

UNDP country programme for the Republic of Moldova 2007-2011

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Introduction

1. The country programme document for the Republic of Moldova for 2007-2011 builds on the second country cooperation framework covering 2002-2006. Preparation of the document included consultations with partners in government, civil society, the private sector, the United Nations system, and the international community. The proposed programme of cooperation derives from the common country assessment (CCA) and the United Nations development assistance framework (UNDAF) for 2007-2011. The areas for UNDP engagement outlined here fall within the economic growth and poverty reduction strategy (EGPRS) approved in 2004, as well as the European Union-Moldova action plan signed in 2005.

I. Situation analysis

2. Following a decade of economic decline and fragmented institutional development, the Republic of Moldova has enjoyed relative political stability and sustained economic recovery since 2001, with average annual gross domestic product (GDP) growth of 6.9 per cent. Reforms continue to unfold (in the areas of territorial administration, health insurance, regulations, and, most recently, the central public administration). Through responsible monetary and fiscal policy and improved management of public finances, the Government plans to reduce both domestic (especially social) arrears and external public debt. Current economic and political conditions create a promising foundation for accelerated development progress (see the 2005 CCA at http://www.un.md/key_pub_documents).

3. As a result of constitutional changes, the country became a parliamentary republic in 2000. The President, although elected by the Parliament, still exercises considerable power. The most recent parliamentary elections, in March 2005, resulted in a distribution of seats between communist and opposition factions that was conducive to pragmatic change. On their first day in office, all Members of Parliament signed a declaration of political partnership, and subsequent months saw collaboration on legislative initiatives, the start of a dialogue with civil society, and a more active interaction with parliaments from the region as well as in European and international forums. Parliament

also signed a declaration on Transnistria and became more active in efforts to resolve the conflict.

4. The interest shown by the Republic of Moldova in a rapprochement with the European Union was formalized with the signing of a European Union - Moldova action plan in February 2005. The plan provides impetus for change in both the executive and the legislative branches, which are drawing on the experience of new European Union member States through twinning and bilateral exchanges.

5. In recent years, the Republic of Moldova has called for greater involvement by the European Union and the United States of America in resolving the Transnistria conflict. In March 2005, the European Union appointed a special representative for the Republic of Moldova with a mandate to contribute to a peaceful settlement of the Transnistria conflict. In September 2005, the parties in the five-party talks invited the European Union and the United States to join in negotiations as observers. The 2005 CCA provides a more detailed analysis of the situation in the Transnistria region (see page 52).

6. The President of the Republic of Moldova called for government reform in his inaugural speech. Commitment and political will for reform are high. Building on a 2005 strategic functional analysis, the Office of the Prime Minister initiated a strategy for public administration reform to start in January 2006. The Government recognizes the need to focus on the priorities of the EGPRS and the European Union action plan; sharpen priorities; link strategic planning to budgeting; establish a monitoring and evaluation system; and build policymaking capacities.

7. The Government acknowledges that corruption is a major barrier to development. Corruption is deeply rooted in the health, education, justice, tax, customs and other sectors. Energetic action by the Government will be required to eradicate corruption, both through targeted actions and mainstreamed approaches in implementing existing strategies and reforms. In 2006 the Government approached the Millennium Challenge Corporation to seek support for a Threshold Country Plan to fight corruption.

8. The country faces challenges in translating political and economic advances into long-term

prosperity within a rules-based, open-market economy and a democratic society. Economic growth is fragile, although direct investment has increased since 2001 (the share of direct investments in fixed capital in GDP reached 17.8 per cent in 2005). New foreign direct investment in 2005 totalled \$260.3 million (a 7.7 per cent increase on 2004).

9. The main feature of the economic and social landscape is labour-related out-migration. At end-2004, an estimated 371,000 people, or 25 per cent of the economically active population, were working abroad. Including temporary or seasonal migration, this figure reaches 40 per cent, or nearly 600,000 people. With the majority of migrants coming from small towns or villages where poverty rates are the highest, migration is both a consequence of poverty and a key strategy for coping with it. Migrants' remittances, estimated at 27 per cent of GDP, are spent mainly on consumption needs of households. The negative effects of migration may overshadow the positive ones: migration reduces the size and quality of the labour force and undermines family and community structures.

10. Rising consumption has driven rapid growth in imports (23 per cent on average per year); exports lag behind, despite average annual growth of 21 per cent over 2001-2004. The trade deficit reached almost 32 per cent of GDP in 2004. Thanks to remittance inflows, the current account deficit is around 5 per cent of GDP. Since public revenues mainly derive from value-added and excise taxes (value-added tax supplies 50 per cent of budget revenues), remittances underpin the government budget and allow for increased expenditures on essential public services. Remittances spur currency appreciation, however. The National Bank and the Government face challenges in managing inflationary pressures. Fiscal and monetary policies are prudent, resulting in an inflation rate of 10.7 per cent in 2005, down from 12.6 per cent in 2004 and 15.7 per cent in 2003.

11. Businesses need a better operating environment. Ongoing regulatory reforms led by the Ministry of Economy and Trade have simplified the legal framework; their effect should be visible soon. Policies need to be enacted to encourage the investment of remittances and the return of skilled migrants. Another challenge for the Government will

be to put a public investment programme into place. (An investment strategy for 2006-2010 is planned, with components on state investment policy; this is expected to encourage investment of remittances.) These will be central building blocks in overcoming the development gap between the capital city and the rest of the country. The Government is considering a regional development programme to foster direct investments in selected localities ('growth poles') to reduce poverty and regional disparities.

12. Environmental management and the right to a healthy environment are not major items on the development agenda of Moldova, and environmental concerns are rarely mainstreamed into cross-sectoral policies and strategies. The quality of natural resources continues to decline: the most critical problems are degraded water and land resources, shrinking biodiversity, poor waste management, and vulnerability to environmental hazards.

13. After more than a decade of transition, human development lags behind economic growth. At 0.671, the 2003 human development index for the Republic of Moldova was lower than its 1990 level of 0.739. From almost 70 per cent in 2000, poverty has decreased to around 27 per cent in 2004.

14. In June 2005, the Republic of Moldova published its first national Millennium Development Goals (MDG) report (http://www.un.md/key_pub_documents). The report documents divergent conditions exacerbated by the transition. While targets and indicators such as literacy rates and school enrolment were achieved before the baseline year of 1990, the country has experienced minimal progress or decline in other areas, including poverty and health measures.

II. Past cooperation and lessons learned

15. The country cooperation framework for 2002-2006 focused on two overarching programme areas:

- (a) *Governance* – to strengthen governance as a basis for sustainable, equitable growth and development; and
- (b) *Integration* – to exploit opportunities to integrate people, ideas and activities in support of sustainable, equitable growth and development.

To meet these aims, five cross-cutting themes were identified: (i) fostering civil society; (ii) poverty alleviation; (iii) gender equality; (iv) promotion of human rights; and (v) information access.

16. The country cooperation framework envisaged a total financial envelope of \$18.2 million. Delivery during 2002-2005 amounted to \$12,314,028, and 2006 delivery is expected to top \$6 million, bringing total delivery for the period to \$18.3 million.

17. The period 2002-2005 witnessed changes in the UNDP programme in the Republic of Moldova. The country office implemented the recommendations of a 2002 reprofiling exercise and a 2003 audit. It is completing a change management exercise begun in 2005. The resulting improvements have helped the office to cope with the doubling of its programme budget every year since 2003.

18. Reflecting the changes required by the multi-year financial framework, 2004-2007, and by the introduction of the Atlas system, a mid-term review of the programme with the Government (<http://www.un.md>) was undertaken in 2004 to build on the comparative advantages of UNDP, clarify the focus of the programme, and meet the development needs of the country. The portfolio is concentrated in two of the UNDP global practice areas:

(a) *Governance*, by strengthening/reform of central level institutions, justice and human rights, and local/regional development; and

(b) *Poverty reduction*, with a focus on pro-poor policy analysis, formulation, monitoring and evaluation, and availability and quality of data.

This focused effort has enabled the office to mobilize resources more systematically; to establish outcome-based thematic groups that bring donors, government, and civil society practitioners into national communities of practice; and to be proactive in identifying new initiatives and more efficient in responding to Government requests for policy advice and technical assistance.

19. The office has arranged training events in mainstreaming the MDGs and gender issues, as well as a human rights-based review of its programme (www.undp.md/key_pub_documents). Outcome evaluations were carried out in 2004 (poverty monitoring) and 2005 (local development); another is scheduled for 2006 (human rights).

20. These reviews revealed limited civic participation in monitoring and influencing decision-making processes. The delay in enacting civil service reform has adversely effected development cooperation results. Among the consequences have been:

(a) high staff turnover and low motivation in state institutions;

(b) failure by state authorities to fulfil commitments;

(c) non-transparent public institutions;

(d) limited participation of line ministries;

(e) difficulty in reaching consensus on strategic recommendations;

(f) a lack of mechanisms to attract specialists to the public sector for strategic analytical work; and

(g) a failure of government practices to change to reflect project outcomes.

In addition, there is insufficient local-level capacity to absorb knowledge and grow quickly. Local administrations are ineffective in influencing central policy, leading local development, or partnering with the private sector.

III. Proposed programme

21. The country programme for 2007-2011 proposed by UNDP applies a rights-based approach to human development in Moldova, in line with national development priorities and MDG targets for 2015, and responding to the challenges of reform and European Union integration. The country programme builds on the CCA/UNDAF, in which the condition of young people, gender equality, and the need to extend development assistance to the Transnistria region are identified as cross-cutting concerns.

22. The UNDAF centres on three outcomes:

(a) good governance, rule of law, access to justice and promotion of human rights;

(b) access to basic services; and

(c) local and regional development.

The UNDP country programme focus mainly on outcomes 1 and 3, contributing to outcome 2 chiefly through joint interventions with other United Nations organizations. Intended outcomes and outputs, summarized below, are detailed in the attached results and resources framework (see annex).

Good governance, rule of law and equal access to justice and promotion of human rights

23. As highlighted by the common country assessment analysis, a functioning public sector and

good national policies are basic to effective development strategies. Efforts to achieve these aims under the country programme will build on the work of the past few years and will support the national development objectives of modernizing central and local public administration; improving policymaking processes (with civil society participation); aligning national legislation with European Union laws and standards; improving the functioning of the justice system, access to justice and the observance of human rights; and upgrading natural resources management to meet European Union environmental standards. UNDP will pay specific attention to the availability of disaggregated data, and to gender and disaster management issues.

Local and regional development

24. Strategic development frameworks in the Republic of Moldova recognize that development opportunities are needed at the local level in every community to help speed up economic recovery and reduce poverty and inequality. The country seeks 'regional development' in the European sense of economic and social regions, and a new policy initiative calls for the creation of several large subnational entities to attract investment and stimulate economic development

25. UNDP has worked on local development models (including planning, monitoring and evaluation, and economic and social development) since 2000, and will use its experience and partnerships to support the achievement of local and regional development objectives. Recognizing that this is a multifaceted process, UNDP will develop interventions that allow for engagement with communities, local authorities, the private sector and civil society, among others through the use of ICT for Development principles and tools. UNDP will help local public authorities operate more effectively and transparently; it will partner with the private sector and central and local authorities to enhance and operationalize regional development policies and mechanisms, emphasizing local development and the development of small and medium-size enterprises (SMEs). It will help civil society groups participate in local development processes and will address such dimensions as the financial sustainability of non-governmental organizations (NGOs) and their ability to provide social and other services.

Access to basic services

26. In this area, UNDP will work mainly through joint initiatives with other United Nations organizations. Planned interventions include targeting social protection measures and making HIV/AIDS prevention and care programmes available to high-risk and vulnerable groups.

IV. Programme management, monitoring and evaluation

27. A results-based management approach, as reflected in the attached results and resources framework (see annex), defines the outcomes, outputs and indicators to be tracked in monitoring the country programme. Separate results frameworks will be developed for interventions in partnership with government and other stakeholders. Monitoring and evaluation mechanisms and plans will be aligned with the national cycle and system and based on the DevInfo database; they will reflect the requirements of participation and transparency.

28. National execution will remain the preferred modality for the proposed country programme, and UNDP will continue to provide implementation support services to the Government. Direct execution will be used only in cases that warrant that UNDP manage a given project directly. In both cases, the country office will recover costs for services rendered, according to prevailing UNDP policy.

29. Since target for resource assignments from the core (TRAC) resources are limited, UNDP Moldova will intensify its resource mobilization efforts. A strategy will be developed emphasizing the UNDP role as a development cooperation partner that can leverage resources to support national efforts and initiatives. This will be anchored in the proven results of the country programme, taking advantage of the UNDP capacity to meet the priorities and needs of the people of the Republic of Moldova.

30. UNDP will continue to play a lead role in simplification and harmonization efforts between the Government and donors to reduce transaction costs; build national capacities to coordinate and deliver external assistance; align donor activities with national priorities; and improve results. Internal United Nations efforts towards harmonization and alignment with national systems have started through the implementation of a synchronized approach to

cash transfer modalities to implementing partners. This and other tools place UNDP at the forefront of the harmonization and alignment agenda.

31. Existing partnerships in the Government at the central and local levels, in international and national civil society, and with the donor community will be strengthened, and new partnerships sought. Primary partners foreseen for this country programme period include the European Union, its member States, and the Government of Moldova.

Annex. Results and resources framework for the Republic of Moldova (2007-2011)

UNDAF outcome 1: 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					
Programme component	Country programme outcomes, indicators, and baselines	Country programme outputs	Output indicators, baselines and targets	Partners	Indicative resources by country programme outcome (\$)
Democratic governance	<p>Pro-poor policies, addressing development and population issues, are formulated, implemented, and monitored in a more transparent and participatory manner.</p> <p>Indicator: No. and type of pro-poor policies developed/implemented/monitored in a participatory manner.</p> <p>Baseline: Participatory mechanisms are applied only in EGPRS.</p> <p>Target: Participatory mechanisms are applied in all policies addressing development and population issues.</p>	<p>Institutional capacity of the legislative and executive strengthened for the approximation of national legislation with European Union regulations.</p>	<p>Indicator: No. and type of laws and enforcement mechanisms to address the situation of the most vulnerable revised and developed.</p> <p>Baseline: To be determined in 2006.</p> <p>Target: Increase of number of revised and implemented normative acts for protection of needs of vulnerable groups.</p>	<p>Prime Minister's Cabinet, Parliament, Ministry of Health and Social Protection, Ministry of Economy and Trade, Ministry of Finance, Ministry of Foreign Affairs and European Integration. Ombudsman (and Parliamentary Committee for Human Rights), Coordinating Committee for the Implementation of the National Human Rights Action Plan (NHRAP), National Bureau of Statistics, National Bureau of Migration, National Agency for Regional Development. NGOs (Institute for Public Policies, Association of Mayors, Academy of Public Administration, Institute of Strategic Research, 'Viitorul' Foundation, etc.). Donors: World Bank, International Fund for Agricultural Development (IFAD), European Union, Swedish International Development Cooperation Agency (Sida) and other bilateral donors.</p>	<p>Regular resources: 1,100,000</p> <p>Other resources: 1,500,000</p>
		<p>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.</p>	<p>Indicator: Integrated and comprehensive policy-making mechanisms.</p> <p>Baseline: Not in place.</p> <p>Target: The mechanisms are in place by end of cycle.</p>		
		<p>Government has improved capacity to coordinate, monitor, and report on human rights observance as required by United Nations treaties.</p>	<p>Indicator: Improved mechanism for coordination, monitoring, and reporting on human rights observance.</p> <p>Baseline: To be determined in 2006</p> <p>Target: The Government has a functional mechanism.</p>		
		<p>The availability, quality, and usage of disaggregated statistical data are improved (emphasis on geographic, age, and gender disaggregation).</p>	<p>Indicator: No. of connections to Devinfo database.</p> <p>Baseline: DevInfo is rolled out in 2006.</p> <p>Target: All policy-making bodies have connections to DevInfo database.</p>		
Democratic governance	<p>The justice system functions in a more transparent, accountable, and independent manner.</p> <p>Indicator: Level of public trust in justice</p>	<p>Key reform proposals developed/revised and capacity of various entities of the justice system strengthened to ensure efficient administration and equitable access to</p>	<p>Indicator: No. of reform proposals implemented.</p> <p>Baseline: 59.5% of respondents do not trust the justice system (Public Opinion Barometer, 2005).</p> <p>Target: Three reform proposals are endorsed.</p>	<p>Ministries of Justice and Interior, Supreme Court of Justice, High Council of Magistrates, General Prosecutor's Office, Judicial</p>	<p>Regular resources: 800,000</p> <p>Other</p>

	<p>system and procedures. Baseline: [ipp data] – to develop. Target: Public trust increased.</p>	<p>justice, including alternative dispute settlement mechanisms.</p>	<p>Indicator: No. of cases accepted by the European Court of Human Rights (ECHR). Baseline: Applications lodged – 583, admissible – 12, judgements – 14 (2005) Target: Decrease of number of cases addressed by Moldovan citizens to ECHR.</p>	<p>Training Centre, Prosecutor’s Training Centre and the Police Academy, law faculties; National Committee to Combat Trafficking in Human Beings, Commission for the NHRAP. NGOs (Transparency International, Centre for Legal Studies and Policies, Institute for Penal Reform, Soros Foundation, Institute for Public Policies (IPP), etc.).</p>	<p>resources: 2,200,000</p>
Democratic governance	<p>Increased engagement of CSOs and media in national development processes. Indicator: CSOs report greater and more meaningful opportunities to participate in national development processes. Baseline: CSOs report engagement as limited. EGPRS has a Participation Council. Target: CSOs report to be engaged at a satisfactory level in national developing processes.</p>	<p>Coordination mechanisms are in place to enable CSOs to play an effective role in developing and implementing poverty reduction strategies and reporting on implementation of national plans and on human rights treaties.</p>	<p>Indicator: No. of coalitions/networks advocating for poverty reduction (policies) issues. Baseline: 3 out of 9 existing coalitions have done one advocacy campaign each. Target: All coalitions carry out advocacy activities. Indicator: No. of established and functional government–CSO mechanisms on reform issues, policies, and programmes. Baseline: Existing interaction is on an ad hoc basis. EGPRS has a participation council. Target: At least three new mechanisms function.</p>	<p>Parliament, Government, Ministry of Economy, Ministry of Health and Social Protection, Employers’ Union, Trade Unions, Association of Mayors, Independent Journalism Centre, network of local NGOs, community of churches, etc.</p>	<p>Regular resources: 200,000 Other resources: 500,000</p>
Energy and environment	<p>Management of environment and natural resources is improved in compliance with international/European Union standards. Indicator: Environment and natural resources policies use environmental impact assessments (EIAs) and public consultations. Baseline: EIAs are not developed for policies and important projects. Target: EIAs are used during development policy discussions. Civil society generally participates in environmental protection consultations and initiatives.</p>	<p>Environmental monitoring and information systems/tools are updated and used effectively.</p>	<p>Output indicator: Quality and timeliness of routine reports and availability of databases. Baseline: To be determined in 2006. Target: Quality reports are prepared in time. Databases are available for users.</p>	<p>Ministries of Ecology and Natural Resources, of Health and Social Protection, of Agriculture, of Industry; State Concern ‘Apele Moldovei’, National Agency for Metrology and Standardization, Agency for Regional Development, National Institute of Ecology, National Centre for Preventive Medicine, local public authorities (LPAs), environmental NGOs, Regional Environmental Centre Moldova, World Bank, Sida, European Union, IFAD, United Nations Environment Programme.</p>	<p>Regular resources: 600,000 Other resources: 2,400,000</p>
		<p>EIA mechanism is in place and managed by public institutions with inputs from CSOs.</p>	<p>Output indicator: No. of EIA/SEA conducted. Baseline: SEA conducted in 2005. No EIA mechanism. Target: EIA mechanism institutionalized and functional.</p>		
		<p>Civil society is better able to participate in environmental policy formulation and monitoring.</p>	<p>Output indicator: CSOs partner with government in policy formulation and/or monitoring. Baseline: To be determined in 2006. Target: Specialized CSOs prepare policy recommendations and monitoring reports.</p>		
		<p>Food safety and water quality standards revised in line with international/European Union standards.</p>	<p>Output indicator: Revised water quality standards in place. Baseline: Current water quality standards are outdated. Target: Adopted water quality standards correspond with international ones.</p>		

Crisis prevention and recovery	<p>Improved readiness to prevent and mitigate natural and man-made disasters and crisis.</p> <p>Indicator: Government and independent assessments of readiness. Baseline: No ex-ante assessments available. Target: Modern monitoring instruments are implemented.</p>	<p>A comprehensive contingency plan for a coherent humanitarian response to emergencies, including specific attention to age and gender issues, is developed.</p>	<p>Output indicator: Effective emergency plan and response. Baseline: Emergency plan is outdated. Target: Existence of an effective strategy and action plan, including measures for protection of children and other society groups in emergency situations.</p>	<p>Department of Exceptional Situations, Ministries of Internal Affairs, of Ecology and Natural Resources, of Defence, of Health and Social Protection, of Education, Youth and Sport; Agency for contingency stocks, Department of Civil Protection, Red Cross, humanitarian NGOs, network of churches, etc.</p>	<p>Regular resources: 100,000 Other resources: 100,000</p>
UNDAF outcome 2: By 2011, vulnerable groups enjoy increased equitable and guaranteed access to basic services of good quality provided by the state with the support of civil society.					
Fighting HIV/AIDS	<p>People of reproductive age adopt safe behaviours and seek commodities and information on HIV/AIDS/sexually transmitted infections and reproductive health.</p> <p>Indicator: Proportion of young people aged 15-24 years old able to correctly identify ways of HIV transmission and rejecting misconceptions by: rural/urban, social economic status (when possible). Baseline: 29,1%.. Target: 90%.. Indicator: Proportion of young people 15-24 years of age who reported using condoms at the last sexual intercourse with a non-regular partner. Baseline: 71%.. Target: 90%..</p>	<p>HIV/AIDS prevention and care programmes are made available to high-risk and especially vulnerable groups, including injecting drug users, commercial sex workers, men who have sex with men, people in uniform, mobile populations, and children in institutions.</p>	<p>Output indicator: No of prevention and care programmes targeting high-risk groups. Baseline: To be determined in 2006. Target: To be set in 2006.</p>	<p>Ministries of Health and Social Protection, of Education, Youth and Sport; uniformed services, national scientific and practical institutions, country coordination mechanism on HIV/AIDS/STIs/tuberculosis; NGOs; World Bank; and bilateral donors.</p>	<p>Regular resources: 100,000 Other resources: 400,000</p>
Democratic governance	<p>Vulnerable groups enjoy improved access to quality social protection services, including systems to prevent and protect from violence, abuse, exploitation, and discrimination.</p> <p>Indicator: Regulatory system in place to ensure protection and response services to address violence, abuse, exploitation and discrimination. Baseline: To be determined in 2006. Target: Regulatory system in place and functional.</p>	<p>Improved institutional capacity at national and rayon (district) level to manage and carry out the social-sector reform process and to develop social services, including services for children (United Nations Children's Fund, UNDP).</p>	<p>Indicator: No. of social workers hired at the rayon and community level. Baseline: Lack of social workers working with children and families nationwide. Target: To be determined in 2006.</p>	<p>Ministries of Health and Social Protection, of Foreign Affairs; national scientific and practical institutions, higher education institutions, National Bureau for Statistics; NGOs; World Bank, IFAD; bilateral donors.</p>	<p>Regular resources: 100,000</p>

UNDAF outcome 3: 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 local public authorities and partners.					
Democratic governance	<p>LPAs operate in a more effective and transparent manner.</p> <p>Indicators:</p> <p>1. <i>Tempos of the local budgets income growth (without grants and remittances from the state budget).</i></p> <p>2. <i>Amount of resources, mobilized by LPAs from the non-budget sources to finance local programmes and projects.</i></p> <p>Baseline: <i>The tempos of the local budgets' incomes growth (without grants and remittances from the state budget) – minus 3.3% in 2004, as compared with 2003.</i></p> <p>Targets:</p> <p>1. <i>Enhanced financial independence of LPAs.</i></p> <p>2. <i>Increase in possibilities to attract non-budgetary financial resources for local development needs.</i></p>	<p>Legal and regulatory framework and administrative procedures and systems are improved, with particular emphasis on: (a) delegation of authority, (b) decentralization of services and resources, (c) increased women's representation in decision-making positions, and (d) simplified and streamlined provision of services.</p>	<p>Indicator: % of women working in LPAs. Baseline: 37.4% in 2003. Target: Enhanced representation of women in LPAs.</p> <p>Indicator: No. of local development programmes or projects initiated and implemented by LPAs (or with their participation). Baseline: To be determined in 2006. Target: Increase by 10%.</p> <p>Indicator: % of local budgets' incomes (without grants and remittances from the state budget) in consolidated state budget incomes. Baseline: 27.8% in 2003. Target: 40% by 2011.</p> <p>Indicator: Volume of funds allocated for services. Baseline: To be determined in 2006. Target: Increase by 15%.</p>	<p>Ministries of Economy and Trade, of Finance, Agency for Regional Development, National Bureau of Statistics, LPAs; World Bank, IFAD, European Union, Department for International Development (U.K.) (DFID), Joint United Nations Programme on HIV/AIDS, International Organization for Migration (IOM).</p>	<p>Regular resources: 1,000,000 Other resources: 3,800,000</p>
		<p>Capacities of targeted LPAs are improved to plan, implement, and monitor in a participatory manner.</p>	<p>Indicator: Number of public consultations (meetings with participation of CSOs), as part of planning of local budgets. Baseline: To be determined in 2006. Target: Number increased by 30%.</p>		
Poverty reduction	<p>New businesses and jobs are created in targeted, poor rural and urban areas.</p> <p>Indicator: <i>Number of operating small enterprises.</i></p> <p>Baseline: <i>22,928 as of 1.01.2004 data.</i></p> <p>Target: <i>Increased number of small enterprises as a means to reduce the poverty level.</i></p> <p>Indicator: <i>No. of unemployed people placed in a job (via employment agencies).</i></p> <p>Baseline: <i>No. of unemployed registered for professional training – 5,269 people, of whom 4,628 people completed the professional training and 3,119 were employed (2004).</i></p> <p>Target: <i>Increase in number of unemployed</i></p>	<p>Policies and mechanisms are enhanced/developed to foster regional development, with an emphasis on (a) increasing investment and trade, (b) private-sector development, and (c) piloting of local development funds.</p>	<p>Indicator: No. of local funds, created to support entrepreneurship development. Baseline: No local funds. Target: Creation of two local funds.</p>	<p>Ministries of Economy and Trade, of Education, Youth and Sport, of Culture and Tourism; Agency of Regional Development, Moldovan Export Promotion Organization; NGOs (National Federation of Credit Unions, UniAgroProtect, etc.); World Bank, IFAD, European Bank for Reconstruction and Development, United States Agency for International Development (USAID), DFID, World Tourism Organization, European Union, Sida.</p>	<p>Regular resources: 1,000,000 Other resources: 13,400,000</p>
		<p>Better business opportunities are made available through: (a) improved policy framework and business services, (b) the financial sector offering innovative products of interest to SMEs and the poor, and (c) improved local level infrastructure.</p>	<p>Indicator: No. of infrastructure projects developed for funding. Baseline: To be determined in 2006. Target: 10 projects developed.</p>		
		<p>Private public partnerships (PPPs) are created in poor rural and urban areas for infrastructure development and service provision.</p>	<p>Indicator: Number of PPPs created. Baseline: One PPP functions in Ciadir-Lunga. Target: 15 PPPs created.</p>		

	<i>people placed in a job, and reduction of unemployment.</i>	National microfinance institutions are strengthened and financially viable.	Indicator: Spectrum of services assessed and strengthened. Baseline: To be determined in 2006. Target: New services developed and introduced.		
Democratic governance	Empowered communities and CSOs participate in local development planning, implementation, and monitoring. <i>Indicator: CSOs participate on a regular basis in planning, implementation, monitoring, and evaluation of the regional development plans/programmes/projects. Baseline: To be determined in 2006. Target: Increased impact of the local CSOs on regional development planning. Indicator: CSOs provide new services and implement projects. Baseline: To be determined in 2006. Target: Increased number of new services provided by local CSOs.</i>	Capacities of local NGOs in targeted areas are strengthened to influence local decision-making, and implement and monitor development activities.	Indicator: No. of initiatives implemented by NGOs in targeted areas. Baseline: To be determined in 2006. Target: Increase by 30%. Indicator: Financial resources mobilized by NGOs for development of target areas. Baseline: To be determined in 2006. Target: Increase by 20%. Indicator: No. of CSO proposals received when consulting during decision-making process (including on local budget planning). Baseline: To be determined in 2006. Target: Increased no. of proposals received/endorsed.	Ministries of Justice, of Finance; Agency for Regional Development, LPAs; NGO networks; Sida, DFID, European Union, USAID, IOM.	Regular resources: 536,000 Other resources: 2,500,000