



State Chancellery of the Government of Republic of Moldova
in partnership with
United Nations Development Programme
and
United Nations Development Fund for Women

Joint Integrated Local Development Programme

Drawing upon Moldovan and global expertise in facilitating local self-governance and community-led development, UNDP and UNIFEM propose to implement an Integrated Local Development Programme (ILDP) that provides knowledge-based policy advice at central and regional levels coupled with a scaled up community-level intervention that aims to integrate local authorities into regional and community level development processes. Not only will ILDP deepen engagement with current targeted communities and local authorities, ILDP will seek to lay a foundation for regional and community-led development in selected rayons and communities in target region/regions of Moldova.

At the central level and in targeted region and areas, UNDP and UNIFEM will help to strengthen legal and regulatory frameworks and to streamline local administrative procedures and systems. There will be a particular emphasis on a draft framework for the effective delegation of authority to LPAs, fiscal decentralisation to deliver essential services, and promotion of a greater role for women in decision-making bodies. Secondly, UNDP will build the capacities of targeted LPAs to plan, implement programmes and services and monitor their success, with greater citizen participation. Paired with this, we will support greater community and civil society participation in the development and implementation of local development plans and regional strategies. UNDP will work to develop the capacities of local NGOs to play more influential roles in local and regional development planning, programme implementation and monitoring.

SIGNATURE PAGE

Country: Moldova

UNDAF Outcome(s)/Indicator(s):

(Link to UNDAF outcome. If no UNDAF, leave blank)

Expected Outcome(s)/Indicator (s):

(CP outcomes linked to the SRF/MYFF goal and service line)

Expected Output(s)/Annual Targets:

(CP outputs linked to the above CP outcome)

By 2011, vulnerable groups in poor rural and urban areas take advantage of sustainable socio-economic development opportunities through adequate regional and local policies implemented by LPA and partners.

3.1. LPAs operate in a more effective and transparent manner
3.3. Empowered communities and CSOs participate in local development planning, implementation and monitoring

1. National legal, policy and advisory frameworks to support sustainable processes of development at sub-national level developed.

2. Capacities of LPAs in the target regions improved to plan, implement, and monitor in a participatory manner.

3. Communities and CSOs are empowered to participate in local development planning, implementation and monitoring and local actors are able to deliver services and upgrade the basic infrastructure

4. Rural communities and CSOs in Transnistrian region of Moldova, as well as in the Government control area of the Transnistria region, are empowered to participate in local development planning, implementation and monitoring and local actors are able to deliver services and upgrade the basic infrastructure

Implementing partner:

(designated institution/ executing entity)

STATE CHANCELLARY

Responsible parties:

(implementing entities)

Programme Period:	2007 – 2012
II Phase/Revised:	2009 - 2012
Programme Component:	
Program Title:	Joint Integrated Local Development Programme
Program ID:	00045255
Program Duration:	2007 – 2011/2009 - 2012
Management Arrangement:	NEX
Fund management option:	Pass-through modality

Budget	
General Management Support Fee	_____
Total budget:	7,928,700.00 USD
Allocated resources:	_____
• Government	_____
• Regular	500,000.00 USD
• Other:	_____
○ SIDA (TBC)	6,500,000.00 USD
In kind contributions (LPA)	450,000.00 USD
Unfunded budget:	478,700.00USD

Names and signatures of national counterparts and Participating UN Organizations

Participating UN Organizations

For UNDP

Signature: (signed)

Name: Kaarina Immoner

Title: Resident Representative

Date:

For UNIFEM

Signature:

Name: Damira Sarbaeva

Title: Regional Programme Director

Date:

National Partners

Title: State Minister, State Chancellery

Signature: (signed)

Name: Victor Bodi

Date:

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I. PROGRAMME BACKGROUND

I.1. INTRODUCTION

While at independence the Republic of Moldova was classified as a middle-income country, now it is the poorest country in Europe with 25.8% of the population living in absolute poverty and 2.8% in extreme poverty (2007). Its Human Development Index ranking in 2007/8 was 111 out of 177 countries with GDP per capita of \$2,100. Although it was reclassified to Lower Middle Income Country in 2008 this masks disparities within the country, in particular the widening gap between poverty levels in the cities and in the rural areas and small towns. 66% of the country's poor live in rural areas.

Moldova is facing a complex set of development challenges. Some of them are of global nature as effects of globalization, including the global financial crises and climate change, but more are triggered by the recent political and economic crises and human rights situation. At the same time, the presence of a frozen conflict in the breakaway Moldova's Transnistria region continues to be a drag on the Moldovan economy and country stability. As a result of this combination of domestic and external factors, there is huge concern that the current negative trend in economic growth may lead to a reversal on progress achieved to date on MDG 1 (poverty reduction) and the attainment of other MDGs in general.

Following discussions with new government and other counterparts, the UN in Moldova is increasing its role in responding to the emerging challenges the country faces, the latter in effect reflecting the special development situation of the Republic of Moldova and especially addressing the effects of the global economic crisis on local communities and the ability of local public authorities to provide quality public services to their citizens. The main focus will be to strengthening sub-national capacities for achieving the MDGs.

For this purpose, UNDP, UNIFEM and other development partners are initiating the new phase of the Integrated Local Development Program. This is done on the basis of harmonizing development approaches and aligning interventions with national priorities, systems and processes. The Proposal builds and capitalizes further on the ongoing work in: a) the area of local and regional development as well as b) in the area of good governance and gender mainstreaming to ensure the sustainability of results. Both areas of the programme underline the importance of national ownership and strengthening capacities at the local level (including Transnistrian region) to speed up economic recovery, reduce poverty and inequality, and ultimately supporting achieving the MDGs.

UNDP and UNIFEM interventions will apply a rights-based approach and gender mainstreaming to human development, in line with national development priorities and MDG targets for 2015, while responding to the challenges of reform and European Union integration. The proposed programme builds on the priorities of the new Government Programme: European Integration. Freedom, Democracy and Wellbeing, as well as the National Development Strategy (2007-2011) and United Nations Development and Assistance Framework (for 2007-2011), in which the condition of most vulnerable (including elderly, disabled, victims of domestic violence, women at risk and young people) and the need to extend development assistance to the Transnistria region are identified as major concerns.

I.2. PROGRAM RATIONALE

1.2.1. Political and economic context

Since gaining independence in 1991, the Republic of Moldova as a young state had to build new state institutions appropriate to manage the country and to build democratic, market-related and social-protection mechanisms. Despite the reforms carried out during the past decade aimed at establishing the rule of law, democratization and market oriented economy, the changes that took place in the public administration were ad-hoc and not following a strategic approach. The population is still dissatisfied with the quality of governance while trust in state institutions is low.

The lack of an effective public administration system significantly slowed down the transition process in Moldova. Laws were enacted and policies adopted, but enforcement lagged behind. Some of the causes of the existing problems are residing in the lack of strategic vision on functions and obligations of state bodies and their relationships with local governments; the limited capacity of the public service, and first of all the quantity and quality of personnel, their access to training in the country and abroad.

The political scene in the Republic of Moldova is less stable than in recent years, with two parliamentary elections in row. The Party of Communists (PCRM), which has been in power since 2001, has gained a decisive victory (60 seats out of 101) in the Parliamentary Elections on April 5th, 2009. International observers judged the elections to have been held in line with many international standards, while opposition parties have declared that the elections were fraudulent. Protests against the results turned violent and the police response to the unrest has raised tensions further. Human rights violations were documented by special mission from EU and Council of Europe sent to Moldova; followed by the adoption of EU Parliament of a special resolution on Moldova calling authorities to respect human rights. Until now (September 2009) the authorities did not conduct any official investigation of the events and there is no clarity on who is to bear responsibility and has to stand trial for that.

As the then-elected parliament did not succeed to elect a president from two attempts a new election was called for July 29, 2009, as a result of which, 5 parties have passed the threshold to accede into the legislative: Party of Communists (PCRM) has gained 48 seats while the other 4 right-centre parties, the Liberal Democrat (PLDM), Liberal (PL), Democratic (PD) and Moldova Noastra (AMN) - 53 mandates. Immediately after the elections were validated, the non-communist parties have united into the Alliance for European Integration proposing five main objectives that also served as grounds for the new Government programme:

1. **Restoring the rule of law** in the country with focus on human rights and fundamental freedoms, freedom media, effective separation of powers, independence of the judiciary, reforming the law enforcement structures according to European standards.
2. **Overcoming the social-economic crisis** and ensuring the economic growth focusing on developing a comprehensive program of combating the economic and financial crisis, poverty reduction, transparent public finance management, liberalization of the economy, restoring the relations with the IFIs.
3. **Decentralization of power and ensuring the local autonomy**
4. **Territorial reintegration of Moldova** by continuing the process of negotiations for Transnistrian settlement involving all parties concerned
5. **European integration of Moldova** and promoting a balanced, consistent and responsible foreign policy through negotiation and signing of the Association Agreement between Moldova and the European Union, while preserving strategic partnerships with the United States, the Russian Federation and the neighbouring Romania and Ukraine.

Impact of the global economic crisis

Moldova is, by most measures, the poorest country in Europe. Whilst the level of absolute poverty went down to 25.8% (and that of extreme poverty constituted 2.8%¹ (2007), territorial disparities are persistent, whereby absolute poverty has increased in small towns and rural areas (compared to cities) where over 70% of the population live.

The economy remains vulnerable to higher fuel prices, fluctuating weather conditions, and the skepticism of foreign investors. The country is heavily dependent on agriculture, which contributes to nearly one third of the GDP, employing 43% of the population and comprising 60% of total exports. Also, the country imports almost all of its energy supplies and its domestic demand has been strongly driven by remittances which account for 36% of the GDP.

The impact of the global economic and financial crisis places Moldova at risk of experiencing negative performance in its socio-economic development with an increasing fear of reversal in MDG1 in particular. A recent UNDP Study commissioned by Expert Grup² acknowledges a widespread belief that Moldova has been in a constant crisis in the last two decades and that the current financial crisis only added some new twists to it. Many analysts believe that the most damaging potential effect of the economic crisis would be from a significant increase in returned labour from recession-affected recipient countries and subsequent reduction in inward remittances.

However, aside from declining remittances, the other channels of crisis transmission will also play an important role, in particular contracting demand for Moldovan export products and reduced demand for imported goods (whereby over 70% of government revenue is dependent on excise and customs duties), falling foreign direct investment (FDI) and subsequent contraction in industrial production. In a country where over 60% of the government budget is directed to social expenditure, this may have serious implications for the social sector. The global crisis is also complicating fiscal policy by contributing to lower fiscal revenue collection while increasing demands on social safety net expenditures. All of these factors underscore the need for consistent macroeconomic policy and a strategic approach to setting short-term and medium-term priorities for development.

Given the unfolding of the global economic crisis, local authorities have been requested by the Ministry of Finance to reduce costs by 20%, decision that made local public officials complain that the reduction will affect the payment of salaries, pensions, and other social indemnities, hard hitting the vulnerable people, majority of whom are women. It has to be noted that some social spending will no longer be available and about 90 percents of local budgets are used for salary-related expenses. IMF representatives believe that the path that Moldova has taken in an attempt to diminish the effects of the crisis by making the country more competitive in the context of a reduction in domestic demand (diminishing imports, salaries, prices, and credit volumes for the economy) is much more painful, both for the economy, and for the population.

It should be mentioned that the most notable characteristic of poverty in Moldova is its concentration in rural areas and small towns. Inequality between urban and rural areas has also recorded a continuous increase. Further deterioration in poverty rates is likely if there is significant return of migrants, with consequent falls in remittances and rising unemployment as those returning enter the labour market. Indeed, given that migration has been principally from rural areas, it is probable that the effects of large numbers of returning migrants would be felt more sharply there. Rural areas are already affected by the downturn and, as in urban areas, if there is significant return of migrants, they will potentially be competing for jobs with those workers who have lost their jobs in domestic industry. If so, there is the prospect of further increases in rural poverty and many of the concerns about rural poverty in Moldova that were apparent before the crisis may now become more acute as the crisis unfolds.

¹ By 1999 over 70% of Moldovans were poor and over 60% extremely poor

² Impact of the global financial crisis on local communities in Moldova, Expert Grup, September 2009, undertaken within the UNDP Integrated Local Development Programme, http://undp.md/presscentre/2009/ILDLP_Report_Crisis/Report_impact_financial_crisis_eng.pdf

The broad findings of recent studies³ are that there are very few institutional structures on which the poor can draw for livelihood support. The most important institutions are the Local Public Authorities (LPA) because they are the mechanism through which documents are accessed, benefits are claimed and information is sought. The assessment of the LPA was that they were slow, inefficient and did not have the contacts and experience to promote local development. The other public institutions, such as the various inspectorates (tax, phyto-sanitary, sanitary) are experienced as controlling agents, often corrupt that have to be paid.

I.2.2. Local governance reform, decentralization and service delivery

Following the basic principles set up in the Moldovan Constitution which guarantee equal human rights throughout the country, access to quality education, health and social services, as well as the access to clean water, environment and basic infrastructure; it is clear that there is no alternative to implementing the local governance reform, financial autonomy and fiscal decentralization; that may clarify roles and functions, and provide sufficient financial resources to meet those development and societal objectives. The continuous delay of these improvements, as well as maintenance of the current level of inequalities have a great impact on human rights in Moldova and will only deepen if no concrete steps are taken to overcome this.

One of the five priorities of the new Government, as outlined in the programme European Integration: Freedom, Democracy and Wellbeing is to advance decentralization (both administrative and fiscal) and ensure real local autonomy. However, in addition to political will, making these changes will depend on a number of factors such as, the economic situation, numerous stakeholders' vested interests (central vs. local authorities); slow economic development in the rural areas, and small fiscal base. In addition to these factors, shall also be considered the low capacity and lack of training at the local level to implement new policies of decentralization; attitude of people's expectations of the central and local governments and the lack of proactive attitude by civil society's institutions.

Local governments in Moldova account for a significant share of the public sector. They play a major role in the provision of social services--in 2006, local spending on education accounted for 65% of total government spending on education--and bear primary responsibility for urban housekeeping functions, including water supply, street construction and maintenance and district heating. As such, they have an important role in human capital development and in the productivity of Moldova's increasingly urbanized economy, and as mentioned before they are the main institutions on which the poor can draw for livelihood support.

The division of a country's area into administrative and territorial units should ensure the principles of local autonomy, decentralization of public services, election of local public administration bodies, access of the population to administration bodies and consultation with them on the main issues of local importance.

The evolution of LPA role and performance was marked by territorial-administrative reforms in 1999 and 2003. However, services provided at local level are still largely inadequate and of poor quality. In particular, local public authorities are responsible for providing general education services, ensuring rural infrastructure and partially, health services. Despite the fact that the share of expenditures for education and health is relatively high in the local budget, the problem of quality and inequitable access to these services still persists. In case of rural infrastructure, because resources allocated for maintenance and repairs were limited, it resulted in significant deterioration of rural infrastructure

The last local administration reform established 32 raions (districts) instead of 11 judet (counties) in 1998. One major reason given for this reform was to move public services geographically closer to the citizens. The opposing opinion was that the judet, being larger than the raion, was more preferable from economic and financial aspects, as it could provide more of its own revenues to finance these services.

³ Moldova Regional Livelihood Study. Pari Baumann, Ludmila Malcoci, Lisa Paglietti. The study was undertaken within the "Moldova: Co-operation in the Regional Development" Project supported by SIDA and DFID

The Moldovan Constitution provides for two tiers of elected local government. The upper tier (following reorganization in 2003) consists of 32 *rayons* (excluding trans-Dniestra). These are divided into *primarias*, which may consist of a single town (such as the seat of the rayon) or a district containing several villages. The cities of Chisinau and Balti are considered upper tier governments, as is the Special Administrative District of Gagauzia. The electoral code (as amended through 2002) provides for the direct election of mayors and councils at both levels, on the basis of universal, equal, direct, and secret vote, for four year terms. Seats on local government councils are awarded on the basis of proportional representation (i.e., according to the percentage of the votes won by each party). There are a total of 896 lower tier local governments. The average size of lower tier governments (in terms of population) is about 4,300.

According to the legislation, Moldovan local governments perform several distinct categories of functions. While the social sectors consume the largest share of local budgets, local autonomy in this area is limited. Most of local government discretionary spending is devoted to various urban ‘housekeeping’ functions, and administrative costs.

Education is by far the largest single item of local expenditure, accounting for half the total in 2007. Local governments are responsible for managing and financing individual schools, including paying the costs of teachers salaries, heating, lighting, school lunches and building maintenance. Education policy, however, remains highly centralized. Central authorities control the number of teaching positions in the rayon and decisions over the opening or closing of new schools. Salary scales for teachers are set at the national level.

The vast majority of social assistance is financed and managed by agencies of the central government. Local governments are responsible only for the costs of targeted subsidies for public transport and other municipal services and the salaries of certain social workers. In total, social assistance consumed eight percent of local government expenditures in 2007.

Local governments have virtually no financial role in the provision of health care. Although upper tier local governments (rayons, Chisinau and Balti) are the legal owners of most primary and secondary health facilities (i.e., rayon hospitals and their affiliated family doctor centers) virtually all funding for such facilities now comes from the national Health Insurance Institute (HII).

According to the current decentralization law (as amended through March 2007) lower tier local governments are responsible, *inter alia*, for urban solid waste collection and management, construction and maintenance of drinking water systems, sewerage systems and waste water treatment facilities, district heating, construction, maintenance, and lighting of streets and local public roads and local public transportation. Upper tier local governments are responsible for the construction and maintenance of rayon-level roads, the organization of inter-urban transport (including the management of bus terminals ‘of rayonal interest’ and ‘other public projects of rayonal interest.’ These functions are largely carried out by local-government-owned enterprises and to varying degrees, are financed through tariffs. Spending on transportation (including roads and public transport) consumed four percent of local government expenditure in 2007. Some of it is spent on housing. Although Moldova’s housing stock is largely privatized, housing repair still makes a significant claim on local government budgets.

The Law on Local Public Administration grants responsibility to local authorities to elaborate, approve and execute local budgets⁴. They can establish local taxes and duties in compliance with the Law on Local Public Finances and other legislative acts. The executive authorities of villages, communes and towns elaborate local budgets and submit them to local councils for approval, which are subsequently submitted to the district councils. Based on the local councils’ budgets, the district budget is formulated and submitted to the MoF for review and approval. After the approval of the State Budget by the Parliament the local budgets are adjusted, if necessary, and approved in the final version.

⁴ For the purpose of this document, “local budgets” means the budgets of territorial administrative units

Local governments derive the vast majority of their revenues—virtually all revenues other than those generated from local charges and fees—from a system of shared taxes and intergovernmental transfers. The system consists of two major stages. The first is the calculation of financial allocations to each upper tier local government—each rayon (including funding for the *primarias* within it), Chisinau, Balti, and Gagauzia. This calculation is essentially based on the gap between the estimated revenues and expenditures of each upper tier jurisdiction.

Local budgets of first level are responsible for financing general education, housing and communal services, transport subsidies, some social safety net (financial aid for vulnerable people), payment of salaries to local public servants, municipal police and support to local enterprises. *The district budgets* finance the construction and maintenance of roads and public assets (including medical institutions), provide public goods (fire brigade), education (lyceums, boarding schools, vocational schools, music schools), culture and social assistance.

Districts play an administrative and regulatory role in financial relations between the State Budget and local councils. Their main functions include distributing transfers from the State Budget to local councils, executing certain local authorities' functions at the district level, aggregating local councils' budget execution data reported to them by the local councils and reporting these aggregated data to the MoF. Despite the last years' discussion about the need to increase local authorities' administrative and financial independence; in reality, the district authorities have little autonomy in fiscal-policy decision making and they end up executing central authorities' orders. The accountability continues to remain hierarchical and vertical, rather than to the local constituency.

As compared to the State Budget, local budgets are very limited in their ability to mobilize revenues. This is due to the depressed economic activity in most of the districts, but also to the deficient system of distributing revenues from taxes between the central and the local budgets. The local authorities' budgets depend heavily on the transfers from the State Budget and this dependence has been growing over time. In 2008, more than 50% of the total administrative territorial units' expenditures were financed by State Budget transfers⁵, which is 10 percentage points more than in 2005. As a share of total public expenditures, local spending has been decreasing. In 2009, local budgets' expenditures were planned at about 34% of the State Budget expenditures, compared to 46% in 2006.

There are two types of transfers to the local budgets. The most important one is from the Financial Support Fund: in 2008 these transfers represented 81% of the total transfers. The Financial Support Fund is formed of State Budget allocations and allocations from the local budgets whose budgetary revenues exceed by at least 20% the average expenditures per capita. The amount of Financial Support Fund transfers is determined as the difference between the average per capita spending (which is calculated for each article of expenses) and the per capita revenue multiplied by the total number of people. Thus, the existing transfer system ensures a similar expenditure level across the districts regardless of the revenue generation capacity. Also, the financial support transfers are calculated based on normative elaborated by the MoF. In reality, the regulations do not account for the exact demographic figures (for ex. number of children in schools or kindergartens) and allow some villages to "save" some funds which they can use next year.

According to the law, the second type of transfers (destination transfers) includes allocations for additional functions delegated by the Government or compensations for loss of revenues due to changes in legislation or in the territorial administrative structure. In reality, these transfers usually finance investment projects. In 2008, these transfers accounted for 15% of the total. The share of these funds in the total transfers received by the local budgets varied from 58% for Balti municipality to 5% for Sangerei. Their allocation is seen by the

⁵ The situation is more dramatic if the budget of Chisinau municipality is excluded – 71% of the total spending

beneficiaries as less transparent, with priorities identified at the local level being ignored in many cases by the Government and replaced with projects which are considered to be politically motivated.

Districts (rayons) are free to allocate revenues from shared taxes and transfers to lower-tier local governments as they please. While the procedure again follows a gap-filling approach, the degree of transparency and equity in this process varies. It is reportedly common for the mayors of primarias to press for low tax revenue estimates in order to maximize the level of transfers they receive.⁶ Rayons, in turn, are free to adopt their own norms in calculating the expenditures of primarias. Allocation rules in other rayons are reportedly considerably less transparent.

Under the Law on the Basis of the Fiscal System and the Fiscal Code, local governments are assigned a land tax, building tax, and various minor fees, such as a tax on natural resources. Revenues from these sources (excluding tariff revenues, retained by municipal enterprises) are fairly minor. In 2007, the land tax represented only three percent of total local government revenue. The building tax--half of which was collected in Chisinau--contributed only one percent

The most conspicuous weakness in the current system of local finance is the arbitrariness of transfers from upper tier governments—the rayons—to the lower tier governments—the primarias. While the distribution of transfers from the central government to rayons is relatively mechanical, the distribution of transfers from rayons to primarias is excessively political. A recent World Bank's report on local service delivery notes⁷ that the 'current system for intergovernmental transfers opens space for discretionary and arbitrary decision from district levels of government'. It goes on to quote one local official: 'If the person (in the rayon office) is from the same party as me, I might get some help.' These concerns are reiterated, with considerable statistical evidence, in the recent policy brief on local finance by the Institute for Development and Social Initiatives.⁸

To address this problem, the Government is under pressure to implement the administrative decentralization legislation and is debating a major reform in the system of transfers and local finance, aimed at reducing the arbitrariness of the transfer system and reducing its vulnerability to political manipulation.

For the purpose of studying, promoting and monitoring the administrative and financial decentralization process, the Parity Commission for Decentralization (PCD) chaired by the former Minister for Local Public Administration was established. The PCD is composed of representatives of different ministries and other central administrative authorities, of level one and two local public authorities, as well as representatives of non-governmental organizations that are active in the field.

According to the new structure of the government, the Ministry of Local Public Administration was liquidated, with its responsibilities being transferred to the State Chancellery (decentralization, local self-governance) and to the Ministry of Construction and Regional Development (coordination of regional development aspects). A final structure and clear division of responsibilities are expected by the end of the year.

The ministries and other central administrative authorities, in collaboration with the State Chancellery, Ministry of Construction and Regional Development and the associated structures of local public authorities should assess the opportunity for decentralization by sectors; as well as the impact of the suggested solutions regarding the decentralization of certain competences.

However, the key ministries, lack capacity to lead the process. Conflicting agenda of different institutions, limited involvement of LPA in the process is also an issue which should be addressed.

⁶ This practice is encouraged by current rules on budget execution. If actual tax revenues exceed projected revenues, the primaria is allowed to keep the difference. If actual revenues are below projected revenues, the primaria is not compensated.

⁷ World Bank. 2007. *Changing the Way our Services are Governed*

⁸ Institute for Development and Social Initiatives. May 2007. *Policy Brief: Local Finances Decentralization*

The major identified issues related to decentralization are:

- The existing system of local budget formation is keeping local authorities in a high dependence on the State budget transfers. As opposed to the stated objective of fiscal decentralization, the dependence of local budgets has been growing in the last few years. This has considerably limited the local authorities' possibilities to ensure economic development and react to the crisis.
- The current transfer system does not motivate the local authorities to collect and rely more on local revenues. As a result, there is no motivation to further facilitate the development of local businesses. The financial support transfers are more transparent than those with special destination, but their allocation is based on inaccurate local data (mostly demographic), allowing for some localities to make savings while the others incur losses. The transfers with special destination are considered to be less transparent with the priorities identified at the local level being often modified by the central authorities.
- The Government short-sighted policy not to recognize the approaching economic decline led to overly optimistic budget projections at the central and local level. A more accurate macroeconomic forecast would have prepared the local authorities and would have made the reduction in expenditures less painful.
- The increase in wages in the first quarter of 2009, which almost coincided with the requested cut in expenditures does not make much sense in the absence of funding and is putting more pressure on local budgets.
- The collection of own revenues by local budgets have been largely good in the first quarter of 2009, but is expected to drop in the months to come due to the reduction in the number of employees and wage level in the private sector. Since the reduction in transfers has not been approved officially, the Government has been accumulating arrears on transfers to the local budgets.
- The reduction in transfers is not applied uniformly across local budgets. In the case of budgets with a higher share of local revenues, the impact is smaller. Also, budgets with positive balance at the beginning of the year have more resources to cope with the reduction in spending.
- The local authorities' response to the reduction in expenditures is limited to savings on small expenses for investment projects and some logistic expenses (travel, transport). To cope with the needed cut while preserving salary expenses, local authorities will need to reduce by 50–60% payments for communal services. These include heating and electricity for public institutions, food for children in kindergartens and schools, etc. Since it is not possible to completely eliminate these payments, local authorities believe that they will start accumulating arrears on salaries as well.
- The Government response to the crisis has been delayed and fragmented. The indication to the local budgets to reduce expenses has not been considered together with other central public authorities, which could adopt policies that can have effects on the efficiency and effectiveness of spending at the local level.
- The Government should consider the redistribution of revenues from taxes between central and local budgets. The increase in the financial autonomy will make it possible for the local authorities to respond to demands for higher spending or adjust to sudden downturns in revenues without having to go hat in hand to the Government.

- The Government should consider changing the transfer distribution mechanism with the objective to increase the motivation of local authorities to mobilize local revenues. The transfers with special destinations do not seem to fit the definition stated in the law and should be revised as to allow the local authorities to identify their priorities.
- The Government should speed up the implementation of serious structural reforms in education and health with the objective to rationalize expenditures in the midterm and improve the quality of public services in the mid to long term.

In addition to the general problems related to policy, legal framework and central authorities capacity to promote and implement decentralization, as well as the overall capacities of local public authorities to honor their functions and obligations, recent analyses have identified a range of problems related to the management and provision of public services at the local level.

Development and management of local public services, especially of those related to water, gas, sanitation, management of public property face difficulties and problems that require involvement and problem solving at national, district and local level⁹:

- The development of Local Public Services was mainly fragmented, without a coherent policy in that respect. Thus, the connection between national development strategies, district ones and local development strategic plans regarding local public services is insufficiently developed, while the legal framework require improvement and development.
- The level of coverage with gas and water services for households and economic agents is relatively low. Thus is mainly caused by the high cost to be paid for the connection to the system and the high costs of the services for the most vulnerable. Families with many children, lonely elderly, families with one worker, and people with disabilities are the groups most limited in accessing these services. Considering budget deficits, mayoralities do not have financial resources to support vulnerable groups in accessing services.
- The level local public authorities' and service providers' knowledge related to the management of local public services (legislation, management mechanisms, monitoring and evaluation tools) is quite low. At the same time, a mechanism for training and continuous improvement of LPA and service providers in the management of local public services (including water, gas, sanitation, management of public property) is lacking in the country.
- The culture of regulation of the relations between services beneficiaries and services providers is underdeveloped. The majority of the population does not know the rights of the services' beneficiaries; is low or not at all informed about the existence and content of regulations for the organization and functioning of the services, their quality standards, as well as the modality of tariff calculations; does not possess contracts for services provision (especially related to water and sanitation services); is not aware about the strategies for the development of the local public services.
- A unified policy for the calculation of tariffs for water and sanitation services is lacking in the country. As a result, in the majority of the communities, tariffs include only direct expenses, without the costs for service' development.
- Lack of quality standards in the area of sanitation and water services, and of a unified system of monitoring and evaluation of their quality represents an obstacle in the development of qualitative local public services that would respond to the needs of the beneficiaries.
- There are several positive experiences regarding the management of local public services. However, until now, a mechanism to exchange experiences, good practices and lessons learnt in the area of management of water, gas, sanitation and public property services is lacking.

Almost the same issues, related to decentralisation and local service delivery were identified in the National Development Strategy (2008-2011). The strategy clearly states that the previous experience with national

⁹ Study 'Management of local public service', UNDP Moldova

development programs demonstrated that insufficient involvement of local public administration (LPA) in the process of policy development and implementation, contributed to increase of territorial gaps in social-economic development of the country. To this effect, “enhancing the role of local public administration implies both improving its competencies by increasing the degree of decentralization, and capacity building in policy implementation and public services provision”¹⁰.

Increasing the role and strengthening the capacities of local public administration shall be accomplished in the context of regional development Strategy implementation. To this effect, during the NDS implementation, the following objectives will be pursued:

- Improving the institutional framework and incorporation of sustainable development principles in local policies;
- More clear delimitation of functions and responsibilities between central and local public authorities and increasing the autonomy of the latter ;
- Accomplishing actual fiscal decentralization and improving inter-budgetary relations;
- Capacity building of local authorities in planning, budgeting, monitoring and participatory assessment of activities at the local level;
- Implementation of the National Strategy of public servants and locally elected authorities training and providing conditions for improving human resource management.

Given the said objectives, it is required to enhance the self-governance and the capacity of the local public administrations, especially of the first level, in ensuring mayoralities with own revenues, efficient resources management and to invigorate the development of economic potential of the mayoralities. In the context of administrative decentralization, it is necessary to work out an action plan that would set distinct implementation stages for the administrative decentralization process in the Republic of Moldova. This will permit avoiding ambiguities and overlaps in delegating competencies, clarifying the transfer of financial and material resources, addressing, at the same time, the correlation between the transfer of competencies and the necessary resources. After the legislation on the local public administration and on administrative decentralization is passed, the revision of legislation on local public finance will follow, setting a clear and simple formula of estimating interbudgetary transfers.

In the view of strengthening the capacities of public servants, the Government will ensure the implementation of the National strategy for training civil servants and local elected persons, worked out in line with the recommendations of the Council of Europe. This strategy sets out the grounds for a continuous training of civil servants and local elected persons from the local public administration with a view to increasing their competence, performance and competitiveness.

I.2.3. Exposure and vulnerability: how the crisis proliferates at local level

In view of the economic crisis and resulting fall in remittances, falling wages, increased unemployment combined with fewer job opportunities, the most vulnerable groups of society are expected to suffer disproportionately. These include, for instance, elderly people, victims of human trafficking, victims of domestic violence, disabled people and their caregivers, children, especially in rural areas, unemployed women and men, migrants and their families:

Unemployed: The economic crisis has severely impacted the employment situation in the Republic of Moldova, with a high probability of resulting into a labour market crisis. The unemployment rate in the first trimester of 2009 reached 7.7 percent (90,900 unemployed individuals), its highest level in the last three years, up from 3.9 percent in the last trimester of 2008¹¹. In overall, working age persons represent 71% of female

¹⁰ National Development Strategy

¹¹ Compared to 67,400 in the same period of last year and 48,300 in the last trimester of 2008. About 20,000 Moldovans lost their jobs from the beginning of the recession. On the other hand, there are 44,000 fewer new jobs (according to National Confederation of Unions).

and 73 of male population. Share of working age population in urban area (77% of the total) is by 8 percentage points higher than in rural area. The suicide rate amongst Moldovan men aged between 45 and 59 in Moldova is amongst the highest in the world; this is largely attributed to the lack of employment opportunities for this age group both in country and overseas, as they are the product of soviet industrial systems. Young unemployed men are more vulnerable to participation in poor health practices (e.g. alcoholism and drug taking), or mental ill health, or unacceptable and violent social behaviour.

Youth: Most recent data¹² indicate that one third of the current unemployed people (30,100 out of the 90,900 unemployed) are in the age group 15-29 years (46% for the 15-34 age group). Over 50% are from rural areas and over 60% are male unemployed. At the same time, significant representation of young people in the migrant community¹³ and given their rural origins, significant return would probably lead to detrimental effects on unemployment of young people (in both the 15-24 and 25-34 age segments) in rural areas and, in turn, to further worsening of rural poverty.

Migrants: Whilst trends in the return of migrants are not yet clear, this is possibly due to a probable lagged response to the crisis (resulting from adherence to places to migration and the use of coping strategies in order to remain overseas) and may take time to emerge. Analysts predict that some 100,000 to 150,000 people will return to Moldova in the very near future. Given the current unemployment situation in the country, combined with continued contraction of industries (in particular the construction sector), this could potentially lead to a labour market crisis. With over half of all migrants working in the construction sector and 20% in services (with other sectors, such as mining, transport industry and trade playing only a minor role), the resulting contraction in the construction sector in host countries (in particular in Russia whereby the proportion of migrants working in construction is much higher than in other destinations) implies a potential influx of return migrants with low or medium skills in a sector which is already shrinking in Moldova¹⁴.

Children of migrants: Children are often brought up in poor households, either in the city or more usually in rural areas. Although these households may benefit from remittances sent by the migrating parents, these may be irregular or not sufficient to cover all costs, in particular recently increased fuel charges. These children may be less likely to attend school beyond primary level, thereby perpetuating the cycle of poverty; they may also be more vulnerable to abuse if they are living with relatives who put the needs of their own children first, or they may be placed in residential care if the parents are away for many years without relatives to care for them (UNDP, 2007).

Elderly people: According to official data, the country is facing a rapid aging. The coefficient of population aging is 13.7%, with the highest coefficient for aging population is among women in the rural localities (18 women of over 60 years old per 100 compared to 12 men of the same age). In overall, due to women's higher life expectancy (7.5 years more than men) share of women among aged population is increasing. , Most elderly people are vulnerable to poverty and poverty amongst the elderly arises due to: a. their dependence on the low state pension as their only source of income, the lack of opportunities for them to earn a living to supplement that pension, and their inability to work their land, and b. they are often the main carers of children whose parents have migrated for work either to the cities or abroad. Although elderly people living in rural areas are particularly vulnerable to poverty by virtue of the lower living standards associated with rural areas, elderly people living in cities are also vulnerable as they too are unlikely to have any source of income other than their pension, and the sight of elderly people begging in Chisinau is all too common.

Disabled people and their carers, the majority of whom are women who have either had to give up work to care for a disabled family member, or who have reached pension age. A recent survey in one district showed that over 90% of these households with a disabled adult of working age were poor. At the same time, it is

¹² National Bureau of Statistics, 1st quarter 2009 figures (ILO)

¹³ The average age of migrants in 2006 was nearly 35 years, with over 37% aged below 30

¹⁴ Construction levels fell by 41.3 percent in the first trimester of 2009 compared to the same period last year (National Bureau of Statistics)..

attested that the primary disability is prevailing in rural area with 58.8 percents. People with disabilities are benefiting from the public system of state social insurances. Even though the average quantum of disability pensions increased four times during last 7 years, it continues to be very small and not enough to ensure a decent living (651 MDL in 2009).

Victims of domestic violence: Moldova has one of the highest rates of domestic violence in the world with various surveys suggesting around half of all women have experienced physical abuse at some time in their lives, nearly 70% of that abuse being delivered by their spouses or partners (IOM, 2005). It has been suggested that as many as 90% of women who participate in human trafficking do so in order to avoid domestic violence (IOM, 2005). According to IOM data, roughly 70% of female trafficking victims repatriated to Moldova between 2001-4 were aged between 18-25 years, and that 70% of these were from families described as "poor" or "very poor". The UN Special Rapporteur on Violence Against Women has observed, "Whereas gender equality is ensured and promoted by law, in practice, women experience high levels of unemployment or are concentrated in low paid sex-type jobs, and encounter strong patriarchal attitudes and deep-rooted stereotypes that perpetuate the subordinate position of women in the family and in society. Violence against women, within the family and in formal institutions, is said to be a widespread phenomenon. Domestic violence ... is, by and large, accepted as a normal aspect of private life by men and women alike and not considered as a problem warranting legal intervention."¹⁵

Victims of human trafficking: in particular those whose families and communities may not accept them back, or who are so traumatised by their experience that they are unable to work or participate in normal social relations. This is particularly the case with women and girls who have been forced to work in the sex industry.

Persons Vulnerable as a Result of Stigma, including Racial or other Discrimination: International and European monitoring bodies have identified a number of issues concerning vulnerability arising as a result of discrimination based on ethnicity or perceived race, religion or for related reasons.¹⁶ Particular concern has been expressed about the situation of and exclusion threats facing the Romani minority. A recent UNDP study indicated that Roma face a two times higher risk of poverty than non-Roma in Moldova, and that five out of ten Roma live in extreme poverty.¹⁷ Surveys carried out in particular localities indicate extreme in exclusion, including problems such as dramatically lower funding going to schools with predominantly Romani student bodies.¹⁸ The diversity of local situations in Moldova indicates that various ethnic and religious individuals or groups may face exclusion at local level, with Roma facing vulnerability throughout the country.

Many of the above forms of vulnerability are manifestations of gender inequality, or are magnified or aggravated by gender discrimination. It is further aggravated by the fact that local authorities do not have resources and capacities to address at the local level these pressing social problems.

Transnistria region: The problems associated with the Transnistrian region represent a major obstacle to stability and development, the conflict remaining unresolved for over seventeen years. Efforts to identify a political solution to the conflict have been undermined by vested interests in the status quo and by the asymmetry in the engagement of external actors in the region.

¹⁵ United Nations Press Release, "UN Experts on Torture and Violence Against Women Conclude Joint Visit to Moldova", 11 July 2008. The full report of the Special Rapporteur is forthcoming.

¹⁶ See for example United Nations Committee on the Elimination of Racial Discrimination, "Concluding Observations of the Committee on the Elimination of Racial Discrimination: Moldova", CERD/C/MDA/CO/7, 16 May 2008; Council of Europe's European Commission Against Racism and Intolerance, "Third Report on Moldova", Adopted on 14 December 2007, CRI(2008)23.

¹⁷ United Nations Development Program, *Roma in the Republic of Moldova*, UNDP Moldova, 2007, p.10.

¹⁸ Moldovan Helsinki Committee, Resource Centre for Human Rights "Report on Human Rights Concerns of Roma Rural Communities", 2003, p.26.

Relationships between Moldova and the Transnistrian region remain strained. In recent years, Moldova has repeatedly called for greater involvement by the European Union and the USA in the resolution of the conflict in Transnistria. In March 2005, the EU appointed a Special Representative for Moldova with a mandate, *inter alia*, to contribute to a peaceful settlement. In September 2005, the parties in the ‘five-sided’ talks invited the European Union and the USA to join in negotiations as observers. Settlement talks are however blocked since February 2006 following the introduction of the New Customs Regime between Moldova and Ukraine.

Authorities of Transnistrian region were signalling that the region is severely affected by the economic crisis much earlier than the Moldovan Government. External trade of the region for the first three months of 2009 was by 30% less than in the similar period of 2008; the export has dropped by 43%, down to 124 million dollars; collections to the public budget covered only 78.5% of the plan in the period concerned and just 37.9% in April.

The number of jobseekers has almost doubled this year, with a total of 23 enterprises, including the large Electromash Company, remain closed. The Transnistrian authorities have warned that the second quarter of 2009 will be even more difficult because of further decreases in budget revenues. On 29 April the Supreme Soviet (local legislature body) approved anti-crisis measures proposed by the Transnistrian leadership reallocating US\$ 44.4 million, providing emergency support for big companies.

Taking into consideration that the most vulnerable are living in rural areas and small towns, there is the prospect of further increases in rural poverty and many of the concerns about rural poverty in Moldova that were apparent before the crisis may now become more acute as the crisis unfolds.

It is important to note that there are very few institutional structures on which the poor can draw for livelihood support. The most important institutions are the Local Public Authorities (LPA) because they are the mechanism through which documents are accessed, benefits are claimed, information is sought and other services provided. The assessment of the LPAs shows that they were slow, inefficient and did not have the contacts and experience to promote local development due to the lack of capacity and enabling framework. The other public institutions, such as the various inspectorates (tax, phyto-sanitary, sanitary) are experienced as controlling agents, often corrupt that have to be paid.

I.2.4. Human Rights and Gender Mainstreaming at Local Level in the Moldovan Context

There are positive obligations on the Moldovan state – including on local authorities – flowing from nearly every corner of Moldova’s international law and related commitments. Moldova has ratified six of the nine core human rights treaties.¹⁹ The Constitution of the Republic of Moldova sets out that international law prevails over domestic law in cases where these may conflict.

A non-exhaustive list of rights arising from Moldova’s international law commitments and at issue in local development and governance includes rights to freedom of opinion, expression and association, and the rights to peaceful assembly and freedom from fear and intimidation, as well as independent judicial procedures, and protection from all forms of discrimination. In the context of the Millenium Development Goals, rights to life, health, work, food, adequate housing, education, and an adequate standard of living (including water and sanitation), among others, have been described as engaged.²⁰

Human rights approaches to development at local level are closely allied with development efforts at poverty alleviation, particularly in the context of the Millenium Development Goals (MDGs). A 2004 study by the UN

¹⁹ The International Covenant on Civil and Political Rights (ICCPR); the International Covenant on Economic, Social and Cultural Rights (ICESCR); the International Convention on the Elimination of All Forms of Racial Discrimination (ICERD); the Convention on the Elimination of All Forms of Discrimination Against Women (CEDAW); the Convention Against Torture (CAT); and the Convention on the Rights of the Child (CRC).

²⁰ Langford, Malcolm, “Human Rights and the Millenium Development Goals in Practice: A Review of Country Strategies and Reporting”, United Nations Office of the High Commissioner for Human Rights, UNICEF Division of Policy and Practice, Norwegian Centre for Human Rights, 2008, p.4.

Office of the High Commissioner for Human Rights identifies the following principles as key features of a human rights approach to poverty reduction: overriding concern with human freedom and dignity; participation; non-discrimination and equality; empowering the poor; accountability; recognition of national and international human rights normative framework; obligations of progressive realization; (minimum) core obligations; obligations of international assistance and cooperation.²¹

Of the above, several items have elaborated and technical meanings. In Europe, for example, non-discrimination has been extensively elaborated to include bans on direct and indirect discrimination (meaning a neutral rule or policy having a disproportionate impact on a particular group); harassment based on ethnicity; gender or other grounds; instruction to discriminate; and retaliation for complaints of discrimination.²²

In an economic, social and cultural rights context, concepts such as (minimum) core obligations have also been extensively elaborated.²³ The United Nations Committee on Economic, Social and Cultural Rights and others working in this area have elaborated a conceptual frame for states' obligations including: (1) general legal obligations, usually involving the specific immediate obligations of non-discrimination and the requirement to take deliberate, concrete and targeted steps toward the realization of any given right; (2) specific legal obligations, in particular obligations to respect, protect and fulfill the specific rights at issue; (3) obligations to redress violations arising from acts of commission or omission.²⁴ Relevant actions first-order by government include: (1) laws, policies and strategies; (2) the development of indicators and benchmarks; (3) providing remedies and accountability, including (a) opportunity for genuine consultation with those affected; (b) timely and full disclosure of information on the proposed measures; (c) reasonable notice of proposed actions; (d) legal recourse and remedies for those affected; and (e) legal assistance for obtaining legal remedies.²⁵

In particular as a result of their aim at equality of outcomes, human rights based approaches to development have been closely affiliated with policy approaches aiming at gender mainstreaming. Gender mainstreaming has been defined as follows: "Mainstreaming a gender perspective is the process of assessing the implications for women and men of any planned action, including legislation, policies or programmes, in all areas and at all levels. It is a strategy for making women's as well as men's concerns and experiences an integral dimension of the design, implementation, monitoring and evaluation of policies and programmes in all political, economic and societal spheres so that women and men benefit equally and inequality is not perpetuated. The ultimate goal is to achieve gender equality".²⁶

There is heightened attention also to "intersectionality", in particular the situation of women and girls belonging to potentially excluded or vulnerable groups.²⁷

Central Authorities, Local Authorities, Decentralization and Reform in the Republic of Moldova

Certain groups have been repeatedly identified by international law review bodies by as vulnerable in Moldova. These include but are not limited to women (particularly those belonging to vulnerable groups such as rural women, single women heads of households, women belonging to ethnic groups, in particular Roma women, disabled women and elderly women),²⁸ ethnic minorities and in particular Roma and others regarded as

²¹ OHCHR, 2004. *Human Rights and Poverty Reduction: A Conceptual Framework* (New York and Geneva, United Nations, 2004), <http://www.ohchr.org/english/issues/poverty/docs/povertyE.pdf>.

²² For a useful summary of law binding on Moldova, see European Court of Human Rights, Grand Chamber decision in *D.H. and Others v. Czech Republic*, 13 November 2007.

²³ A useful recent iteration appears in United Nations Committee on Economic, Social and Cultural Rights, General Comment 15 on the Right to Water.

²⁴ *Ibid.*

²⁵ *Ibid.*

²⁶ ECOSOC agreed conclusions 1997/2.

²⁷ See for example United Nations Committee on the Elimination of Racial Discrimination, "General Comment 25: Gender-Related Dimensions of Racial Discrimination", 20 March 2000.

²⁸ United Nations Committee on the Elimination of Discrimination Against Women, "Concluding Comments of the Committee on the Elimination of Discrimination against Women: Republic of Moldova", 25 August 2006.

“Gypsies”,²⁹ religious minorities,³⁰ sexual minorities,³¹ children (children from socially disadvantaged families, children with disabilities, children with HIV/AIDS or children belonging to a different ethnic group or holding different religious views), as well as children in institutions,³² trafficked persons, persons at risk of trafficking and persons threatened with domestic violence.³³ Persons belonging to these protected categories must of necessity be the subject of special scrutiny and special measures in a local development context. In addition, other categories of persons have been repeatedly identified as exposed to vulnerability in countries similarly situated to Moldova and can be presumed to be classed as persons who may be at risk of vulnerability, where there is also compelling empirical data to suggest vulnerability. These would include but not necessarily be limited to the mentally and physically disabled,³⁴ as well as others.

The decentralization process places particular obligations on authorities to ensure that the legal and policy framework includes procedural and other elements to ensure that fundamental rights can be effectively realized. Experience from other countries of the region has shown that, while decentralization in principle heightens inclusion and facilitates new access by the public to participate in governance, new powers and autonomies of the local authority can in some cases lead to heightened exclusion of certain particular groups and/or individuals, particularly if adequate accountability mechanisms are not provided. As a result, although there is no dispute that human rights law also binds local authorities, “it is important that a country's international obligations under international human rights law are made explicit in the context of decentralization and local governance to the extent that the actions of those below the central government who will exert power, dispose of resources and shoulder responsibilities are also guided by the country's human rights obligations.”³⁵

As a component of decentralization, fiscal decentralization offers particular opportunities apply human rights based approaches. UNDP has translated human rights based approaches to development as including, in the context of fiscal decentralization, the following main points:

- Clear assignment of functional (expenditure) responsibilities across different levels of central and local government is fundamental to the identification of duty bearers and their respective obligations.
- Assignment of responsibilities to local governments without the corresponding provision of adequate financial resources should be avoided since this would limit the capacity of local governments to meet their obligations.
- Special consideration should be given to the human rights implications of fiscal decentralization reforms, in terms of analyzing whether public services are improved and rights better protected.
- Any assessment of a reform of intergovernmental fiscal relations should include an analysis of its likely impact on the poorest and most vulnerable groups, as well as on inter-regional disparities.³⁶

In general, in rendering these measures tangible, as noted above, legal measures, as well as specific policies and policy actions are needed, including but not limited to measures to foster improved involvement in local

²⁹ UNDP, *Roma in the Republic of Moldova*, UNDP Moldova, 2007; United Nations Committee on the Elimination of Racial Discrimination, “Concluding Observations of the Committee on the Elimination of Racial Discrimination: Moldova”, CERD/C/MDA/CO/7, 16 May 2008; Council of Europe’s European Commission Against Racism and Intolerance (ECRI), “Third Report on Moldova”, Adopted on 14 December 2007, CRI(2008)23.

³⁰ CERD Op. cit.; ECRI, Op. cit.

³¹ UNHRC, “List of Issues to be Taken Up in Connection with the Second Periodic Report of the Republic of Moldova”, 20 May 2009.

³² United Nations Committee on the Rights of the Child, “Concluding Observations: Republic of Moldova”, 30 January 2009.

³³ Report of the United Nations Special Rapporteur on torture and other cruel, inhuman or degrading treatment or punishment, Manfred Nowak, Mission to the Republic of Moldova, 12 February 2009.

³⁴ See for example European Committee of Social Rights, Decision on the Merits, *Autism Europe v. France*, Collective Complaint 13/2002. On the situation of persons with disability in institutional care in Moldova, see Moldovan Helsinki Committee for Human Rights, “General Report on Documentary Visits in Psycho-Neurological Boarding Houses of the Republic of Moldova”, 2006.

³⁵ Lundberg, Paul, “Decentralized Governance and a Human Rights Based Approach to Development”, p.7.

³⁶ UNDP Capacity Development Group Bureau for Development Policy, “Applying a Human Rights Based Approach to Development Cooperation and Programming: A UNDP Capacity-Development Resource” September 2006, p.41.

decision-making; interface with the local authorities by members of the public, including vulnerable persons and communities; information from the authorities as to rights, procedures and responsibilities in a local governance context; mechanisms to ensure inclusion and non-discrimination; and mechanisms to ensure oversight in a democratic context. Measures to be promoted might include but not necessarily be limited to the provision of local town meetings and/or other discussion and interface forums; the creation of local ombudspersons; outreach actions to particular persons, communities or groups; the publicity of information on accountability and/or oversight mechanisms; the use of new media to heighten interface between the public and local authorities; as well as other means, to be developed in consultation with local government, members of the public and civil society, persons representing vulnerable groups, as well as affected persons themselves, and other relevant stakeholders. In addition, measures to ensure sufficient oversight and accountability of local authorities need to be designed and implemented, such that checks exist to redress abuses by the local authority. Finally, indicators and benchmarks need to be developed in consultation with affected persons and groups to monitor the impact of policies and programmes.

I.3. PROBLEMS TO BE ADDRESSED

Given the overall development context, related to the political situation and the impact of the economic crisis, and considering the priorities of the new Government and National Development Strategy, Sustainable Local Development and Democratic Local Governance represent a key issue to be addressed in order to respond to existing country priorities and development challenges.

There are four types of issues to be addressed through the proposed phase of ILDP:

- The current policy framework does not respond to the need of local public authorities and does not provide sufficient clarity on their role, authority and responsibilities. Moreover, the legal framework regarding the local public finances is not approved and there is no clarity on the advancement of fiscal decentralisation. The specific needs of women and men, girls and boys, as well as the elderly, disabled, and other vulnerable population, individuals or groups, are not necessarily taken into account in national policies related to local sustainable development and good governance;
- Weak and underdeveloped capacity of LPA to address development challenges and to fulfil their responsibilities in front of citizens. Transparency and participation of CSOs and citizens, especially women in local decision making is limited. The association of LPA are highly politicised and weak in order to advocate for greater authority and resources for LPAs to better serve citizens needs. Management of services and utilities, which is one of the key responsibilities of LPA is weak. Moreover, the most vulnerable communities and groups of population (elderly, disabled, women at risk) do not have access to basic public services, such as access to water, clean environment, and social services. The quality of services is low.
- Most deprived rural communities in Moldova do not have enough capacities to access resources and participate in local development programmes. Such persons thus face compound forces of exclusion and may have extreme difficulties in accessing essential goods and/or services. Considering the difficult operating climate of rural communities, provision of services and relevant support to most vulnerable, more often, is lacking or is of a poor quality, due to scarce resources and limited capacity of the local authorities. Human rights-based approach, including gender mainstreaming, is very rarely applied or taken into account.
- Communities in the Transnistrian region face a special development context given the unclear political status of the region. In addition to that, the communities from the security zone are struggling with additional barriers, including different violation of human rights from Transnistrian authorities (eg. freedom of movement).

II. THE JOINT INTEGRATED LOCAL DEVELOPMENT PROGRAMME

II.1. PROGRAM OBJECTIVES

Development Objective:

The development objective of the ILDP is to assist the Republic of Moldova to ensure that vulnerable groups in poor rural and urban areas take advantage of sustainable socio-economic development opportunities through adequate regional and local policies implemented by LPA and partners in a rights based, gender sensitive manner.

Immediate Objectives of the program are:

Objective 1: *To assist the Government of the Republic of Moldova to upgrade national legal, policy and advisory frameworks to support sustainable processes of development at sub-national level*

The Programme will support relevant central public administration authorities and local public authorities in preparing policies, legislation & implementation mechanisms to advance the administrative and fiscal decentralisation reform that shall accelerate development at the regional and local level. The capacity of central policy making bodies will be strengthened through technical assistance and advisory support in a rights-based and gender responsive manner.

Objective 2: *To develop capacity of local authorities for rights based and gender responsive planning, budgeting, implementation, monitoring and evaluation of development initiatives*

The programme will support local authorities to elaborate Local Socio-Economic Development Strategies in a participatory, transparent and accountable manner emphasizing local socio-economic development priorities and aligning local-level development initiatives with the international frameworks (UHRD, CEDAW etc), as well as with national and regional strategies (NDS, MDGs, Regional Strategies, relevant Sector strategies). Human, institutional and financial capacities will be developed in the selected regions, areas and districts; local governments will receive support in development and adoption of systems and procedures that will allow planning, budgeting, implementing, monitoring and evaluation of development activities in a rights-based and gender responsive manner. The capacity of the municipalities to *manage efficiently* service delivery in the targeted areas, as well as the capacity to *provide* services will be assessed and strengthened. Capacities of Associations of Local Authorities will be enhanced to advocate for better decentralisation and local development policies.

Objective 3: *To empower rural communities and CSOs in target regions to actively participate in local development planning, implementation and monitoring and have better access to improved service delivery and community infrastructure*

This objective will be attained by mobilising communities and providing selected settlements with access to basic infrastructure (such as water and gas supply, waste management, roads, etc.) and improvement of social services (services for victims of violence, community crèches and kindergartens, assistance for elderly and disabled, business counselling, etc) that are planned, established and managed with maximum involvement of the beneficiaries. Community initiatives will be identified, designed, implemented and monitored in rights-based and gender responsive manner. This approach not only helps improving living conditions of women and men in these settlements, but also sets examples of sustainable community-based management that can be replicated at the national scale.

Objective 4: *Communities of Transnistria and of Security Zone are equally benefiting from the improved service delivery and community infrastructure through their active participation in local development initiatives*

This objective will be fulfilled following the community mobilization modality under the Objective 3, with the exception that the ILDP will directly interact with the target communities, not necessarily working through the local self-governing authorities. Support to priority community initiatives identified by local residents will be provided aiming at improving basic infrastructure and social services with the active involvement of women and men. The rights based, gender responsive approach to the local development will be applied. It is planned that the Objective 4 will be implemented with the additional financial support to ILDP specifically targeting Transnistria region and Security Zone. Initial socio-economic analysis and basis mapping of the situation in these areas can start at the beginning of the new phase of ILDP.

II.3. PROGRAM COMPONENTS: OUTPUTS AND INDICATIVE ACTIVITIES

The new phase of the program framework comprises of four inter-related components, as follows:

Component 1:	Policy Advisory and Advocacy
Component 2:	Local Self-Governance and Participation
Component 3:	Community Empowerment
Component 4:	Transnistria and Security zone

The components of the programme will be consulted with the government representatives, and a final implementation plan will be implemented during the inception stage (one month). The below description is therefore indicative.

II.3.1. Policy Advisory and Advocacy³⁷

To assist the Government of the Republic of Moldova to upgrade national legal, policy and advisory frameworks to support sustainable processes of development at sub-national level

The Policy Advisory and Advocacy component of the ILDP will aim to promote an enabling policy environment in order to ensure decentralisation and sustainable local and regional development in Moldova, by channelling community experience, challenges and solutions into knowledge-driven policy recommendations at central level in a rights based, gender responsive manner.

Elaboration of Policy Development, Analysis, Recommendations and Support for improvement and implementation of the policy and legal framework in the area of decentralisation and service delivery:

Support will be provided for an analysis of the existing policy/legal framework on decentralization (fiscal and administrative) and service delivery at the local level and the documentation of relevant experience. This initiative is expected to result in the formulation of policy recommendations on various aspects, including: a. local democratic governance, b. administrative and fiscal decentralization, c. service delivery, d. human rights and gender equality, etc. Allocated fiscal resources are considered inadequate compared to the decentralization of competencies. To address this, support will be provided to the relevant line ministry to undertake a detailed analysis of the adequacy of fiscal resources for decentralized services in conjunction with the LG. The assessment will clearly identify the resources required for the provision of quality, accessible and affordable public services. Proposals to address the asymmetry in fiscal decentralization as compared to the decentralization of competencies ought to be developed with the LG as a next step. A detailed analysis to clarify possible overlap of functions and tasks between central and local governments will be undertaken. The

³⁷ This component is specifically to be updated when the new government structure will be in place

analysis should also emphasize areas of strategic interest, including around environmental protection, as it is a key area of EU concern and is directly implicated by the provision of communal services. Should the analysis demonstrate overlapping or missing functions between local and central governments, the relevant central government line ministry will be supported to work with the LG on a plan to address those functions with a view of streamlining operations between central and local governments. In this way, services in key areas, particular waste, drinking water and sewer, as they relate to EU priorities, will be enhanced.

Support for Capacity Development for the relevant state institutions: (Parliamentary Commissions and Government bodies). The activity will be conducted in a participatory way by involving ministry officials with the facilitation of international and national consultants, serving also as an on-the-job training for the key staff. The process of this initiative will be documented in a form of a Guide for the development, implementation and monitoring of a Rights-based and Gender Responsive Capacity Development Plan. Support will be also provided to the priority actions of the approved Capacity Development Plan within the framework of the program, in a form of TA such as training, expertise, learning trips etc. The Parity Commission on Decentralisation will receive TA support. These initiatives will be enhanced by broad awareness-raising among government officials, as well as legislative bodies and the population at large on decentralization, currently on-going and planned in the country.

Sectoral Coordination; Creation and Functioning of a Development Knowledge Network:

Support State Chancellery to ensure sector coordination: The unit that shall be responsible with coordinating implementation and monitoring of sectoral policies and plans at the regional and local levels will be supported. Areas such as Education, Health, Agriculture, Business Development, Infrastructure etc. are at the national level under sector ministries' responsibilities. The State Chancellery will be supported to lead the donors' coordination efforts in the area of decentralisation and local governance.

Creation and Functioning of Development Knowledge Network: To link community and regional experience to central policy processes, ILDP will support the establishment of the Local Governance and Development Knowledge Network (KN). The KN will be a knowledge-sharing forum for organisations, institutions and individuals relevant to Local Governance and Local Development. This KN will be housed within the Academy of Public Administration (APA) and strategically linked with the on-going Sida Program within APA. APA, the State Chancellery, Ministry of Construction and Regional Development will closely collaborate on the development and functioning of the KN. ILDP will mobilise communities, local authorities, central authorities, academia, private sector, civil society and local development practitioners to regularly participate in the KN to ensure a constant, rich flow of community experience into central policy advisory processes. Through virtual and face-to-face interactions, network members will be able to exchange experience, knowledge, solutions, challenges and best practices. The Knowledge Network will enable the participation of all stakeholders in an open, equal-access dialogue on issues related to local governance and development on a rights based, gender sensitive manner, including:

- Devolving powers and resources from central and state authorities, for ensuring adherence to existing laws, including issues relating to fiscal decentralization;
- Ensuring clarity of accountability lines and relationships, defining functional boundaries and responsibilities of line agencies vis-à-vis local authorities, transfer of functions and functionaries, and interrelationships between bodies working with similar objectives at various levels;
- Building capacities for decentralized planning of urban and rural local bodies, including collection of information/data and providing access to information for responsive and effective governance and sound programme implementation and management;
- Assessing the impact of decentralization on achieving the goal of local economic development and poverty reduction, human rights and gender equality; the effectiveness of decentralization interventions in various sectors of economy with special focus on the participation of women and marginalized groups, and in particular on encouraging the development of specific inclusion mechanisms;
- Elections to local bodies;
- Community experience and best practice in community-led development interventions;

Awareness and communication

Awareness and communication will be crucial to ensure the success of the reform. A communication and public awareness strategy will be elaborated. It is geared to provide timely and consistent information to all potential stakeholders, beneficiaries and concerned authorities/partners, and thus facilitate access by all, especially the most vulnerable and affected communities and groups of population about decentralization as well as effective implementation of the project.

The communication and public awareness strategy is also intended to ensure maximum awareness and transparency of the decentralization process and entire assistance efforts. The following activities are envisaged, but not limited to:

- TV and radio information. The campaign will rely on TV and radio information, which is most efficient in reaching large numbers of rural population in Moldova. Both central and local media will be involved.
- Information in print media. Special information will be developed and published in central and local media.
- Media communication: Working with media will be critical to successful communication of the reform, including response to the legitimate needs of media and provision of all media with fair access to information. Two-way flow of information via the media will be sustained by:
 - Media releases
 - Press conferences
 - Response to media calls
 - Coordination of information on relevant Web sites
 - e-mail list serves
- Public debates.

Output 1: National legal, policy and advisory frameworks to support decentralisation and sustainable processes of development at sub-national level developed.

Indicative Activities:

1.1. Provide policy advice, analysis, and support for improvement of the policy and legal framework in the area of local democratic governance, decentralisation and local service management to the State Chancellery, Ministry of Finance, Parity Commission and relevant Parliamentary Commissions:

- 1) Review the work of the Parity Commission and provide support and recommendations to make the commission functional. Facilitate the active involvement and participation of LG and Associations of LG
- 2) Support the State Chancellery and the Parity Commission to elaborate and approve in a participatory and transparent manner the Strategy and Action Plan for Decentralisation (administrative and fiscal)
- 3) Support the implementation of the Action Plan by:
 - a) Undertaking sectoral analysis for administrative decentralisation (social assistance, education, health etc.)
 - b) Provide recommendations to ensure sufficient detail and clarity concerning the decentralization of competencies and fiscal resources in each priority sector
 - c) Provide support for drafting/amending legislation concerning decentralization
 - d) Provide support for further elaboration and adoption of the Law on Local Public Finance
- 4) Support elaboration of cost and quality standards of public service; support the elaboration of clear frameworks with detailed operational guidelines for alternative service delivery mechanisms, for both inter-municipal cooperation and PPPs.

1.2. Provide policy advice, analysis, research and support for legislation improvement in the area of local democratic governance, decentralisation and local development

- a) Provide support to the State Chancellery, Parliament Commissions, and other line Ministries to define and elaborate the vision, strategy and the road map/action plan for decentralisation. The support will ensure a broad participation of all stakeholders and will ensure that the strategy ensures G and HR perspectives;
- b) Carry out general and sectorial assessments in support to the design and implementation of the decentralisation strategy;
- c) Carry out analysis and identification of the human rights claims of rights holders, and the corresponding obligations of duty-bearers;
- d) Based on the strategy and assessments provide policy recommendations to improve the policy and legal framework: 1) Local democratic governance; 2) administrative and fiscal decentralization; 3) enabling environment for local self-governance and community-led development; 4) local social, economic and environmental development; and 5) reducing threats to human security and improving human rights and gender equality in the communities
 - a. Analysis of existing policy/legal framework and documented experience
 - b. Formulate policy recommendations
 - c. Propose national decentralization strategy
- e) Establish national monitoring and impact assessment system for participatory governance and sustainable development is in place. Gender and HR indicators will be developed/used to be integrated in the system and support will be provided for their monitoring.

1.3. Support State Chancellery to ensure coordination and coherence in approaches to local/regional development by all partners:

- a) State Chancellery capacity strengthened to lead policy coordination in the areas of decentralization process, local and regional development and local services;
- b) Knowledge Network (KN) established as knowledge management, information sharing and partnership building tool on the platform and overall leadership of the Academy of Public Administration (APA). (Link to be made with the on-going Sida Program with APA. GRB and GE courses to be added for the LPAs within APA).
- c) Provide assistance to APA to include training in political skills such as negotiation, consensus building, shared decision-making, conflict management, and participatory approaches.
- d) Provide support to APA to introduce HRBA into its curricula

1.4. Awareness and communication

- a) Elaboration of an awareness and communication strategy in support of the decentralisation process
- b) Support forums for national/regional/local government/authorities to meet with civil society, private sector and so on with a view to discuss, define and agree on actions to integrate at HRBA
- c) Support the implementation of awareness and communication strategy, which will specifically emphasise and contain actions to integrate GM and HRBA:
 - a. TV and radio information.
 - b. Information in print media
 - c. Media communication:
 - d. Media releases
 - e. Press conferences
 - f. Response to media calls
 - g. Coordination of information on relevant Web sites
 - h. e-mail list serves
- d) Public debates

- e) Support outreach activities: traveling theatres, concerts, text messages, DVD:s, discussions clubs, computer games, formal and informal networks

II.3.2. Local Self-Governance and Participation

To support capacity development of local authorities for rights based gender responsive participatory planning, budgeting, implementation, monitoring and evaluation of development initiatives

In this component, ILDP aims to advocate and build capacity among local authorities to support right based, gender responsive community-led development, regional development and democratic local governance.

In order to develop the capacity of local authorities for decentralised governance, ILDP will design a capacity package for local civil servants to effectively and efficiently fulfil their responsibilities in local public administration; managing, operating and maintaining local public service delivery; and attracting investment to public service infrastructure. ILDP will also advocate for the institutionalisation of participation, accountability, transparency and equity in decision-making and public spending. To this end, ILDP will facilitate the development of a participatory planning and budgeting mechanism in all target districts that enables community members, civil society, private sector and local authorities to jointly participate in identifying priorities, planning and budgeting for local and regional development. ILDP will seek to ensure a healthy, collaborative relationship among local authorities, civil society, private sector and community members.

Development of Socio-Economic Strategies in Districts and Towns: Under the current ILDP program, support on Strategic Planning was provided for 5 districts (rayons), out of 32, including one district in Transnistria region. This has resulted in the elaboration of Socio-Economic Strategies of 5 Rayons and 5 Towns. The new phase of ILDP will further build its support to Rayon and Town administrations and self-governing bodies and cover additional 10 Rayons and 10 Towns with the same initiative. Given the growing impact of the deepening economic crises, a special focus will be given to the efficient prioritization of local development initiatives that require State Budget support and external investment, taking into account human rights and gender equality aspects through in-depth study. The program will provide support to the priority measures for the implementation of the selected Rayon and Town Socio-Economic Strategies ensuring participation, accountability, non-discrimination and transparency principles, and work toward the development of mechanisms at local level for the inclusion of identified vulnerable individuals and/or groups.

Capacity Development for human rights based, gender responsive local governance: Current capacities of Rayon and Town authorities will be assessed. Assessment will include: planning and decision-making, M&E, performance budgeting and financial management systems, as well as procedures in a rights based, gender responsive manner. For this, functional analysis of LPA, and assessment of local public finance management will be undertaken. Based on the results of the above initiative, capacity development strategies for the target Rayons and Town will be elaborated and implemented taking into account human rights and gender equality needs and concerns. This will include, but not be limited to, the elaboration of gender sensitive training modules and the actual provision of relevant training by the APA and other academic institutions in the areas of planning, decision making, social budgeting/GRB, M&E, etc. Based on the defined needs and opportunities, local capacity for data management (disaggregated by age, sex, territory and other grounds as relevant) will be strengthened. A synergy with the on-going UN Joint Statistics Program and other similar initiatives will be sought.

Local Public Service Management improvement: Within the Capacity Development of LPAs component, special attention will be given to the management of local public services (social assistance, education, water, waste management, heating, etc); need to be reflected by the LPA's Capacity Development Strategy. Moreover, within the ILDP program, technical assistance and direct support will be provided to pilot innovative/advanced approached in this area. Support will be provided to undertake comprehensive analysis of

services provided at the local level using rights based, gender sensitive tools. This will serve as a basis for planning and the actual improvement of certain services and utilities, which in turn will directly ensure equitable access for women and men, especially from poor and vulnerable groups or segments of the population.

Support to Association of LG: LG Associations represent critical outlets for municipalities in terms of advocacy, capacity development and information exchange. As such, associations of municipalities ought to play a leadership role within the local government sector by being active participants in advocating for the interests of the LG. They need to participate in the policy development process for decentralization and local development to ensure that LG points of view and concerns are taken into account, especially in terms of how they feel the central government could better support LG in providing key services. It is likely that it is only in this way that municipal concerns will be voiced to the central government, particularly with respect to smaller municipalities. Associations of Municipalities need to identify the individual capacity development needs of their constituency and suggest related trainings and information exchanges to the LGA. Support, such as trainings, study tours and information exchanges will be provided so that the associations of LPAs can obtain hands on experience from the countries with advanced cooperation of LPAs aimed at ensuring a rights-based, gender sensitive development, as well as at advocating and promoting interests of the LPA for more transparency, accountability, participation, non-discriminated autonomy and financial resources/independence. Link with the Council of Europe's initiatives on Mayors Associations will be facilitated from the program.

Output 2: Capacities of LPAs in the target regions improved to plan, implement, and monitor local development plans in a participatory, rights based and gender responsive manner.

Indicative Activities:

- 2.1 Support the development and implementation of Socio-Economic Strategy in 10 Target Rayons and 10 Towns in a gender sensitive and participatory manner:
 - a) Analysis, Formulation and Approval of the Socio-Economic Strategy done in a participatory, transparent, accountable, non-discriminatory and gender sensitive manner;
 - b) Analysis and identification of the human rights claims of rights holders, and the corresponding obligations of duty-bearers in the target rayons in support of the elaboration of the strategies
 - c) Monitoring and Evaluation of Socio-Economic Strategy is done in a rights based and gender sensitive manner;
 - d) Support provided to the implementation of the Socio-Economic Strategy in 10 Rayons and 10 Towns.

- 2.2 Develop capacity of 10 Target Rayons' and 10 Towns' administration for participatory and gender sensitive Planning, Performance Budgeting and Financial Management, Monitoring and Evaluation:
 - a) Current capacities of Rayon and Town authorities assessed, covering planning and decision-making, monitoring and evaluation, performance budgeting and financial management systems and procedures in a gender sensitive manner;
 - b) Capacity development strategies for target Rayons and Towns elaborated and implemented, considering HR and GE aspects (based on capacity assessment of selected Rayons and Towns officials), through TA, training and financial support for the implementation of recommendations;

- 2.3 Support for the improvement of local public service management (Local Services):
 - a) Capacity of the LPA management of local public services (social assistance, health, education, water, energy, heating supply etc.) assessed;
 - b) Integrated HRBA and GM in the monitoring and evaluation of local public services;

- c) Develop and implement Capacity development strategy of LPAs for efficient local public services. Provide support/TA for the improvement of the management of selected local public services and utilities in the framework of inter-municipal cooperation).
- 2.4 Support for Association of Mayors
- a) Provide support for capacity strengthening of the existing Associations of LPAs;
 - b) Organize study visits in countries with wide expertise and strong Association of Mayors (Sweden, Lithuania others) aiming to promote twinning initiatives.

II.3.3. Community Empowerment

To empower rural communities and CSOs in target regions to actively participate in local development planning, implementation and monitoring and have better access to improved service delivery and community infrastructure

Community mobilization and capacity development: The Community Empowerment component strategy is derived from the common approaches, experience and best practices of UNDP interventions at community level in Moldova and UNIFEM initiatives in the CIS region. To date, within the framework of ILDP program, social mobilisation and community development was undertaken in 60 rural municipalities and 20 rayons, including all five rayons of Transnistria. Various types of community led Programs were implemented, including improvement of water supply, renovation of education and health facilities, improvement of service delivery and others. These were achieved through participatory elaboration and identification of priorities within socio-economic development action plans of communities. A number of global flagship programs was implemented in the CIS region by UNIFEM on promoting women's economic rights. Local mobilization efforts successfully linked and translated into improved laws and normative acts promoted women's de-facto rights in Central Asian countries uplifting the lives of thousands of women and their families through small, but highly innovative community based actions. These initiatives serve as a basis of developing and piloting rights based, gender responsive community mobilization and development methodology along with the creation/strengthening of local capacity to lead/facilitate local development in a participatory and transparent manner. Thus, ILDP, in all current and newly targeted communities, will undertake social mobilisation, formation and support of community organisation mechanisms, and assistance – technical and financial – to community-led, rights based, gender responsive development Programs. One of the value added of the new phase of the program would be its specific focus on 'soft Programs' by facilitating target communities to pay adequate attention to the most vulnerable groups and segments of society, including elderly, victims of domestic violence, minority, youth and children etc. It is also envisaged that the local communities' initiatives in the area of economic empowerment, especially among women, will be given due consideration. When possible and relevant, attention will be paid to the development of mechanisms to include particularly excluded groups.

Support the implementation of local initiatives: Each target community will identify in a participatory manner its own development priorities and its own strategies in response to the identified priorities under the program's facilitation. To support implementation of community development Programs, ILDP could provide small grant support. Small-grant support to local development Programs will be provided on the basis of competition, transparent selection procedures and subject to proper technical appraisal. Furthermore, Programs to be financed by ILDP must:

- Serve as a pilot/demonstration Program that can be replicated by other communities;
- Contribute to strengthening of participatory, accountable, transparent and non-discriminatory local governance;
- Financed primarily through public-private partnership, a cost-sharing arrangement between beneficiaries, partner municipality/rayon, COs and other public and private sponsors;
- Feasible (i.e. technically, socially, economically, environmentally);
- Benefit an entire community, primarily the vulnerable and most needy;
- Foreseeable improvement of local living conditions;

- Sustainable, in that the beneficiaries can and will maintain the Program's continuation;
- Address the actual needs of community (i.e. basic human needs are given priority on the basis of human rights based approach)

Output 3: Rural communities and CSOs are empowered to actively participate in planning, implementation and monitoring of local development initiatives in rights based and gender sensitive manner; while local actors are able to deliver services and upgrade the basic infrastructure.

Indicative Activities:

- 3.1 Mobilize target communities for community-led gender sensitive development:
 - a) Conduct train-the-trainers courses for facilitators for community-led development and planning processes;
 - b) Organize community meetings to sensitize communities on participatory development processes Note: Special attention will be paid to gender equality as well as other relevant equality and non-discrimination issues, human security issues of poverty, human trafficking and domestic violence;
 - c) Facilitate identification of the community priorities through participatory process, ensuring adequate participation of women and men, young and elderly, poor, different ethnic groups, local organizations etc.;
 - d) Facilitate establishment and functioning of Community Organizations in over 200 communities ensuring adequate representative membership of community organizations and groups, including women, minorities, youth, civil society, media, and private sector through awareness-raising, coordination, and planning activities;
 - e) Support the development of some 200 Community Development Strategies and Action Plans (CAPs) in target areas, in cooperation with local community groups, women's associations, civil society, and local authorities, aimed at strengthening capacities to identify and address obstacles to improving human security issues;
 - f) Provide basic equipment and library for community information/support centres, taking into consideration needs of women and men; youth children and other members of vulnerable groups; including support women's economic empowerment initiatives in the target villages;
- 3.2 Develop capacity and transfer knowledge on local development for community actors taking into account human rights and gender equality aspects:
 - a) Elaborate capacity development modules as follows: development needs, response strategies, planning and budgeting, resource mobilization, Program management and implementation, and monitoring and evaluation, thematic modules prioritizing human rights, gender and human security issues;
 - b) Provide training for community actors (local public authorities, public institutions, civil society, media, private sector, at-risk groups, etc.).
- 3.3 Support the implementation and monitoring of gender sensitive Local Development Programs:
 - a) Provide technical support to the development of local public service delivery, economic empowerment, and environmental development Programs in a participatory and gender sensitive manner. 100 local development Programs supported per year;
 - b) Assist in developing participatory and gender sensitive monitoring and evaluation of local development initiatives, including development of indicators, data gathering and analysis;
 - c) Facilitate the process of practicing participatory and gender sensitive M&E system.
- 3.4 Ensure coordination and coherence in approaches to community development by all partners:
 - a) Support workshops and meetings for decision-makers from different ministries, districts, and partners to develop and update criteria for selection of needy districts and communities via ensuring HR and GE approaches; Support meetings for policy dialogue with decision-makers to develop a national community development policy (gender sensitive);

- b) Support meetings, workshops, and produce information and communication material on concepts, obstacles, lessons learned, and recommendations on community development in a gender sensitive and human rights-based manner, including by securing the inclusion of persons and communities potentially threatened with exclusion;
- c) Support meetings and workshops to review and harmonize development concepts and develop a Moldovan common approach to gender-sensitive and human rights-based community development;
- d) Produce quarterly newsletter to share experiences, concept and to mobilize decision-makers on community development issues.

II.3.4. Transnistria and Security Zone

To empower rural communities in the Transnistrian region of Moldova, as well as in the Government control area of the security zone of the Transnistria region, to participate in local development planning, implementation and monitoring and to enable local actors to deliver services and upgrade the basic infrastructure.

Community mobilization for basic social services and infrastructure facilities will be ensured through the implementation of a community-based approach at the local level, bringing together organizations from the Transnistrian region and the rest of Moldova to work on development opportunities of common interest. A special focus shall be addressed to communities in the **security zone** where the activities implementation will be built on results achieved by previous ILDP interventions.

The activity derives from the common approaches, experience and best practices of UNDP and UNIFEM interventions at community level in Moldova and in the CIS, where communities are assisted in social mobilization, formation and support of community organization mechanisms, provision of technical and financial support to community-led development Programs. Capacities among community members are developed for sustainable local development processes such as identifying and prioritizing community development needs, developing strategies for addressing identified problems, mobilizing resources to implement community development Programs and managing and sustaining the outputs.

While working in communities, human rights based approach, including gender aspects, shall be used. When implementing the Program's activities, further attention will be paid to the collection of gender-disaggregated data. During Program's inception phase, a detailed baseline analysis shall be ensured in a gender sensitive manner, to be further used in Program monitoring and evaluation.

Output 4: Communities and CBOs from the Transnistria region are empowered to actively participate in local development initiatives in rights based and gender sensitive manner; citizens has better access to information and basic services.

Indicative Activities:

- 4.1. Mobilize target communities for community-led gender sensitive development:
 - a) Conduct train-the-trainers courses for facilitators for community-led development and planning processes;
 - b) Organize community meetings to sensitize communities on participatory development processes Note: Special attention will be paid to human and gender equality, human security issues of poverty, human trafficking and domestic violence;
 - c) Facilitate identification of the community priorities through participatory process ensuring adequate of women and men, young and elderly, poor, different ethnic groups – and in particular those persons or groups most threatened at local community level with exclusion --, local organizations etc.;

- d) Facilitate establishment and functioning of Community Organizations and support the development of some 29 Community Development Strategies and Action Plans (CAPs) in target areas ensuring adequate representative membership of community organizations and groups, including women, minorities, youth, civil society, media, and private sector through awareness-raising, coordination, and planning activities;
 - e) Provide basic equipment and library for community information/support centres, taking into consideration needs of women and men, youth and children; including support women's economic empowerment initiatives in the target villages.
- 4.2 Develop capacity and transfer knowledge on local development for community actors taking into account human rights and gender equality aspects
- a) Provide training for community stakeholders;
- 4.3 Support the implementation and monitoring of gender sensitive Local Development Initiatives: basic services, economic empowerment, environmental development; access to information etc. in a participatory and gender sensitive manner. Assist in developing and facilitate the process of practicing participatory and gender sensitive monitoring and evaluation of local development initiatives, including development of indicators, data gathering and analysis.

II.4. TARGET AREAS AND BENEFICIARIES

Policy Advisory and Advocacy Component: Program will strengthen the capacity of the key ministries and partners, primarily the state chancellery, MoF, MoET, MLSPF, MCRD, among others. Initiatives at the policy level are expected to have an overall national coverage, as the improved legislative and normative initiatives, with the support of the program, will affect the country as a whole in the area of local self-governance.

Long term support will be provided to the Academy of Public Administration, especially in establishing and facilitating the Development Knowledge Network in close collaboration with the State Chancellery. Think tanks, private firms and companies, CSOs and NGOs, as well as academic institutions will be both beneficiaries, and partners of this component implementation and will be represented by women and men on a parity or equal opportunity basis.

Local Self-Governance and Participation Component: Under the new phase of ILPD, 10 Towns and 10 Rayons will be supported under the local self-governance component. In addition to the current Central Region and the Security zone, selected rayons and towns from the Northern, Southern, and Gagauzia regions will be targeted.

The key target group under this component is represented by local authorities, as well as local CSOs/NGOs, academic institutions, think tanks. In total over 750 women and men will be trained by the end of the program implementation. Both women and men will be encouraged to participate and benefit from the component initiatives focusing on increased women's participation from the local self-governance and the civil society in general.

Community Empowerment Component: Within the new phase of ILDP program, it is envisaged to expand the territorial coverage of local community initiatives. Currently, the program focuses on the Central Region of the Republic of Moldova, including the security zone. Under the new phase, communities from the Northern and Southern Regions will be also targeted based on Deprivation Index (SADI) and other selection criteria. Overall, about 140 communities with an average population of 3000 inhabitants will be supported by ILDP, in addition to the communities where the current program is providing both conceptual and financial support. ILDP design will encourage and facilitate active participation of community members, especially women, youth, elderly and disabled, as the primary recipients of all local development initiatives.

Transnistria and Security zone Component: The new phase of ILDP will be expanded to the Transnistria Region and will work more thoroughly in the security zone. It will cover all 5 rayons of the region and the

areas from the security zone which are based on the left bank of Nistru River but are under Moldovan Government control. 20 communities from the Transnistria region will be supported and 9 from the security zone. The same methodology will be used as described in the Community Empowerment Component although the approach may differ given the sensitivity of actions.

II.5. TOOLS AND APPROACHES: HUMAN RIGHTS BASED APPROACH

The program will apply holistic approach to programming and tackling the challenges at all levels of governance: policy; institutional building; community development. Such comprehensive approach allows concrete links between grass-roots realities (local level services delivery and utilities provision) with the local governance (planning, implementation, lobbying capacity) --and central policy-making (governance in local and regional development) by showing examples of what implications the policies and governance systems may have on the lives of citizens - women and men.

At the policy level, the programme will focus vital importance to participation of local public authorities and citizens/women in policy making processes at central and local levels by contributing to open, inclusive and evidence-based policy-making, building knowledge and increasing understanding of national policy-makers and local government officials on rights based, gender-responsive national policies and programme development. The tools applied at this level include gender-analysis of existing policies and legislation in the area of fiscal and administrative decentralization, social protection, budgets, etc. The programme interventions focus on transforming local governance and decentralization policies and laws towards proactive development oriented policies helping vulnerable social groups to overcome poverty, rather than passive response on poverty and crisis by providing subsistence assistance.

At the local governance level, the programme will focus on strengthening capacities of local authorities both from appointed and legislative bodies on rights based, gender-responsive priority identification, planning, implementation, monitoring and budgeting, building skills to ensure effective and efficient social security services delivery and utility provision. At this level the focus will be made on transforming between service providers and the people they serve. This will allow revising and transforming the culture of public service delivery to be citizens oriented, and subsequent flexibility in service provision oriented on the needs of specific groups. In a way the programme interventions at this level are directly aligned with and contribute to the implementation of the commitments identified within National Development Strategy, Social Assistance Strategy and other key policies.

At the community level, the programme will enhance the capacities of rural community members, especially women to effectively participate in and benefit from the development initiatives through increased claim of their rights and demand of transparent and effective governance, and effective and efficient social security services delivery and utilities provision. The interventions at this level will transform the perceptions and attitudes of citizens in relation to public services by supporting the pilot initiatives that will demonstrate the opportunities for community organizations and women groups to influence decisions and be listened by the service providers. Specific attention will be given to increasing knowledge of women and women groups on the system of public services provision, understanding on the functional hierarchy within the system and how it can be accessed and influenced. In the situation of general lack of culture of citizens' participation, inherited from soviet period, as well as traditional positioning of women in the patriarchal society and the exclusion of traditional pariah groups such as Roma and potentially members of other ethnic or religious groups at local level will require multidimensional efforts at all levels.

The programme's strategy, aiming at improvement of local governments' efficiency, accountability and responsiveness, based on human rights standards and norms places a specific attention to:

- expanding channels and opportunities (access to information, feedback mechanisms, legal education, etc.) for citizen (women groups) participation in local and central level policy making in the area decentralization, social service and utilities provision;
- strengthening capacity of local government for effective and efficient social services delivery and utilities provision;
- documenting and disseminating successful cases of rights based, gender responsive local governance for improvement of social services and utilities provision; documented evidences of effective collaboration between different stakeholders in these areas, especially benefiting rural women, children , the elderly and members of other groups threatened by exclusion.

When working well, a decentralized local government can better target policies and interventions to local situations and contexts, and therefore provide better and more appropriate services. Decisions are brought closer to the people and citizen’s satisfaction should ideally increase. However experience has shown that there are indeed challenges to good local governance in the context of decentralization. Challenges such as weak participation culture, weak capacities to deliver services, politicized governing structures, elite capture, discrimination and inequalities, and a difficulty in creating pro-poor, human-centred policy are common issues.

To tackle these challenges UNDP and UNIFEM will put together a set of practically oriented tools that bring two new approaches to local governance. The human rights-based approach to programming (HRBA) and gender mainstreaming (GM) bring accountability, non discrimination, equality and rule of law as well as a powerful analytical tool to local governments, focusing their operations on governing and delivering to the women and men, boys and girls who most need it.

In this way, it shall tackle the challenges that decentralization and local governance programming faces (especially in mitigating the challenges of the current economic and social crisis), bringing the following benefits to local governance programming:

- Just and inclusive development processes, outcomes and benefits;
- Multi-sectoral interventions—a holistic perspective on governance;
- Tackles the root causes of inequalities and social exclusion;
- Builds capacity with people and institutions to deliver and demand rights and services;
- Sustainability and farsightedness;
- Accountability and transparency of the governance structures and processes.

Another important aspect of why UNDP and UNIFEM will employ the Human Rights-Based Approach to programm implementation and gender mainstreaming is because of the size of the programme and its scope of work. UNDP and UNIFEM works with all levels of government and with civil society and is thus in a unique position to work with HRBA and GM both with the national legal framework as with community-level organisations that all are important aspects of the fulfilment and enjoyment of human rights and gender equality. Throughout the program implementation, the best global and regional practices of UNDP and UNIFEM shall be applied. Various tools and techniques will be developed to be applicable and used by all partners of the program, which will ensure the sustainability of the initiatives in addition to the trained staff, target groups and partners.

II.6. SUSTAINABILITY OF ILDP

Further sustainability will be ensured through an adequate level of national ownership and, the practice of wide involvement of the concerned national structures will be continued. Participation of local experts, specialists of local branches of relevant governmental agencies into regular consultations, meetings and implementation of concrete activities, in addition to the monitoring, will allow ensuring proper accountability for results to be achieved. Significant focus to be made on capacity building for local partners will further ensure an ownership for results and a further continuation of activities and interventions piloted and tested.

The action is built taking into account previous experience of UNIFEM in social and economic inclusion of women in Moldova and the CIS region as well as experience of UNDP on ILDP and other program implementation.

One of the key objectives of this programme address strategic needs and priorities, identified by rural communities, including women themselves, with a special focus on improving access to social services (health, education, social protection, water, sewage, electricity). Such complex approach to the needs of rural communities, especially women will ensure addressing rural poverty in multiple fronts, leading to sustainability of local poverty reduction efforts.

Also, the incentive to sustain community-led development practices is the combined track record of successful local development Programs benefiting women and men: services: (improved maternal home/health centers, established community based crèches/kindergartens, improved/created youth development centers, community counselling to prevent and combat violence against women, etc) basic utilities (established or improved water supply systems, heating systems, waste water management). Having accumulated experience and success in improving local living conditions during ILDP implementation, communities are expected to have a strong incentive to continue collaborating to prioritise development needs, strategise responses, initiate engagement with local authorities, mobilise resources and implement local development Programs.

ILDP will also provide incentive for local authorities to uphold the principles of democratic self-governance – in particular, guaranteeing participation of communities in decision-making processes – and to continue providing financial and technical support to community development Programs. By engaging communities in local development planning and decision-making, local authorities position themselves to be more responsive and accountable in addressing local needs. By assuming accountability for and being responsive to local development needs, local authorities gain credibility and the trust of local constituents - political capital to be applied during local elections.

A further incentive for local authorities is ensuring the appropriateness and cost-effectiveness of local development initiatives, when communities are engaged in the planning and implementing of local development initiatives. Engaging local communities in development processes ensures that local government resources are spent efficiently, addressing only priority development challenges. Furthermore, cost-effectiveness is assured in those local communities, to the extent possible, implement local development Programs through voluntary participation in the local development processes.

A final incentive for local authorities to sustain their engagement with communities is that adequate and reliable local infrastructure is a prerequisite for local economic development. With improved systems for water, gas and electricity supply, a municipality or rayon is much more likely to attract domestic or foreign investment. By sustaining their partnership with communities, local authorities can efficiently and effectively lay the groundwork for local economic development and investment.

At the central policy level, there is strong incentive to foster an enabling environment for local self-governance and development. Ensuring a conducive policy and legal framework will result in continued improvements in human development indicators, necessary for closer integration with the European Union.

To create an enabling environment for local self-governance and development, ILDP will advocate a degree of fiscal, political and administrative decentralisation to local authorities. The incentive for implementing and sustaining such changes to Moldova's governance structures is to achieve harmonisation with European norms of democratic governance. To integrate more closely with the EU and potentially pursue EU membership, Moldova will need to show that responsibility and accountability for the functions of government are transferred to the lowest institutional or social level that is capable (or potentially capable) of completing them.

ILDP will also advocate an enabling environment for local economic development. Incentive to implement and sustain the recommended policy and legal framework will be to foster economic growth at local level and increasing, better distributed investment in Moldova.

The programme will be implemented in close consultations with relevant stakeholders, including the central and local governments, local partners. It will allow ensuring proper coordination, benefiting from mutual experience and expertise and jointly and more efficiently contributing to achievement of the overall goal.

II.7. RISK AND MITIGATION MEASURES

Risks have been identified as part of the formulation process and captured in the risk log below. The Program Risk Log is maintained throughout the Program implementation to capture potential risks to the Program and associated measures to mitigate risk. The Program Manager is the main role player who maintains and updates the Risk Log, and ensures that risks are identified, communicated, and managed effectively.

Risk Log

Description of risk	Type and Category	Risk management actions
Political instability may affect the efficiency of the project implementation regarding the Policy Component, especially the advancement of the decentralization reform.	Political/Medium	The programme is designed as a flexible framework to be able to cope with possible challenges being able to quickly adjust and provide the best support for relevant counterparts. Moreover the programme is designed and envisaged to be implemented in a highly participatory manner engaging from the beginning all stakeholders.
Institutional changes in the Government structure (the liquidation of the Ministry of Local Administration and delays of creation of appropriate structures responsible for the reform) and lack of knowledge and capacity.	Political/Medium	The programme is designed in such a way to support capacity development of relevant government structures and Parliamentary Commissions to lead the reform, and to facilitate the creation and development of relevant institutions.
Impact of economic crisis is affecting the local budgets. This could lead to the budget capacity to effectively contribute towards meeting development needs of the local people. This implies for the ILDP that local contribution for development Programs will be limited and subject to the availability of cash within local authorities. This will in no way affect the expected contributions of the local community members	Economic/Medium	Program's core is directed towards assisting the LPAs in managing such situations in the current and possible future economic and social conditions and thus, the whole program strategy is directed towards building response capacity of LPAs as well as the Government in assisting the local authorities. ILPD through its support will assist the LPA to undertake close analysis of the local situation and take into account all external and internal factors in the development initiatives.
Lack of capacity of the new government to mitigated through realistic timelines and	Political/Medium	The project envisage an inception phase which will provide the opportunity to

expectations, and sequencing of reforms.		support the Government to elaborate, supported by broad participation of stakeholders, its own vision, strategy and action plan/road map which will clarify timelines and expectations, and sequencing of reforms. This effort will be combined with advise and training to create the necessary capacity to lead the process.
Resistance of existing national and local elites towards the reform, as well as to ensure full participation of those who usually are excluded (such as poor, women, Roma, etc.)	Operational / Medium	The project will ensure broad participation of CSOs, associations of LPA, as well as will support associations of excluded population to be fully engage in the process.
High level of corruption could undermine reform efforts and gains	Political/Medium	The project will support the government to ensure full transparency and accountability during the design and implementation of the reform. The project will support CSOs to monitor the implementation of reform
Limited opportunities for people with very little free time (like those taking care of family members with disabilities) to take part in identifying priorities, planning, and budgeting for regional and local development.	Operational / Medium	The project team will analyze carefully, before planning the process at the local level, to identify the most suitable time for meetings, interviews, round table discussions etc. to allow people with very little free time to fully participate in the process.
Lack of culture of participation	Operational / Medium	The project will use best practices and lessons learned to show tangible benefits for communities from other similar contexts, and will be working on changing the attitudes and behavior of local councillors and staff towards citizens as well as will empower communities, CSOs and citizens to fully participate in all local development processes.
Local capacities for delivery and financial operations.	Operational / Medium	The UNDP will address these risks by providing on-going training, coaching and mentoring to the sub-contracted organisation
Environmental concerns are not taken into consideration in local initiatives	Environmental/ Low	All support envisaged in ILDP will be based on thorough analysis and recommendations taken into account environmental issues along with rights based and gender issues.
Activities may be delayed due to the regional context and potential tensions between the Chisinau and Tiraspol authorities	Operational / Medium	The Program team will ensure that the local administration is informed on an on-going basis about the aims and the activities planed, including inviting them to the events. All activities have to remain non-political Formalization of

		the participation of Transnistrian organizations should be kept to a minimum in order to avoid potential problems and non-contentious.
Different financial systems in the Transnistrian region may result in delayed disbursement and/or may cause additional Program costs for closer monitoring.	Operational / Low	The UNDP has on-going activities in the region and the system of operation is being established.

II.8. TIMEFRAME AND PHASES OF THE PROGRAMME IMPLEMENTATION

Taking into consideration the complexity (challenges of the decentralization reform) and comprehensiveness of the program (multi-level, multi-sectoral, as well as the need to apply HRBA and GE approached, etc) the Program envisage an Inception Phase for the duration between three to six months.

During the Inception Phase, the Program is expected to fulfil the followings:

1. To support the Government to identify the best institutional arrangements to initiate, lead and facilitate Decentralization Reform in the country;
2. Support/Facilitate Nation wide consultations/debates on the Decentralization Reform;
3. To support the Government to elaborate a Vision, Strategy and an Action Plan/Road map for the realization of the Decentralization Reform;
4. Provide Training on Decentralization issues in a HR and GE manner for the decision makers at the national and local levels, and CSOs;
5. Necessary analysis (general or sectoral) will be undertaken in support of elaboration of the Strategy;
6. Methodology for the integration of HRBA and GE will be elaborated in detail;
7. The current Program document will be adjusted based on the Reform Strategy and Action Plan, as needed;
8. Based on the analysis, the output indicators and targets will be adjusted as needed.

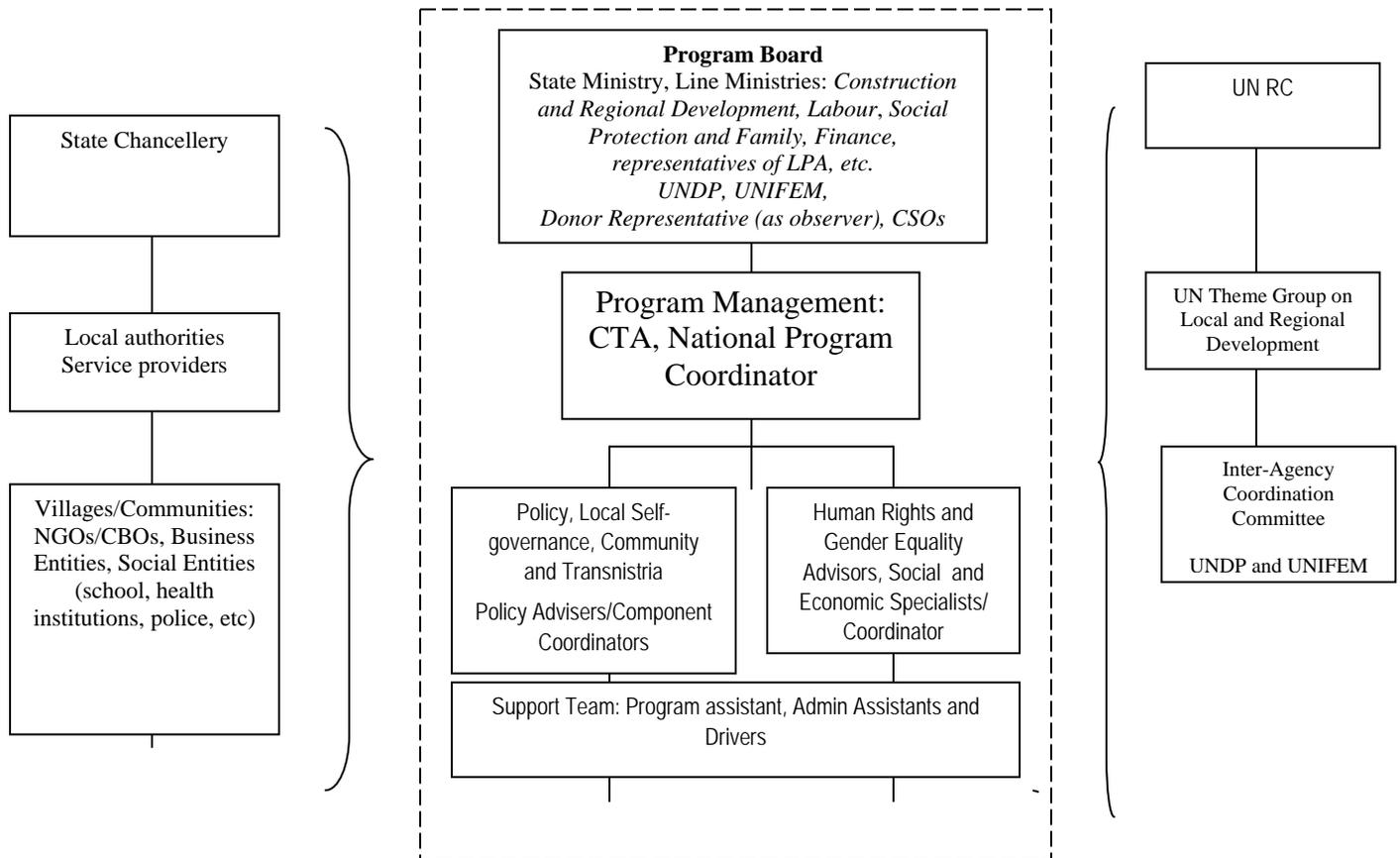
These initiatives under the Inception phase would be undertaken in parallel with the implementation of the program's Outputs 2, 3, and 4.

III. MANAGEMENT ARRANGEMENTS: ADMINISTRATION AND FINANCIAL MANAGEMENT

III.1 MANAGEMENT STRUCTURE

The Program will be managed as a Joint Program using the pass-through funding modality. It will be nationally executed, with the State Chancellery as the national implementing partner. Working together and in partnership with national implementing partners is a fundamental starting point for all UN priorities in Moldova, as elaborated in the UNDAF for Moldova.

Basic Structure of ILDP Program management



The Program will be managed at the highest level by a Program Board. The Program Board shall consist of 9 members: UNDP, UNIFEM, State Minister, Ministry of Construction and Regional Development, 2 representatives of LPA, 2 representatives of NGOs, and a donor representative (as an observer). The Project Board will be co-chaired by the UNRC and the State Minister, as per the generic TOR of the Board/Steering Committee. The Program Board will meet regularly, on a quarterly basis, during the course of the Program. *Ad hoc* meetings of the Program Board may be called when required, at the request of any two of its members at any time during Program implementation. Formal minutes shall be prepared and adopted for each meeting of the Program Board, detailing any proposals made and decisions taken. The CTA and NPC shall provide any necessary support to the Program Board. Decisions of the Program Board will be done by consensus.

The Program Board will be responsible for taking decisions on proposals and recommendations put before it by any of its members, or jointly by the participating agencies through the Inter-Agency Coordination Committee. It shall discuss and decide upon specific Program implementation issues, ensuring optimal transformation of activities into outputs through appropriate monitoring and evaluation actions pertaining to the relevance,

performance, and progress towards each outcome, facilitating cooperation between relevant partners and stakeholders (public and private), and ensuring continuous and effective communication and coordination between the Program and its beneficiaries. All requisite reports of the Program shall be presented to the Program Board for approval prior to submission to the donor(s). The Program Board will also provide a forum for sharing the key results of the Program, as well as discussing changes or challenges in the sector and proposing solutions. Participating agencies will share success stories, best practices, lessons learned, knowledge gained, and data collected during the Program. In this way, cooperation and linkages between the donor(s), participating agencies, national implementing partners, and other stakeholders will be ensured.

An Inter-Agency Coordination Committee will provide recommendations and proposals to the Program Board. It will comprise of representatives participating UN agencies and the donors. The main objective of the Inter-Agency Coordination Committee will be to facilitate effective implementation and coordination of the Program. That is, the Inter-Agency Coordination Committee will discuss and agree upon work plans and budgets as well as any substantive or financial issues pertaining to implementation of the Program overall or related to applicable internal rules and regulations of any of the participating agencies. The Inter-Agency Coordination Committee shall also prepare substantive presentations or reports, proposals for any necessary amendments to the Program Document or Budget, and any other necessary proposals or recommendations for consideration by the Program Board. The Inter-Agency Coordination Committee shall meet on a quarterly basis, usually before the quarterly meeting of the Program Board. Additional *ad hoc* meetings may be called as required, upon the request of any participating agency. Formal minutes shall be prepared and adopted for each meeting of the Inter-Agency Coordination Committee, detailing any proposals made and decisions taken. The CTA and NPC shall provide any necessary support to the Inter-Agency Coordination Committee.

Program Team: International Chief Technical Advisor will lead the ILDP team during the entire program period. The CTA will be hired through international competitive selection based on the previous experience on Decentralization, Community empowerment/mobilization, program management and other related matters. S/he will be responsible to provide strategic guidance to the national team of ILDP, liaise with the State Chancellery and other national and international partners. The CTA will be also responsible for providing substantial inputs to the work of all four components and will assist the State Chancellery in leading the Donors Group on Local Governance.

Both bodies and day-to-day supervision of implementation will be supported by a National Program Coordinator. The National Program Coordinator will be contracted by UNDP/UNIFEM and located in Chisinau. All participating agencies will share responsibility for supervising the work of the Program Coordinator with a mind to ensuring the efficiency and effectiveness of the Program overall. S/he will be responsible for facilitating coordination and other overall Program activities, such as communications and media affairs, reporting, monitoring, evaluation, and interaction with the donor(s). S/he shall also provide logistical support to the Program Board and Inter-Agency Coordination Committee, including preparation of agendas and minutes. Policy Component Coordinator, Local Governance Component Coordinator, Community Component Coordinator, Human rights and gender equality Coordinator, Social issues specialist will be the program core team. One program assistant, two admin and finance assistants and three drivers will comprise the support team.

Close cooperation between the UN and other donor agencies will help to avoid duplication, reduce transaction costs and maximize synergies. UNDP, UNIFEM and donors that will participate in the Program will ensure that all necessary arrangements for co-ordination are made in a timely manner to ensure prompt implementation. This will include an inter-agency agreement between the two UN agencies, as well as concrete agreements between the UN and national partners for the implementation of the activities, management of funds, co-ordination and review of programme results.

III.2. FINANCIAL ARRANGEMENTS

This Program will utilize a pass-through funding modality. The UNDP will serve as the Administrative Agent of this Joint Program to pass resources through to Participating Organizations (UNIFEM and UNDP) in accordance with the Memorandum of Understanding and as per the Joint Programme Budget. The donor will transfer the funds to UNDP (pursuant to a Standard Administrative Arrangement). For pass-through portion of Joint Programme funding, UNDP and UNIFEM will assume programmatic and financial accountability for funds received and will manage funds in accordance with their financial rules and regulation and assigned responsibilities under the Joint Programme and its Budget, and as set forth in more detail in the Memorandum of Understanding.

This Program Proposal and the attached common Work Plan clearly indicate the activities to be supported by each Participating Organization. The indirect costs to be charged by each organization are reflected in the respective budgets (7% PSC).

The Program Board may request any of the Participating UN Organizations, to perform additional tasks in support of the Joint Programme not related to the Administrative Agent functions and subject to the availability of funds. Costs for such tasks will be agreed in advance and with the approval of the Steering Committee be charged to the Joint Programme as direct costs

All UN development activities in Moldova are tax-exempt. Programmatic and financial accountability will rest with each participating agency responsible for managing respective parts of this joint Program.

Any balance remaining in the Joint Programme Account or in the individual Participating UN Organizations' separate ledger accounts upon completion of the Joint Programme will be used for a purpose mutually agreed upon or returned to the donor as agreed upon by the donor and the Program Board.

III.3. FINANCIAL REPORTING

To ensure proper and timely financial reporting, each participating agency shall prepare financial reports in accordance with Section VI "Reporting" of the MOU for this Joint Programme. Financial Reporting will be done by the AA.

III.4. SUBSTANTIVE REPORTING

UNDP shall submit, as the lead Agency behalf of all the participating agencies, an annual progress report for each year of implementation of the Program, and a final report after the conclusion of the Program. Substantive reports will detail the activities, achievements, and results of the Program to date, as well as highlight major activities planned in the coming year. Each participating agency shall contribute, on a quarterly basis, substantive material for progress reports and shall apply a common reporting format for their submissions based on key principles such as results-based annual reporting. The participating agencies shall present their quarterly substantive reports to the Inter-Agency Coordination Committee for review, discussion, and harmonization. Thereafter, they shall be submitted to the Program Board for approval. Annually, UNDP, as the lead agency, will prepare a consolidated substantive report based upon the earlier approved quarterly submissions. The consolidated annual progress report will be reviewed by the Inter-Agency Coordination Committee, approved by the Program Board, and then formally submitted to the donor(s).

Each participating agency shall further follow its own internal rules, regulations, and practices vis-à-vis substantive reporting

III.5. MONITORING AND EVALUATION

Monitoring and evaluation will follow the UNDP and UNIFEM agreed guidelines on Monitoring and Evaluating for Results.

The Monitoring and Evaluation Plan (M&E Plan) will be adjusted as per requirements of UNDP, UNIFEM and the Government. Its main goals will be to ensure continuous feedback on implementation, early identification of potential problems to facilitate timely adjustments to Program operation, and implementation in accordance with the overall strategic plan for the Program. The M&E Plan will contribute to ensuring regular reporting to donor(s) on the effective use of all funding.

Gender mainstreaming has been taken into account in designing and formulating this Program, and it will continue to be an important factor in planning, monitoring, and evaluating activities and operational strategies.

The Program's M&E Plan will be a tool for planning and managing the collection of data and performance of activities, as well as for analyzing and reporting on the same. The M&E Plan will be a flexible document, which can be changed with a full understanding of the reasons for any necessary deviations. Monitoring, having its emphasis on systematic assessment at the Program level, provides the basis for making decisions and taking actions, and it is indispensable in providing information and data for evaluations. This process is based on data collection, and it is essential that such data and information is accumulated in an organized, planned, and routine way in accordance with the M&E Plan.

Monitoring within the Program is of particular importance since it feeds the future evaluation with information and data on effectiveness (contribution of the Program to achieving national priority goals, enhancing ownership, and developing national capacity), efficiency (impact on reducing transactional costs of the Government and participating agencies, influence of participating agencies on the pace of implementation), coherence (degree of progress towards common goals, degree of application of crosscutting strategies, such as human rights-based approach, capacity development, gender mainstreaming), and management and coordination (appropriateness of delineated responsibilities and coordination functions, effects of coordination or lack of coordination on the Program).

Collection of data and information in a disaggregated by sex, age, region and, where relevant, other grounds, to the extent possible will be an on-going process and will be integrated into the activities of the participating agencies, with coordination support provided by the Program Coordinator. Details of the process, including actions, tasks, and responsibilities, will be described in the M&E Plan. In general, it should include financial monitoring and monitoring of inputs and activities. Quarterly financial reports will be prepared, including reporting on both financial expenditures and major deviations from the budget.

The participating agencies agree to assume responsibility for performing joint monitoring of activities under the Program. The results of monitoring activities will be presented on a quarterly basis to the Program Board. The Program Board will meet on a quarterly basis to review progress on the Program, and more often, as requested by any two members. Members will provide regular feedback on implementation of the Program and propose any necessary corrective actions to resolve problems, ensure accountability, and make recommendations on how to improve the quality and impact of current and future interventions.

The Program will be subject to an Annual Review within the framework of the UNDAF Annual Review process and in accordance with UN standards and the UNDAF monitoring and evaluation plan. For the Annual Review process, participating agencies will be responsible for preparing substantive annual reports on their respective activities.

While monitoring is routine and ongoing, evaluation is an in-depth study, taking place at specific points in the life of the Program. The Program will be subject to a final evaluation, resulting in a final evaluation report. This shall include an overall assessment of the Program, achieved with joint input from all the participating agencies and national implementing partners, as well as recommendations for future interventions in the sustainable local development and local governance fields to build upon the results of the Program in Moldova. More specifically, the final evaluation report will have the following major purposes:

- To provide information to the various stakeholders on the extent to which Program goals were achieved and their appropriateness in light of experience;
- To assess the impact of the Program on the direct and indirect beneficiaries from human rights and gender perspective in Moldova as a whole;
- To extract lessons learned and best practices, as well as to identify challenges and obstacles, to inform future development Programs;
- To provide the Program's partners, stakeholders, and donor(s) with information and analysis to learn from past experience, improve service delivery, plan and allocate resources, and demonstrate results as part of accountability.

A more detailed description of evaluation process will be presented in the M&E Plan. The general concept is summarized as follows: As a basis for a Final Program Report, an end-of-Program evaluation shall be performed focusing on to what extent the Program i) has been implemented effectively, ii) reached the intended outcomes, iii) has been cost effective, and iv) provided sustainable benefits and services.

IV. LEGAL CONTEXT

This Programme document shall be the instrument referred to as such in Article 1 of the Standard Basic Assistance Agreement between the Government of the Republic of Moldova and the United Nations Development Programme, signed by the parties on October 2, 1992. The host country executing agency shall, for the purpose of the Standard Basic Assistance Agreement, refer to the government cooperating agency described in that Agreement.

The following types of revisions may be made to this Programme document with the signature of the UNDP Resident Representative only; provided that he/she is assured that the signatories of the Programme Document have no objections to the proposed changes:

- (a) Revisions in, or addition of, any of the annexes to the Programme document,
- (b) Revisions which do not involve significant changes in the results of the Programme , but are caused by the re-arrangement of inputs already agreed to or by increases in costs due to inflation, and
- (c) Mandatory annual revisions which re-phase the delivery of agreed inputs, increase experts cost and other costs due to inflation, or take into account expenditure flexibility.

V. ANNEXES

V.1. Resource and Results Framework

Intended United Nations Development Assistance Framework for Moldova Outcome:

By 2011, vulnerable groups in poor rural and urban areas take advantage of sustainable socio-economic development opportunities through adequate regional and local policies implemented by LPA and partners.

2007-2011 UNDP Moldova Country Programme Outcomes:

3.1. LPAs operate in a more effective and transparent manner

3.3. Empowered communities and CSOs participate in local development planning, implementation and monitoring in a gender sensitive manner

The **overall expected outcome** of the Integrated Local Development Programme (ILDP) is to create **1) at policy level an enabling environment in Moldova for democratic local governance and community-led development through a facilitative policy, legal framework and institutionalised participatory, accountable, equitable local governance practices and capacities; and 2) at community level self-sustaining processes of social, economic and environmental development**

Immediate objectives:

- To assist the Government of the Republic of Moldova to upgrade national legal, policy and advisory frameworks to support sustainable processes of development at sub-national level.
- To support capacity development of local authorities for rights based gender responsive participatory planning, budgeting, implementation, monitoring and evaluation of development initiatives
- To empower rural communities and CSOs in target rayons to actively participate in local development planning, implementation and monitoring and have better access to improved service delivery and community infrastructure
- Communities of Transnistria and of Security Zone are equally benefiting from the improved service delivery and community infrastructure through their active participation in local development initiatives

Outcome indicators as stated in the Country Programme Results and Resources Framework, including baseline and targets.

- Level of absolute and extreme poverty (in the republic at large, in rural areas, in towns, in cities)
Baselines (2004: in the republic at large – 26,5% and 14,7%; in rural areas – 31.2% and 18.0%, in towns – 34.9% and 17.5%, in cities – 6.9% and 2.9% (National Bureau of Statistics based on Household Budget Survey)
Target: 18% (2015)
- Gini Coefficient, based on consumption, (relative)
Baseline: Gini Coefficient, based on consumption, per one inhabitant (relative) – 0.361 (National Bureau of Statistics based on Household Budget Survey)
Target: 0.33
- % of the local budgets income growth (without grants and remittances from the state budget)
Baseline 2005 - 26.7% (2004-2005 MoF)
Target: 25.7%
- % of population that report satisfaction of services provided by LPA
Baseline: Satisfaction indicator of +0.26 (options to choose within the range of -1 and +1) (2008)
Target: +0.40
- Number of public consultations including meetings at local level with the participation of public associations/NGOs/CSOs, protecting the rights of children, youth, women, PLWHA etc.), within the framework of the local budgets planning procedure
Baseline: In 2003-2005, 147 (on budget and local development) (LPA reports, NGO Survey)
Target: Increased numbers of meetings/ consultations
- % of NGOs, which participate in local development planning.
Baseline 2006 - 15.7 % of NGOs participated in local development planning
Target: 50%
- % of NGOs providing services at the local level
Baseline 2006 - 7,2% of NGOs provided services at the local level
Target: Increased number of NGOs providing services at the local level (15%).

Applicable MYFF Service Line: 2.6. Decentralization, local governance and urban, rural development

Partnership Strategy

A participatory approach, taking into account HR and GE approaches will be used in the implementation of this Program. Experts from relevant sector ministries and departments, private companies, NGOs, the academia, local communities and key actors from the donor community will be involved at both the design and implementation phases. Such an approach will provide the basis for reaching consensus amongst all stakeholders and mobilizing all social efforts and available resources to foster the proper implementation of actions envisaged and hence the mitigation of development gaps. Special attention will be given to implementing the Partnership Principle and HR and GE approaches in the formulation of fiscal decentralisation, local/regional policies, objectives setting and prioritising and to promoting public-private partnerships in the implementation work.

Close cooperation between the UNDP and UNIFEM Moldova and donors Agencies, in the framework of the Local and Regional Donor's Group, led by the Government, will maximize synergies, ensure coordination, as well as reduce transaction costs and avoid duplication. UNDP, UNIFEM and donors that will participate in the Program will ensure that all necessary arrangements for co-ordination are made in a timely and gender sensitive manner to ensure prompt and effective implementation. This will include an agreement on the division of responsibilities among agencies active in this sector and national partners for the implementation of the activities management of funds, co-ordination and review of Program results through HR and GE approach.

To provide overall direction and take decisions on specific aspects of Program implementation a Programme Board will be created, led by the Government and involving senior personnel of all signatories to the Program document with similar level of decision-making authority. It will also include representatives of key ministries, donors and other institutions and associations.

At the community level, the Program's key partners are foremost the poorest communities of the selected region. Other stakeholders include the District Councils and communes, the Regional Development Council and Agency where the Program will be implemented. The stakeholders of the region represent the primary partners for the proposed initiative due to the heavy emphasis on community mobilization and participatory processes involved in all activities.

Program title and ID (ATLAS Award ID): Integrated Local Development Programme

Intended Outputs	Output Targets for (years)	Indicative Activities	Responsible parties	Inputs
<p>1. National legal, policy and advisory frameworks to support sustainable processes of development at sub-national level developed.</p> <p>Indicators:</p> <p>1. Capacitated institutional framework to lead the decentralization reform established;</p> <p>2. Vision, strategy and action plan/road map towards the reform approved;</p> <p>3. Legislation amended, law on Local Public Finance approved.</p> <p>4. Decentralization reform strategy implemented (TB updated/specified during the inception phase)</p> <p>5. Monitoring system, with HR and Gender indicators, in place</p> <p>6. # of training provided to Government officials, LPA, CSOs on decentralization</p> <p>7. # of debates on decentralization organized;</p> <p>8. # of training on HRBA and GM</p>	<p>Capacity Development Plan of the Government (State Chancellery) elaborated through human rights and gender lens</p> <p>3 policy impact assessments are undertaken in a rights based, gender responsive manner</p>	<p>1.1 Develop capacity of the Government (State Chancellery) and relevant Parliamentary Commissions for policy formulation, coordination, implementation, monitoring and evaluation (the support to be adjusted considering the specific roles of this institutions)</p> <p>a) Capacity of the Government (State Chancellery) assessed through HR and Gender angle and Capacity Development Plan for 2010-2012 elaborated on the basis of HR and GE approach</p> <p>b) Capacity developed among public officials from relevant central institutions to support participatory and gender sensitive local development planning and decision-making</p> <ul style="list-style-type: none"> ➢ Design capacity development activities ➢ Facilitate training workshops <p>c) Organize exchange visits for participants</p>	<p>State Chancellery Parliamentary Commissions LG MoEC MoF PIT PB CU</p>	<p>International consultancy International travel costs Local consultancy Local travel costs Room + equipment for training, workshops, forum, conference (rent) Contractual Services Meeting costs Printing costs Sundries</p> <p>UNDP: 152,000 UNIFEM: 21,000</p>
	<p>Knowledge Network established and functioning</p> <p>National decentralisation strategy formulated in a rights based, gender responsive manner</p>	<p>1.2 Provide policy advice, analysis, research and support for legislation improvement in the area of local democratic governance, decentralisation and local development</p> <p>a) Provide support to the State Chancellery, Parliament Commissions, and other line Ministries to define and elaborate the vision, strategy and the road map/action plan for decentralisation. The support will ensure a broad participation of all stakeholders and will ensure that the strategy ensures G and HR perspectives;</p> <p>b) Carry out general and sectorial assessments in support to the design and implementation of the decentralisation strategy;</p> <p>c) Carry out analysis and identification of the human rights claims of rights holders, and the corresponding obligations of duty-bearers;</p> <p>d) Based on the strategy and assessments provide policy recommendations to improve the policy and legal framework: 1) Local democratic governance; 2) administrative and fiscal decentralization; 3) enabling environment for local self-governance and community-led development; 4) local social, economic and</p>	<p>State Chancellery Parliamentary Commissions LG MoEC MoF PIT PB CU</p>	<p>International consultancy International travel costs Local consultancy Local travel costs Room + equipment for training, workshops, forum, conference (rent) Meeting costs Printing costs Sundries</p> <p>UNDP: 282,000 UNIFEM: 77,000</p>

<p>provided 9 Curricula for APA on HRBA and GM into local governance</p> <p>Baseline:</p> <p>1. Institutional framework is not established. No/or very limited capacity ; 2. No vision, strategy and action plan/road map towards the reform; 3. Legislation on LPA exists, but needs to be amended. New law on Local Public Finance doesn't exist. 4. No decentralization reform strategy 5. No monitoring system, with HR and Gender indicators, in place 6. No of training provided to Government officials, LPA, CSOs on decentralization 7. No debates on decentralization organized in the past 3 years; 8. No training on HRBA and GM provided. No methodology exists 9 No curricula in APA on HRBA and GM in local governance exists</p>		<p>environmental development; and 5) reducing threats to human security and improving human rights and gender equality in the communities</p> <ul style="list-style-type: none"> ➤ Analysis of existing policy/legal framework and documented experience ➤ Formulate policy recommendations ➤ Propose national decentralization strategy <p>c) Establish national monitoring and impact assessment system for participatory governance and sustainable development is in place. Gender and HR indicators will be developed/used to be integrated in the system and support will be provided for their monitoring.</p>		
<p>Target:</p> <p>1. Capacitated institutional framework to lead the decentralization reform established; 2. Vision, strategy and action plan/road map towards the reform approved; 3. Legislation amended, law on Local Public Finance approved. 4. Decentralization reform strategy implemented (TB updated/specified during the inception phase) 5. Monitoring system, with HR and Gender indicators, in place 6. 10 training provided to Government officials, LPA, CSOs on decentralization 7. 16 debates on decentralization organized; 8. 6 of training on HRBA and GM provided 9 Curricula for APA on HRBA and GM into local governance elaborated</p>		<p>1.3 Support Government (State Chancellery) to ensure coordination and coherence in approaches to local/regional development by all partners</p> <ul style="list-style-type: none"> a) Government (State Chancellery) capacity strengthened to lead sector/policy coordination in the areas of decentralization, delegation or devolution of education, social assistance, health and other taking into account HR and GE aspects b) Support the Government to lead donors' coordination for decentralization and local governance. c) Knowledge Network (KN) established as knowledge management, information sharing and partnership building tool on platform and overall leadership of the Academy of Public Administration under the President. (Link to be made with the on-going Sida Program with APA. GRB and GE courses to be added for the LPAs within APA) d) Provide assistance to APA to include training in political skills such as negotiation, consensus building, shared decision-making, conflict management, and participatory approaches. e) Provide support to APA to introduce HRBA into its curricula 	<p>Government (State Chancellery) Parliamentary Commissions Donors Line Ministries LG</p>	<p>International consultancy International travel costs Local consultancy Local travel costs Room + equipment for training, workshops, forum, conference (rent) Meeting costs Printing costs Sundries</p> <p>UNDP: 148,000 UNIFEM: 30,000</p>
		<p>1.4. Awareness and communication</p> <ul style="list-style-type: none"> a) Elaboration of an awareness and communication strategy in support of the decentralisation process b) Support forums for national/regional/local government/authorities to meet with civil society, private sector and so on with a view to discuss, define and agree on actions to integrate at HRBA c) Support the implementation of awareness and communication strategy, which will specifically emphasise and contain actions to integrate GM and HRBA: <ul style="list-style-type: none"> - TV and radio information. - Information in print media - Media communication: <ul style="list-style-type: none"> a. Media releases b. Press conferences c. Response to media calls d. Coordination of information on relevant Web sites e. e-mail list serves d) Public debates: e) Support outreach activities: traveling theatres, concerts, text messages, DVD:s, discussions clubs, computer games, formal and informal networks 	<p>Government (State Chancellery) Parliamentary Commissions Line Ministries LG PIT</p>	<p>UNDP: 160,000 UNIFEM: 40,000</p>

and used by APA in the continuous training programme				
				UNDP: 742,000 UNIFEM: 168,000
<p>2 Capacities of LPAs in the target regions improved to plan, implement, and monitor local development plans in a participatory, rights based, and gender responsive manner.</p> <p>Target region and rayons, selected based on the following criteria:</p> <ul style="list-style-type: none"> - deprivation indicator - geographical coverage (ensure a balanced support) including the Transnistrian region of Moldova - willingness of local authorities to cooperate <p>Indicators*:</p> <ol style="list-style-type: none"> 1. # of rayons with approved Socio-Economic Development Strategies 2. # of public debates on the in the process of elaboration 3. # of stakeholders involved (the indicator TB disaggregated by local institutions, SCOs, private sector, and vulnerable/excluded – women, roma, poor etc.) 4. % of citizen satisfaction on services provided by LPA (the indicator TB disaggregated to take into consideration vulnerable/excluded – women, Roma, poor etc.) 5. # of services improved in the target rayons 6. # of training provided to LPA and other stakeholders (CSOs, private sectors, vulnerable groups) 7. # of debates/for a organized 8. Association of LPA fully functional <p>Baseline:</p> <ol style="list-style-type: none"> 1. 0 target rayons with approved Socio-Economic Development Strategies 2. 0 public debates in the target rayons on the in the process of elaboration 3. 0 stakeholders in the target rayons involved (the indicator TB disaggregated by local institutions, SCOs, private sector, and vulnerable/excluded – women, roma, poor etc.) 4. TBD - % of citizen satisfaction on services provided by LPA (the indicator TB disaggregated to take into consideration -vulnerable/excluded – women, Roma, poor etc.) 5. TBD - # services improved in the target rayons 6. TBD - # of training provided to LPA and other stakeholders (CSOs, private sectors, vulnerable groups) 7. TBD - # of debates/for a organized 8. Many association exists created on political affiliation. No one advocating of behalf and for LPA <p>Target:</p> <ol style="list-style-type: none"> 1. 10 rayons with approved Socio-Economic Development Strategies 2. 100 public debates on the in the process of elaboration 3. TBD - # of stakeholders involved (the 	<p>Capacities of 10 rayon's and town administration assessed through human rights and gender equality lens</p> <p>Socio-Economic Development strategies elaborated in 10 rayons and 10 towns in a rights based, gender responsive manner</p> <p>Min 200 public servants trained</p> <p>Internal administrative procedures manual elaborated</p> <p>20 inter-municipal Programs elaborated</p> <p>20 Programs implemented in a rights based, gender sensitive manner</p>	<p>2.1 Socio-Economic Strategy of 10 Target Rayons and Towns developed and implemented in a gender and human rights sensitive and participatory manner:</p> <ol style="list-style-type: none"> a) Analysis, Formulation and Approval of the Socio-Economic Strategy done in a participatory and gender sensitive manner b) Analysis and identification of the human rights claims of rights holders, and the corresponding obligations of duty-bearers in the target rayons in support of the elaboration of the strategies c) Monitoring and Evaluation of Socio-Economic Strategy is done in a participatory and gender and human rights sensitive manner d) Support to the implementation of the Socio-Economic Strategy in 10 Rayons and 10 Towns 	<p>LG State Chancellery MoEC MoF PIT PB</p>	<p>International consultancy Mission costs Local consultancy Room + equipment for training Meeting costs Printing costs Dissemination costs Contractual services Sundries</p> <p>UNDP: 660,000 UNIFEM: 80,000</p>
		<p>2.2 Capacity of 10 Target Rayon's and Towns developed for participatory and gender sensitive planning, performance budgeting and financial management, monitoring and evaluation:</p> <ol style="list-style-type: none"> a. Assessment of current capacities, covering planning and decision-making, monitoring and evaluation, performance budgeting and financial management systems and procedures in a gender and human rights sensitive manner focusing on: <ol style="list-style-type: none"> i. <i>Functional analysis of LPA current systems and recommendations for improvements.</i> ii. <i>Assessment of local public expenditure management in terms of strategic planning, investment programming, budgeting, implementation and procurement, assets management, accounting and financial reporting, internal controls and monitoring, evaluation and audit;</i> b. Capacity development strategies for target Rayons and Towns elaborated and implemented taking into account HR and GE aspects (based on capacity assessment of selected Rayon and Town officials) through: <ol style="list-style-type: none"> i. Elaborate gender sensitive training modules including where relevant other elements for inclusion, and provide training for LPA officials (in partnership with the Academy for Public Administration and Universities) in the areas of planning and decision-making, performance and gender budgeting, monitoring and evaluation. ii. Strengthen local capacity for data collection in a disaggregated manner . Link to be made with the initiatives of NBS on improving data collection in the framework of UNDP/UNIFEM/UNFPA Program 	<p>LG State Chancellery MoEC MoF PIT PB</p>	<p>International consultancy Mission costs Local consultancy Room + equipment for training Meeting costs Printing costs Dissemination costs Contractual services Sundries</p> <p>UNDP: 541,000 UNIFEM: 168,000</p>
		<p>2.3 Support for improvement of local public service and utilities management (Local Services and Utilities) and access of most vulnerable to services and utilities</p>		

<p>indicator TB disaggregated by local institutions, SCOs, private sector, and vulnerable/excluded – women, roma, poor etc.)</p> <p>4. TBD - % of citizen satisfaction on services provided by LPA (the indicator TB disaggregated to take into consideration vulnerable/excluded – women, Roma, poor etc.)</p> <p>5. TBD - # of services improved in the target rayons</p> <p>6. 100 training provided to LPA and other stakeholders (CSOs, private sectors, vulnerable groups)</p> <p>7. 100 debates/for a organized</p> <p>8. One association of LPA fully functional</p>		<ul style="list-style-type: none"> a. Capacity assessment of the management of local public services (social assistance, health, education etc.) and utilities (water, energy, heating supply etc.) b. Elaboration and implementation an of a gender and human rights sensitive 'intervention package', a capacity development strategy and provision of training and TA for efficient local public services and utilities management. c. Support for the improvement of the management of selected local public services and utilities trough inter-municipal cooperation.) taking into consideration gender and human rights approach. 	<p>ALPA PIT PB</p>	<p>Local consultancy Room + equipment for training Meeting costs Printing costs Dissemination costs Contractual services Sundries</p> <p>UNDP: 728,000 UNIFEM: 175,000</p>
		<p>2.4 Support for Association of Mayors</p> <ul style="list-style-type: none"> a) Assessment of the current legal framework for the development of Association of Mayors and the cooperation between the Associations and LPAs b) Provide support for the strengthening of the capacity of the existing Associations of Mayors c) Organize study visits in countries with wide expertise and strong Association of Mayors (Sweden, Lithuania others) aiming to promote twinning initiatives 	<p>LG State Chancellery NGOs PIT PB</p>	<p>Local consultancy Contractual services Travel Sundries Equipment Furniture</p> <p>UNDP: 107,000 UNIFEM: 18,000</p>
			<p>3,370,000</p>	<p>UNDP: 2,036,000 UNIFEM: 441,000</p>
<p>3. Rural communities and CSOs are empowered to actively participate in planning, implementation and monitoring of local development initiatives in a rights based, gender sensitive manner as well as local actors are able to deliver services and upgrade the basic infrastructure</p> <p>Target communities, selected based on the following criteria: deprivation indicator; geographical coverage (ensure a balanced support) including the Transnistrian region of Moldova; willingness of local authorities to cooperate</p> <p>Indicators*: 1. # of communities mobilized with Action Plans approved 2. # of public debates on the in the process of elaboration 3. # of stakeholders involved (the indicator TB disaggregated by local institutions, SCOs, private sector,</p>	<p>140 communities mobilised</p> <p>750 community leaders (formal and informal) trained through applying HRBA and GE approaches</p> <p>140 community Programs implemented in a rights based, gender sensitive manner</p>	<p>3.1 Target communities mobilized for community-led gender and human rights sensitive development</p> <ul style="list-style-type: none"> a) Conduct train-the-trainers courses for facilitators for community-led development and planning processes, including for Transnistrian region of Moldova b) Organise community meetings to sensitize communities on community-led development processes and success stories of other communities. Special attention will be paid to human rights and gender equality, human security issues of poverty, human trafficking and domestic violence. Support the creation of Action Groups at the local level, ensuring representative membership of community organizations, individuals and groups, including women, minorities, youth, civil society, media, and private sector through awareness-raising, coordination, and planning activities. d) Support the development of some 200 Community Development Strategies and Action Plans (CAPs) in target areas, in cooperation with local community groups, women's associations, civil society, and local authorities, aimed at strengthening capacities to identify and address obstacles to improving human security issues. e) Support some 200 communities to form a representative Community Organization or community information/support centres. Provide basic equipment and library for community information/support centres, taking into consideration needs of women and men, youth and children. g) Support women's economic empowerment initiatives in the target villages 	<p>LG State Chancellery NGOs PIT PB</p>	<p>Local consultancy Room + equipment for training Meeting costs Printing costs Books purchasing costs Dissemination costs Sundries Equipment Furniture</p> <p>UNDP: 274,000 UNIFEM: 261,000</p>

<p>and vulnerable/excluded – women, roma, poor etc.)</p> <p>4. % of citizen satisfaction on services provided by rural municipalities (the indicator TB disaggregated to take into consideration vulnerable/excluded – women, Roma, poor etc.)</p> <p>5. # of services improved in the target communities</p> <p>6. # of training provided to rural municipality LPA and other stakeholders (CSOs, private sectors, vulnerable groups)</p> <p>7. # of debates/for a organized</p> <p>8. # of HR and gender sensitive local programmes implemented</p> <p>Baseline:</p> <p>1. 0 target communities mobilized</p> <p>2. 0 public debates in the target communities on the in the process of elaboration</p> <p>3. 0 stakeholders in the target communities involved (the indicator TB disaggregated by local institutions, SCOs, private sector, and vulnerable/excluded – women, roma, poor etc.)</p> <p>4. TBD - % of citizen satisfaction on services provided by rural municipalities (the indicator TB disaggregated to take into consideration -vulnerable/excluded – women, Roma, poor etc.)</p> <p>5. TBD - # services improved in the target communities</p> <p>6. TBD - # of training provided to LPA and other stakeholders (CSOs, private sectors, vulnerable groups)</p> <p>7. TBD - # of debates/fora organized</p> <p>8.0 HR and gender sensitive local programmes implemented</p> <p>Target:</p> <p>1. 200 communities mobilized/action plans approved</p> <p>2. 500 public debates on the in the process of elaboration</p> <p>3. TBD - # of stakeholders involved</p>	<p>3.2 Provide gender and human rights sensitivity and related inclusion training, capacity development and transfer of knowledge on local development for community actors</p> <p>a) Elaborate capacity development modules as follows: development needs, response strategies, planning and budgeting, resource mobilization, Program management and implementation, and monitoring and evaluation, thematic modules prioritizing human rights, gender and human security issues as well as citizen-based budget watch and citizen-based service delivery monitoring;</p> <p>b) Elaborate training modules on gender mainstreaming and human rights based approach to community development and provide training for relevant stakeholders</p> <p>c) Based on capacity development modules, provide training workshops for community actors (local public authorities, public institutions, civil society, media, private sector, at-risk groups, etc.). Train community leaders on civil culture issues such as the right to participation and co-responsibility. Communities/civil society representatives trained in citizen-based budget watch and citizen-based service delivery monitoring.</p> <p>d) Develop and conduct gender and human rights sensitive training activities for youth and at-risk persons, in areas such as leadership, occupational behaviour, self-confidence building, resume development, interviewing skills, and entrepreneurship in target communities; and organize a competition in target communities for best practices and most creative approaches by youth and at-risk persons to human security issues and support a publication and media launch of the same.</p> <p>e) Develop and conduct awareness-raising and training activities on positive parenting practices based on rights and responsibilities and using spaces such as child welfare centres, parent schools, markets, health centres, and churches.</p>	<p>LG State Chancellery NGOs PIT PB</p>	<p>International consultancy/GA Local consultancy/staff Room + equipment for training Meeting costs Printing costs Books purchasing costs Dissemination costs Sundries</p> <p>UNDP: 210,000 UNIFEM: 461,000</p>
	<p>3.3 Support the development of an information, monitoring and evaluation system to be managed locally and based on indicators</p> <p>a) Select/elaborate/adjust the methodology for community based gender and human rights sensitive monitoring and evaluation system</p> <p>b) Implement methodology for gender and human rights sensitive community based monitoring and evaluation system, including elaboration of indicators, collection of information, use of results of monitoring and evaluation for decision making.</p> <p>c) Review results and formulate proposals for further capacity development.</p>	<p>LG State Chancellery MoEC NGOs PIT PB</p>	<p>Local consultancy Room + equipment for training Meeting costs Printing costs Grants</p> <p>UNDP: 40,000 UNIFEM: 140,000</p>
	<p>3.4 Support to gender and human rights sensitive Local Development Programs</p> <p>a) Technical support provided to local public service delivery, economic, environmental development projects</p> <p>b) 100 local development projects supported per year.</p> <p>c) Proposals evaluated (consultants, training, and transport). Where possible, grants awarded through competitive grant awards trough LPAs and/or Community Foundations.</p>	<p>LG State Chancellery PIT PB</p>	<p>Grants International consultant/GA Local consultancy Room + equipment for training Meeting costs Printing costs Dissemination costs Sundries</p> <p>UNDP: 1,140,000 UNIFEM: 150,000</p>

<p>(the indicator TB disaggregated by local institutions, SCOs, private sector, and vulnerable/excluded – women, roma, poor etc.)</p> <p>4. TBD - % of citizen satisfaction on services provided by municipalities (the indicator TB disaggregated to take into consideration vulnerable/excluded – women, Roma, poor etc.)</p> <p>5. TBD - # of services improved in the target communities</p> <p>6. 200 training provided to LPA and other stakeholders (CSOs, private sectors, vulnerable groups)</p> <p>7. 200 debates/fora organized</p> <p>8. 200 HR and gender sensitive local programmes implemented</p>		<p>3.5. Ensure coordination and coherence in approaches to community development by all partners.</p> <p>a) Support workshops and meetings for decision-makers from different ministries, districts, and partners to develop and update criteria for selection of needy districts and communities via ensuring HR and GE approaches.</p> <p>b) Support meetings between national NGOs, UN agencies, concerned ministries and institutions to sustain a network on community-based development. Support meetings, workshops, and produce information and communication material on concepts, obstacles, lessons learned, and recommendations on community development in a gender sensitive manner.</p> <p>c) Support meetings and workshops to review and harmonize development concepts and develop a Moldovan common approach to gender sensitive community development. Support meetings for policy dialogue with decision-makers to develop a national community development policy (gender sensitive).</p> <p>d) Produce quarterly newsletter to share experiences, concept and to mobilize decision-makers on community development issues.</p>	<p>State Chancellery Donors Line Ministries LG NGOs</p>	<p>Local consultant/staff Room + equipment for training Meeting costs Printing</p> <p>UNDP: 41,000 UNIFEM: 39,000</p>
				<p>UNDP: 1,705,000 UNIFEM: 901,000</p>
<p>4. Rural communities and CSOs in Transnistrian region of Moldova, as well as in the Government control area of the Transnistria region, are empowered to participate in local development planning, implementation and monitoring and local actors are able to deliver services and upgrade the basic infrastructure</p> <p>Target communities, selected based on the following criteria: deprivation indicator; geographical coverage (ensure a balanced support) ; willingness of local authorities to cooperate</p> <p>Indicators*: 1. # of communities mobilized with Action Plans approved 2. # of public debates on the in the process of elaboration 3. # of stakeholders involved (the indicator TB disaggregated by local institutions, SCOs, private sector, and vulnerable/excluded – women, roma, poor etc.) 4. % of citizen satisfaction on services provided by rural municipalities (the indicator TB disaggregated to take into consideration vulnerable/excluded – women, Roma, poor etc.) 5. # of services improved in the target communities 6. # of training provided to rural municipality LPA and other stakeholders (CSOs, private sectors, vulnerable groups) 7. # of debates/fora organized 8. # of HR and gender sensitive local programmes implemented</p>	<p>2009</p> <p>15 communities mobilised</p> <p>30 community leaders (formal and informal) trained</p> <p>10 community Programs implemented</p> <p>2010</p> <p>60 community leaders (formal and informal) trained in a gender sensitive manner</p> <p>14 community Programs implemented taking into account HR and GE aspects</p> <p>2011</p>	<p>4.1. Mobilize target communities for community-led gender and human rights sensitive -based development</p> <p>f) Conduct train-the-trainers courses for facilitators for community-led development and planning processes.</p> <p>g) Organize community meetings to sensitize communities on participatory development processes Note: Special attention will be paid to human and gender equality, human security issues of poverty, human trafficking and domestic violence</p> <p>h) Facilitate identification of the community priorities through participatory process ensuring adequate of women and men, young and elderly, poor, different ethnic groups, local organizations etc.</p> <p>i) Facilitate establishment and functioning of Community Organizations and support the development of some 29 Community Development Strategies and Action Plans (CAPs) in target areas ensuring adequate representative membership of community organizations and groups, including women, minorities, youth, civil society, media, and private sector through awareness-raising, coordination, and planning activities. Provide basic equipment and library for community information/support centres, taking into consideration needs of women and men, youth and children; including support women’s economic empowerment initiatives in the target villages</p> <p>4.2 Develop capacity and transfer knowledge on local development for community actors taking into account human rights and gender equality aspects</p> <p>a) Elaborate capacity development modules as follows: development needs, response strategies, planning and budgeting, resource mobilization, Program management and implementation, and monitoring and evaluation, thematic modules prioritizing human rights, gender and human security issues</p>	<p>LG State Chancellery Bureau for Reintegration NGOs PIT PB</p> <p>LG State Chancellery NGOs PIT PB</p>	<p>International consultancy/GA Local consultancy/staff Room + equipment for training Meeting costs Printing costs Books purchasing costs Dissemination costs Sundries Equipment Furniture</p> <p>UNDP: 65,000 UNIFEM: 40,500</p> <p>International consultant/GA Local consultancy Room + equipment for training Meeting costs Printing costs Books purchasing costs Dissemination costs</p>

Baseline.

<p>1. 0 target communities mobilised 2. 0 public debates in the target communities on the in the process of elaboration 3. 0 stakeholders in the target communities involved (the indicator TB disaggregated by local institutions, SCOs, private sector, and vulnerable/excluded – women, roma, poor etc.) 4. TBD - % of citizen satisfaction on services provided by rural municipalities (the indicator TB disaggregated to take into consideration - vulnerable/excluded – women, Roma, poor etc.) 5. TBD - # services improved in the target communities 6. TBD - # of training provided to LPA and other stakeholders (CSOs, private sectors, vulnerable groups) 7. TBD - # of debates/fora organized 8.0 HR and gender sensitive local programmes implemented</p> <p>Target: 1. 30 communities mobilized/action plans approved 2. 60 public debates on the in the process of elaboration 3. TBD - # of stakeholders involved (the indicator TB disaggregated by local institutions, SCOs, private sector, and vulnerable/excluded – women, roma, poor etc.) 4. TBD - % of citizen satisfaction on services provided by municipalities (the indicator TB disaggregated to take into consideration vulnerable/excluded – women, Roma, poor etc.) 5. TBD - # of services improved in the target communities 6. 90 training provided to LPA and other stakeholders (CSOs, private sectors, vulnerable groups) 7. 60 debates/fora organized 8. 30 HR and gender sensitive local programmes implemented</p>	<p>5 community Programs implemented in a gender sensitive manner</p>	<p>b) Provide training for community actors (local public authorities, public institutions, civil society, media, private sector, at-risk groups, etc.).</p> <p>4.3 Support the implementation and monitoring of gender sensitive Local Development Programs</p> <p>a) Technical support provided to the development of local public service delivery, economic empowerment, and environmental development Programs in a participatory and gender sensitive manner.</p> <p>b) Assist in developing and facilitate the process of practicing participatory and gender sensitive monitoring and evaluation of local development initiatives, including development of indicators, data gathering and analysis</p>	<p>LG State Chancellery MoEC NGOs PIT PB</p>	<p>Sundries</p> <p>UNDP: 103,000 UNIFEM: 27,000</p> <p>International consultant/GA Local consultancy/staff Room + equipment for training Meeting costs Printing costs Grants</p> <p>UNDP: 189,000 UNIFEM: 119,500</p>
				<p>UNDP:357,000 UNIFEM: 186,500</p>
	<p>Overall targets: 1. Ensure at 100% delivery rate; 2. Timely implementation of planned activities; 3. Timely development and submission of work plans and progress reports; 4. Compliance with UNDP rules and regulations.</p>	<p>Activity 5: Program efficient management</p> <p>Actions: 5.1. Recruit Program staff 5.2. Rent and equip the office 5.3. Launch the Program 5.4. Implement Programs activities (Operations) 5.5. Annual monitoring and external evaluation by the end of the Program period 5.6. Communication</p>	<p>PIT PB</p>	<p>International consultancy/evaluator Travel costs Utilities Office equipment & operations cost</p> <p>UNDP: 678,000 UNIFEM: 306,000</p>
			<p>TOTAL</p>	<p>UNDP: 5,518,00 UNIFEM: 1,892,000</p>
			<p>TOTAL (including 7%, and 1% AA)</p> <p>TOTAL</p>	<p>UNDP: 5,904,260 UNIFEM: 2,024,260</p> <p>7,928,700.00 USD</p>

* During the inception phase and implementation in target rayon/communities baselines and targets will be defined and specified in the annual work plan.