**TERMS OF REFERENCE**

**Consultancy Services for *Diagnostic analysis on the sustainability of the Romanian agriculture***

# Background information

The Government of Romania has received a loan from the International Bank for Reconstruction and Development (IBRD) to support the implementation of the Rural Pollution Prevention and Reduction Project (RAPID Project).

RAPID Project is an initiative aimed at addressing environmental challenges in the rural areas of Romania. Focused on mitigating pollution and promoting sustainable practices, the project seeks to safeguard the country's rural landscapes, preserve natural resources, and enhance the overall well-being of local communities.

The Loan 9505-RO for the Project was ratified by Romania by the Law no. 332/2023 on November 7th, 2023 and it became effective on December 13th, 2023. The Project closing date is June 30th, 2028.

The objectives of the project are to strengthen the institutional capacity of selected public entities, monitor pollution in agriculture, and transfer knowledge on agricultural pollution reduction to participating farmers. The project consists of three components:

1. **Modernization of Public Institutions:** Enhance the institutional capacity of the Ministry of Environment, Waters, and Forests (MEWF) to monitor, evaluate, and report investments, including those related to environmental aspects of the National Recovery and Resilience Plan (NRRP). This involves increasing the national capacity for monitoring, prevention, and reduction of pollution from agricultural sources in rural areas, including the National Administration "Romanian Waters" (ANAR), the National Phytosanitary Authority (ANF), and the Directorate for Land Consolidation and Land Fund (DLILF) within the Ministry of Agriculture and Rural Development (MADR).
2. **Knowledge Exchange and Awareness:** Facilitate knowledge exchange, awareness, and information/innovation transfer to participating farmers. This includes establishing model farms to promote best agricultural practices for pollution prevention and reduction. The project also involves creating national knowledge transfer networks and conducting information and awareness campaigns for the public regarding project activities, including other environmentally-focused interventions funded under NRRP.
3. **Project Management:** Ensure effective project management to oversee and coordinate the various components and activities outlined in the project.

The Project aims to create a comprehensive framework for addressing agricultural pollution in Romania, involving institutional capacity building, knowledge dissemination, and active participation of farmers in adopting sustainable practices.

As part of the efforts for developing sustainable agricultural policies, it is foreseen that the Project will support the Directorate of Land Improvements and Land Fund (DLILF) from the Ministry of Agriculture and Rural Development, with the preparation of a comprehensive diagnostic analysis on the intricate relation between environment and the Romanian agriculture. Prior to the elaboration of the diagnostic analysis, there is a need of wide-ranging screening of the obligations that Romania has at national, EU and international level, considering the existing national and EU legislation, and international obligations as set in various multi-lateral environmental agreements. The diagnostic analysis should consider for assessment several areas, such as climate change adaption and mitigation, biodiversity conservation, sustainable water management and pollution, and identify investment needs to accommodate the agricultural policies to environmental obligations.

**Definitions of terms:**

The Project – represents the Rural Pollution Prevention and Reduction Project, referred to as the "RAPID" Project

MEWF – Ministry of Environment, Waters and Forests

PMU – Project Management Unit – represents the unit established within the Ministry of Environment, Waters and Forests, that manages the implementation of the Rural Pollution Prevention and Reduction Project

DLILF - Directorate of Land Improvements and Land Fund

The Contract – represents the contract to be signed with the awarded Consultant

The Client – is the Ministry of Environment, Waters and Forests through the PMU for RAPID.

The Beneficiary – is the final beneficiary is the Directorate of Land Improvements and Land Fund from the Ministry of Agriculture and Rural Development (DLILF)

The Consultant – the legal organisation or a consortium of legal organisations that will be selected, based on the present Terms of Reference, for the scope of services and tasks as required herein.

# 2. Objectives of the assignment

**2.1 General objective**

To develop a comprehensive diagnostic analysis on the intricate relation between environment and the Romanian agriculture.

**2.2. Specific objectives**

General objective of the assessment will be achieved via the following **specific objectives**:

1. To develop a synthesis of legislative provisions regarding the objectives, targets, reporting and monitoring of the implementation of environmental obligations in agriculture;
2. To identify pollution sources from agriculture and their impact on environmental factors (soil, water, air, biodiversity);
3. To identify climate change and climate risks with impact on soil, their impact on agriculture and mitigation action’s effectiveness;
4. To develop recommendations for increasing the capacity to monitor and evaluate the (positive and/or negative) impact of agriculture on the environment as well as for increasing the efficiency of environmental indicator reporting systems.

# 3. Scope of the Services:

Diagnostic analysis on the sustainability of the Romanian agriculture will support the Directorate of Land Improvements and Land Fund (DLILF) from the Ministry of Agriculture and Rural Development in fulfilling it’s monitoring and reporting obligations related to the agriculture’s impact on the environment.

To achieve the specific objectives stated above, the consultant will respond to the needs of the final beneficiary (DLILF), as follows:

*Specific objective A. To develop a synthesis of legislative provisions regarding the objectives, targets, reporting and monitoring of the implementation of environmental obligations in agriculture, including programs devoted to support environmental obligations targeting agricultural sector (including, but not limited to: CAP 2014-2020, NSP 2023-2027, national and regional programs, European programs and cross-border initiatives).*

*The consultant is expected to analyse the policy documents (European, national) in order to identify the environmental indicators used in monitoring and evaluating the impact of agriculture on the environment by relevant national and European institutions. Also, to analyse the degree of compliance between the indicators used by national institutions and the result and impact indicators used by the EU and provide methodological guidance for these indicators.*

This specific objective aims to meet the needs of DLILF related to the fulfilment of its duties of collecting/processing data regarding the annual reporting on the impact of agriculture on the environment and the effect of climate change on agriculture. According to these duties, DLILF:

* delivers annually information on the progress made in implementing the National Action Plan for the implementation of the National Strategy on Climate Change and Low-Carbon Growth;
* participates in the elaboration of information statements on actions for the protection of waters against nitrate pollution from agricultural sources and in the elaboration of the related report submitted to the European Commission;
* provides annually information on policies and measures regarding GHG emissions, considering the programs carried out to support environmental obligations targeting agricultural sector and the results obtained through the implementation of these programs;
* delivers annually the data and information necessary for the elaboration of the national inventory of greenhouse gas emissions of Romania (INEGES);
* provides annually the data and information necessary for the elaboration of the INEGES, the section on the estimation of the level of anthropogenic emissions from sources or removals by sequestration of all greenhouse gases within the subdomain of land use, land use change and forestry (LULUCF);
* provides the data and information necessary to carry out the missions of experts from the United Nations Economic Commission for Europe (UNECE) corresponding to the assessment of environmental performance in Romania in the field of climate change;
* annually provides the data and information necessary to prepare the Annual Report on the state of the environment in Romania, regarding phytosanitary products and fertilizers, namely: the amount of natural fertilizers applied in agriculture, agricultural area covered by fertilizers and its share on total utilised agricultural area; total consumption of pesticides / hectare, at national level; total consumption of phytosanitary products per hectare, at national level.

To achieve objective A, the consultant will take into consideration the relevant international, EU and national treaties, regulations and lows (an indicative, but not exhaustive list attached – Annex - *List of legislative provisions*), also considering the legislative proposals currently close to being approved at national and EU level, and implement the following activities:

a.1. Identification and analysis of European, national legislation and international treaties to which Romania is a signatory (in force and/or close to approval stage) that set environmental objectives with an impact on agriculture, in the medium and long term

Expected result: Comprehensive overview of the environmental objectives having impact on agriculture that need to be achieved and interim and final deadlines for their achievement

a.2. Identification of monitoring and reporting indicators regarding environmental obligations related to agriculture, according to regulations and legislation in force.

Expected result: Comprehensive overview of the requirements for monitoring and reporting on the implementation of environmental obligations related to agriculture and the indicators for tracking these requirements, including targets to be achieved and deadlines. The final beneficiary (DLILF) particularly expects to obtain:

* inventory of environmental indicators used in monitoring and evaluating the impact of agriculture on the environment by relevant national and European institutions including compliance between the indicators used by national institutions and the result and impact indicators used by the EU;
* *Catalogue of terms and indicators* (including their definitions and methodologies) regarding monitoring and impact of agriculture on the environment (1st draft).

a.3. Institutional analysis of the process of collecting and reporting environmental indicators related to agricultural sector.

 Expected result: Comprehensive overview of responsibilities for collecting, integrating and reporting environmental indicators related to agriculture, as well as specific institutional responsibilities at each stage of the process of monitoring and reporting progress in achieving environmental targets related to agriculture.

*Specific objective B. To identify pollution sources from agriculture and their impact on environmental factors (soil, water, air, biodiversity)*. *The consultant is expected to identify the sources of pollution from agriculture and quantify their impact on environmental factors (soil, water, air, biodiversity); to identify the mechanisms of pollution from agricultural sources that bring the greatest environmental harm and identify good practices that lead to the mitigation/reversal of the negative impact of agriculture on environmental factors.*

This specific objective aims to meet the DLILF needs to have a comprehensive view of:

* real impact of the Romanian agriculture on the environment
* effectiveness of policy measures to mitigating agriculture impact on the environment
* creating and implementing an integrated system for agricultural land management, including the consumption of agricultural inputs and the management of livestock manure
* identifying examples of good practice in sustainable agricultural land management.

To achieve objective B, the consultant will implement the following activities:

b.1. Proposing/adapting a methodology for quantifying the impact of agriculture on environmental factors (water, air, soil, biodiversity) that takes into account available statistical information and considering the environmental objectives and target indicators resulted from Objective A.

Expected result: Methodology for diagnosing the impact of agriculture on environmental factors (water, air, soil, biodiversity)

b.2. Diagnosis of the impact of Romanian agriculture on environmental factors in the last 10 years

Expected result:

* identification and analysis of the impact of agricultural pollution sources on soil;
* identification and analysis of the impact of agricultural pollution sources on air;
* identification and analysis of the impact of agricultural pollution sources on water;
* identification and analysis of the impact of agricultural practices on biodiversity;
* case studies in specialized (crop, livestock) and mixed farms and in different pedo-climatic conditions to quantify the impact of agricultural practices on the environment.

b.3. Case studies in farms that benefited from support for environmental impact mitigation in correlation with the target indicators identified on activities from previous objective implementation

Expected result: quantification of the results of support programs (specific measures) and identification of good practices in combating / reducing pollution from agricultural sources.

*Specific objective C. To identify climate change and climate risks with impact on soil (drought, floods, desertification, increase in temperature and frequency of extreme weather phenomena, etc.), their impact on agriculture and mitigation action’s effectiveness. The consultant is expected to analyse the impact of climate change on agriculture, including but not limited to, quality and ecosystemic functions of soil; to investigate the farmers’ perception of climate change and the necessity of adaptation / mitigation actions; to identify good practices that lead to the mitigation of climate change and risks at farm level.*

Specific objective C aims to meet the technical needs of DLILF in relation with their responsibilities resulted from Integrated National Plan for Energy and Climate Change (PNIESC) and other provisions related to the evaluation of the effect of climate change on agriculture and mitigation and adaptation of the sector to these changes and shocks. DLILF needs are:

* system for monitoring climate conditions and environmental risks at territorial level, assessment of these risks, monitoring the effects/impact of climate change on agriculture and promoting mitigation measures and response/adaptation to their effects;
* assessment of the effects of programs and measures implemented in the last 10 years regarding combating drought, desertification and degradation of agricultural soils;
* system for monitoring the result indicators generated by the actions to prevent and mitigate the effects of climate change included in the PNIESC and regarding the agricultural sector and rural area;
* cost-benefit analysis of support programs for irrigation water users in order to mitigate the effects of climate change;
* tools for monitoring, assessing and reporting GHG emissions from agriculture.

To achieve objective C, the consultant will implement the following activities:

c.1. Proposing/adapting a methodology for monitoring climate conditions and environmental risks that can impact or could be impacted (positively or negatively) by agricultural practices considering the EU climate neutrality objectives by 2050 and national targets identified during the implementation of activities for Objective A.

Expected result: Methodology for diagnosing the bidirectional relation between climate change and agriculture and measuring the climatic impact.

c.2. Diagnosis of the impact of climate change on the Romanian agriculture in the last 10 years, including a territorial approach based on pedo-climatic differentiation.

Expected result:

* analysis of the impact of climate change on agriculture, including but not limited to, quality and ecosystemic functions of soil, on each of the pedo-climatic area of Romania in the last 10 years;
* evaluation of the contribution of agriculture to climate change (GHG emission, absorption of CO2, production of Oxygen etc.);
* qualitative study on the perception of farmers regarding the need to adapt to climatic changes;
* case studies in specialized (crop, livestock) and mixed farms and in different pedo-climatic conditions to quantify the impact of climate change on agricultural practices.

c.3. Case studies in farms that benefited from support for climate change impact mitigation.

Expected result: quantification of the results of support programs (specific measures) and identification of good practices in combating / reducing climate change impact / risks on agricultural yields also considering the climate neutrality objectives.

*Specific objective D. To develop recommendations for increasing the capacity to monitor and evaluate the (positive and/or negative) impact of agriculture on the environment as well as for increasing the efficiency of environmental indicator reporting systems. The consultant is expected to propose recommendations for closing the gap between national and EU regulations related to reporting indicators in the area of impact of agriculture on environment; practical solutions for improving data management for the reporting indicators regarding the impact of agriculture on environment, including guidance for monitoring and reporting indicators; guidance of best practices for reduction the negative impact of farm practices on environmental factors and mitigation of climate change.*

This specific objective aims to deliver recommendations resulted from Legal framework and diagnostic analysis for increasing the monitoring and evaluation capacity of DLILF as following (but not limiting to):

* recommendations for improving the data management among the institutions responsible with collecting, compiling, monitoring and reporting the indicators related to fulfilment of Romania’s climate and environmental objectives. Finalising the *Catalogue of terms and indicators* (including their definitions and methodologies) regarding monitoring and impact assessment of agriculture on the environment and the reporting deadlines of indicators based on EU and national regulations;
* guide of best practices to be adopted for reduction of environmental impact of agriculture;
* guide of best farm practices to be adopted for mitigation of climate change and risks and increasing the contribution of agriculture to the reduction of climate change impact.

1. **Consultant’s Profile:**

The Consultant team will include at least the following key experts

Key expert 1 - Project manager;

Key expert 2 – Financial manager;

Key expert 3 - Team leader;

Key expert 4 – Expert on policy;

Key expert 5 - Expert on agronomy;

Key expert 6 – Expert on animal husbandry;

Key expert 7 - Expert on agri-environment;

Key expert 8 - Expert on climatology.

All the proposed key experts should have a relevant university degree in agricultural sciences, environmental sciences, engineering, finance/economics or any other relevant sciences. Previous experience in Romania or neighbouring countries, with World Bank, EU or other internationally funded projects will be considered an advantage.

**Key expert 1 - Project Manager** – with at least 10 years of experience in managing contracts / projects of at least (cumulative) 400,000 Euro budgets in agriculture / rural development, environmental profile is a trump card.

**Key expert 2 - Financial Manager** -with at least 7 years of experience in managing contracts / projects of at least (cumulative) 400,000 Euro budgets.

**Key expert 3 - Team-leader** –with at least 7 years of experience in the field of sustainable agriculture and environmental protection / including policy / programs / plans / strategies in the field of the current assessment.

**Key expert 4 – Expert on policy** - with at least 5 years of experience in the field of legal provision an agriculture and environment protection / climate legislation, including policy / programs / plans / strategies / projects preparation and/or implementation / statistics modelling is an advantage.

**Key expert 5 - Expert on agronomy** –with at least 5 years of experience in the field of agriculture, including policy and environmental issues / programs / plans / strategies / projects preparation and/or implementation / statistics modelling.

**Key expert 6 - Expert on animal husbandry** –with at least 5 years of experience in the field of agriculture, including policy and environmental issues / programs / plans / strategies / projects preparation and/or implementation / statistics modelling.

**Key expert 7 - Expert on agri-environment** –with at least 5 years of experience in the field of agriculture / environment, including policy / programs / plans / strategies / projects preparation and/or implementation / statistics modelling.

**Key expert 8 - Expert on climatology** –with at least 5 years of experience in the field of climate change. Experience in working on projects/contracts in the field of agriculture/environment, including policy / programs / plans / strategies / projects preparation and/or implementation / statistics modelling is expected.

The team will include at least the following **non-key experts**:

3 non-key policy exerts;

2 non-key experts on agronomy;

2 non-key experts on animal husbandry;

3 non-key experts on agri-environment;

3 non-key experts on climatology.

All **non-key experts**– will have at least 3 years of experience in the required fields of expertise.

# 5. Duration of the assignment

The Contract implementation is estimated at 16 months from the Contract commencement, with possibility of extension if all parts will agree in written, concluded through a Contract amendment.

The Consultant will commence their duties starting with a contract kick-off meeting organized in maximum two weeks after the contract signing.

# 6.Reporting

Reports, together with deliverables will be submitted **upon 15 working days** after each phase’ termination in English.

Reports will include a description of the activities performed during the specific phase in fulfilling the activities including minutes of coordination meetings organised together with the final beneficiary (DLILF). To each report, deliverables containing the results of the research activities will be attached.

Deliverables will consist of:

**Report 1 – in maximum 4 months after the kick-off:** Comprehensive overview of environmental objectives and institutional arrangements for reporting them. Report 1 shall include:

* 1. environmental objectives to be achieved by Romania and interim and final deadlines for their achievement;
	2. requirements for monitoring and reporting on the implementation of environmental obligations related to agriculture and the indicators for tracking these requirements, including targets to be achieved and deadlines, including first draft of the *Catalogue of terms and indicators* (definitions and methodologies) regarding monitoring and impact assessment of agriculture on the environment;
	3. responsibilities for collecting, integrating and reporting environmental indicators related to agriculture, as well as specific institutional responsibilities at each stage of the process of monitoring and reporting progress in achieving environmental targets related to agriculture.

**Report 2 – in maximum 8 months from the acceptance of Report 1**: Diagnostic analysis of the sustainability of Romanian agriculture. Report 2 shall include:

* 1. Methodological approaches for evaluating the impact of agricultural practice on the environment and climate change impact on farming;
	2. Analysis of the impact of agriculture (positive and negative) to the environment and climate change, including results of the qualitative study on the perception of farmers regarding the necessity to adopt to climate changes;
	3. Case studies overview for quantification of the results of support programs (specific measures) and identification of good practices in combating / reducing pollution from agricultural sources and climate change mitigation.

**Report 3 – in maximum 4 months from the acceptance of Report 2:** Recommendations. Report 3 shall include:

* 1. Improving the data management among the institutions responsible with collecting, compiling, monitoring and reporting the indicators related to fulfilment of Romania’s climate and environmental objectives;
	2. *Catalogue of terms and indicators* (definitions and methodologies) regarding monitoring and impact assessment of agriculture on the environment, including reporting deadlines based on EU and national regulatory framework (final version);
	3. Guide of best practices to be adopted for reduction of environmental impact of agriculture;
	4. Guide of best farm practices to be adopted for mitigation of climate change and risks and increasing the contribution of agriculture to the reduction of climate change impact.

All deliverables shall include representative tables and graphics as needed.

# 7. Institutional arrangements, Data, Local Services, Personnel and Facilities to be provided by the Client

The Client and Beneficiary will provide access to all existing data and information that are:

a) relevant to the scope of work, and

b) reasonably required by the Consultant to perform the tasks under this assignment.

The appointed Consultant will work in close cooperation with the specialists of the RAPID Project and final beneficiary of the assignment.

All reports and deliverables prepared by the Consultant will be submitted to the Authorized Representative of the RAPID Project Management Unit (PMU) and DLILF for prior analysis and for the approval by the commission nominated by the Client and final beneficiary for this purpose. All reports and deliverables will be submitted in one printed copy and in electronic format (Memory Stick – USB/email) in English.

As necessary, the Consultant will respond to comments from the Client and final beneficiary by modifying, amending or supplementing the reports and resubmitting them to the Client within the deadlines requested by the Client.

The Consultant may submit the invoices only after the PMU’s notification for the reports` approval.

Approval of the reports will constitute the basis for payments to the Consultant under the terms of their contract.

**Annex. List of legislative provisions (not exhaustive)**

1. Law No. 332/2023 for the Ratification of the Loan Agreement (Project for the Prevention and Reduction of Pollution in Rural Areas in Romania) between Romania and the International Bank for Reconstruction and Development, signed in Bucharest on April 6, 2023;
2. Law No. 293/2018 on the Reduction of Emissions of Certain Atmospheric Pollutants;
3. Government Decision No. 267 of April 24, 2019, on the Establishment of the National System for Reporting on Policies and Measures and for Reporting Projections of Greenhouse Gas Emissions and Removals;
4. Government Decision No. 643 of June 13, 2024, amending Annexes 1 and 4 to Law No. 293/2018 on the Reduction of National Emissions of Certain Atmospheric Pollutants;
5. Law No. 246 of November 10, 2020, on the Use, Conservation and Protection of Soil;
6. Directive (EU) 2016/2284 on National Emission Ceilings for Certain Atmospheric Pollutants;
7. Directive 2000/60/EC establishing a Framework for Community Action in the Field of Water;
8. Decision No. 406/2009/EC of the European Parliament and of the Council on the Effort of Member States to Reduce Greenhouse Gas Emissions;
9. Regulation (EU) 2018/842 on the Mandatory Annual Reduction of Greenhouse Gas Emissions by Member States for the Period 2021–2030,
10. Regulation (EU) 2017/625 on Official Controls to Ensure the Application of Food and Feed Law and Rules on Animal Health and Welfare, Plant Health and Plant Protection Products;
11. Directive 91/676/EEC on the Protection of Waters against Pollution Caused by Nitrates from Agricultural Sources, as amended by Regulation (EC) 1882/2003;
12. The European Green Deal and the Farm to Fork Strategy;
13. Climate Change Action Plan 2021–2025: Supporting Green, Resilient and Inclusive Development;
14. The Paris Agreement (2030 Agenda);
15. EU Soil Strategy for 2030 (COM (2021) 699);
16. Government Decision No. 964/2000 on the Approval of the Action Plan for the Protection of Waters against Pollution Caused by Nitrates from Agricultural Sources;
17. Government Decision No. 1,415 of November 14, 2024, defining Administrative Obligations in the Agriculture Subdomain and the Land Use, Land-Use Change and Forestry (LULUCF) Subdomain, part of the Climate Change Domain;
18. Government Decision No. 1,215/2023 on the Approval of Romania’s Long-Term Strategy for Reducing Greenhouse Gas Emissions—“Climate-Neutral Romania by 2050”;
19. Regulation (EU) 2018/841 of May 30, 2018, on the Inclusion of Greenhouse Gas Emissions and Removals from Land Use, Land-Use Change and Forestry Activities in the 2030 Climate and Energy Framework, amending Regulation (EU) No. 525/2013 and Decision No. 529/2013/EU;
20. Government Decision No. 1,076/2021 on the Approval of the Integrated National Energy and Climate Plan 2021–2030;
21. Government Decision No. 1,010 of August 14, 2024, on the Approval of the National Strategy on Adaptation to Climate Change for the Period 2024–2030, with a 2050 Perspective;
22. Government Decision No. 119 of February 8, 2023, on the Approval of the National Atmospheric Pollution Control Program;
23. Ministry of Agriculture and Rural Development – CAP Strategic Plan 2023–2027;
24. Ministry of Agriculture and Rural Development – National Rural Development Program 2014–2020.