





EU4Environment – Water Resources and Environmental Data

TERMS OF REFERENCES FOR LOCAL CONTRACTOR

SUPPORT TO CONTRACTING AUTHORITIES FOR ORGANISING THE DEVELOPMENT AND OPERATION OF FUTURE WATER SUPPLY AND SANITATION SERVICES IN NIRNOVA SUB-BASIN

JUNE 2023

1. Introduction and background

The Programme "EU4Environment: Water Resources and Environmental Data" (hereinafter the Programme) aims at improving people's wellbeing in the EU's Eastern partner countries and enabling their green transformation in line with the European Green Deal and the Sustainable Development Goals. The Programme, co-financed by the European Union, is implemented in close cooperation and coordination with the Implementing Partners: three Member State agencies: Umweltbundesamt GmbH (also called "UBA" or "Environment Agency Austria"), Austrian Development Agency (ADA) and International Office for Water (OiEau, France) as well as two international organisations (OECD and UNECE).

The action's activities are clustered around two specific objectives:

- 1. To support a more sustainable use of freshwater resources through improved water policies and practices and help reduce the adverse impact of human activities on water quality and ecosystems;
- 2. To extend and improve the use of sound environmental statistics by the partner countries and ensure greater availability of policy-relevant data for decision-makers and citizens.

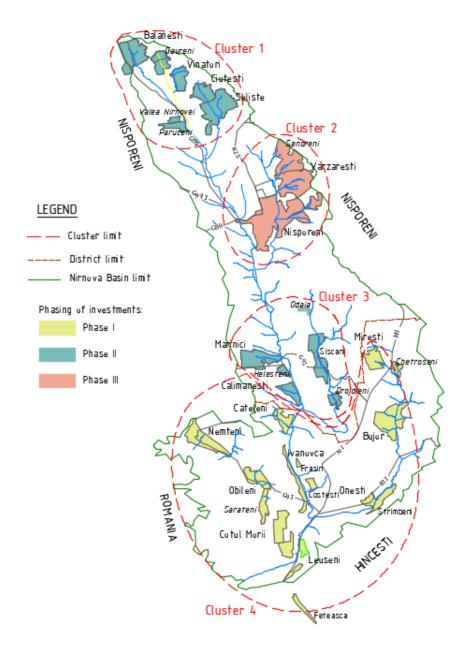
Danube Prut and Black Sea RBMP for the period 2023-2027, that has been developed with EUWI+ project support and was officially approved on 29 June 2022.

Considering the nature of RBMPs at large basin scale (the area of the district is nearly 15,000 km²), this type of plan gives clear orientation about the crucial importance to develop waters supply and sanitation (WSS) infrastructures, but leave open the project implementation details. For this reason, a model of Master plan for WSS development at Nirnova sub-basin scale has been developed in addition during the last program (see www.euwipluseast.eu web site and complete version available on demand).

The figure below is extracted from this Nirnova WSS master plan. It represents the phasing of investments in water infrastructure proposed (source: Nirnova WSS master plan – June 2021).







Some important progresses have been made since the finalisation of the master plan for the financing of the drinking water infrastructure in particular for the inter-district cluster 3 and 4 in the south of the sub-basin.

In addition, the adoption of a new legislation in Moldova in February 2023, allowing the creation of inter-municipal association of local authorities for the development of public utility services (ADI), creates an opportunity for developing a new common decision-making framework in order to drive the implementation of the master plan all along the Nirnova basin more efficiently.

Logically, a next priority for the local authorities of the basin and in particular from the 2 rayons and 11 municipalities in these 2 clusters n°3&4 is to insure both the development and sustainable management of future infrastructures in a spirit of concretizing the movement created by the development of a WSS master plan on the Nirnova basin.







In this context, important financing decision has been made to develop water supply in the cluster 4 in particular in the 9 municipalities of Hincesti rayon. It first targets the development of a main water supply system including water intake from the Prut, drinking water production and main distribution network to the villages' entrances including building a retention tank at the primary distribution point of the villages. AAM is the work owner of this part, financed by the Ecological National Fund in Moldova, and the infrastructure has been already put in place.

Initial allocated budget was 50 MLei, but the final budget spent reached 75 MLei. To complete the general alimentation of the whole cluster including the 3 villages from Nisporeni rayon as recommended in the master plan, 25 MLei extra are requested. Costing of the extension is under processing by the AAM. The estimated drinking water need from the 11 localities to be connected to the main water supply network i.e. until the entry of the villages, would correspond to 30 % of the nominal capacity of drinking water production i.e. 2460 m3/24h. The demand is anticipated to reach 70 % when all the connexions will be done. The extra capacity could be transfer to another cluster based on further feasibility studies as possibly on Leova rayon or for an interconnection of the Nisporeni cluster.

AAM is keen to transfer the property of this main water system to the rayon council of Hincesti, but the district authorities insisted on the need of a distribution network in the localities in order to have a complete system before taking the charge of the new facilities.

In order to finance the secondary distribution of drinking water up to the households, a second project is financed by the nation fund for regional development + Rayon council (10%). 67 MLei has been allocated to finance the water distribution network inside the 11 localities connected to the main system. This project implementation is still to be realised in 3 years. The consultation process is to being organised by the Rural Development Agency in the Central Region including 13 rayons in total and Hincesti and Nisporeni in particular.

In order to facilitate the future operation and maintenance of these new infrastructures, and optimise the use of existing municipal facilities, the consultant will be in charge of facilitating the recruitment of the most professional and cost-effective operator for a long-term period (i.e. 10 years).

All in all, it is expected that the consultant provides to the authorities all necessary support for a successful contracting of a future common operator that will be in charge of managing in viable economic conditions the WSS services in the south part of the Nirnova sub-basin (cluster n° 3 & 4) and possibly other clusters if the governance mechanism at basin scale offers the perspective of a simplified contracting process development. In this logic, information sharing meeting shall gather, at least at the inception phase, the mayors of the whole 4 clusters of the Nirnova basin in order to best integrate the wishes of the mayors at the scale of the new common governance mechanism (ADI). In case of status co in the basin governance, offering an efficient solution for the management of the new facilities in the south cluster will constitute the priority target.

This process of selection of the most cost-efficient operator being common in France, including different modalities, guidance will be provided all along the process by EU4Env Water and Data international experts in order to succeed with this first pilot experience in Moldova. The south cluster of villages being over 2 different rayons, delegation contract toward the operator will have thus to be signed in a consensual way for the main interested parties i.e. rayonal council + AAM + Mayors. A multi signature process of a single document would be one privileged option with possible use of specific annexes per village. In case the creation of Intermunicipal Development Association (ADI in Romanian language) for the Nirnova basin







get through, the option to use this new instrument in order to have 1 contract between the possible future ADI and the operator will be privileged.

This pilot exercise implemented by ADA and OiEau with the support of the selected local service provider would be the first of this kind in Moldova and will require flexibility and pedagogical skills from the service provider, in particular regarding reaching a consensus on the economic management of the new water supply facilities.

The consultant will finally propose its final recommendations for optimising the WSS and facilitating the transition with the new operator.

This experimental task will be facilitated by the fruitful cooperation developed with Solidarity Water Europe (SWE), a French Association, who is working in the Nirnova basin since 2013 on different tools and actions aiming to contribute to set up a more efficient governance model. One of these actions was the development of a Nirnova mayors' association that was not possible to be registered officially in the previous legislative context. Actions are currently run to convert it in an official ADI as the new regulation allows it today. SWE supported as well concrete demonstration projects starting with the construction of ECOSAN ecological toilets in the schools of three villages in the Nirnova basin, and the development of youth centred awareness actions. More recently, in 2017, when the project "Improving access to water and sanitation in the villages of the river Nirnova" was launched, the Association focused on assessing the situation, both technically and institutionally, in order to further undertake a coherent and relevant WSS development action. Today SWE focus on building part of the distribution network for Cateleni village, gaining important practical information and costing references in the project's area. The construction of a constructed wetland for the wastewater treatment of Nemteni village is projected too.

Moreover, the members of the SWE in Moldova team, constituted of one local programme manager, will be ready to cooperate with the consultant for technical clarifications, information exchanges and support to the participatory approach. The local programme manager will assist the consulting office in reaching the local stakeholders such as the mayors, local elected, school directors and/or teachers and provide information on the existing WSS infrastructure and practices.

2. Terms of Reference

2.1 Objectives of the assignment

The purpose of the assignment is to assist the relevant authorities, under ADA and OiEau guidance and in synergy with Solidary Water Europe, in order to develop a tailor-made open selection process in order to select a WSS service operator for managing at least the future infrastructure in the villages in the south of Nirnova River basin and prepare comprehensive contracting documents based on best available models - support the mayors of the Nirnova basin in programming the further development of WSS infrastructure based on a technical support in order to precisely program 3 targeted measures or action based on the WSS master plan.

2.2 Purpose of the assignment







The assignment consists in facilitating the WSS master plan implementation by supporting local authorities of the Nirnova River basin.

For this purpose, the following procedures will have to be supported by the consultant:

- 1- Organisation of a call for expression of interest in order to identify operators potentially interested in the respect of Moldovan regulation. In order to prepare and run this call through a transparent, open and opposable procedure the consultant will gather precise technical and economic information on the facilities to be managed, the expected future consumption of the different villages and proposing possible scenarios for retching an economic balance including the water price to be applied. This last point will be inspired by the best practice in the country and can benefit from EU4EnvW&D Partners' advice in particular water tariff models based on international standards.
- 2- Based on the result of the call for expression of interest, the service provider will run a multi-criteria comparative study. The study will aim to support the district and local authorities to make decision on the selection of the most adapted operator, or a maximum of 2 preferred candidates, in order to enter in a final negotiation phase.
- 3- The consultant will support the authorities in contracting with the operator, including hearing and integrating as much as possible the municipalities' specific needs regarding for example the possible integration of some old facilities in the management agreement.
- 4- In order to stimulate the infrastructure development movement during the nearly one-year project implementation period, so before the entering into function of the new operator, who will be invited to can take over this task, the contractor shall support 3 files development related to infrastructure development requiring specialist competences. The selection of these specific development targets will be made in close connection with the mayors in function of both priority and potential financing opportunities. The management team for this study will be attentive to proportionate the effort to be delivered by the service provider in supporting the 3 measures implementation in regard to the intensity of the work required from supporting the operator selection and contracting, which is seen as a priority. The 3 files shall facilitate the search for financing opportunities and will consist in detailing the budget and specification of the selected future priority investments in order to reach efficiently the donor community in synergy with the EU4EnvW&D project partners. This action should demonstrate to the mayors the potential influence of a professional input for project development and increase investments for the implementation of the master plan.
- 5- The consultant will compile the information collected in order to transfer it in a practical format to the future operator. It could be for example through an updating of the master plan with the new infrastructure and/or the construction of a data management framework. It shall include more precise information on the existing infrastructure, the current commercial and technical information on water metering and billing, in order to support clarifying the possible business plan of the operator, and the existing human resources and training plan needed to optimize future personnel recruitment by the operator for WSS management.

2.3 Scope of the assignment

The contractor will function as local consultant, supporting the local authorities on their duty to select the most qualified operator and precisely define its possible duties and economic viability.







The different tasks to be implemented are as follows:

- 1. Data collection for presenting as precisely as possible the perimeter and task of the future operator
 - Provide a detailed description of the infrastructures to be operated (For each municipality: Networks (location, material, diameter, and year of installation), treatments plants, pumping stations, meters number per size and year of installation, exiting difficulties identified in system operation)
 - Provide detailed data on the customers connected to the water provision system: (For each municipality: Number of customers, consumption for each customer for the past 3 years, existence of the customer database) in order to improve the information base constituted by the master plan.
 - Stimulate further financing of the future water works construction programme in particular with the 3 case-study for which the project implementation programming shall be worked out.

Deepening of information will be prioritised during the inception period in regard to available information. In particular data base on the future clients, volume of drinking water already delivered and sold, and previsions will have to be put in place or precisely estimated. This tool will be used to inform the bidder as precisely as possible on the economic context of its intervention.

- 2. Evaluation of the budget required to operate the selected infrastructures and calculation of recommended water price to be applied by the operator.
- 3. Prepare documents to launch the call for interest and prepare decision making to select an operator following national procedures and requirements: TOR, draft contract
- 4. Assist the local authorities to develop files necessary for developing further new WSS investment project.

That means:

- Gather data to facilitate the local situation comprehension about:
 - A. existing entities who deal (or could deal) with WSS within the vicinity (and, if it appears to be a suitable option at short or middle term, within the whole country and internationally).
 - B. existing or predictable gaps to be filled (technical, financial, human resources, juridical, institutional, interpersonal, etc.)
 - C. existing local WSS infrastructures (capacity, state, localization, property, etc.)
 - D. local stakeholders and beneficiaries needs (technical, financial, etc.)
 - E. governance wishes and constraints
 - F. contractual habits
 - G. extra financing needs and possibilities
- Regularly report (bi-monthly) to ADA and OiEau
- Act as direct contact of the authorities and stakeholders and facilitate discussions in order to build a consensus before full development of the selected solutions.
- Presentation to donors of the 3 files for investment development will be managed by beneficiaries and/or EU4EnvW&D programme partners, but participation to presentation meetings could be required.

2.4 Expected deliverables and timeline







Within the scope of this assignment the following documents should be delivered:

- An inception report precising the operator selection process in line with Moldovan regulation and at least 3 infrastructure development projects to be supported. In addition, the related data collection need will be described as the results of the first meetings with the main stakeholders,
- Documents for the selection procedure of WSS service operator for managing the infrastructure in the villages in the South of Nirnova River basin, including technical and financial specifications for operating in particular the new water supply investments.
- At least 3 files in order to support progresses in financing new infrastructure.
- A full and up-to-date report of all relevant data gathered, including the results of the meetings with the main stakeholders,
- A final report including recommendations for the organisation of the transition period with the new operator and further development of WSS master plan implementation.

Deliverables can be amended or specified for the purpose of the assignment. Time of delivery can be amended at the proposal of the company and approved by ADA.

Copies of all expected deliverables will be provided electronically (by email) in English and Romanian (only the Tender documents for selection of WSS service operator will be provided in Romanian) to ADA (approved deliverables in one hard copy will be sent to ADA office in Chisinau). The outputs/documents format must be compatible with existing ADA software.

Nº	Deliverable	Time of delivery (months after inception date of the contract)
1	An inception report precising the operator selection process and 3 infrastructure development projects to be supported	3
2	Tender documents drafts for selection of WSS service operator for managing the WSS infrastructure in the villages in the South of Nirnova River basin, including mentioned documents in part 2.3.	5
3	Assignment Completion Report, including the final evaluation and selection of the company, draft contract, the contribution to the infrastructure development files and all relevant data gathered and stakeholder consultation report and up-to-date contribution to feed 3 case study for infrastructure development	10

2.5 Approach and methodology

Reported data will have to be up-to-date, complete, consistent, sourced, and assessed in term of quality and reliability.

The contractor will have to gather the main stakeholders and beneficiaries for listening, questioning, and building consensus.

The Contractor will have to gather model of tender dossiers and contracts in order to make the best possible synthesis adapted to the context.







The service provider will document the need for extra financing possibilities.

DATA SOURCES

1- The main data source will be constituted by the master plan developed under EUWI+ project. Draft report March 2021 is available on-line on wwww.euwipluseast.eu. Complete version available on demand.

2- Data provided by SWE

Solidarity Water Europe has been involved in Moldova since 2006, coordinating various projects (see in 1. introduction and background). The technical assessment done covers the whole basin territory. It includes an initial analysis of available water resources, water and sanitation infrastructure, as well as an inventory of WSS projects undertaken in the two rayons. Together with this diagnosis, were elaborated Village Fact Sheets which address the water resource and WSS infrastructure situation for each of the 30 villages.

In addition to this diagnosis which will be available for the consultant, SWE will provide the following documents:

- "Updating the Economic Development Strategy and attracting investments in the sanitation field for the Nirnova basin", 2013, EcoExpert SRL. Including maps of proposed alternatives for sanitation in Nisporeni rayon
- Prefeasibility Study of water supply and sanitation in the villages of Nisporeni rayon with a focus on collective solutions, 2008, VITANSIA SRL.
- A GIS of the basin including all the existing information for each village

Moreover, the members of the SWE in Moldova team will be ready to cooperate with the consultant for technical clarifications, information exchanges and support to the participatory approach. They will support the consulting office in reaching the local stakeholders such as the mayors, local elected, school directors and/or teachers and provide information on the localisation of different water sources and infrastructure elements.

3- Field data gathering

Thanks to his **presence on the field**, the contractor is expected to have (or get) and keep up-to-date database about every theme of the project

4- Publications, specialized press, other study reports.

All activities under this service are designed and will be implemented in accordance with principles of human rights, gender equality, good governance, and the inclusion of socially deprived groups.

3. Procurement and contracting modalities

For the procurement of these services **Austrian Public Procurement Law** is applied (Austrian Federal Public Procurement Act, PPA2018) and a **direct award procedure** (single tender) conducted. ADA acts as Contracting Authority.

Several bidders will be invited to submit an offer, also the call for proposals will be published on the Programme's webpage and social media.







ADA will enter into a service contract with the selected best bidder. For this purpose an ADA standard contract will be concluded (see Annex to these ToRs).

Subcontracting: Persons who are not employed by the bidder are to be considered as subcontractors (persons working e.g. on the basis of service contracts, free employment contracts or the like). The bidder shall specify in its offer all parts of the services which it intends to subcontract and name the subcontractors.

4. Eligibility criteria

The bidder must meet the following eligibility criteria:

4.1. Legal authorization: The bidder must be authorized (according to the law of Republic of Moldova) to provide consulting services.

<u>Required proof:</u> business license or certified excerpt from the register of companies or other documents as foreseen by the law.

4.2. Professional reliability: The bidder is professionally reliable if there is no reason for exclusion pursuant to § 78 para of the PPA.

<u>Required proofs:</u> extract from the Register of Companies (not older than three months) or equivalent certificate issued by a court or an administrative authority of the bidder's country of origin.

4.3. Financial and economic capacity¹: The financial and economic capacity of the bidder is fulfilled if the following minimum requirements are met: the average annual turnover for the last 3 years should be equivalent to EURO 30,000.

Required proofs: extract from the company's accounts.

- **4.4 Technical capacity**²: The technical capacity of the bidder is fulfilled if the following minimum requirements are met:
 - Minimum 7 years of general experience in fields related to consultancy and at least 1 consultancy service contract value of EURO 20,000 are available;
 - At least 5 years of experience in the professional field in Republic of Moldova;
 - Experience of consultancy in water resources management will consider a strong advantage;
 - Experience gained during the participation in international projects of similar complexity;
 - Proven skill to complete projects on time, and within the budget and with a high level of professionalism

The following key personnel are available, and minimum requirements are met:

1. Team Leader

- University degree in civil engineering, or other related fields
- 10 years of work experience
- 5 years of experience in similar projects and assignments
- Excellent organizational, analytical and communication skills

^{1,2} In the case of bidding consortia, these minimum requirements must be met at least by all members jointly; if subcontractors are involved, at least by bidder and subcontractor(s) jointly. It is not necessary that each individual bidder in a consortium/each subcontractor fulfills these minimum requirements.







- Knowledge of water supply and sanitation and water resource management legislation of Republic of Moldova
- Knowledge of water supply and sanitation infrastructure development and management
- High capacity to solve challenging issues
- Proven experience in developing and submitting reports in Romanian and English
- Excellent knowledge of Romanian and good knowledge of English, knowledge of other minority language will be considered as asset.

2. Economist/financial/procurement expert

- University degree in economy, financial or other related fields
- 7 years of work experience
- Good knowledge of Moldavian national legislation on water supply and sanitation, water tariffs, economy in water management field
- Good knowledge of the structure of WSS service operators in Moldova
- Proven experience in developing tender documents and procurement process experience
- Excellent analytical skill
- Excellent knowledge of Romanian, knowledge of English and other minority language from Moldova will be considered as asset.

3. Legal expert

- University degree in law, public administration, or other related fields
- 5 years of work experience
- Proven experience in consulting services for regionalization of the WSS services
- Proven experience in working with local public authorities on legal aspect of WSS service development/regionalization
- Knowledge of water supply and sanitation infrastructure development and management
- Good knowledge of national water resources management field and water supply and sanitation legislation, regionalization of WSS service
- Excellent analytical skill
- Excellent knowledge of Romanian, knowledge of English and other minority language from Moldova will be considered as asset.

To prove the eligibility the bidder may submit the required proofs with the offer. The actual eligibility proofs must then promptly be provided upon ADA's request. In any case, the proofs will be requested from the best bidder before the contract is awarded.

5. Award criteria and selection process

The contract is awarded to the **technically and economically most favourable bidder (best value for money).** The submitted offers will be evaluated according to the following criteria and weighting.

Quality 80%

1	Specific experience of the Consultant relevant to the assignment		
2	2 Adequacy of the proposed methodology and work plan in responding to the Terms of		
	Reference		
3	3 Key professional staff qualifications and competence for the assignment		







In particular the following aspects are relevant under criterion 1: experience with applying the national legislation in water supply and sanitation and consultation of local public authorities and stakeholders in the WSS field.

Price 20%

4	Total financial offer	20 %

Required proofs: the following proofs serve as basis for the evaluation and **must be submitted** with the offer:

- Description of participation in projects with similar complexity and within proposed budget (0.5 page maximum per project description)
- Technical approach and methodology for implementation of the assignment (2 to 5 pages expected)
- Work plan (e.g. Gantt Chart format) 1 page expected
- CVs of experts in English or Romanian (proposed staff), which will also contain information of degrees and professional/expert certification obtained (if any), previous experience in other projects with description of task/objectives, personal involvement
- Financial Offer signed (1 page expected)
- Recommendations from other beneficiaries/donors (at least 1 recommendation)

Calculation method

Evaluation of the offer will be done on the basis of the quality-related award criteria. For each quality criterion, a score of 0-100 can be achieved.

<u>Quality Criteria</u>: offers are scored in a manner that the offer with the highest score in the criterion obtains the maximum number of points and each next offer the proportionally lower number of points according to the following formula:

Points quality criterion = (Individual score of the offer / score of the offer with the highest score) x weight

<u>Price Criterion:</u> offers are scored depending on the prices offered in the financial offer in the manner that the offer with the lowest price obtains the maximum number of points and each next offer the proportionally lower number of points according to the following formula:

Points Price Criterion = (Lowest price/price of offer) x weight

Calculation of total points:

Total points = Points Quality Criterion + Points Price Criterion

The best offer is the offer with the **highest number of total points/%**. If the number of total points is the same for more than one bidder, the offer with the lowest total price (amongst these bidders) shall be the most favourable offer.

Upon completion of the evaluation ADA reserves the right to negotiate with the bidder with the most favourable offer (highest ranking). ADA may conduct negotiations with more bidders if the outcome of the evaluation procedure did show only minor differences between the offers or the negotiations with the bidder with the highest-ranking lead to no contractual basis within a reasonable period of time.

ADA will notify all bidders of the award decision.







6. Processing of Personal Data

During initiation and performance of contracts, ADA may process personal data of natural persons that are collected by ADA or transferred or disclosed to ADA by prospective contractors or third parties under their instruction, e.g., personal data of employees, legal representatives, agents or other partners of the prospective contractors or such third parties. By submitting information to ADA, you, as a prospective contractor, acknowledge:

- to have taken note of ADA's Privacy Notice https://www.entwicklung.at/en/mediacentre/privacy-notice ('ADA Privacy Notice');
- to ensure that each direct or indirect transfer or disclosure of personal data to ADA during the initiation or performance of a contract is lawful pursuant to applicable data protection law;
- to ensure that all persons, whose personal data are transferred or disclosed to ADA, were promptly and demonstrably provided the ADA Privacy Notice; and
- that if a contract is concluded and in accordance with its terms, ADA publishes, in particular on the ADA website, information about the contract and the contracting parties.

7. Preparation and Submission of offers

Interested bidders are invited to submit an offer in English language. The offer must consist of the following parts:

7.1 Technical offer

- Description of the company, including the experience in similar assignments and experience in implementation of projects financed by donors
- Approach and methodology for implementation of the assignment, including Work plan
- CVs (<u>obligatory in English or Romanian language</u>) of the experts/staff with the description of the experience in similar assignment and the assigned position according to these ToRs.

7.2 Financial offer

The financial offer must include the total amount for implementation of the assignment, including the specified costs of experts (specify the workload in person-days for staff member), transportation, organization of meetings, all other costs for successful implementation. The total cost must include all the taxes (income, social security, medical insurance, etc.) **excluding VAT**. The financial offer **must be provided** according to the format presented in table below and **must be signed** by responsible person (team leader, director, etc.).

The ceiling for the present tendering procedure is a maximum amount of €50.000.

Financial offer format (**NO other format will be accepted**) – in yellow required fields.

Items	Description	Unit	Cost per unit	Number of units	Total cost
(key expert fees,		(day, month, km,	(EURO)		(VAT 0%)
transportation,		etc.)			
consumables, etc.)					

Incomplete or not signed offers will be rejected without announcing the bidder.







7.3 Proofs

The bidder may be requested to present the proof of the average turnover after the announcement of the winner.

The winner will present the excerpt from the Criminal Records that shows that the persons responsible for managing (including authorized representatives) have not been criminally convicted (excerpt not older than six months) or an equivalent document issued by a Court or an Administrative Authority of the bidder's country of origin).

Offers must be addressed to: Andrei Ursache, e-mail andrei.ursache@ada.gv.at

Questions can be addressed by E-mail to: Andrei Ursache, andrei.ursache@ada.gv.at the latest until 4 July 2023.

Deadline for submission of offers is Monday, 7 July 2023 at 17:00.