

# MILLENNIUM CHALLENGE ACCOUNT MOLDOVA (MCA MOLDOVA)

## JOB DESCRIPTION

### ACCESS TO AGRICULTURE FINANCE ACTIVITY CONSULTANT

*(Long term position)*

#### 1. MCA Moldova Compact Background

The Millennium Challenge Account (MCA) is an initiative of the United States of America (USA) to support policies and programs that advance a country's progress in achieving sustainable economic growth and poverty reduction. The Millennium Challenge Corporation (MCC) is a Federal Corporation tasked with managing and implementing development assistance provided globally by the USA. The key tenets of this assistance are the promotion of economic growth and elimination of extreme poverty.

Millennium Challenge Account Moldova (MCA Moldova) is a public entity established by the Moldovan Government to implement efficiently the Compact Agreement signed on January 24, 2010 with the Government of the United States of America, acting through the Millennium Challenge Corporation (MCC). The 2010-2015 Compact is a \$ 262 million grant provided for investments in transition to high value agriculture and improvement of road infrastructure in the Republic of Moldova in order to contribute to economic growth and poverty reduction

The goal of MCA Moldova is to provide assistance to the Moldovan Government through efficient implementation of the Compact according to the Agreement signed between the USA, acting through the MCC, and the Moldovan Government. MCA Moldova is governed by the Moldovan law, MCC agreements etc.

The Compact Program has two components: **(1) Transition to High Value Agriculture (THVA) Project**, aiming to increase rural incomes by stimulating growth in irrigated high value agriculture; and catalyze future investments in high value agriculture by establishing a successful and sustainable model of irrigation system and water resource management and a conducive institutional and policy environment for irrigated agriculture; and **(2) Road Rehabilitation (RR) Project** with the objective to increase incomes of the local population by reducing the cost of transport, goods and services; reduce losses to the national economy resulting from deteriorated road conditions; and reduce the number of road accidents through improved traffic conditions.

More information about the Compact, THVA and RR Projects can be found at:

<http://mca.gov.md> and

<http://www.mcc.gov/pages/countries/overview/moldova>

#### 2. THVA Project Overview

The objectives of the Transition to High Value Agriculture (THVA) Project are to: (i) increase rural incomes by stimulating growth in irrigated high value agriculture; and (ii) catalyze future investments in high value agriculture by establishing a successful and sustainable model of irrigation system and water resource management and a conducive institutional and policy environment for irrigated agriculture.

The THVA Project consists of four reinforcing and integrated activities that, when implemented together, address the key constraints facing Moldovan producers: lack of reliable water, lack of financing for post-harvest infrastructure and for on-farm irrigation/HVA investments, lack of access to markets and technologies, and lack of know-how. The THVA Project will increase the ability and willingness of farmers to make the transition to higher value fruit and vegetable production. By addressing infrastructure and institutional/market constraints, the THVA Project will break the vicious cycle of poor water service, low water tariff revenue, underinvestment in irrigation system maintenance, and low investment by farmers in high value agriculture (resulting in low agricultural incomes). The THVA Project provides the first opportunity to pilot a set of institutional and management reforms, together with much needed infrastructure rehabilitation that will set the stage for future investment and enable Moldova to benefit from its natural comparative advantage in agriculture.

The THVA Project consists of the following activities:

- **Central Irrigation System Rehabilitation Activity (CISRA):** Rehabilitation of up to 11 irrigation systems covering a command area of up to approximately 15,500 hectares;
- **Irrigation Sector Reform Activity (ISRA):** Provision of technical assistance and capacity building to (1) support legal transfer of management and operations of MCC-rehabilitated systems from the Government to Water User Associations (WUAs), (2) improve water resource management, including establishment of a modern water rights system, and (3) ensure the legal and institutional framework needed for private and/or donor investment in the irrigation sector;
- **Access to Agricultural Finance Activity (AAFA):** Provision of long-term financing to support HVA-related investments by farmers and entrepreneurs – specifically for post-harvest infrastructure. A description of AAFA is provided below;
- **Growing High Value Sales (GHS):** Market development support, technical assistance and training to help producers and agribusinesses better access high value agriculture markets and support the shift to HVA at the production and postharvest level. GHS is one of the components of the Agricultural Competitiveness and Enterprise Development Project (ACED), a project jointly funded by MCC and USAID and administered by USAID.

### **2.1. Access to Agricultural Finance (AAF) Activity**

As it was stated above, the objective of the AAF Activity is to provide long-term financing needed to support increased investment in the high value agriculture supply chain to facilitate transition to HVA, with particular focus on serving farmers and enterprises operating in the irrigation systems targeted for rehabilitation. Improved sorting and packing of produce, and the ability to extend the production and marketing season, can assist Moldovan producers to become more competitive in domestic and export markets and to sell their production at a higher price. However, with virtually no domestic sources of long-term funding and little ability to access international debt markets, Moldovan financial institutions largely lack the ability to lend for investments in the high value agriculture supply chain for periods longer than three

years. To address this constraint the AAF Activity is designed to come with two major Sub-Activities:

- 1) ***The High Value Agriculture (HVA) Post-Harvest Credit Facility*** that through Moldovan financial institutions, will provide term financing (three to seven years) needed to support increased post-harvest supply chain investments to facilitate transition to HVA, with particular focus on serving farmers and enterprises operating in the irrigation systems targeted for rehabilitation; and
- 2) ***Investment Development Services (IDS) that*** will be provided on a demand-driven cost sharing basis through Moldovan investment development service providers to those producers, producer groups and rural entrepreneurs interested in developing post-harvest investment projects and obtaining loans for them via the HVA Post-Harvest Credit Facility.

Additional details on how the AAF Activity will be implemented are provided in Annex 1 of the Compact (available at following link: [http://mca.gov.md/ro/activities\\_Tr.html](http://mca.gov.md/ro/activities_Tr.html) ).

The Implementing Entity (IE) for the AAF Activity is the Credit Line Directorate (“CLD”), which is a structure of the Ministry of Finance (program management unit) specifically created to manage multiple donor credit lines for agriculture through the banking system of Moldova. The management of the AAF Activity will take place jointly by the CLD and MCA Moldova. Loans will be provided on a “back-to-back” basis (loans to Participating Financial Institutions (PFIs) are made against, and are mirroring terms of, PFI loans to end-borrowers). PFIs take all repayment risk, with the obligation to repay loans regardless of the performance of the end borrowers. PFIs make their own underwriting decisions, subject to eligibility requirements stipulated by MCA Moldova and MCC in the HVA Post-Harvest Credit Facility Policy and Procedures Manual (PPM).

The primary benefit of the HVA Post-Harvest Credit Facility is not to subsidize lending by financial institutions or investment by end borrowers, but instead to provide longer-term funding which is otherwise not available in the Moldovan financial markets. An approximate market-based rate is established and adjusted on new and existing credits every six months, according to the process and methodology outlined in the PPM. The full list of eligible investments is provided also in the PPM. The specific determination of interest rates is done in a manner consistent with a positive premium for the provision of term financing, and in a manner which prices loans not significantly below market rates.

The AAF Activity was planned to be implemented in two phases: a pilot phase (up to \$4.5 million) that would be evaluated in order to decide whether to scale up to the second phase (\$8 million). The pilot phase has come to a close, and while it has been deemed impossible to rigorously evaluate the pilot phase of lending, MCC approved continuation of the AAF Activity contingent on 2 main changes: 1) a regional focus to target areas where MCC is investing in the rehabilitation of irrigation systems and 2) improved outreach and targeting for farmers’ groups and women owned enterprises.

### **3. Description of Assignment**

#### **3.1. General Description and Scope**

The incumbent will act as Access to Agriculture Finance Activity Consultant (AAFAC), a position that reports directly to the MCA Moldova THVA Project Director.

The scope of the assignment is to provide full support within the MCA Moldova legal and policy framework to effective implementation of AAFA towards its overall objective to catalyze private investments in post-harvest infrastructure, as well as to contribute improving the access of target beneficiaries, including women-owned enterprises, to agriculture finance.

### **3.2. Position Tasks and Responsibilities**

The main tasks and responsibilities of AAFA Consultant include, but are not limited to the following:

1. Provide support to and work closely with THVA team in overall management and implementation of AAFA, as well in cooperation on AAFA related activities with MCA Moldova, MCC and MCC contractors, CLD, PFIs, ACED Project, IDS Providers, AAFA beneficiaries and potential applicants and groups of applicants, MCA Moldova partners/contractors/implementers, sector NGOs, central & local government authorities, international donors/development partners, media institutions and other interested stakeholders to ensure that AAFA specific targets and objectives are met and that AAFA supports the THVA Project objectives;
2. Review the current AAFA outreach strategy/work plans/budgets/timeline and contribute to initiation & development of necessary improvements/updates, as well as develop and/or actively participate in implementation of specific activities/events in line with strategy/work plans mentioned above aiming to (i) expanding the AAFA clientele base within the AAFA eligibility area, (ii) attracting into the credit program of new & existing MSMEs, with primary focus on women-owned enterprises, groups of potential beneficiaries, associations of producers/farmers/traders/exporters, cooperatives and other individual/group players operating within or entering the HVA value chain and (iii) ensuring efficient knowledge/information exchange between interested stakeholders, as well as with media institutions.
3. Continuously monitor (i) the implementation of AAFA outreach strategy, operational work plans and specific activities/events and (ii) the nature of AAFA outreach materials distributed to/issued by MCA Moldova's partners and media institutions. Also, in order to make sure AAFA is efficiently and effectively outreached, the AAFA consultant is expected to identify deficiencies, errors, mistakes and/or detect situations that might negatively impact the image and reputation of MCA Moldova and/or Compact Program and develop/propose adjustments/improvements/reactions to efficiently contribute to reaching the objectives mentioned in the paragraph above
4. Oversee private sector outreach and explore new opportunities for increased funding and/or investment across the THVA portfolio.
5. Contribute to development/update and implementation of gender due-diligence of AAFA beneficiaries to better understand gender aspects/indicators related to AAFA;
6. Monitor the economic condition/profile of AAFA target beneficiaries, initiate/organize or participate at meetings/events with potential borrowers in order to better understand the changing nature of their business, investment/credit needs and promote & explain the business development opportunities offered through the Compact credit program and ACED technical assistance;
7. Liaise with Public Relations & Communication and Social & Gender staff of MCA Moldova, AAFA borrowers, CLD, PFIs, ACED Project, IDSPs and other interested parties to identify the best ways for efficient communication with potential borrowers,

including women entrepreneurs, in order to catalyze their entrepreneurship incentives, help them define short/medium/long term business objectives and ways to achieve them, formulate needs, join efforts to access promising opportunities and specifically, look for necessary funding & technical assistance providers;

8. Provide support to development & update of AAFA content on MCA Moldova web site [www.mca.gov.md](http://www.mca.gov.md);
9. Participate at meetings, conferences, trainings, workshops, round tables, exhibitions and other public events, make public presentations on AAFA related topics, as requested;
10. Participate in AAFA related procurement processes in coordination with the THVA Project Team and Procurement Agent;
11. Provide support to THVA team in development/review/update of MCA Moldova/THVA/AAFA related documents, QDRPs, Procurement Plans, SOWs/TORs, memos, progress and other reports/information/documents, as requested;
12. Provide support to the THVA Project Director as needed in management and legwork for THVA priorities across the portfolio.
13. Provide support to THVA team in matters related to monitoring of performance and quality of AAFA implementation, specifically to address operations of Credit Facility. Specifically, the AAFA Consultant will review loan documentation of AAFA potential beneficiaries, develop/review draft Loan Refinancing Agreements and amendments, loan disbursement documents, develop & implement AAFA Loan Monitoring Plan, review CLD progress reports, monitor AAFA loans, perform on-site visits to AAFA beneficiaries, develop & update AAFA loan database;
14. Report to MCA Moldova THVA Project Director on implementation of AAFA outreach strategy and execution of other position tasks and responsibilities;
15. Perform other tasks and responsibilities related to AAFA as requested by the THVA Project Director.

#### **4. Qualifications and Experience**

Requirements towards qualifications and experience for the MCA Moldova AAFA Consultant are the following, subject to evaluation per applicant:

- 4.1. Education.** A university diploma in the field of banking, finance, economics, management, business administration or a related field. Graduate degree would be a strong advantage.
- 4.2. Work Experience.** Proven experience of at least 7 years in banking, finance, microfinance, financial management and/or management consulting. Coordination, planning, monitoring, analysis, evaluation, scoring, reporting and other management experience in banking/finance/management. Excellent knowledge of credit risks, risk analysis/evaluation/scoring techniques, risk management, business planning.
- 4.3. Knowledge and Skills.** Working knowledge of gender and MSMEs issues in access to finance. Working knowledge in public outreach (communication/training) in banking/finance/microfinance/management. Excellent oral and written

communications skills in Romanian, English and Russian. Ability to read/listen, analyze and interpret economic/banking/financial data/articles/interviews and legislation. Ability to work effectively individually and in a team environment, on multiple tasks and under time pressure. Ability to make public presentations and deliver trainings. Ability to efficiently present information and answer questions from managers, clients, partners and general public. Ability to work with business community, NGOs, International Finance Institutions, commercial banks, microfinance institutions, development partners. Computer literate (Windows, MS Word/Excel/PowerPoint, MS Project, MS Outlook, Internet).

- 4.4. Past Performance.** Demonstrated track record of effective management and/or successful implementation of access to finance projects, credit risk analysis and management. Project/program/activity management experience. Demonstrated performance on development and/or implementation of legal, strategic, operational documents related to rural finance, banking, credit evaluations, loan portfolio analysis, risk management.
- 4.5. Additional requirements.** Be a citizen of the Republic of Moldova, or a resident of the Republic of Moldova holding an appropriate work permit. However, qualified non-residents of the Republic of Moldova are also encouraged to apply. Assistance in obtaining a work permit will be provided if needed. Be of outstanding character and integrity. Be free of all conflicts of interest and committed to protecting the integrity of the program.

## 5. Remuneration

The salary offered for this position will commensurate with the successful candidate's experience and is expected to be within the competitive range of similar positions for local hires of International Financial Institutions in Moldova.

## 6. Instructions for expression of interest

- 6.1. To be considered, applicants must **submit the following information** in English:
- **Cover Letter** (maximum three pages) addressing applicants ability to perform the assignment described above;
  - **Curriculum Vitae**, not to exceed five (5) pages, showing at a minimum, the applicant' educational background including degree(s) obtained professional experience in reverse chronological order, language proficiency, and any other relevant professional information. When describing professional experience in managing relevant scale projects/activities, an applicant should list the project names and dates, applicant specific roles and responsibilities, and the name and contact information for applicant's supervisor (telephone and e-mail). Names and contact information (telephone number(s) and email address) of three professional references are required. Please clearly state the relationship of the professional reference to the applicant (e.g., supervisor, former colleague, other).
- 6.2. **Deadline** for receipt of the aforementioned information is May 5, 2013, 17:00 Chisinau time. Complete application packages must be sent by either:

- Mail to Millennium Challenge Account Moldova, 21 Nicolae Iorga street, office #4, Chisinau, Republic of Moldova, tel: +373 22 85 22 99; and/or
- Email to: [office@mca.gov.md](mailto:office@mca.gov.md)

6.3. **Applications.** If applications are sent *by mail*, the application package must be sent in an A4 envelope that is marked with a reference. That reference shall include the name of applicant or any other single reference chosen by the applicant.

An *email* application should specify the position name the applicant is applying for in the subject line of the email message. The application documents should be submitted as attachments in PDF format.

***Applications submitted by fax will not be accepted.***

6.4. **Short-listed applicants** will be contacted for interviews. Questions, comments or other inquiries from applicants prior to formation of the short-list will not be accepted, except for confirmations of mail/email receipts.

6.5. **MCA Moldova reserves the right** to contact applicant's listed references and any other relevant references that may aid MCA Moldova in evaluating the applicant's qualification and suitability for the position.