



MINISTERUL AGRICULTURII ȘI  
INDUSTRIEI ALIMENTARE  
AL REPUBLICII MOLDOVA

MINISTRY OF AGRICULTURE AND  
FOOD INDUSTRY OF THE  
REPUBLIC OF MOLDOVA



UNITATEA CONSOLIDATĂ PENTRU IMPLEMENTAREA PROGRAMELOR IFAD  
THE CONSOLIDATED UNIT FOR THE IMPLEMENTATION OF IFAD PROGRAMMES

## Terms of Reference:

### National service provider on Agricultural Equity Fund (AEF) Scoping and Interim Design Study

The Rural Financial Services and Agribusiness Development Project (RFSADP), financed by the International Fund for Agriculture Development and implemented by Consolidated IFAD Program Implementation Unit, is designed to contribute to reducing rural income poverty in Moldova, through promoting access to a full range of appropriate and mainstreamed financial services, with a particular emphasis on products that support the development of sustainably improved incomes for the most vulnerable and poorest groups in rural areas.

#### Background

The Project would support the development and initial operation of an Agribusiness Equity Fund (AEF) through the life of the Project (2011-2016), which is designed to find financial instruments other than debt financing/credits.

The rationale for the establishment of AEF is the growth-oriented agricultural Small and Medium Enterprises (SMEs) lack of own capital to finance expansion of their agricultural activities. The lack of equity has two negative effects: one is that it often leads to too high loan gearings, which often make the investments rather risky. Another is that a high loan gearing requires a high degree of collateral, which the SMEs may not be able to provide.

The main target group for the equity activity is SME agribusinesses within agricultural value chains prioritised by RFSADP covering: vegetables, fruits, intensive livestock, and rural value adding and farm services.

As a means to start the process of formation of the AEF, the RFSADP would commission an initial Scoping and Interim Design Study, conducted by international consultant. The National Service Provider will assist international consultant in conducting the study.

#### Tasks of the assignment

The national service providers would assist the international consultant with the **following tasks**:

- Settle meetings with institutions (financial institutions, ministries, international institutions, other) that can provide data of the need for such a fund in Republic of Moldova, the constraints faced by rural SMEs in attempting to raise finance to further develop after their successful launch.
- Provide assistance in studying the legislative framework under which such a fund could operate, deliver the law/decisions in force under which equity funds are currently used, settle meetings with relevant institutions.
- Provide assistance in selection of SMEs/focus groups for discussion and interviews, settle meetings and organize field trips, if needed.
- Provide assistance in data collection and analysis to quantify the financial resources needed for continued development of rural SMEs.
- Assist international consultant in drafting the business plan for the establishment of the equity fund in Moldova.
- Provide assistance in preparing a power Point presentation and organisation of a training session/presentation on facilities of the proposed equity fund.

#### Deliverables and timeframe

The timeframe for this assignment is tentatively July-August 2012. The service assistance presumes a number of working days divided into different periods of time, linked with international consultant missions to Moldova. The CPIU-IFAD will inform the tentative agenda for these visits.

## Requirements for Experience and Qualifications

- Extensive qualifications in finance, banking or related university level qualification;
- Have experience in the field of agricultural businesses financing;
- Sound knowledge of equity financing is a pre-requisite;
- Good command of spoken and written in English.

## Documents to be included when submitting the proposals

Interested service providers (consulting companies) should submit their applications, consisting of the following documents/information to demonstrate their qualifications:

- Technical Proposal: explaining why they are the most suitable for this kind of work;
- Personnel CV including past experience in similar projects/assignments;
- Detailed Financial proposal (shall clearly specify the type of assistance and fee per day, costs for field trips, etc.);
- Reports, description of similar assignments, experience, etc.

## To be considered interested service providers would consider:

- The proposal which will include technical and financial offer for the presented assignment, **in separate sealed envelopes**, in original and a copy. The sealed envelope with technical proposal and the sealed envelope with financial proposal should be sealed in one envelope (**two envelopes in one common envelope**). The main envelope should indicate the name of the bidding and the name of the service provider.
- The **Financial Offer** will be provided in **US Dollars** by applying **0%VAT<sup>1</sup>**. Those companies or consultants who will fail to comply with this condition **will be disregarded during the bidding process**.

## The evaluation criteria

- The procurement of required services will be made in accordance with IFAD Procurement Guidelines, based on selection method "Quality and Cost-Based Selection (QCBS)", the final score obtained by each bidder being composed of 70% of the score for the parameter „Quality” (evaluated based on experience of the bidder) and 30% - score obtained for the parameter „Cost” (established based on financial bid).
- Provided technical offers will be examined to ensure that they would pass the minimum technical score of 70 points, to allow the opening of financial offers.
- The evaluation criteria and weighting:
  - A) Technical competence (academic qualification and competencies) - 40%; (evaluated based on technical bid).
  - B) Relevant experience - 30%; (evaluated based on technical bid)
  - C) Cost - 30%. (Established based on financial bid).

## Location and other aspects

- Payments will be disbursed in installments upon submission and approval of deliverables and certification by CPIU-IFAD coordinator, that the services have been satisfactorily performed.
- Proposal should be submitted at the following address: CPIU-IFAD, office 1305,  
162, Stefan cel Mare si Sfint bld,  
MD-2004 Chisinau, Republic of Moldova  
no later than **September 17<sup>th</sup>, 2012**.

Any request for clarification must be sent in writing by standard electronic communication to [office@ifad.md](mailto:office@ifad.md) or [marina.ianev@ifad.md](mailto:marina.ianev@ifad.md)

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<sup>1</sup> As per the GoM Decree no.246 dd. 08.04.2010 procurement of goods and services under the IFAD-funded programmes shall be carried out applying 0% VAT.