

COVER PAGE

UNDAF Outcome	By 2011, public institutions with the support of Civil Society Organizations (CSOs) are better able to ensure good governance, rule of law and equal access to justice and promotion of human rights
UNDAF Outcome Indicator	Government effectiveness indicators
Expected Outcome/Indicator (s):	Public administration reform promoted in selected institutions /
CPAP Output/Indicator:	A modernized public administration system in place, more efficient and better able to develop, implement and monitor long-term policies and programmes, linked to national budgeting processes /
Project Specific Output	Strengthened institutional capacity of the MFAEI so that it can exercise its functions in a more efficient manner, and fulfil its European Integration commitments.
Annual Targets:	see attached results framework
Implementing partner:	Ministry of Foreign Affairs and European Integration
Responsible parties:	UNDP

This project has been formulated through a joint effort of MFAEI and UNDP with the overall objective of strengthening the institutional capacity of the MFAEI so that it can exercise its functions in a more efficient manner, operate transparently and fulfil its European Integration commitments. The project has three interlinked, yet distinct components:

1. Institutional Capacity Building
2. Regional Cooperation
3. Communications and Public Relations

International and local consultancy, specialized training activities, provision of equipment will be deployed to the Ministry funded by Swedish International Development Agency, Austrian and Estonian Governments and UNDP to support - modernization of the MFAEI, - improvement of the human resource management systems, - information flow and service provision through ICT, - involvement of the Republic of Moldova in regional cooperation processes in South East Europe for bringing the country closer to the European Union, and – increase the MFAEI's openness and transparency to the public and media.

This project will be coordinated by the MFAEI, the project's implementing agency, and will be funded by several donors. UNDP Moldova will support the implementation of the project through implementation services.

Programme Period: 2007 – 2011
 Programme Component: 2.7.
 Project title: Building institutional capacity of the MFAEI
 Award ID: 00048461 Project ID: 00058633
 Project Duration: 3 years
 Management Arrangement: NEX

Total Budget €0,048,780
 Allocated resources:
 • Regular DG TTF
 (Austrian) €500,000
 • Other:
 ○ SIDA (preliminary)
 €1,448,780
 ○ Estonia €100,000

Agreed by Ministry of Foreign Affairs
and European Integration

Valeriu Ostalep
National Coordinator

Agreed by UNDP:

Kaarina Immonen
Resident Representative

I. SITUATION ANALYSIS

Background and problem statement

The formulation of the current project addresses the need for support and targeted developmental interventions at the Ministry of Foreign Affairs and European Integration, arisen as a result of on-going Central Public Administration Reform (CPAR) in Moldova.

Following up on the results achieved in 2006, the Government has chosen to continue the implementation of CPAR by charging central public authorities with the task of developing and implementing strategic development plans at the level of individual ministries. While the Government of Moldova is already benefiting from donor support, e.g. through the Multi-Donor Trust Fund, the complexity and magnitude of CPAR not only makes possible, but actually calls for additional and customer-tailored interventions. This is particularly true in the case of MFAEI which was not subject to the full-fledged government-wide functional analysis in mid-2006, and has a distinctive set of requests given the peculiarity of its systems and functions.

While the Moldovan Ministry of Foreign Affairs and European Integration articulated its specific needs and contributed with information on preferred course of actions to address issues of capacity development, UNDP Country Office assisted the MFAEI in converting those proposed actions into a project proposal, and contributed to the communication and coordination with prospective donors (co-funders), the World Bank office, the Central Public Reform Unit and other governmental stakeholders.

The proposed project will effectively support the strengthening of the MFAEI's institutional capacity to better exercise its functions with a particular emphasis on fulfilment of Moldova's European integration aspirations and commitments.

European Integration

The Parliament of Moldova has expressed (through a unanimously signed declaration on March 24, 2005) its commitment to the European integration as the country's main strategic objective. As a first step, to prove reliance and commitment, Moldova assumed the obligation to implement the provisions of the EU-Moldova Action Plan, which set specific targets in seven broad areas of co-operation. In addition, the European integration policy of the Republic of Moldova is based on the full use of all of the opportunities offered by the European Neighbourhood Policy, as well as the possibilities offered by the participation of the country in various initiatives and processes in South Eastern Europe, Central Europe and Eastern dimension (GUAM). The EU enlargement has brought new development opportunities for Moldova as an EU neighbour. In this context new development objectives were set by the government, which call for additional support from donors.

Regional cooperation – a prerequisite for European Integration

The European integration policy of the Republic of Moldova is based on the full and successful implementation of the EU-Republic of Moldova Action Plan and the opportunities presented by the active participation of the Republic of Moldova at the regional initiatives and processes in the Southeastern Europe, such as the Stability Pact for the South Eastern Europe; South East European Cooperation Process (SEECP); Black Sea Economic Cooperation (BSEC), South Eastern Europe Cooperation Initiative (SECI); Central European Initiative (CEI); Danube Cooperation processes; the Energy Community Treaty and new CEFTA. The involvement of Moldovan institutions in these processes has been quite modest and was mostly limited to participation in high level political meetings and to fewer working sector events. Very few conferences and working meetings are organized in Moldova due to limited financial and human resources. As such, Moldova does not fully benefit from the exchange of experience and knowledge transfer, but also has limited access to other resources available within regional projects. In addition, the participation of Moldovan institutions and experts, other than those from the Ministry of Foreign Affairs and European Integration, is very limited even in such important areas as trade, regional security cooperation, border management, environment and energy.

Regional cooperation represents one of the priorities of the Republic of Moldova's foreign policy. However, the state budget allocates only limited resources for active engagement in regional cooperation processes due to the fact that the regional cooperation process is not formalized through a ratification mechanism. Such a mechanism will be established as of 2008, when the government will have to fulfil its obligations including through allocation of financial resources and necessary human and technical means. Until then, for a mid-term period, the national institutions need support in fulfilling country commitments under existing regional cooperation processes.

The most important political forum in South Eastern Europe is the SEE Cooperation Process. This is a process linking 11 countries in the region to cooperate for European Union and NATO membership. It was launched at the end of 90s with the SEECP Charter signed in 2001, and further strengthened in 2003 with the adoption of the Thessaloniki agenda that confirmed the countries' commitments for EU and NATO membership. During the past several years, and especially after the Thessaloniki Summit on May 4, 2006, important progress has been achieved within the SEECP area and in relation to the EU and Euro-Atlantic institutions in further stabilizing the region, in strengthening mutual cooperation and dialogue and in advancing toward the future accession of aspiring SEECP Participating States to the European Union and NATO.

In 2005 Moldova has been granted an observer status becoming a full member in 2006 during the Thessaloniki Summit. Within the 2007 Zagreb Summit the participating states accepted Moldovan proposal to take over the SEECP Chairmanship-in-Office in 2008-2009. For Moldova this is an important opportunity to confirm its EU aspirations. The Moldovan SEECP Chairmanship comes in an important period for the region by the creation of the Regional Cooperation Council and for the country by its leading role in the region in a period when the Moldova's political status in relationship with the EU has to be renegotiated. The EU-Moldova Action Plan and the Partnership and Cooperation Agreements come to an end in 2008.

One of the important regional cooperation processes is the **Central European Initiative (CEI)** that was established in 1989 as an intergovernmental forum for political, economic and cultural co-operation among its Member States. Its main aim was to help transition countries in Central Europe come closer to the EU. In the second half of 1990's, the extension of its membership to South-eastern and Eastern Europe refocused its priorities on countries in special need. The CEI is composed of 18 Member States: Albania, Austria, Belarus, Bosnia and Herzegovina, Bulgaria, Croatia, the Czech Republic, Hungary, Italy, Macedonia, Moldova, Montenegro, Poland, Romania, Serbia, Slovakia, Slovenia and Ukraine. As of 1st January 2007, the CEI has 9 EU and 9 non-EU Member States.

In this regard, the [CEI Plan of Action 2007-2009](#) outlines the organization's current intentions. Although the CEI is not a major donor organization, it has certain funding available used to promote projects in its various sectors of activity. The CEI cooperates with other international organizations and institutions such as the OECD, the Council of Europe, the OSCE, the EBRD, the World Bank, the UNECE as well as with other regional actors, i.e. the Adriatic Ionian Initiative, BSEC, the Danube Co-operation Process, the Stability Pact, the SECI and the SEECP. Regular contacts have been established with the European Union.

Moldova will take over the Presidency in a very important period for the Organization, having to contribute to the CEI development as international instrument for promoting cooperation between the member states, democracy, European values and standards. The priorities of Moldovan Presidency are: increasing of the CEI operational capacities, development of the CEI-EU cooperation, sector cooperation on the fields of economy, infrastructure, JHA, migration, energy security, people-to-people contacts.

Central Public Administration reform

In his first policy speech to Parliament, on 8 April 2005, the President Vladimir Voronin called for a modernisation of the Government. This call for reform created a window of opportunity to start a long-awaited comprehensive public administration reform. In April 2005 an inter-governmental Commission was formed to lead this initiative, chaired by the Prime Minister. At the end of 2005 the 1st phase of a functional analysis was undertaken and a Central Public Administration Reform Strategy was approved.¹ The strategy aims at modernizing the Central Public Administration institutions by: reorganizing structures, streamlining the decision making process, improving human resources and public finance management. The strategy implementation started with a comprehensive vertical functional review conducted on Central Public Administration Institutions. The final report on government-wide functional analysis, made possible due to the support of the Multi-Donor Trust Fund for Public Administration Reform, and the UNDP-funded "Support to CPAR" project provides important recommendations on aligning roles and responsibilities of government institutions, eliminating overlapping responsibilities, restructuring human resources, and capacity development. The Government has reviewed the recommendations and follow-up actions have been foreseen.

As part of the follow-up actions comprehensive organizational development plans are envisaged to be prepared by every line ministry by the end of 2007. The MFAEI is one of the institutions

¹ Full information on the Central Public Administration Reform process may be found on <http://www.rapc.gov.md/>

engaged in this exercise, and the Multi-Donor Trust Fund project has allocated resources to support this exercise through technical assistance in the form of 1 international and 1 national consultant. However, the Trust Fund does not envisage resources to support the implementation of the organizational development plan within the MFAEI, nor does it envisage the provision of resources for the functional analysis of the MFAEI which should precede the formulation of the development plan.

With the government-wide functional review not including the MFAEI, and the lack of resources and in-house expertise within the Ministry, the need to address this organizational development gap becomes a priority. A proper functional analysis, along with a thorough capacity assessment and subsequent provision of technical assistance for implementation of recommendations will be instrumental in modernizing the Moldovan MFAEI. The institutional development actions will have to follow the approved functional analysis methodology and be implemented in close coordination with the Government's Public Administration Reform unit. UNDP Moldova has mobilized the necessary expertise in 2006 for the government-wide functional analysis (FA), and later in the year conducted a similar effort at the newly created Ministry of Local Public Administration – in harmony with the methodology used in the government-wide FA. This makes UNDP well positioned to provide for a consistent FA within the MFAEI. Last but not least, the inception of a comprehensive, yet stand-alone, project with the MFAEI in the context of CPAR will provide all key stakeholders – the Ministry, its donors and developmental partners, including UNDP – with flexibility and mobility much needed in an ever-changing environment.

National Development Plan

The support envisaged in this project responds to national efforts of strengthening public administration capacities this being the main prerequisite for the implementation of the National Development Plan.² The proposed activities are in line with the priorities outlined in this medium term strategic document as the implementation of Moldova's commitments under the regional cooperation processes will contribute to the implementation of economic development, energy and infrastructure and security and border management programmes.

The main project partner and beneficiary - the Ministry of Foreign Affairs and European Integration

The Ministry of Foreign Affairs and European Integration is the central government institution which promotes the State's policy in the area of foreign relations. The main functions of the Ministry include coordination of line ministries and other specialized agencies' activities regarding foreign relations; participate in negotiating international agreements; monitors implementation of the international treaties and agreements (including EU-Moldova Action Plan); takes part in the development of legal documents regarding foreign relations, supervises the activity of Moldovan diplomatic missions and consular offices, maintains links with foreign diplomatic missions etc.³

² <http://www.pnd.md/>

³ Full description of functions, including the internal regulation of the Ministry may be found at: <http://www.mfa.md/ministerul/mandatul/>

As already mentioned, the MFAEI underwent the 1st stage of re-organization, but a thorough vertical analysis of functions – as in the case of other ministries in 2006 - has not been conducted, since the Ministry has not been included in the initial list of institutions which were subject to the functional analysis under CPAR. There are almost no functions of the MFAEI that would overlap with the responsibilities of other institutions due to the unique nature of this central government agency. Nevertheless, in terms of its internal proceedings, the Ministry is willing to review the existing mechanisms (including its subdivisions) in order to become more efficient and transparent. The Ministry currently has national policy coordination function through its activity as the coordinator of EUMAP implementation monitoring. This requires specific capacity of the Ministry, which was fostered through an exercise funded by UK Government (international consultancy from Lithuanian Government). Besides this, a deep analysis of the information flow is required in order to identify the processes of exchange of information, bottlenecks leading to delays, overlaps that consume unnecessary resources etc.

Ahead of a thorough functional review and capacity assessment, UNDP's analysis made during the formulation phase has revealed the lack of an adequate human resource management system in place with the Ministry of Foreign Affairs and European Integration. The Ministry's staff rotates frequently (in 2-4 year cycles), but unevenly, with some staff being on consecutive missions, and with others leaving rapidly the organization after 1-2 years of gained experience. The Ministry needs a permanent supply of newly prepared cadre, and a continuous training system to allow the staff returned from missions to integrate rapidly in the Ministry's work and be up to the required standards. As such the country has no facilities (Diplomatic schools) other than the post-secondary (university and master level) institutions specialized in international law. MFAEI staff randomly benefit of unique opportunities to follow short-term specialized courses in schools located in Austria, Germany, France, Netherlands, Bulgaria, etc. The Ministry needs a thorough review of existing human resource management systems in place, including an analysis of the organization's staff development (career development) situation to emphasize what are the training needs of the MFAEI staff, where is the supply of cadre for the Ministry. The analysis will take into account the interim recommendations made by experts funded by the US Government who reviewed the immediate training needs of the ministry, after which, the MFAEI has created internal plans to carry out training sessions with newly recruited and returned staff. The trainer corps would be formed by experienced staff already working in the Ministry. Obviously such scattered approach is not a sustainable solution to solving the Ministry's human resource related gaps. The above mentioned reviews will look into the gender equality dimensions: collected data will be disaggregated by gender to provide accurate information on the extent to which career advancement opportunities are offered equally to men and women. A specific training activity will be organized using specialized expertise (in close cooperation with UNIFEM⁴) to key Ministry staff on basic gender mainstreaming into planning and budgeting processes.

One of the Ministry's key subdivisions is its Consular Affairs Department (CAD). The Department functions are: elaboration and implementation of policies in the consular affairs area; coordination and monitoring the activities of the Moldovan diplomatic and consular missions abroad in the consular affairs area; representation of the Government of the Republic of Moldova

⁴ UNIFEM – United Nations Womens Fund – UN's specialized agency that provides financial and technical assistance to innovative programmes and strategies to foster women's empowerment and gender equality

before the similar agencies of foreign governments; negotiation of different type of agreements between the Republic of Moldova and other countries in the consular affairs area; elaboration of drafts of legislative acts, decisions of the Government, agreements and other legal documents; exercising of consular functions on the territory of the Republic of Moldova; coordination of the protection of rights of Moldovan citizens while they're abroad.

The Ministry plans to change the way the CAD operates in order to professionalize its operation. Currently most of the CAD functions are fulfilled by the Moldovan representatives abroad (Embassies and Consular offices). The Ministry intends to re-organize the operation of the CAD and the Consular offices in order to streamline decision making in service provision to foreign and Moldovan citizens living abroad. The currently functioning regulations governing the operations of CAD need to be reviewed and revised. The Ministry needs adequate support to ensure the necessary change in the functioning of this important division.

The solution to the issues identified as described above must be addressed in the context of the general institutional development plans of the Ministry. These are the main gaps that the Ministry and UNDP were able to identify. A functional review and capacity assessment should be conducted in order to provide the Ministry's leadership with an operational instrument and with more information on the institutional development needs of the MFAEI. The recommendations of these exercises will have to be reviewed, revised and accepted by the Ministry before further technical assistance for implementation of organizational development activities will be provided.

Communication, media and public relations

In the context of country's European Integration aspirations and the willingness of the Ministry to pursue institutional reforms, the ability to communicate effectively becomes highly important. The Government of Moldova is currently concerned with strengthening Government-wide communications capacities and has requested assistance of the World Bank and UNDP to identify the gaps and the needs in this area. The World Bank therefore has supported the Government Office to conduct an analysis and suggest recommendations for so-called Draft Communications Concept for the Government of Moldova. The Government is now finalizing this strategic paper. Concomitantly UNDP has provided assistance to several key ministries in improving the abilities of PR/Media Relations Staff to better communicate inside and outside their institutions. One of the institutions that received such support in 2007 was the MFAEI, through UNDP Project on "Supporting the Central Public Administration Reform".

Through the CPAR the Government of Moldova is undertaking serious steps towards a more effective public administration that better responds to public needs through transparent and efficient public service delivery. Increased communication between the authorities and citizens, resulting in increased public participation and more ownership over the proposed public policies are some of the expected benefits of these major reforms. The MFAEI is one the key players in this process of reforms and is instrumental in the coordination of the national European Integration efforts. Given this, the communication side of this institution activities needs to be seriously addressed. Through the Support to CPAR Project UNDP has offered support to the MFAEI media and public relations department in the form of a one time training activity

conducted by an international UN recognized communications expert. The current project is coming to an end under this component with an assessment of needs in the media and PR Department of the Ministry.⁵ The report identifies urgent needs in the MFAEI in this area, that can be grouped in several categories:

- institutional capacity gaps
- limited human capacity and low level of knowledge on a wide range of communication tools
- equipment and materials needs

On *institutional* side it has been identified that the Ministry has a Department of PR and Media Relations and a Spokes Person not placed inside the Department. The Department is understaffed and the spokes person is about to leave the Ministry. The internal regulations of the Department and the staff job descriptions are not clear or even inexistent. The Ministry is working on developing a draft that will require revision and expertise. Finally the Department does not make use of strategic communication, a simple example being the lack of involvement of the PR/Media Relations Department in drafting and implementation of the EU Integration Communications Strategy, this task being mostly the concern of the EU Integration Department.

In terms of capacity the Department is not well equipped and empowered to effectively handle communications as it does not regularly participate in the Ministry's events. In most cases it receives the information on paper and is requested to issue a statement or a press release. Most of the soft tools, mechanisms and equipment that the Department staff (comprised of 3 persons with 1 position being vacant) is using are outdated and not very diverse.

The MFAEI in general has outdated IT *equipment*, a quite basic system of internal electronic document management, no library with hard-copy and electronic databases of necessary resources. The PR and Media Relations Department is also suffering from this situation having no basic tools to properly handle effective communication and outreach activities. A list of equipment is also being proposed in the assessment report. It should be noted that UNDP has offered already some equipment to this Department, but the basic needs are far from being completely covered.

Donor coordination

Until recently, the frequent practice at the MFAEI – as far as the provision of technical assistance is concerned - gravitated towards receiving fragmented support in the form of ad-hoc gap-filling interventions, rather than orchestrating a comprehensive capacity building strategy which would enable the Ministry to adequately implement its core functions. The leadership of the Ministry recognizes the need for adopting a systemic approach in working with development partners and the MFAEI/UNDP's jointly formulated project reflects the Ministry's change of perspective.

Current donor support:

⁵ Final assessment report available with UNDP is expected by mid-December.

The European Commission provides support to the implementation of the Partnership and Cooperation Agreement, including to the fulfilment of political commitments under the EU Moldova Action Plan implementation. (Timeframe: 2006 – 2007)

The British Government supported the Ministry of Foreign Affairs and European Integration through technical assistance aimed at helping the MFAEI in coordinating the Action Plan implementation. Technical assistance was provided during the past year through deployment of an expert to work directly with the European Integration Department of the Ministry for strengthening its capacity in fulfilling the EU Action Plan political commitments. (Timeframe: 2006 – 2007)

The Estonian Government has provided technical assistance for the general improvement of the internal and external dialogue in the process of Moldova's EU rapprochement similarly through deployment of an Estonian Ministry of Foreign Affairs staff member to work directly with Moldovan counterparts.

The Swedish International Development Agency (through a project implemented by the International Organization for Migration) builds the Ministry's Consular Affairs Department capacities for a better migration management (as part of the overall support to Government of Moldova in strengthening capacities for migration management).

A number of international organizations are currently supporting or are committed to assist the MFAEI in the future in the implementation of Moldova's European Integration Communication Strategy, including the Eurasia Foundation, Estonian Government, and UNDP.

Justification for assistance/Strengths

UNDP

Capacity development is critical for achievement of the Millennium Development Goals (MDGs), and more generally, long-term economic and societal development. Against the background of a global commitment to fighting poverty and pledges to increase the volume of aid, the development of capacities to utilise development finance efficiently and effectively for human development ends has acquired even great urgency. Capacity development is a means towards reaching development outcomes and for UNDP it is the "how" of development, and is at the heart of the organisation's mandate and functions. UNDP's Strategic Plan (2008-2011) states that capacity development is UNDP's single most important service to its partner countries. Capacity development underpinned by the fundamental characteristic of national ownership, cuts across the all areas of UNDP interventions, and informs the role of the UN development system in country.⁶

The proposed UNDP Country Programme for Moldova for the period of 2007-2011 applies a human rights-based approach to human development in Moldova, in line with national development priorities and MDG targets for 2015, and responding to key challenges of reform and European Union integration. One of the UNDP Moldova Country Programme outcomes is

⁶ Supporting Capacity Development -UNDP Approach, Capacity Development Group, BDP, UNDP, 2007

centred on Good governance, rule of law, access to justice and promotion of human rights. Under this area considerable efforts will be made for supporting the Government's development objectives of modernising central and local public administration.⁷

The services that UNDP offers to its partner countries include methodological support, advocacy services, technical assistance/programme support, and knowledge exchange. UNDP Moldova has identified during the country programme formulation stage the Ministry of Foreign Affairs and European Integration as one of the partners of support under the objective/output "A modernized public administration system in place, more efficient and better able to develop, implement and monitor long-term policies and programmes".⁸

SIDA

The Swedish Government currently supports Moldova according to the Strategy for development cooperation with Moldova, 2007-2010. The strategy proposes three main areas of intervention: Good and Democratic Governance, Strengthened competitiveness in the rural areas and Reduced vulnerability in the field of energy.

The institutional development direction of the project will contribute to the objective of strengthening Good Governance through consolidation of a selected public administration institution for more effective governance (in this case the Ministry of Foreign Affairs and European Integration).

SIDA's support to the Multi Donor Trust Fund has been a timely response to the Government of Moldova call for assistance to the specially established PAR unit for launching the Public Administration Reform. The MDTF project is run the PAR unit and is aimed supporting the CPAR at the so called 'macro' / central government level. The current capacity limitations of the unit and the specific needs of the MFAEI fully justifies the need for a targeted assistance through a stand-alone intervention to the MFAEI. Nevertheless the work on functional review and Ministry's development plan will be closely coordinated with the PAR unit and will strictly follow the methodologies established by the Government.

Austrian Development Cooperation

The next section below, Strategy, describes the project components and the results framework

⁷ UNDP Country Programme Document for Moldova (2007-2011), Executive Board of UNDP, 2006

⁸ UNDP Country Programme Action Plan 2007-2011, Chisinau, 2006

II. STRATEGY

The project contributes to the Country Programme output identified in the Country Programme Action Plan (2007 – 2011): A modernized public administration system in place, more efficient and better able to develop, implement and monitor long-term policies and programmes

The project specific objective is strengthening the institutional capacity of the MFAEI so that it can exercise its functions in a more efficient manner, and fulfil its European Integration commitments. The project will specifically support activities in three major areas:

1. Institutional Capacity Building, and
2. Regional Cooperation
3. Communications and Public Relations

Specific project objectives

1. Improved institutional capacity of the MFAEI as part of the public administration reform process

1.1. Functional Review and Capacity assessment: Under this section UNDP will deploy its full range of capacity development services. It is envisaged that the project will support a functional review of the Ministry and a capacity assessment exercise. The methodologies will be adjusted to be in line with the tools and methodologies approved by the Government within the public administration reform process.

This component should be implemented based on the organizational plan, which currently is under development within the Public Administration Reform process. The MFAEI receives support from the Multi Donor Trust Fund for CPAR for this assignment in the form of one international and one local consultant. The UNDP/SIDA/ADC project will provide follow-up support through technical assistance for the implementation of the recommendations set out under the approved organizational plan.

The project will start support under this component after the organizational development plan is approved by the Ministry.

The recommendations report prepared under 1.1. will be presented to the head of Ministry. The technical assistance needed to implement the recommendations of the report will follow only once there is follow-up from the Ministry and the recommendations are transformed into a capacity development strategy.

1.2. Education and training: Building up capacities for continuous professional development

- Establishment of an educational training system for diplomats, within the MFAEI framework;
- Conducting internal trainings on strategic planning, budgetary processes and project development.

The project will support selected activities in areas that were already identified by the Ministry and UNDP during the formulation phase. This will comprise a number of educational-related

activities. The main objective of this action is to support the Ministry in establishing a system of continuous training of staff in order to be able to respond to the capacity challenges created by frequent and regular rotations. The educational activities will also aim at strengthening the strategic planning capacities of selected MFAEI staff at levels of directors, heads of divisions, and deputy heads. The training activities will comprise a gender training session to incorporate gender dimensions into the planning activities.

The project will start activities aiming at supporting those institutional development actions that the Ministry currently has clarity on, including creation of an information system, upgrade of IT equipment supply, training-related activities, Consular Affairs Department regulations revision.

1.3. Improvement of the communication mechanisms and information exchange within the MFAEI and between the MFAEI and Moldovan Missions abroad

Under this category the support of the proposed project will also be in line with the recommendations of the functional review and capacity assessment report. The preliminary assessments made indicate the need to support the MFAEI in developing its internal communication mechanisms and upgrade the tools for the provision of public services to the citizens in Moldova and to those located abroad (both nationals and internationals) through Moldovan missions.

The assistance will comprise:

- Support to Consular Affairs Department:
 - § Assessment of regulatory mechanisms
 - § Development of new and amendments to the existing regulations
 - § Equipment supply to establish one-stop-shop-type offices to avoid potential contact between the citizens and the consular officers.
- Information system and electronic service provision:
 - § Development of the concept of information system and technical specifications for an information system that will allow a better internal document management and external service provision for the Ministry
 - § Procurement of the service to design the software
- Procurement of IT equipment for a list of identified workplaces in the Ministry.

2. Strengthened Regional Cooperation

This component will be implemented with the purpose of providing necessary conditions for an active involvement of the Republic of Moldova on all levels of regional cooperation processes in the South-Eastern Europe, these being complementary to the European integration process.

- i. Organizing events in the Republic of Moldova;
- ii. Supporting Moldovan representatives placed at the regional initiatives and processes secretariats and offices;
- iii. Financial support for Moldova participation in the regional initiatives and processes including support for the participation of MFAEI, other government, and non-government (experts - where necessary) in regional events

Objective: Strengthened national political and operational capacity to increase impact of Moldova's participation in the regional cooperation processes on its social and economic development leading towards European Integration through:

- 2.1. Supporting Moldova's Chairmanship of SEECP
- 2.2. Supporting Moldova's presidency of CEI
- 2.3. Strengthening regional cooperation in South East Europe

Indicative activities

2.1. Supporting Moldova's Chairmanship of SEECP

The project will support the organization of events within the process of Moldova's chairmanship of the SEECP. The draft calendar of events is attached in the annex due to be approved in late fall of 2007.

The implementation of these activities will be conducted by a secretariat that will be established by the Ministry. The project will fund the running costs (logistics) of the secretariat and will finance the events. The Ministry will provide office space and staff for the secretariat.

2.1.1. Establishment and running of the secretariat.

Project funded inputs:

- IT and other office running equipment
- Secretariat running costs: hi-speed internet, phone, transportation costs
- Office supplies
- Support staff (translators etc.)

MFAEI contribution: Office premises, national staff employed by MFAEI

2.1.2. Implementation of activities according to the calendar

- § SEECP Troika meeting
- § Meeting of political directors
- § Troika SEECP – EU
- § Meeting of political directors
- § Meeting of Ministers of EU integration
- § Meeting of the sector Ministers (to be defined)
- § Meeting of the Ministers of Justice and Home Affairs
- § Conference on Building Human Capital
- § Political Directors
- § SEECP Informal Meeting of Council of Ministers of Foreign Affairs (CMFA)
- § SEECP Meeting of the Ministers of Economy
- § Political Directors
- § SEECP Formal Meeting of CMFA
- § SEECP Summit of the Heads of State and Government

The project will fund the logistics costs of hosting the events including:

- Hotel accommodation and meals for guests
- Rental of conference space
- Translation costs
- Press and Secretariats running costs
- IT Equipment and furniture for secretariats
- Transportation
- Telecommunication costs
- Conference materials
- Visibility costs (banners, logos, badges, pins etc.)
- Representation

2.2. Supporting the CEI presidency of Moldova

The Ministry will lead Moldova's implementation of the CEI presidency. A specific action plan is formulated to outline the concrete activities to be fulfilled by the country during the year 2008. For this purpose MFAEI will create a small secretariat which will deal with operational activities under the plan. The Secretariat will function inside the MFAEI which will cover operational costs including personnel, office and other running costs. It is envisaged that the project will fund the following specific actions:

2.2.1. Establishment and running of the secretariat.

Project funded inputs:

- IT and other office running equipment
- Vehicle
- Secretariat running costs: hi-speed internet, phone, transportation costs
- Office supplies
- Support staff (translators etc.)

MFAEI contribution: Office premises, national staff employed by MFAEI

2.2.2. Organization of events in Moldova according to the plan (to be finalized by end October 2007).

- § Prime Minister's Summit
- § Council of Ministers of Foreign Affairs
- § Meeting of Ministers of European Integration
- § Meeting of sector Ministers (to be defined)
- § Meeting of sector Ministers (to be defined)
- § Meeting of the Ministers of Tourism
- § CEI Conference on ... (to be defined)
- § Economic Forum Summit
- § Youth Forum Summit
- § National Coordinators' Meetings (3)
- § Political Directors Meeting

The project will fund the logistics costs of hosting the events including:

- Hotel accommodation and meals for guests
- Rental of conference space
- Translation costs
- Press and Secretariats running costs
- IT Equipment for secretariats (12-15 pcs.)
- Transportation
- Telecommunication costs
- Conference materials
- Visibility costs (banners, logos, badges, pins etc.)
- Representation

Detailed budget breakdown will be developed upon finalization of the plan

2.3. Regional cooperation in South Eastern Europe

Under this component the project will support the organization of regional events (on a cost-sharing basis with the Government) as well as the travel of Moldovan officials to regional meetings within the existing European integration initiatives. The following types of actions will be organized:

2.3.1. Events in Moldova: The project will provide support to organization of regional events that represent country commitments in regional political and economic cooperation processes such as: South-East European Cooperation Process, Stability Pact for South Eastern Europe and its initiatives, Regional Cooperation Council and its task forces (as of February 2008), Central European Initiative, Black Sea Economic Cooperation Organization (BSEC) and other processes and initiatives. The project will support the organization of the Women's ministers meeting in Moldova.

- BSEC, workshop and working group meeting
- RACVIAC, Conference and seminar
- Meeting of SEECP Political Directors
- SEECP Ministerial sector meeting
- Meeting of working groups in GUAM
- Women ministers meeting of the Stability Pact

The project will fund the logistics costs of hosting the events including:

- Hotel accommodation and meals for guests
- Rental of conference space
- Translation costs
- Press and Secretariats running costs
- IT Equipment for secretariats (12-15 pcs.)
- Transportation
- Telecommunication costs
- Conference materials

- Visibility costs (banners, logos, badges, pins etc.)
- Representation

This chapter aims to provide for the opportunity to organize events that respond to the needs and challenges on sector cooperation that are coordinated by the MFAEI. Detailed description and timetables of the events are being developed and will be described and approved in a calendar of regional events in the fall of 2007. This year, MFAEI organised similar events with the support of other the donors.

Note

As an example the following could be mentioned: *Workshop on implementation of the international legal instruments on combating terrorism, with the participation of national experts, UNODC and SPOC experts, which result with an Action Plan of national institutions (sector), approved by the Government, and which gives the opportunity to advance in this area in one year more than the last three years. In mean time, MFAEI organised the round table on Small and Medium Enterprises within BSEC, with the participation of the BSEC states national experts and which has a very good impact on the cooperation in this area. Also, MFAEI organised the BSEC Meeting of experts on Draft Agreement on Simplification of Visa Procedures for Professional Drivers, where was finalized the draft Agreement which is already opened for signing. The MFAEI organised also the GUAM working group on combating terrorism, organised crimes and trafficking of human beings, which result with the adoption of the GUAM Strategy in this areas.*

Usually, the organization of such events do not require substantial funding, however generating very good results at national and regional level.

2.3.2. Out-of-the-country events. The project proposes to support the participation of national experts (both government and non-government, where necessary) in the following regional events organized abroad.

- CEI National Coordinators and Ministerial Meetings
- SEECP Political Directors and Ministerial Meetings
- SP/CRC National Coordinators and Ministerial Meetings
- BSEC Senior Official and Ministerial Meetings
- Danube Cooperation Process Senior Official Meetings
- GUAM Experts, National Coordinators and Ministerial Meetings

The project will fund the following costs:

- travel
- hotel accommodation and per diem
- communication costs

2.3.3. The project will also support the costs of the country representatives in the regional initiatives (listed above) secretariats. This action will be directly supported by donors. The representatives of Moldova, on one side, are able to guarantee Moldova's presence in the political and economic cooperation processes and, on the other, gain very important experience while serving in such positions. Hence, upon return, they bring valuable knowledge to their colleagues and institutions. For the past 3 years the Dutch Government supported the functioning of the Moldovan representative to RACVIAC. As of 2008 funding is required to continue Moldova's engagement in this regional initiative.

- Funding of Moldova representative to RACVIAC (€1,000 x 24 months = €24,000)

3. Communications and Public Relations

This component proposes to strengthen the capacity of the Media and Public Relations Department so that the Ministry is better able to communicate internally and externally its priorities, activities and results and thus more transparent and open to its beneficiaries, partners and general public

The following sets of activities will be implemented and geared towards the achievement of the objective of this project component.

3.1. – Strengthening the capacity of the PR and Media Relations Department

- Improvement of the regulations and rules governing the operation of the PR and Media Relations Department;
- Strengthening the strategic role of the PR and MR Department;
- More active involvement of the Ministry communications staff with mass-media representatives through joint events, media briefings on various topics (EU integration, NATO, UN etc.);
- Support participation of PR and MR Department representatives and mass-media in major events hold by the Ministry abroad.

3.2. – Training and on the job coaching

- Deployment of an Estonian expert (possibly representative of the MFA of Estonia) to work closely with the Moldovan communications staff. (Detailed Terms of reference will be developed when the project implementation starts together with the MFA staff)
- Training for other Ministry staff at several levels:
 - * Directors level – 30 people
 - * Executors level staff delegated by each Department – up to 40 people
- Internship of MFAEI Moldova Staff in Estonian MFA (number of staff, exact duration will be determined further)
- Training with Moldovan Ambassadors abroad according to the recommendations and provisions of the Government Communications Concept

3.3. – Equipment and materials

- procurement of necessary equipment for the Department of PR and MR
 - * laptop
 - * scanner
 - * Photo and Video cameras
 - * UPS
 - * Voicerecorders (3)
 - * Multimedia projector and screen
 - * Flipchart
 - * TV set with video recorder/player
 - * Memory sticks
- Upgrading the web-page structure and design based on the experts recommendations
- procurement of electronic subscriptions and data bases

Effectiveness and cost efficiency

The project objectives are attainable and the deliverables of the activities proposed are likely to be produced given the commitment of the project implementing partner, The MFAEI, to ensure ownership of the results.

The deliverables for the component 1, institutional capacity building, are within the project scope and their production depends to a large extent on the project implementation team. These will be leading to the achievement of the project objective number. The activities to be carried out are coming to support the implementation of the Ministry's own plans and/or represent commitments in front of the Government to fulfil certain actions, e.g. Ministry's mid-term re-organization/development plan. The structures are in place and key mid-level counterparts assigned to work with the project are fully committed. The proposed activities are based on the needs of the Ministry and endorsed by the Minister.

Funds for project implementation are contributed by SIDA, Austrian Development Cooperation through the UNDP Thematic Trust fund, and UNDP regular resources. Some of the activities will be implemented with contribution from the state budget. For the procurement of services or goods, a competitive process will be conducted to ensure that UNDP rules are followed at every step of implementation applying the best value for money criteria in selecting the suppliers.

Impact and sustainability

Generally, by supporting the organization, on a regular basis, of regional events in Moldova and ensuring the participation of Moldovan officials in similar initiatives abroad, the Project will bring a significant contribution to one of the key MFAEI's priorities – regional cooperation and its political, economic and social dimensions. The Project will also emphasize the need and importance of regional cooperation, for the leadership of Moldovan line ministries. For the future, it is expected that line ministries will be able to include these kind of activities in their regular plans and budgets. The benefits would not be limited to knowledge and experience transfer, but could also include, as mentioned above, access to resources available in regional processes.

Regional organisations, initiatives and processes offer considerable funding opportunities for sector projects that often cannot be accessed by line ministries due to limited (lack of) participation in these activities. By offering, through this project, the opportunity of wide involvement of ministries in the regional initiatives, national institutions will be more aware and able to participate in implementation of regional ownership, values and objectives of these initiatives and processes. They are intended to support the countries in the region to align to European principles and values. Ultimately this envisaged support will contribute to attaining European standards almost in all areas of development: social, economic, trade and investment, infrastructure, transport, energy, justice and home affairs, education, security and fighting trans-border crimes and corruption, emergency preparedness and others.

MANAGEMENT ARRANGEMENT

Implementation

This project will be coordinated by the MFAEI, the project's implementing agency, and will be funded by several donors. UNDP Moldova will support the implementation of the project through services according to the Agreement between the Government of Moldova and UNDP for provision of support services for national Execution Modality from May 27, 2003. UNDP will provide narrative and financial reporting to the project donors on a regular basis as determined by specific cost-sharing agreements. UNDP follows in the implementation of project and programmes internationally recognized standards (<http://content.undp.org/go/userguide/results>).

Duration

The project duration is 3 years from the date of signing the project document by the last party. The project may be extended within the existing scope and provided funding is available by a project board decision

Funding

The project is funded by the Swedish International Development Agency (SIDA), Austrian Development Cooperation (ADC), through the UNDP Thematic Trust Fund for Democratic Governance, and the Estonian Government. The funding breakdown is provided in the annex 1 "Budget".

Management Structures

Project Board: The Board is the overall authority for the Project and is responsible for its initiation, direction, review and eventual closure. Within the confines of the Project, the Board is the highest authority.

The Project Board represents at managerial level the interests of the following roles and the respective organizations:

- **Project Executive** (National Coordinator) and **Senior beneficiary** – Minister of Foreign Affairs and European Integration (or delegated representative) is the current project national coordinator and has overall ownership over project results and chairs the project board.
- **Other beneficiaries** – line ministries, agencies, services involved in the regional cooperation processes;
- **Senior supplier** - Austrian Development Agency, Swedish International Development Agency, Estonian Government and UNDP.

Board members will comprise a number of senior managers with authority and responsibility for the commitment of resources to the project, such as personnel, cash and equipment. The Project Board will 'manage by exception', meaning that the Board members will be regularly informed of Project progress but will only be asked for joint decision-making at key points in Project implementation.

The Project Board is appointed to provide overall direction and management project and is responsible for ensuring that the project remains on course to deliver products of the required

quality to meet the expected outcomes defined in the Project Document. Furthermore, the Board is accountable for the success of the Project and has responsibility and authority for the Project within the instructions set by UNDP programme management.

The Project Board approves all major plans and authorizes any major deviation from agreed Project work plans. It ensures that required resources are committed and arbitrates on any conflicts within the project or negotiates a solution to any problems between the project and any parties beyond the scope of the project. In addition, it approves the appointment and responsibilities of the Project Manager.

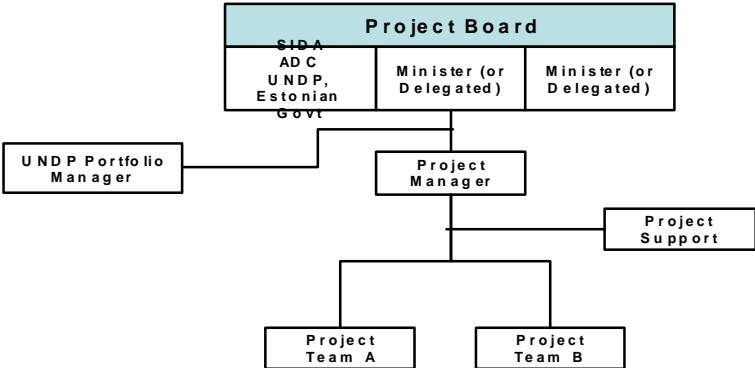
Project Manager: UNDP will recruit a project manager, who will have the responsibility to plan, oversee and ensure that the Project is producing the expected outputs at the right time, to the right standards of quality and within the allotted budget. The main tasks of the Project Manager include:

- Overall planning for the whole project
- Supervision of the project activities
- Liaison with UNDP Programme Management
- Fund management, allocation, coordination
- Reporting progress to the Project Board
- Project quality management

Project Assurance: Assurance is a key element of the PRINCE2 management method, upon which the Project Management Arrangements are based. ‘Assurance’ is essentially an independent audit function, whereby the Project Board is able to monitor progress against agreed work plans. The Project Assurance role supports the Project Board by carrying out objective and independent project oversight and monitoring functions. This role ensures appropriate project management milestones are managed and completed. The Project Assurance is the responsibility of each Project Board member. On behalf of UNDP, as senior project supplier, the function is delegated to a UNDP Portfolio Manager. The National Coordinator may appoint a representative of the Ministry of Foreign Affairs and European Integration to carry out the project assurance role on behalf of the project executive.

The project will ensure the tracking of achievements and proper visibility of results, including donors’ contribution – through innovative and traditional communication tools (media, web, printed materials, TV, radio etc.).

The above project management structure can be illustrated as follows:



Government commitment:

The Government will allocate funds from the state budget to co-finance the organization of several events from the Regional Cooperation component. Exact amounts will be known by the end of 2007 and will be reflected in a revised annual work-plan and budget.

The MFAEI will provide office space within the premises of the MFAEI for the project management unit for the period of project implementation.

MONITORING AND EVALUATION

Monitoring is a continuous function that aims primarily to provide the main stakeholders of this project with early indications of the quality, quantity and timeliness of progress towards delivering intended results. Therefore, all project activities will be subject to continuous monitoring by project implementers and beneficiaries against the indicators determined in the project Communications and Monitoring Plan, which will be developed during the project inception phase. Effective monitoring requires assessment of project progress against the plan and management of any exceptions. The Project Document and any detailed workplans prepared by the Implementing Partner provide a basis for progress assessment. In carrying out such monitoring activities, the following tools are set up and should be regularly updated in different timeframes:

Within the annual cycle:

Quality Log: Progress and quality of the deliverables being produced will be assessed based on the quality criteria established in the indicators and deliverable Description and planned schedule and recorded in the Quality Log. If changes are required, the Deliverable Description and/or schedule will be updated.

Issues Log: Any project issues will be recorded in the Issues Log to facilitate tracking and resolution.

Risks Log: The Risks Log will be updated by reviewing the external environment that effects the project implementation, and associated risk management plans.

Project Quarterly Progress Report: Quarterly monitoring progress reports will be submitted by the Project Manager to Project Assurance and to the Project Board.

Lessons Learned Log: Project lessons learned should be actively captured to ensure ongoing learning and adaptation within the organisation.

Annually:

Annual Review: An annual project review will be conducted by the Project Board during the fourth quarter of year as a basis for assessing the performance of each project. Such review is done in the context of the UNDAF Annual Review. This review will involve all key project stakeholders and the Implementing Partner, and focus on the extent to which progress is being

made towards outputs, and that these remain aligned to appropriate outcomes. All evaluations of the project, or related outcomes should be considered, along with their respective management responses and action plans. Findings from these should inform the review. The review will be structured by a set of common standards, and will be subject to spot external quality assurance assessments. This review should update output targets and results achieved.

In order to ensure the effective monitoring and evaluation of project results, maintain continuous cooperation between all project's partners at all stages of Project implementation, the Project Board will meet every 3 - 4 months. The members of the Project Board will provide feedback on lessons learned, propose corrective actions to solve problems, ensure accountability, and make recommendations how to improve the quality of current and future interventions (as per the terms of reference annexed to the project document).

Risk Log and Risk Management

Risks have been identified as part of the formulation process and captured in the risk log below. The project Risk Log is maintained throughout the project implementation to capture potential risks to the project and associated measures to mitigate risk. The Project 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
The government delays implementation of the CPAR actions hence making	Political / medium	Closer coordination with the involved counterparts
The recommendations of the functional review will not be taken into consideration by the MFAEI in designing the organization development plan	Organizational /medium	The MFAEI leadership and staff involved need to own the process and the results of the report. The MFAEI needs to be fully involved so that upon the finalization of the exercise the recommendations are not treated as being an external view on the ministry's functioning
The MFAEI staff changes at high and immediately below level may delay project implementation and shift project priorities	Organizational / high	Involvement of more staff of the MFAEI's other subdivisions in the project planning and implementation
The sector ministries will have a low level of involvement in the regional cooperation processes and there will be limited follow-up actions	Organizational /low	Actions regarding the implementation of countries commitments under the regional processes should be proposed to be part of the ministry-specific development plans

LEGAL CONTEXT

“This document together with the CPAP signed by the Government and UNDP which is incorporated by reference constitute together a Project Document as referred to in 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 and the amendment of the same of July 5, 1997. The host country implementing agency shall, for the purpose of the Standard Basic Assistance Agreement, refer to the government co-operating agency described in that Agreement and all CPAP provisions apply to this document.”

Consistent with the Article III of the Standard Basic Assistance Agreement, the responsibility for the safety and security of the implementing partner and its personnel and property, and of UNDP’s property in the implementing partner’s custody, rests with the implementing partner.

The implementing partner shall:

put in place an appropriate security plan and maintain the security plan, taking into account the security situation in the country where the project is being carried;
assume all risks and liabilities related to the implementing partner’s security, and the full implementation of the security plan.

UNDP reserves the right to verify whether such a plan is in place, and to suggest modifications to the plan when necessary. Failure to maintain and implement an appropriate security plan as required hereunder shall be deemed a breach of this agreement.

The implementing partner agrees to undertake all reasonable efforts to ensure that none of the UNDP funds received pursuant to the Project Document are used to provide support to individuals or entities associated with terrorism and that the recipients of any amounts provided by UNDP hereunder do not appear on the list maintained by the Security Council Committee established pursuant to resolution 1267 (1999). The list can be accessed via <http://www.un.org/Docs/sc/committees/1267/1267ListEng.htm>. This provision must be included in all sub-contracts or sub-agreements entered into under this Project Document”.

ANNEXES

- The CPAP signed by UNDP and the Government Coordinating Agency – Ministry of Economy and Trade.
- Trust fund agreement between UNDP and the Swedish International Development Agency
- Cost-Sharing Agreement between UNDP and the Ministry of Foreign Affairs of Estonia