**Hashemite Kingdom of Jordan**

**Ministry of Environment**

**HCFC Phase-out Management Plan for Jordan**

**Stage-II for Compliance with the 2016 control targets for Annex-C, Group-1 substances**

**Terms of Reference**

**For**

**Verification Report of the Annual Implementation Programs for 2019, 2020**

**Lump Sum contract**

#### Background and Context

The Stage II of the HCFC phase-out management plan (HPMP) for Hashemite Kingdom of Jordan was approved by the Executive Committee of the Multilateral Fund for Implementation of the Montreal Protocol (Excom) in 2016. As part of the implementation of the Montreal Protocol program and related compliance requirements, control measures and funding mechanisms, Jordan entered into a performance-based agreement with the ExCom, to address the reduction of Annex-C, Group-1 substances (HCFC-22, HCFC-141b and HCFC-123) to a sustained level.

The objective of this project is to support Jordan to meet its Montreal Protocol HCFC phase-out obligations between 2016 and 2022, and to strengthen the capacity of responsible government entities to continue to effectively implement the Montreal Protocol. Under this agreement, the World Bank as the Lead Implementing Agency of the Stage II HPMP being implemented in Jordan are required to submit a verification report on the achievement of the ODS reduction targets specified in the agreements as a prerequisite for the release of the next tranche of funds.

The Terms of Reference (TOR) below are intending to achieve consistency and uniformity in the methodology for carrying out the verification. They cover, among other things, data requirements and the procedure to be followed in carrying out the verification.

The verification will be carried out by an independent individual, who should show reasonable level of confidence that there is no conflict of interest in the process and the results of the verification are independent and objective.

**Objectives**

The objective of this assignment is to certify that the actual annual consumption of these chemicals is in line with the agreed level specified in the ExCom-Jordan agreement, and to provide guidelines for conducting verification of the national consumption targets as stipulated in the signed agreements between Jordan and MLF and according to the related guidelines. The consultant will carry out the audit in accordance with internationally accepted practices of auditing, and will include such procedure and sampling methodology as the auditor considers necessary under the circumstances. Special attention should be given to certify the compliance with the process and procedures established as well as the amount of import and export of the controlled chemicals in 2019, 2020 and beyond as required.

***Task 1: Verification of process for issuing of import quota***

The auditor will be responsible for verifying the process of issuing of import quota to the importer carried out by MOENV to ensure that the procedures are in line with the procedures set forth by MoENV.

***Task 2: Verification of quotas issued to importers, from importers and***

Based on information provided by MOENV with regard to the quota amount issued under the import license, the consultant should carry out the audit from 2 sources that are importers and MOIT/MOENV. This is to ensure that the import quota indicated in import license obtained from importers are the same as those indicated in the import license obtained from MIOT.

***Task 3: Verification of Jordan Customs’ records***

With assistance from MOENV and the Jordan Customs Department in the Ministry of Finance, the consultant will verify Customs’ records. The consultant will verify and confirm that the database recorded by Customs is consistent with the records of the importers. The verification also includes the examination that the total amount of the chemical imported by each importer in each year does not exceed quota issued by MOENV.

In addition, the consultant should verify import contracts and customs declaration forms for the shipment to determine whether they are in line with those recorded by Customs. These supporting documents could be acquired from Customs, with assistance from MOENV. The size of the samples used for verifications should be statistically significant.

***Task 4: Review and summarize the methodology used by the government for data collection***

The consultant will review and prepare a report summarizing the methodology used by the government for data collection regarding list of customers purchasing these chemicals from the importers.

**Scope of Work**

The Consultant shall be responsible for managing and implementing the following tasks:

1. The Consultant should review the documents, decisions and guidelines of:
   1. The Montreal Protocol,
   2. The Executive Committee of the Multilateral Fund for Implementation of the Montreal Protocol,
   3. The Country Programme (CP) for phasing out ODS in Hashemite Kingdom of Jordan,
   4. HCFC Phase-out Management Plan (HPMP) and related projects,
   5. Jordan-World Bank agreements,
   6. Jordan-UNIDO agreements.
2. The consultant should review and analyze the institutional structure, national legislations, policies and procedures on ODS such as:
   1. Channels of communication between Government ( Licensing Authority) and related stakeholders such as the Ministry of Industries and Trades, Customs Department…etc,
   2. Authorized list of importers/exporters and, where available, distributors and users,
   3. Condition of issuing licenses,
   4. Administrative procedures and documentations,
   5. System of monitoring and reporting on import/export of ODS,
   6. Sanctions or penalties to be imposed on violation of legal regulations,
   7. Mechanisms and capacity prosecution and enforcement,
   8. National system of harmonized customs code, in order to identify ODSs and ODS mixtures.
3. The consultant should review and analyze the official statistics of imports/exports. It should compare quotas issued versus actual quotas used,
4. The consultant should review and analyze a representative sample of reports from importers/exporters, and where available distributers distributors and users,
5. The consultant should review the follow up on recommendations from previous verifications,
6. The consultant should conclude the exercise by discussing conclusion and recommendations with the main stakeholders,
7. Data needed for the verification;
   1. List of authorized importers/exporters, distributers and consumers,
   2. ODS imports quotas and export licenses issued,
   3. Actual ODS imports and exports,
   4. National policies and procedures on ODS imports and exports,
   5. Government’s enforcement structure on ODS imports and exports,
   6. Documents such as licenses, trade names, code numbers, and labeling to be presented to Customs Department by the importers and exporters.
8. The final verification documents should include;
   1. Describe the detailed steps and procedures taken in conducting the verification,
   2. Summaries all aspects of institutional structure, national legislations, policies, and procedures designed to ensure achievement of the planned consumption targets,
   3. Provide detailed data demonstrating and confirming that the consumption targets were achieved.

Development of the performance verification report;

Evaluate the major achievements of the project verses the stated objectives and intended results,

Evaluate the status of the country’s compliance with the provisions of the said agreement, identifying if the country have met the targets of the relevant year under evaluation,

Establish and verify that the national – level HCFC consumption figures are within the control targets for respectively years 2019 and 2020,

Evaluate the status of relevant policies and regulations,

Identify and provide recommendations (if any) on any follow up activities and on key strategic options for efficient future implementation,

Revise the draft verification report, based on comments received from the National Ozone Unit and the leading agencies,

Submit final verification report incorporating comments if any, from NOU/ MoE and the leading agencies.

The consultant will report to the implementing agencies mainly the World Bank and UNIDO.

Deliverables:-

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**Output:-**

Two reports will be produced at the end of this exercise. First is the audit report expressing a professional opinion on the actual consumption (import-export) of the controlled chemicals and the compliance with the conditions agreed with ExCom. Second is the management report summarizing the findings, comments, and recommendations regarding the effectiveness of the Government’s import control system. Both reports for each audited year should be prepared in English and submitted by the consultant to MOENV. In addition to electronic copies of the reports, the consultant shall submit three hard copies of the audit report and the management report to MOENV.

Audit report. The audit report should comprise an audit opinion, an import statement (a table summarizing the amount of quota and actual import of the control chemicals in that year), and auditing procedures.

Management report. This report should present the comments and recommendation (if any) on effectiveness of the licensing and importing system and processes. Specific attention should be given, but not limited, to (a) comments and observations on the import records, systems, and controls that were examined during the course of the audit; (b) specific deficiencies and areas of weakness in systems and controls and recommendation for their improvement; (c) report on the degree of compliance of the process/procedures of each agencies and comments, if any, on internal and external matters affecting such compliance; and (d) any matters that have come to attention during the audit which might have a significant impact on the compliance with the ExCom agreement.

**Work plan**

The contract duration is based on the assignment’s proposed activities. The verification is expected to take into account the whole cycle of the verification till the report approval by the leading agencies and the Excom. The tentative schedule of deliverables, to be confirmed at the work plan stage follows:

|  |  |
| --- | --- |
| **Activity** | **Date By** |
| Document review | September 2021 |
| Data Collection | September 2021 |
| Data Analysis | September 2021 |
| Data Verification | September 2021 |
| Report Writing | September 2021 |
| Final Report | September 2021 |

**Qualification and Experience**

This assignment is expected to be carried out by a” consultant with the following minimum requirements:

* + 1. Bachelor degree in chemical, mechanical, industrial or environmental engineering, energy or environmental policy, physical sciences, or related field;
    2. 7+ years professional experience including auditing expertise in major sectors and applications that used ODS for manufacturing, servicing/use or processing. Previous experience in conducting verification reports is an advantage; the consultant experience must be documented and approved by the official entities.
    3. Demonstrated leadership, interpersonal, and managerial skills required for developing and delivering a concrete product (study, assessment, surveys, etc.) with many data sources and public and private sector stakeholders;
    4. Ability to understand highly technical and sector-specific information and communicate the same in writing and in interactions with the Bank team, the Government and enterprises;
    5. Experience in dealing with the regulated community in Jordan, particularly of small and medium scale enterprises;
    6. Fair understanding of multilateral agreements particularly Montreal Protocol;
    7. Direct work experience in Jordan with understanding of the Jordanian import/export sectors as well as the Jordanian regulatory and institutional framework governing ODS and HCFC-related sectors (transportation, manufacturing, consumer goods, etc.);
    8. Demonstrated analytical and deductive skills, resourceful, and ability to work effectively and efficiently;
    9. Ability to communicate ideas effectively and write clearly in Arabic and English; and,
    10. Good computer and database management skills.

**Terms of Payment**

Tasks required by the duties described above are expected to be completed within the 1-months period September The consultant will be selected according to the IC procedures. The estimated days required, including time for the core work, travel and site visits, consultations, and reporting is 20 days.

**Schedule of payments:-**

|  |  |  |
| --- | --- | --- |
| **Payment percentage** | **Deliverable** | **Timeline** |
| 50% of the contract amount | Audit report (delivery and approval from the PMU and the world bank). |  |
| 50% of the contract amount | Management report (delivery and approval from the PMU and the world bank). |  |