
12. Uses of goods and equipment involving forced labor, child labor, or other harmful or exploitative forms of labor
13. Uses of goods and equipment for activities that would affect indigenous peoples, unless due consultation and broad support has been documented and confirmed prior to the commencement of the activities
14. Uses of goods and equipment for military or paramilitary purposes
15. Uses of goods and equipment in response to conflict, in any area with active military or armed group operations
16. Activities related to returning refugees and internally displaced populations
17. Activities which, when being carried out, would affect, or involve the use of, water of rivers or of other bodies of water (or their tributaries) which flow through or are bordered by countries other than the Borrower/Recipient, in such a manner as to in any way adversely change the quality or quantity of water flowing to or bordering said countries.

***a. Procurement Plan[[76]](#footnote-76):***

1. A Procurement Plan will be prepared based on the approved EAP by the PIU as soon as it is feasible and will be sent to the Bank through STEP for approval. This plan will also be used for monitoring and reporting purposes.
2. In order to expedite the procurement of critical goods, services related to the preparation and management of civil works contracts, and of contractors responsible for the execution of the EAP, the MIA may pre-qualify suppliers, service providers and contractors for the Critical Goods and Non-Consulting Services, Emergency Works, and Consulting Services which have been identified by the MIA and agreed to be financed by CERC in case of emergency.
3. Pre-qualification would allow the GoM to check the capability of suppliers or contractors to supply the goods or carry out the works. A simple request for expressions of interest (REOI)[[77]](#footnote-77) and related technical bidding documents would be prepared annually for potential expected activities in order to create the short-list.

1. The draft EAP Procurement Plan[[78]](#footnote-78) as found in Annex 5 of this manual is organized as follows:
   1. **Critical Goods and Non-Consulting Services:**
      1. Tentative list of goods, material and equipment, non-consulting services as well as their expected unit costs, anticipated quantity and generic technical specifications;
      2. List of identified suppliers/vendors that have sufficient capacity to supply the identified critical goods[[79]](#footnote-79); and
      3. Description of procurement methods and supporting procurement documents that MIA will use.
   2. **Consulting Services:**
      1. Identified the consulting services which might be required in case of emergency;
      2. Description of the selection methods for consulting firms or Individual Consultants;
      3. “Pool of experts”, or a list of “preselected” consulting firms which have either previously been identified through competition, or have been known to perform well;
      4. Draft the ToRs, requests for proposals (RFPs) that will be used to contract the consulting services to support the scoping /design & supervision of the Works.
   3. **Emergency Works:**
      1. Identified potential eligible Works;
      2. Description of procurement methods and qualifications requirements;
      3. A list(s) of firms (national & regional) that have demonstrable track record (technical, financial & operational) in implementing the expected post disaster activity; and
      4. Draft Bidding documents/ITQ that will be used to contract firms to execute the civil works.
   4. **Emergency Operating Costs** (As per Financing Agreement, signed month, day, 201x) in case FA detail the emergency operating costs, if not specify it here.

***b. Procurement Methods:***

**Consultants**

1. *Single-source Selection.* Single-source selection of consulting firms and individuals may be used only if it presents a clear advantage over competition for the required consulting services. Firms that are already working in the country and that have a proven track record in similar assignments may be the most suitable option for the start-up activities. Consultants selected on a single-source basis may be given the right to participate in future assignments under the same project provided that there is no conflict of interest with the tasks performed under the initial contract. However, for future or downstream assignments, any available information must be shared with all participating firms to ensure a level playing field.

Procurement steps:

1. Draft the TOR (including Cost Estimate) and REOI for the consultancy services;
2. Obtain the required approvals for SSS;
3. Directly approach the Consulting firms/Individual Consultant and provide the TOR and forms to be filled by the Consultant;
4. Negotiate the Contract with the Consultant;
5. Obtain the required approvals on the negotiated Contract;
6. Sign the Contract; and
7. Start the assignment;

***Note:*** MIA is allowed to negotiate the technical aspects (work plan, methodology, approach) and also the financial aspects (unit rates, taxes, etc.).

1. *Selection of Consulting Firms through Consultants’ Qualification Selection (CQS).* CQS is often the appropriate method for small assignments. When justified, the Bank may agree to the use of CQS for contracts estimated to cost more than $300,000.

Procurement steps:

1. Develop the TOR (including Cost Estimate) and REOI for the services;
2. Obtain the required approvals;
3. Advertise in a local newspaper, if no local firms available, the ad should be placed on the UN Development Business; inform all the Consultants who expressed interest following general procurement notice (GPN), if any;
4. Receive the expressions of interest (EOIs); the time allowed for preparation of EOI is normally 14 days; the time can be reduced to 7 days depends on the type of the services and market (example: design of simple or standard construction, supervision of works);
5. Evaluate the EOIs, establish a Short list of a minimum of 3 Consulting firms; determine the most qualified Consultant to be invited for next stage; and
6. Develop RFP.
7. *Individual Consultants.* Individual consultants will be selected and contracts awarded in accordance with the provisions of paragraphs 5.1 through 5.5 of the Consultants Guidelines. Under the circumstances described in paragraph 5.6 of the Consultants Guidelines, individual consultants may be selected and awarded on a Single-Source basis, subject to IDA‘s prior approval. Individual Consultants will be selected through a comparison of qualifications of at least three qualified consultants among those who have expressed interest in the assignments following advertising or have been approached directly by the GoM/MIA. On an exceptional basis, as indicated in the approved Procurement Plan and when consistent with the World Bank Procurement Guidelines, single source selection can be used for individual consultants under the Project. This method should be used to select individual consultants on assignments for which (a) teams of personnel are not required, (b) no additional outside (home office) professional support is required, and (c) the experience and qualifications of the individual are the paramount requirement. When coordination, administration, or collective responsibility may become difficult because of the number of individuals, it would be advisable to employ a firm.

Procurement steps:

* + For Consultancy services for which the TOR are already developed and a “pool of experts” have been already established:

1. Approach the most qualified Consultant;
2. If available, negotiate the Contract;
3. Obtain the required approval on the negotiated Contract;
4. Sign the Contract; and
5. Start the assignment.
   * For Consultancy services for which the ToR were not identified before the emergency and not developed and no “pool of experts” have been already established:
6. Develop the TOR (including Cost Estimate) and REOI for the services;
7. Obtain the required approvals;
8. Collect CVs or advertise if PIU does not have knowledge of experienced and qualified individuals or of their availability;
9. Evaluate the CVs based on the qualification;
10. Draft the Evaluation report including the recommendations of the best qualified;
11. Obtain the required approvals;
12. Invite the Consultant for Contract negotiations; negotiate the Contract;
13. Obtain the required approvals on the negotiated Contract;
14. Sign the Contract; and
15. Start the assignment

If no agreement can be reached with the best qualified Consultant, the MIA shall approach the second one, after obtaining the required approvals.

1. *Consultant Shortlists*. On an exceptional basis the Bank may clear shortlists of consultants where fewer than six firms have expressed an interest to submit requests for proposals and where a wide geographic spread of shortlisted consultants cannot be achieved. If advertising at an international or national level would impede a rapid selection, advertisement for expressions of interest may be forgone or limited to the local/state level for assignments with estimated cost of less than $300,000. The selected firm is then requested to submit simplified technical and financial proposals. For assignments that are estimated to cost less than $100,000, advertisement is not mandatory as long as a shortlist of at least three qualified firms is established.
2. *Other Streamlined Approaches.* Using a “pool of experts” or a list of “preselected” consulting firms may also be considered as an appropriate method for supporting counterpart agencies at various steps of project execution, including the procurement process and the preparation of ToR, shortlists, RFPs, and bidding documents. Remuneration and fees may be resolved at the time of pre-selection and prescribed in a framework agreement; this is similar in concept to an Indefinite Delivery Contract.

The steps to establish the “pool of experts” include:

1. Draft ToRs (including Cost Estimate) based on historical experience and expected services to be provided;
2. Draft REOIs following the ToR;
3. Collect contact details of potential the Consultants to be directly approached by DOWW;
4. Approach the Consultants by sending the REOI;
5. Collect the CVs and evaluate the qualifications; and
6. Evaluate the CVs and establish a list of qualified Consultants.

***Note***: The best qualified Consultant will be approached to be provide the services in case of emergency; if the Consultant is not available the next ranked will be approached; if more than one Consultant is required PIU will approach the Consultants as per their ranking and availability.

**Civil Works and Goods**

1. *Direct Contracting.*Direct contracting for the procurement of civil works and goods may be used to extend an existing contract or award new contracts in response to disasters. For such contracting to be justified, the Bank should be satisfied that the price is reasonable and that no advantage could be obtained by further competition. The direct contracting may be from the private sector, UN agencies/programs (for goods), or contractors or NGOs that are already mobilized and working in the emergency areas.

Procurement steps:

1. Prepare Technical Specifications, estimated cost and identify the supplier;
2. Prepare the Invitation to quote (ITQ);
3. Send the ITQ;
4. Prepare price quote;
5. Receive quote;
6. Evaluate the Quote and negotiate the Contract;
7. Obtain all the required approvals;
8. Sign the Contract;
9. Deliver the goods; and carry out the Works.
10. *Shopping.* Shopping may be an appropriate method for procuring readily available off-the-shelf goods of values less than US$500,000, or simple civil works of values less than US$1,000,000. In exceptional cases, when shopping needs to be followed for contracts estimated to cost more than these values, the Bank reviews and clears each case. The Procurement Plan should determine the cost estimate of each contract, and the aggregate total amount. At least three price quotations should be provided.

Procurement steps:

1. Prepare Technical Specifications for Goods and Bill of Quantities/Schedule of Activities, estimated cost and identify the suppliers from the list of the pre-qualified Suppliers;
2. Prepare the Invitation to quote (ITQ);
3. Distribute the ITQ;
4. Receive quotes;
5. Evaluate the Quote and draft the evaluation report;
6. Obtain all the required approvals;
7. Award the Contract;
8. Sign the Contract;
9. Inform the unsuccessful Suppliers/Contractors; and
10. Implement the Contract.
11. *NCB Procedures.* Simplified NCB procedures and documentation can be used where ICB procedures are considered to be inappropriate or too complex due implementation capacity issues, and where there is clearly no international market appetite to participate in bidding.

Procurement steps:

1. Prepare Technical Specifications for Goods and Bill of Quantities/Schedule of Activities, and estimated cost;
2. Draft the Bidding Documents;
3. Obtain all the required approvals;
4. Publish the IFB (Invitation for Bids) on the newspaper, website, and UNDB on-line;
5. Distribute the BDs to the interested Suppliers / Contractors;
6. Receipt the Bids; organize the public opening; and prepare the Minute of the Public Opening;
7. Evaluate the Bids and draft the Bids Evaluation Report (BER);
8. Obtain all the required approvals on the BER;
9. Award the Contract;
10. Inform the unsuccessful Bidders;
11. Sign the Contract; and
12. Implement the Contract.
13. *Simplification of Pre- and Post- Qualification criteria.*The pre- and post- qualification criteria requirements of the Bank’s Standard Bidding Documents (SBD) for both Large Works and Works can be amended in order to optimize the participation of available local or regional contractors. In particular, adapting the qualification requirements to match the qualifications of available and competent local and regional contractors.
14. *Prequalified Suppliers and Contractors.*Using lists of prequalified suppliers and contractors, to whom periodic invitations are issued, may also help accelerate the procurement process. Such an approach could be used for a large number of similar simple contracts of any size, as well as for procurement of commodities. Prequalification documents may use a simplified format that is acceptable to the Bank. Suppliers and contractors would be asked to provide quotations for simple unit prices, as for commodities. Contracts should be awarded on a competitive basis, and may be for up to two years, with a price escalation clause and the possibility of extension upon mutual agreement between the client and the supplier.

The steps for “pre-qualification”:

1. Develop the scope of works or needs of Goods;
2. Prepare the Technical Specifications and Type of Goods / Works;
3. Define the Pre-qualification criteria: Technical Capacity: similar contracts, required production capacity; Financial Capacity: Turn over (for the last 3 years).
4. *Accelerated Bid Times.* Under ICB and NCB, accelerated bid times might be envisaged, but bidding periods shorter than 21 days for ICB and 10 days for NCB should be cleared with the Bank, taking into consideration the capacity of firms (local and international) to prepare responsive bids in a short period.
5. *Waiving Bid and Performance Security Requirements.* For contracts for goods or works, the preparation of bids by small and medium-size suppliers or contractors can be accelerated by taking the option, set out in paragraph 2.14 of the Procurement Guidelines, of not requiring a bid security. Similarly, in the case of contracts for works or supply of goods, the borrower may decide not to require a performance security in accordance with paragraph 2.40 of the Procurement Guidelines. However, in works contracts, retention money may be retained during the liability period; and for goods contracts, manufacture warranties will be requested.
6. *Advance Payment.* Where it is not easy for contractors and suppliers to obtain lines of credit from banks, the Government may consider increasing the amount of advance payment under works and supply contracts to up to 40 percent of the contract value, provided that the contractor/supplier provides a bank guarantee for the same amount and the World Bank clears this increased value of advance payment.

***c. Special Procurement Arrangements[[80]](#footnote-80):***

**Commodities**

1. Procurement of commodities, such as grain and fuel, must be in accordance with paragraph 2.68 of the Procurement Guidelines. Priority commodities must be determined in response to the basic needs resulting from the emergency situation, in particular the needs of the poorest people.

**Force Account**

1. In emergencies, when construction firms are unlikely to bid at reasonable prices because of the location of and risks associated with the project or a certain government agency has a sole right in certain type of work (e.g., railway track work, high tension transmission cables), Force Accountfor repair/reconstruction using the Government agency’s own personnel and equipment or a government-owned construction unit may be the only practical method (see paragraph 3.9 of the Procurement Guidelines).

**Use of stand-by arrangements**

1. There is no need to wait for an emergency for making arrangements for procurement of emergency works, goods and services. The Government may carry out advanced procurement procedures according to those established in this manual and WB Procurement Guidelines under Framework Agreements (FAs). This long-term agreement with suppliers, contractors and providers of non-consulting services sets out terms and conditions under which specific procurements (call-offs) can be made throughout its term. FAs are generally based on prices that are either pre-agreed, or determined at the call-off stage through competition or a process allowing their revision without further competition. Prior arrangements allow the offering and signing of contracts, whose execution is only triggered when a disaster strikes.

**Use of United Nations Agencies**

1. When it is appropriate to place greater reliance on, or to delegate part or whole of project implementation to, UN agencies may be hired on sole-source basis for contracts for which they offer their unique roles and qualifications in responding to the emergency situations. Standard forms of agreement for UN agencies as acceptable to the Bank will be adopted. For those UN agencies, where such forms have not been agreed with the Bank, the Bank’s team will provide acceptable sample forms.
2. The UN agencies may participate in activities financed by the World Bank or WB-administered trust funds in one of the following ways:
3. The UN implements all or part of project activities on behalf of the country;
4. The UN acts as a supplier of critical goods (e.g., vaccines) under a WB-financed project; and
5. The UN acts as a provider of technical services under a WB-financed project.
6. Flexibilities in procedures and contract provisions acceptable to the Bank in emergency situations;
   1. *Accelerated Bid Times.* Under ICB and NCB, accelerated bid times might be envisaged; however, these may vary depending on the event:

* 21 days for ICB and 14 days for NCB – for complex requirements (construction of bridge, supply of complex items);
* 14 days for 14 ICB and 7 days for NCB – with WB prior approval – for less complex requirements (standard Goods and Works); and
* 3 days for ITQ.

***Note***: If no Quote/Bid is received within the time allowed for preparation the deadline will be extended;

* 1. *Waiving Bid and Performance Security Requirements.* Considering the options described in the Guidelines as well as in the Bidding Documents, the Bid Securing Declaration will be considered. In the case of an emergency, the PIU may not request bid security, but instead it will put in place a system for bid securing declarations. Similarly, in the case of contracts for works or supply of goods, the Recipient may decide not to require a performance security in accordance with paragraph 2.40 of the Procurement Guidelines. However, in works contracts, retention money may be allowed during the liability period; and for goods contracts, manufacture warranties will be requested. In relation to performance security, the arrangement is that money will be applied to 5 to 10% rate of the payments.
  2. *Advance Payment.* Where it is not easy for contractors and suppliers to obtain lines of credit from banks, the Recipient may consider increasing the amount of advance payment under works and supply contracts to up to 40 percent of the contract value, provided that the contractor/supplier provides a bank guarantee for the same amount and the World Bank clears this increased value of advance payment.

***d. Links to Bank Standard Bidding and Proposal Documents:***

National Procurement Document posted on MPWT’s website:

http://www.mpwt.gov.la/en/projects-en/lrsp2/153-ncb

SBD for Goods:

<http://web.worldbank.org/WBSITE/EXTERNAL/PROJECTS/PROCUREMENT/0,,contentMDK:23384556~menuPK:84284~pagePK:84269~piPK:60001558~theSitePK:84266~isCURL:Y,00.html>

SBD for Works:

<http://web.worldbank.org/WBSITE/EXTERNAL/PROJECTS/PROCUREMENT/0,,contentMDK:23339250~menuPK:84284~pagePK:84269~piPK:60001558~theSitePK:84266~isCURL:Y,00.html>

SBD for Works:

http://web.worldbank.org/WBSITE/EXTERNAL/PROJECTS/PROCUREMENT/0,,contentMDK:23151679~menuPK:84284~pagePK:84269~piPK:60001558~theSitePK:84266~isCURL:Y,00.html

Bid Evaluation Form (Goods and Works):

<http://web.worldbank.org/WBSITE/EXTERNAL/PROJECTS/PROCUREMENT/0,,contentMDK:20062543~isCURL:Y~menuPK:84284~pagePK:84269~piPK:60001558~theSitePK:84266,00.html>

Standard Request for Proposals (Consulting Firms):

<http://web.worldbank.org/WBSITE/EXTERNAL/PROJECTS/PROCUREMENT/0,,contentMDK:23060576~pagePK:84269~piPK:84286~theSitePK:84266,00.html>

Consultant – Sample Evaluation Report:

<http://web.worldbank.org/WBSITE/EXTERNAL/PROJECTS/PROCUREMENT/0,,contentMDK:20062010~menuPK:84284~pagePK:84269~piPK:60001558~theSitePK:84266~isCURL:Y,00.html>

# E - Fraud and Corruption

1. All procurement entities as well as bidders and service providers (i.e., suppliers, contractors, and consultants) shall observe the highest standard of ethics during the procurement and execution of contracts financed under the Project in accordance with paragraphs 1.16 and 1.17 (Fraud and Corruption) of the Procurement Guidelines and paragraph 1.23 and 1.24 (Fraud and Corruption) of the Consultants Guidelines, and “Guidelines on Preventing and Combating Fraud and Corruption in Projects Financed by IBRD Loans and IDA Credits and Grants”, dated October 15, 2006 and revised in January 2011.

# F - Disbursement & Financial Management

1. The PIU under the MIA’s delegation arrangements is responsible for ensuring that the financial management and disbursement policies and procedures governing the Project are fully and successfully applied to the management of the financial resources mobilized through Disbursement Category X in support of the identified EAP. These policies and procedures are detailed in the relevant Financial Management Manual as well as Chapter X – Disbursement of the MWSSP’s Operation Manual.
2. Expenditure incurred under Category X will be reported as part of the project’s Interim Unaudited Financial Report (IFR) submitted on quarterly basis to the Bank as per the requirement of the financial agreement.
3. Incurred expenditures under Disbursement Category X for Emergency Expenditures under CERC will be audited annually by the eligible external auditor alongside other Project activities as indicated in the external audit TOR acceptable to the Bank.
4. Per the MWSSP’s Financing Agreement, for expenditures under Disbursement Category X (immediate emergency activities), to be eligible expenditure for financing under the CERC, the requirements that were detailed in Section B, paragraph 8 of this document, must be met.
5. Per a request by X, in the case of defect liability with a warranty period, payment can be made up to one (1) year after the end of the EAP implementation period but within the boundaries of the project lifetime. In case if the warranty period goes beyond the project closing date the related payment can be made by applying other available mechanisms described in the Loan Handbook for Borrowers (February 2017), such as on-demand bank guarantees. This EAP “Grace period” will be provided so that payments can be completed.
6. The post-disaster finalized EAP submitted for approval will be accompanied by a completed Withdrawal Application signed by the officials duly authorized by the Ministry of Finance. The application will request the WB to advance the resources allocated to Disbursement Category X to a separate designated account managed by the PIU to finance eligible expenditures as they are incurred and for which supporting documents will be provided later. In the case that a balance is left in the CERC’s designated account after completion of EAP, CERC’s designated account may remain open and the GoM will ensure that all amounts from Disbursement Category X advanced to the designated account are accounted for and their use reported prior to the MWSSP’s Disbursement Deadline Date. The GoM will use the processes and procedures as identified in the MWSSP’s POM to disburse funds.

# G - Safeguard Compliance

1. All activities financed through the CERC are subject to World Bank ESS, keeping in mind that paragraph 12 of the [IPF Policy](https://spappscsec.worldbank.org/sites/ppf3/PPFDocuments/Forms/DispPage.aspx?docid=4035&ver=current) applies once the CERC is triggered. The ESMF of the Project should include a section on the CERC, to align with the EOM, and to supplement the existing Project’s environmental and social standards, where needed[[81]](#footnote-81). This “CERC-ESMF” will outline a screening process built around the positive list for key environmental and social issues and risks. This will be linked to identifying institutional arrangements for oversight of any required additional Environmental and Social (E&S) due diligence and monitoring. In addition, the CERC-ESMF will include generic emergency civil works “sector” guidance identifying key E&S issues with practical Environmental and Social Management Plan (ESMP) type checklists. All activities financed through the CERC are subject to the WB’s Environmental, Health and Safety (EHS) Guidelines.
2. Content of the CERC section in the Project ESMF will include:
3. Description of the potential emergencies and the types of activities likely to be financed;
4. Potential risks and general mitigation measures associated with the potential activities;
5. Identification of Vulnerable locations and/or groups;
6. Environmental and Social Assessment (screening) and the environmental and social requirements (studies, plans, etc.) to comply with the Bank’s requirements and the national law;
7. An ECOP (Environmental Code(s) of Practice) for the positive list of goods;
8. Assessment to guide emergency responses (e.g. what existing social conflicts could be exacerbated by an emergency); and
9. Institutional arrangements for environmental and social due diligence and monitoring.
10. Activities financed under the CERC will be limited to provision of critical goods and services, as well as rehabilitation and reconstruction of damaged infrastructure outlined in a positive list in this EOM (Table 3). Land acquisition leading to involuntary resettlement and/or restrictions of access to resources and livelihoods is not anticipated. It is further not anticipated to support activities which might have adverse impacts on ethnic groups considered indigenous people under the World Bank’s Operational Policy on indigenous people (OP 4.10). It is also unlikely that changes to the existing safeguards instruments of the project will be required. However, if necessary, the safeguards instruments will be updated if the EAP do not fall within the scope of the existing instruments. It is unlikely that emergency works will trigger new safeguards policies, however, if required, new instruments will be prepared, consulted upon and disclosed; per the requirements of the Bank’s Investment Financing Policy, a restructuring would be prepared.
11. The Environmental and Social Specialist(s) within MWSSP delegated to the PIU will identify based on the activities and works proposed in the EAP, the potential environmental and social negative impacts, and the studies or plans required for the environmental and social management. This will be done by completing the Environmental and Social Screening, annexed to the ESFM, from for each activity.
12. In the case of the procurement of works requirement the mobilization of civil works contractors, the bidding documents will include standard codes of conduct for workers and supervisors, specifying appropriate conduct and sanctions related to community relations, gender based violence, child protection, human trafficking, and sexual exploitation and abuse.

# H - Monitoring & Evaluation

1. CERC will be monitored and evaluated as required by Bank IPF policy, considering especially that it represents a novel approach to disaster recovery financing and will require particularly strong oversight in order to ensure appropriate emergency activity implementation. The MIA through the GIES, as Project Implementing Agency for the CERC, will have oversight and reporting responsibility for activities carried out under its function. The MIA, will report to the RCES on activities, specifically to the National Command Centre. The audit and reporting mechanisms established for the MWSSP will also be apply to the CERC. An annually recruited external financial audit firm will audit the annual financial statements of the whole Project, including those financed through Disbursement Category X.
2. In case of activation, additional indicators related to CERC will be added to the Project’s Result Framework through restructuring. The CERC activities will be part of the regular Project monitoring, and will be assessed as part of the final project evaluation.
3. The outputs, indicators, and expected results are detailed in the results framework, with assigned responsibility to the MIA for reporting. MIA should ensure the collection of information for regular Project reporting from the PIU. This will include the component output measures defined in the POMs, ESF instruments, and GRM reports. The POM will include an M&E section that defines the responsibility and methodology for the measurement of each indicator, and templates for regular reporting. The MWSSP steering committee will support coordination on project monitoring under CERC Part 4 of the Project.
4. Upon agreement by the World Bank, the MIA through the GIES may hire additional technical consultants to support supervision and procedural compliance efforts, particularly as they pertain to project management, fiduciary and safeguards. These will report directly to the PIU Project Coordinator, and indirectly to the MIA through the GIES.

I – **Closing of CERC and EAP Implementation**

1. It is noted that a CERC may be activated at any time during project implementation. Considering that the CERC is expected to be implemented in a relatively short time, the Project’s implementation will continue after the EAP has being completed. Accordingly, all technical, fiduciary and safeguard requirements related to the CERC will be finalized within six months of the end of implementation of the EAP (unless EAP “Grace period” has been extended per paragraph 69 above). These include:
   1. Fiduciary Requirements, such as Audit Report, non-audited financial reports, and proper documentation and closing of CERC designated account.
   2. M&E Requirements, such as final evaluation report of CERC, and any other technical and social and environmental reports agreed upon CERC activation.
2. In case of a surplus of goods, these goods may be used by the GoM until the closing of the MWSSP consistent with this manual and based on the Positive List provided in table 3 and the negative list detailed in paragraph 41. The management of vehicles, motorcycles, boats and equipment, should follow the standard administrative and inventory procedures applicable to other project assets managed by the MIA and/or GIES. This will be reviewed and audited by the external auditor alongside other Project activities as indicated in the external audit ToR after the EAP implementation period. The reports must document those goods are used as outlined in the EOM and that the negative list of uses is complied with.
3. On receipt of the final progress and financial reports on the activities undertaken under the agreed EAP, the Bank (through the Country Director) will notify the GoM that the CERC for the specific eligible expenditure is closed, and that no further withdrawals will be permitted for purposes of the specific emergency.

Annex 1: Samples of Statement of Facts and Notification of a State of Emergency

Annex 2: Sample Flash Appeal

Annex 3: Template for Rapid Needs Assessment

Annex 4: Template for Emergency Action Plan

Annex 5: Template draft EAP Procurement Plan

Annex 6: Draft request letter to activate the CERC

1. This includes NORLD, RDAs North, South and ATU Gagauzia, through direct implementation support. [↑](#footnote-ref-1)
2. Complaints handling requirements should be in line with in the “[Procurement Regulations for IPF Borrowers](http://www.worldbank.org/en/projects-operations/products-and-services/brief/procurement-new-framework) (Annex III) in case the SPDs are used. The Evaluation Committee, with the support of the PIU, including the procurement specialist, would be the team in charge for replying to the complains received under the project procurement process. [↑](#footnote-ref-2)
3. Applicable for Prior Review contracts only [↑](#footnote-ref-3)
4. The PIU and implementing agencies will inform through their website the representatives of civil society groups that may attend public bid openings and contract signing. [↑](#footnote-ref-4)
5. Applicable only in case of SPDs [↑](#footnote-ref-5)
6. According to the rules for each type of selection method and in case SPDs are used. [↑](#footnote-ref-6)
7. For Prior Review Contracts the World Bank No-objection should be obtained. [↑](#footnote-ref-7)
8. Applicable only when SPDs are used. Bidders can ask clarifications in any tender irrespective of the type of document used. Complaints handling requirements should be in line with in the “[Procurement Regulations for IPF Borrowers](http://www.worldbank.org/en/projects-operations/products-and-services/brief/procurement-new-framework) . [↑](#footnote-ref-8)
9. Applicable for Prior review contracts only. [↑](#footnote-ref-9)
10. Applicable for Prior review contracts only. [↑](#footnote-ref-10)
11. The Standstill Period shall not be a requirement in the following situations: a) only one Bid/Proposal was submitted in an open competitive process; b) direct selection; c) call-off process among firms holding Framework Agreements (FAs); and d) Emergency Situations recognized by the Bank. [↑](#footnote-ref-11)
12. The debriefing shall not include: point-by-point comparison with another Bidder’s/Proposer’s Bid/Proposal; and information that is confidential or commercially sensitive to other Bidders/Proposers (as described in para 5.19 of the “[Procurement Regulations for IPF Borrowers](http://www.worldbank.org/en/projects-operations/products-and-services/brief/procurement-new-framework)). The complains received during the Standstill Period should be addressed according to “[Procurement Regulations for IPF Borrowers](http://www.worldbank.org/en/projects-operations/products-and-services/brief/procurement-new-framework) (Annex III). [↑](#footnote-ref-12)
13. For Prior review contracts only [↑](#footnote-ref-13)
14. For Prior review contracts only [↑](#footnote-ref-14)
15. For Prior review contracts only [↑](#footnote-ref-15)
16. For Prior review contracts only [↑](#footnote-ref-16)
17. Applicable only in case of SPDs [↑](#footnote-ref-17)
18. In case SPDs are used. Even if SPDs are used Standstill Period is not applicable in the following cases: a) when only one Bid/Proposal was submitted in an open competitive process; b) in case of Direct Selection method. c) in case of Emergency Situations recognized by the Bank. [↑](#footnote-ref-18)
19. The debriefing shall not include: point-by-point comparison with another Consultant’s Proposal; and information that is confidential or commercially sensitive to other Consultants (as described in para 5.19 of the “[Procurement Regulations for IPF Borrowers](http://www.worldbank.org/en/projects-operations/products-and-services/brief/procurement-new-framework)”). Any complaints received during the procurement process including during the Standstill Period should be addressed according to “[Procurement Regulations for IPF Borrowers](http://www.worldbank.org/en/projects-operations/products-and-services/brief/procurement-new-framework)”. [↑](#footnote-ref-19)
20. The national environmental legislation, particularly the Law on EIA, use the notion of so-called **Environmental Chapter** to define the totality of environmental mitigation measures, proposed by designer, to reduse the impact upon the environment during the construction phase of a project.. [↑](#footnote-ref-20)
21. <https://www.legis.md/cautare/getResults?doc_id=40213&lang=ro> [↑](#footnote-ref-21)
22. that will be created for the sub-projects under Component 1.1 of the Project. [↑](#footnote-ref-22)
23. The Committee set up by decision of the local council for works of local and common interest. Law on Expropriation for Public Use, No. 488-XIV of 8 July 1999, art. 11 Resolving objections [↑](#footnote-ref-23)
24. The Law on expropriation for public interest No. 488 of July 8, 1999. [↑](#footnote-ref-24)
25. <https://euwipluseast.eu/images/2020/11/PDF/Ordinance-approving-CofP-RO-RU.pdf> [↑](#footnote-ref-25)
26. Updated and approved by Government Decision 440 of July 1, 2020. [↑](#footnote-ref-26)
27. Sanitation refers to both access to wastewater networks and treatment systems and on-site facilities such as septic tanks. [↑](#footnote-ref-27)
28. The National Regional Development Strategy is scheduled to be approved by end of 2021 [↑](#footnote-ref-28)
29. See the WASH Climate Resilience Strategic Framework (UNICEF, Global Water Partnership, 2014) for links between WASH and climate resilience. [↑](#footnote-ref-29)
30. 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’. [↑](#footnote-ref-30)
31. Updated and approved by Government Decision 440 of July 1, 2020. [↑](#footnote-ref-31)
32. Sanitation refers to both access to wastewater networks and treatment systems and on-site facilities such as septic tanks. [↑](#footnote-ref-32)
33. The National Regional Development Strategy is scheduled to be approved by end of 2021 [↑](#footnote-ref-33)
34. See the WASH Climate Resilience Strategic Framework (UNICEF, Global Water Partnership, 2014) for links between WASH and climate resilience. [↑](#footnote-ref-34)
35. 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’. [↑](#footnote-ref-35)
36. Updated and approved by Government Decision 440 of July 1, 2020. [↑](#footnote-ref-36)
37. Sanitation refers to both access to wastewater networks and treatment systems and on-site facilities such as septic tanks. [↑](#footnote-ref-37)
38. The National Regional Development Strategy is scheduled to be approved by end of 2021 [↑](#footnote-ref-38)
39. See the WASH Climate Resilience Strategic Framework (UNICEF, Global Water Partnership, 2014) for links between WASH and climate resilience. [↑](#footnote-ref-39)
40. 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’. [↑](#footnote-ref-40)
41. Updated and approved by Government Decision 440 of July 1, 2020. [↑](#footnote-ref-41)
42. Sanitation refers to both access to wastewater networks and treatment systems and on-site facilities such as septic tanks. [↑](#footnote-ref-42)
43. The National Regional Development Strategy is scheduled to be approved by end of 2021 [↑](#footnote-ref-43)
44. See the WASH Climate Resilience Strategic Framework (UNICEF, Global Water Partnership, 2014) for links between WASH and climate resilience. [↑](#footnote-ref-44)
45. 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’. [↑](#footnote-ref-45)
46. Updated and approved by Government Decision 440 of July 1, 2020. [↑](#footnote-ref-46)
47. Sanitation refers to both access to wastewater networks and treatment systems and on-site facilities such as septic tanks. [↑](#footnote-ref-47)
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49. See the WASH Climate Resilience Strategic Framework (UNICEF, Global Water Partnership, 2014) for links between WASH and climate resilience. [↑](#footnote-ref-49)
50. 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’. [↑](#footnote-ref-50)
51. Updated and approved by Government Decision 440 of July 1, 2020. [↑](#footnote-ref-51)
52. Sanitation refers to both access to wastewater networks and treatment systems and on-site facilities such as septic tanks. [↑](#footnote-ref-52)
53. The National Regional Development Strategy is scheduled to be approved by end of 2021 [↑](#footnote-ref-53)
54. See the WASH Climate Resilience Strategic Framework (UNICEF, Global Water Partnership, 2014) for links between WASH and climate resilience. [↑](#footnote-ref-54)
55. 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’. [↑](#footnote-ref-55)
56. A test platform was set up and will be finalized before effectiveness. See <https://yrpri.org/community/1657>. [↑](#footnote-ref-56)
57. Updated and approved by Government Decision 440 of July 1, 2020. [↑](#footnote-ref-57)
58. Sanitation refers to both access to wastewater networks and treatment systems and on-site facilities such as septic tanks. [↑](#footnote-ref-58)
59. The National Regional Development Strategy is scheduled to be approved by end of 2021 [↑](#footnote-ref-59)
60. See the WASH Climate Resilience Strategic Framework (UNICEF, Global Water Partnership, 2014) for links between WASH and climate resilience. [↑](#footnote-ref-60)
61. 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’. [↑](#footnote-ref-61)
62. A test platform was set up and will be finalized before effectiveness. See <https://yrpri.org/community/1657>. [↑](#footnote-ref-62)
63. LPA level I or II, depending on subordination of the selected institution. [↑](#footnote-ref-63)
64. <https://www.who.int/water_sanitation_health/monitoring/coverage/wins-core-indicators-and-questions-4-pager.pdf>) [↑](#footnote-ref-64)
65. Pay attention to physical, visual, hearing, sensorial, intellectual or learning impairments. [↑](#footnote-ref-65)
66. [↑](#footnote-ref-66)
67. Depending on the complexity of procurement activities, the auditor may consider involving technical experts during the audit engagement. When such experts are involved, the auditor is expected to comply with provisions of [International Standard on Auditing 620: Using the Work of an Expert](http://www.ifac.org/system/files/publications/files/2014-IAASB-HANDBOOK-VOLUME-1_0.pdf). Consideration of using of the work of experts should be brought to the early attention of the borrower and the World Bank for mutual agreement and appropriate guidance. [↑](#footnote-ref-67)
68. Samples of Statement of Facts and Notification of a State of Emergency is in Annex 1 of this manual. [↑](#footnote-ref-68)
69. A sample Flash Appeal is in Annex 2 of this manual. [↑](#footnote-ref-69)
70. As described in WHO Emergency Response Framework (2013) <http://www.who.int/hac/about/erf_.pdf>. [↑](#footnote-ref-70)
71. Rapid Needs Assessment Template is in Annex 3 of this manual. [↑](#footnote-ref-71)
72. A draft request letter to activate the CERC is in Annex 6 of this manual. [↑](#footnote-ref-72)
73. A template for the EAP is in Annex 4 of this manual. [↑](#footnote-ref-73)
74. A template for Procurement Plan is in Annex 7 of this manual [↑](#footnote-ref-74)
75. *Guidelines on Preventing and Combating Fraud and Corruption in Projects Financed by International Bank for Reconstruction and Development Loans and the International Development Agency Credits and Grants*, dated October 15, 2006, and revised in January 2011 and July 2016, as they may be revised from time to time. [↑](#footnote-ref-75)
76. A template for Procurement Plan is in Annex 7 of this manual [↑](#footnote-ref-76)
77. A draft Request for Expressions of Interest (REOI) letter is in Annex 8 of this manual [↑](#footnote-ref-77)
78. The final EAP Procurement Plan will only be finalized following the occurrence of an event due to the demand and event driven nature of the CERC. [↑](#footnote-ref-78)
79. Will be completed once the pre-qualification process is finished. [↑](#footnote-ref-79)
80. The Special procurement arrangements described herein shall be included in the manual and used if agreed with the Bank. [↑](#footnote-ref-80)
81. A sample CERC section to the Project’s ESMF is in Annex 11of this manual [↑](#footnote-ref-81)