بسم الله الرحمن الرحيم

Ministry of Finance & Public Enterprises
Male', Maldives

Terms of Reference

Legal Consultant

Invitation Number: (IUL)13-PMU /13/2026/163

Project: Maldives Competitiveness and Growth Project (P179286)

Loan No./Credit No./ Grant No.: IDA-73050, IDA-E1690

Reference No: MV-MOF-MV-483186-CS-INDV-2

A. Background

The Maldives Competitiveness and Growth Project (MCGP, "the project") is a 5-year investment project financed by the World Bank for the Government of Maldives (GoM) through Investment Project Financing (IPF) with Performance-Based Conditions (PBCs), declared effective on 23 June 2023 and to be implemented by the Ministry of Finance & Public Enterprises (MoFPE). The overall Project Development Objective (PDO) is to strengthen private participation in and financial sustainability of State-Owned Enterprises (SOEs), and the support mechanisms for the competitiveness of small and medium enterprises (SMEs).

The Legal Affairs Department (LAD) of the MoFPE is responsible for the development and strengthening of Public Finance Laws (including but not limited to public finance law, public debt law and fiscal responsibility law) for the government by formulating, monitoring, and regulating the public finance laws while ensuring fiscal policies align with national development goals including strengthening of operations and management of public enterprises. LAD undertakes research in public finance laws (including regulations and policy guidelines), and drafting laws and regulations to strengthen the accountability of fiscal responsibility, debt sustainability and public procurement and to enhance fiscal transparency. As the lead technical department at MoFPE on public finance laws, LAD plays a central role in the drafting and implementation of public finance laws (including public finance regulations and policy guidelines) for key reform areas supported under MCGP.

As part of the Government's broader fiscal reform agenda, the reform and restructuring of State-Owned Enterprises (SOEs) is a critical priority to ensure long-term financial sustainability and reduce fiscal risks. SOEs play a major role in key sectors such as infrastructure, energy, health, and utilities but are heavily reliant on government transfers and subsidies, placing significant strain on public finances. To address these challenges, the Government is advancing a wide-ranging SOE reform agenda aimed at improving corporate governance, increasing private participation, reforming public service obligations (PSOs), and enhancing fiscal oversight. This includes drafting public finance laws and regulations to clarify mandates and strengthen accountability, developing a fiscal risk assessment framework for SOEs, and introducing policies on dividends, compensation, and contingent liabilities. These reforms will directly inform the development of the fiscal strategy, national budget, and fiscal charter, embedding SOE governance and fiscal risk management in broader efforts to achieve macroeconomic and fiscal sustainability.

In parallel to and closely aligned with these SOE reforms, the Government is also looking to address the fiscal pressures from substantial subsidies, particularly in SOE-dominated sectors such as electricity, fuel, staple food, and sanitation, accounting for nearly 90 percent of total indirect subsidies. Reforming these subsidies is essential to reducing fiscal risks and ensuring the financial viability of SOEs.

These activities are integral to achieving the objectives of MCGP, particularly in strengthening financial sustainability and governance of SOEs, and supporting effective subsidy targeting mechanisms. In this context, the MoFPE is seeking to engage a **Legal Consultant** to work closely with the LAD, the MCGP Project Management Unit (PMU), other relevant Government agencies and key sectoral stakeholders, to provide technical expertise, strategic advice and capacity building support to advance these interconnected reform areas under MCGP.

B. Objectives

The Legal Consultant’s primary objectives are to provide specialized legal expertise and strategic guidance to strengthen public finance laws and regulations applicable public offices and to SOEs to implement subsidy reforms under the Project. Specifically, the Consultant will:

i. Lead the formulation and drafting of public finance laws and subordinate regulations to modernize governance structures, clarify mandates, strengthen accountability mechanisms, and enhance fiscal oversight of public offices and SOEs.

ii. Provide legal input to operationalize SOE reforms, including the development of fiscal risk management frameworks, contingent liability policies, and compliance mechanisms to mitigate fiscal risks.

iii. Advise on legal strategies to transition from broad subsidies to targeted social protection programs, ensuring alignment with fiscal sustainability goals and international best practices.

C. Scope of Work

The Legal Consultant will execute the following tasks to achieve the objectives outlined above:

a. Lead the drafting of the public finance laws, public finance regulations and policy guidelines to strengthen and modernize governance structures, clarify mandates, strengthen accountability mechanisms, and enhance fiscal oversight of public offices and SOEs.

b. Review and update existing laws, policies, and regulations (e.g., dividend policies, compensation frameworks, contingent liability guidelines) to align with the SOE reform agenda.

c. Develop legal provisions for the SOE fiscal risk assessment framework and contingent liability management, ensuring alignment with national fiscal sustainability goals.

d. Provide legal guidance during the operationalization of SOE reforms, including the design of compliance mechanisms, governance protocols, and fiscal risk mitigation strategies.

e. Assist in conducting legal reviews of SOE operations and subsidy programs to identify and address fiscal risks, contingent liabilities, and compliance gaps.

f. Ensure all legal frameworks align with the Maldives' constitutional provisions, statutory requirements, and international best practices in public financial management.

g. Draft clauses to safeguard against fiscal risks in SOE contracts, public service obligations (PSOs), and subsidy-related agreements.

h. Assist in strengthening institutional capacity to enforce legal frameworks, resolve disputes, and manage fiscal risks linked to SOEs and relevant government institutions.

   Provide legal advice and assistance to the Legal Department of the Ministry to carry out its legal mandate and participate in the drafting and finalizing of laws in the Ministry's annual work plan and advice legal issues related to SOEs and Councils.

D. Reporting & Working Arrangements

The Consultant shall carry out the reporting obligations as follows:

a. The Consultant shall report/submit to the Head of Legal Affairs Department (LAD) monthly progress reports of the Legal Affairs Department (LAD), detailing achievements, challenges, and next steps.

b. The Consultant shall complete and submit a Monthly Performance Evaluation Form in the format required by the Client on a monthly basis. The form shall be reviewed and confirmed by the designated supervisor or their delegate.

c. Deliver drafts of the laws, subordinate regulations, SOPs, training materials, and within agreed timelines.

d. The Consultant is expected to report for work to Ministry of Finance and Public Enterprises (MoFPE) on week days other than public holidays and provide his/her services during MoFPE working hours. The Consultant may have to work extra hours in order to complete the tasks assigned as and when required without additional payment.

E. Duration of Services and Payment Terms

The services of the Consultant are required for a period of **1 year**, and renewable based on needs and performance evaluation. The Consultant is expected to commence their services in **September 2026**.

The Consultant will be paid monthly a lump sum amount based on the worked days per month of a remuneration of between **MVR 38,000 - 43,700** per month, commensurate with his/her qualifications and experience. The remuneration package is aligned according to the National Pay Commission's Circular (number 13-NPC/CIR/2018/5 issued on 22nd March 2018)

F. Qualifications & Experience

- Master's Degree in Law or equivalent qualification in a related field with a minimum of 7 years of experience.
- Demonstrated experience in drafting laws/regulations related to fiscal policy reforms, including areas such as SOE governance, subsidy reform, fiscal risk assessment, and/or public financial management.
- Strong written communication skills, including the ability to prepare briefs, research reports, policy notes, and progress updates in a clear and structured manner.
- Strong understanding of fiscal laws, tax laws and regulations, SOE governance frameworks, social protection laws and/or subsidy reforms will be considered an added advantage.
- Familiarity with the best international practices in public finance laws, SOE laws, and/or subsidy reforms will be considered an added advantage.

G. Evaluation Criteria

Applications for the consultancy position will undergo evaluation in two stages. During Evaluation Stage I, applicants will be evaluated using a "pass" or "fail" method to determine if they meet the necessary qualifications and experience. Applicants who pass Evaluation Stage I will proceed to Evaluation Stage II, where they will undergo further appraisal based on the added advantages and other competencies through an interview process, if required. Following the interviews, the applicants will be ranked accordingly.

H. Required Documents

Interested candidates must submit the following documents/information to demonstrate their qualifications, experience, and responsiveness to this TOR.

i. Cover Letter,

ii. CV with information demonstrating that they are qualified to perform the services (description of similar assignments, experience in similar conditions, availability of appropriate skills, etc.),

iii. Writing samples (e.g., drafted laws and legal opinions)

iv. Academic Certificates, and

v. Relevant Reference Letters, covering the Key Qualifications listed in the Terms of Reference.