



United Nations Development Program

**Outcome Evaluation on Engaging with the
Private Sector: New Businesses and Jobs
are created in targeted, poor rural and
urban areas**

Final Report

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Private Sector: New Businesses and Jobs
are created in targeted, poor rural and
urban areas**

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LIST OF ACRONYMS AND ABBREVIATIONS

BOYW	Better Opportunities for Youth and Women
CO	Country Office
CP	Country Programme
CPD	Country Programme Document
CPO	Country Programme Outcome
CSO	Civil Society Organisation
CSR	Corporate social responsibility
EU	European Union
GC	Global Compact project
GCNM	Global Compact network Moldova
GDP	Gross domestic product
LCGN	Local Global Compact Network
MDG	Millennium Development Goals
MOET	Ministry of Economy and Trade
MOH	Ministry of health
NGO	Non-governmental organisation
PIA	Participatory Impact Assessment
PM	Prime Minister
PPP	Public-Private Partnership project
SMART	Specific, measurable, achievable, realistic and time-bound
UNDAF	United Nations Development Assistance Framework
UNDP	United Nations Development Programme

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The team wants to acknowledge the constant support received from all stakeholders during this evaluation. It showed in terms of well scheduled, diverse and excellently prepared meetings with stakeholders. All were informed of the purpose of the visit and were able to give comprehensive and essential information about the project implementation covering both positive experiences and difficulties faced during the respective project periods.

The UNDP office and the project staff deserves a special acknowledgement for their tireless provision of support, which enabled the team to concentrate entirely on the evaluation.

The comprehensive support facilitated a smooth run of the evaluation and it made the work period be of great professional interest to both team members.

EXECUTIVE SUMMARY

This outcome evaluation of the Country Programme Outcome (CPO) 3.2. is due in accordance with the UNDP Moldova Programming Cycle 2007-2011. The evaluation covered three projects, namely: Better Opportunities for Youth and Women, Public Private Partnership and Global Compact.

The three projects were intended to deliver to the Country Programme Outcome 3.2:

“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”.

Better Opportunities for Youth and Women works with prevention of human trafficking by addressing poverty, unemployment and domestic violence. The project focuses on providing life skills and technical skills to vulnerable youth through a composition of complementary interventions. The interventions will partially be financed by income generating activities established with project support but managed and maintained by the local government. To promote development of private support of public interventions the project should also encourage and support formulation of relevant legislation.

The Public Private Partnership (PPP) project works with development of infrastructure in selected three rayons. The aim is to make the councils propose and develop projects for implementation seeking private funding for the implementation. The project assists with the necessary training of central and local government staff, with feasibility study and tendering process. The private investment is meant to be profitable for the investor at long-term. To facilitate private sector development the project should also encourage and support formulation of relevant legislation.

Global Compact (GC) is a regional project, which establishes professional enterprise networks in each of the six countries: Armenia, Belarus, Georgia, Moldova, Ukraine and Russia Federation. The networks in the six countries are meant to collaborate among themselves and with international industries and institutions for learning purposes. The network should furthermore create collaborations creating synergy effect that could accelerate business development. Finally the project introduces the idea of Corporate Social Responsibility (CSR) with the aim to make enterprises develop healthy work environments in their own enterprises and beyond. The project should in addition encourage and support of legislation supporting work environment, business development and labour conditions.

The findings in the outcome evaluation showed that:

- > The UNDP strategic positioning in Moldova in the evaluated period was of great relevance and support. The partners all emphasised of the importance of UNDP presence, especially now with a fragile, inexperienced government, as UNDP is largely respected and generally viewed as neutral;
- > The work through partners, MoET, local governments and CSOs, is relevant and effective. All three project have built a positive and interested network of partners;
- > The political environment has not been conducive for legislative work, in 2006 due to autocratic governance and later (2007) due to MoET engagement in electioneering

- with subsequent establishment of new ministries and inauguration of new Ministers and key staff all of which has made the projects have a fluid partnership;
- > Consequently only BOYW, which started operating already late 2006 has delivered to all outputs apart from the legislative work, while PPP and GC have only delivered partially to the outputs and thus only limited to the CPO outcome, because they both depend on change in legislation and institutional structures to deliver as planned;
 - > The present government is, however, open toward immediate, intensive and comprehensive collaboration inclusive of training that may be required to formulate and pass legislation supportive of the three projects and a market economy at large;
 - > The new government is fragile and need immediate and massive support not to fall apart due to lack of common footstep over which direction to take.

Against the above outcome 3.2. it is strongly recommended to:

- > Support the Moldovan government for a ten-year period divided into three progressive phases of three years and a one-year phasing out period. This should be done bearing in mind that the achievements stated in the outputs and outcome took over two decades to achieve in EU-member countries, which had a strong market economy;
- > Re-design the three projects to include the needs defined in this report;
- > Focus intensively on legislative support for the next three years with the aim to form a solid foundation for a strong market economy on which all three projects and the future of Moldova depend;
- > Simultaneously offer a wide scope of education to partners to build the capacity of the actors to ensure they can provide the required support and take responsibility for UNDP supported activities.

1 Introduction

1.1 CONTEXT OF THE EVALUATED PROJECTS

This outcome evaluation of the Country Programme Outcome (CPO) 3.2. is due in accordance with the UNDP Moldova Programming Cycle 2007-2011. Outcome 3.2. falls under 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”.

The projects work through local partners, for example CSOs, private sector, local governments and the central government. The aim is to build capacities of the said partners with emphasis on development of legislation, organisational capacity and structures through which to facilitate economic growth.

The projects apply a Results Based Management approach, which has made the partners pay increased attention (i) to the formulation of relevant progress indicators and (ii) to collection and analysis of relevant data as part of the monitoring and evaluation activities.

The UNDP Country Programme (CP) for 2007-2011 applies a human rights-based approach. The conditions of young people, gender equality and the need to extend development assistance to the most vulnerable regions are thus identified as major cross-cutting concerns.

The current economic crisis and the resulting impact on fragile economies make this evaluation timely. Furthermore, it allows for an assessment, which will identify and taking into consideration new challenges.

1.2 PROJECTS EVALUATED

The outcome evaluation assessed the following three projects:

- Better opportunities for Youth and Women;
- Public-Private Partnership Project, and
- Global Compact Project.

Better opportunities for Youth and Women

The project addresses migration, human trafficking and unemployment issues through the creation of social reintegration services and jobs for vulnerable groups. The work includes reintegration of graduates of boarding schools, orphans or children without family care, mothers with children at risk, expectant mothers at risk through provision of shelter, psychological and social care, provision of life skills, activities aimed at facilitating beneficiary access to labour markets and financial and material support. The project is expected to create jobs for vulnerable groups through the following specific objectives:

- 10 fully operational centres for social reintegration established;
- During 2006-2009, 1720 graduates of boarding schools assisted and provided with vocational training;
- During 2006-2009, 300 beneficiaries provided with jobs;
- Minimum 10 social enterprises oriented to support centres' activities and to provide new jobs;
- 50 professionals in social area and child protection trained to work into beneficiaries support.

Public-Private Partnership Project

The PPP project is designed as a complementary facility working with a variety of partners at regional, national and local levels with the purpose to increase the capacity of central and local governments to promote, develop, operate and manage public-private projects on infrastructure development and provision of basic services. Key activities are to:

- Establish adequate policy, legal and institutional frameworks for Public Private Partnership development at the national and local level;
- Build capacity of central and local governments to develop and implement PPP projects;
- Promote partnership arrangements, and leverage private sector investment;
- Identify investment opportunities and mobilize stakeholder support for services and infrastructure improvement projects and establishment of PPP arrangements for the development, financing and long term implementation and management of infrastructure and services;
- Support for Corporate Social Responsibility initiatives in the area of health care and social assistance.

With the above activities it is expected that the following will be achieved:

- Institutional and regulatory frameworks established in which the public authorities are able to create and implement public private partnership projects
- Private investments in utilities, public services and infrastructure enhanced;
- Quality of utilities, public services and infrastructure improved;
- Better value for money in delivering public services and infrastructure ensured.

Global Compact project

The Global Compact Project is regional and targets Moldova, Armenia, Belarus, Georgia, Ukraine and Russia Federation. The regional project objective is to accelerate sustainable economic growth and poverty reduction through promoting responsible entrepreneurship and developing public partnerships with potential for both commercial and development returns. The overarching objective of the second phase is to develop an exit strategy that ensures sustainable structures and successful transfer to the national partners.

The intended outcomes for the project are:

- Higher sustainable and competitive economic growth, poverty reduction and regional stability.
- Improved economic governance framework
- Enhanced international integration of the countries

2 DESCRIPTION OF EVALUATION METHODOLOGY

2.1 OBJECT OF THE EVALUATION

The purpose of the evaluation is to learn from the experience of UNDP-funded and implemented projects in Moldova expected to contribute to the creation of new businesses and jobs in targeted areas. The Country Office (CO) plans to use of this exercise as a learning opportunity not only for the office, but also for partners and stakeholders. The evaluation is expected to:

- > Clarify factors affecting the business and job situation;
- > Highlight unintended positive and negative consequences of the project interventions with the aim to better design UNDP interventions at the next stage;
- > Suggest M&E framework assisting in collecting and applying relevant results-based indicators with the aim to have faster and sustainable achievements.

The findings of this evaluation will thus serve a two-pronged purpose, namely to (i) to define outcomes of project interventions to date and (ii) strengthen national capacities in using the data for business and job creation and (iii) to assist in better redesigning and refocusing the projects to ensure it meets the intended outcome impact.

2.2 SUBJECT OF THE EVALUATION

This evaluation is narrowed down to assessing UNDAF Outcome 3, Country Programme Outcome 3.2 and Country Programme Outputs 3.2.1, 3.2.2 and 3.2.3 as reflected in the table below:

CP 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”.

CP Outcomes	CP Outputs	Indicators	Partners
<p>New businesses and jobs are created in targeted, poor rural and urban areas.</p> <p>Indicator: Number of operating small enterprises.</p> <p>Baseline: 22,928 as of 1.01.2004 data.</p> <p>Target: Increased number of small enterprises as a means to reduce the poverty level.</p> <p>Indicator: No. of unemployed people placed in a job (via employment agencies).</p> <p>Baseline: 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).</p> <p>Target: Increase in number of unemployed people placed in a job and reduction of unemployment</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>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>Private public partnerships (PPPs) are created in poor rural and urban areas for infrastructure development and service provision. National microfinance institutions are strengthened and financially viable.</p>	<p>Indicator: No. of local funds, created to support entrepreneurship development.</p> <p>Baseline: No local funds.</p> <p>Target: Creation of two local funds.</p> <p>Indicator: No. of infrastructure projects developed for funding.</p> <p>Target: 10 projects developed.</p> <p>Indicator: Number of PPPs created.</p> <p>Baseline: One PPP functions in Ciadir-Lunga.</p> <p>Target: 15 PPPs created.</p> <p>Indicator: Spectrum of services assessed and strengthened.</p> <p>Target: New services developed and introduced</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>

The outcome of the above interventions is what is evaluated and discussed in this report.

2.3 SCOPE OF THE EVALUATION

This is summary progress evaluation aiming to assess the extent to which programme and project activities implemented during 2007-2009 have contributed to the progress defined under CPD Outcome 3.2, as well as to the overall UNDAF Outcome 3. The evaluation shall also assess the achievements of the set targets, whether existing UNDP partnerships proved successful and relevant showing an improved performance of governance institutions in Moldova. Being a mid-term progress evaluation emphasis should be placed on assessing efficiency and effectiveness of UNDP's programme in contributing to the above CP and UNDAF outcomes. This includes assessment of the adequacy of the financial and human resources and if partnership strategies are cost-effective or may need revision.

The evaluators shall take into account the following core issues:

- > Status of and degree of change in the outcomes, and factors influencing the outcomes;

- > Level of incurred changes: Enabling environment, Organizational and/or Individual levels;
- > UNDP strategic positioning on achieving the outcomes;
- > Relevance of the outcomes and outputs;
- > Partnership strategy;
- > Sustainability: whether there is ownership and capacity to maintain and manage development in the outcomes;
- > Feasibility and applicability of existing M&E frameworks against the partner wish to have data documenting outcome.

2.4 APPLIED METHODS

The evaluators intended to make use of a combination of methods to enable validation of data through triangulation.

The team made use of:

- Desk studies
- Key informant interviews
- Field visits
- Briefing and debriefing sessions with UNDP and the Government/Parliament

A. Desk studies

The desk studies assessed achievements of each project. The desk studies also included studies of approach and best practices from similar projects in similar contexts. Finally, the desk studies helped in establishing the relevance of present structures, strategies and frameworks.

B. Key informant interviews

Key informant interviews were carried out applying the same approach and questions with the aim to make the answers comparable and manageable. All interviews were introduced with a short briefing of the purpose followed by an explanation of what information the team wanted, namely: what was the reason for having a given activity/project, positive and negative experiences with the project, challenges met and suggestions to future content and approach. After the introduction the interviewee(s) were left to answer and to jump between the different questions as appropriate to give a full picture of the project in question.

C. Field visits

Field visits aimed at meeting local authorities, private sector and ultimate beneficiaries. The meetings/interviews followed the procedure described above.

D. Briefing and debriefing of UNDP and Government/Parliament

The briefing of UNDP took place on day 2, and the debriefing on the last day of the field assignment. The debriefing paper consisted of 5 pages with findings, conclusions and recommendations for each of the three evaluated projects.

3 DEVELOPMENT CONTEXT

3.1 POLITICAL STATUS

Moldova has had a turbulent history with many shifts in cultural and political context. The country became a parliamentary republic in 2000 with the Parliament electing the President.

Following the April 2009 parliamentary elections, the Communist Party won 49.48% of the votes, followed by the Liberal Party with 13.14% of the votes, the Liberal Democratic Party with 12.43%, and the Alliance "Moldova Noastră" with 9.77%. The opposition leaders have protested against the outcome calling it fraudulent and demanded a repeated election. On April 6, 2009, several NGOs and opposition parties organized a peaceful protest in Chisinau, gathering a crowd of about 15,000 persons. The demonstration had spun out of control on April 7 and escalated into a riot when a part of the crowd attacked the presidential offices and broke into the parliament building, looting and setting several floors on fire. Government officials, including President Vladimir Voronin, have called the protests a coup d'état attempt and have accused Romania of organizing it. Opposition accused the government of organizing the riots by introducing provocateurs among the protesters.

After the parliament failed to elect a new president¹, it was dissolved and snap general elections were held on July 29, 2009, with the Communists again attaining a substantial, although weakened, plurality both in popular vote and in parliamentary seats: 48 of the 101 seats for the Party of Communists, 18 seats for the Liberal Democratic Party, 15 seats for the Liberal Party, 13 seats for the Democratic Party, and 7 seats for the Alliance "Moldova Noastră". In August, the latter four parties formed an alliance (Alliance for European Integration) and approved the Vlad Filat Cabinet in parliament on 25 September 2009. After Voronin's resignation on September 11, 2009, the Parliament has 2 months at its disposal to elect a new president. First attempt of November 10, 2009 to elect the president failed. Also, the second attempt which held on December 10, 2009 to elect the president failed. Actually, Speaker of the Moldovan Parliament, Mihai Ghimpu, is the current acting President of Moldova.

3.2 SOCIO-ECONOMIC DEVELOPMENT OF THE COUNTRY

A number of issues are shaping the current economic policy in Republic of Moldova. During 2006-2007 Moldova has accomplished to restore macroeconomic stability and mitigate the effects of external shocks. However, contrary to initially optimistic projections of the Government, the growth of GDP for 2006 and 2007 amounted to 4 and respectively, 3 percent, but in 2008 GDP registered a growth of 7.2 percent, due the higher inflows of remittances and high rate of consumption high. Beside that, the economic growth was still driven by consistent inflow of remittances from abroad, constituting around 33% of GDP in 2008². As the economic growth is largely remittances-driven, the government is considering seriously which strategies to employ

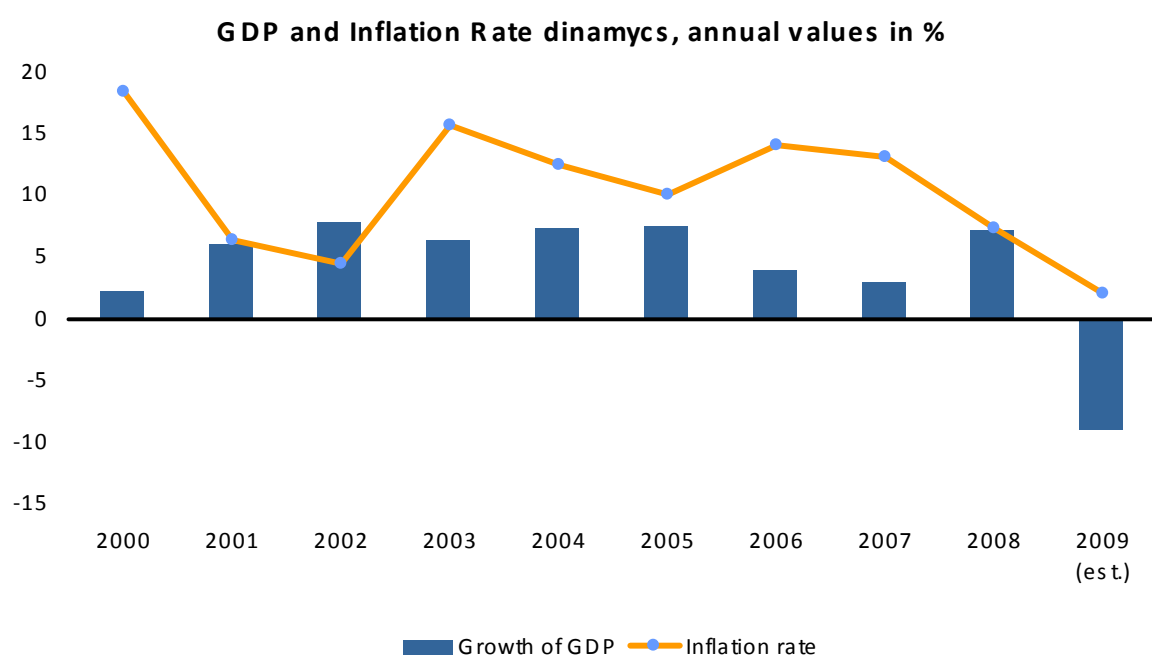
¹ <http://www.earthtimes.org/articles/show/271566,moldova-parliament-fails-to-elect-president-crisis-deepens--summary.html>

² NBS, NBM and MoET reports, 2008

in order to channel the remittances from consumption to investment. This aim is however rather dubious as remittances are clearly consumption-oriented flows³.

Moreover, as a significant part of the most active citizens are abroad it is difficult to expect that the money they remit would be invested by their dependants. The problem is not the consumption of the money from remitted (which in any case have positive effects going via multiplication channels) but the fact that domestic sector is not able to respond with quality and growing diversity of products to the growing consumption demand⁴. The deteriorating global economic crisis did not seriously effect the Moldovan economy in 2008 due to its low exposure to the international financial system, but a global economic slowdown, particularly in the EU and Russia, could hurt the economy in 2009 as Moldova relies heavily on remittances from Moldovans abroad.

Figure 1 Evolution of main economic indicators



Source: NBS, NBM, IMF and author's computations.

Economic reforms have been slow because of corruption and strong political forces backing government controls. Nevertheless, the government's primary goal of EU integration has resulted in some market-oriented progress. The granting of EU trade preferences and increased exports to Russia will encourage higher growth rates, but the agreements are unlikely to serve as a panacea, given the extent to which export success depends on higher quality standards and other factors. The economy remains vulnerable to higher fuel prices, poor agricultural weather, and the scepticism of foreign investors. Also, the presence of an illegal separatist regime in Moldova's Transnistria region continues to be a drag on the Moldovan economy.

Following the effects of economic crisis for January-September 2009, foreign trade has experienced an alarming decrease amounting to cca 67% less than the amount registered in the same period in 2008. The decrease affected the revenue from taxes and customs negatively

³ With about 390 thousand Moldovan citizens (official data) working abroad (25% of the labour force) the remittances derived from migration can be singled out as the most important source feeding the domestic consumption boost.

⁴ www.imf.md

forcing Moldova to turn to (i) loans from capital market, (ii) accepting external grants and (iii) delaying payments to economic agents⁵.

3.3 PUBLIC FINANCES

The present global recession has severely affected the already declining Moldovan economy. The clear fall of basic economic indicators in the national economy for the first half of 2009 will have a negative impact on the evolution of GDP for whole 2009.

The gross value added in the service sector decreased by 3.4%, compared with the similar period of the last year. Taxes on products collected to the national public budget decreased by more than 15 percent, reducing the GDP volume index (by about 3 percent). The export and import of goods and services decreased by respectively 25 percent and over 37 percent⁶.

The globally negative economic trend may further result in a 30% decrease in remittance from the migrated labour force⁷ and the Republic of Moldova, which is very dependent on remittances, could face a serious budget deficit in 2009, perhaps up to 10 percent of GDP, additionally to the sudden constriction of the foreign funding. It says that remittances from Moldovans working abroad, equivalent to more than 30 percent of the GDP in 2008 (1.66 billion USD)⁸, were enough to compensate a current account deficit, which would count for 25 percent of the GDP without these remittances. As two thirds of remittances were coming from Russia, Moldova was seriously hit by the global crisis and remittance inflows as share in the GDP are expected to fall down to half.

The national public budget deficit went up to 2.5 billion lei after eight months, with the Government having to issue more state securities and cover the deficit⁹. Also, by the end of this year budget deficit is estimated at over 9 billion lei, which constitutes about 10% of GDP. But thanks, resumption of financing from the IMF and other international creditors could recover the situation.

3.4 LABOUR MARKET AND EMPLOYMENT

The labour market of Moldova has also undergone deep transformations related to economic reforms concomitantly with structural changes of economy, influencing directly the quality of human factor. Social conditions reduced the natural demographic growth and enhanced the emigration, which constantly reduced the population and implicitly the active population. It count for approximately 1.58 million people in early 2002 and there were 1.35 million economically active people in late June 2009¹⁰. The activity and employment rates for the population of a working age registered sinuous trends, with the activity rate reaching cca 40 percent in Q1 of 2009 and employment rate cca 37 percent, which is by 27 percentage points and 25 percentage points lower than the EU-27 average. However, there are sectors such as building, real estate, public administration, trade, financial intermediation in which the number of workers has grown, with these fields being credited with a development potential in the next period.

⁵ Economic Statewatch, Q3/2009

⁶ www.statistica.md

⁷ [http://www.bnm.md/files/index\(918\).pdf](http://www.bnm.md/files/index(918).pdf)

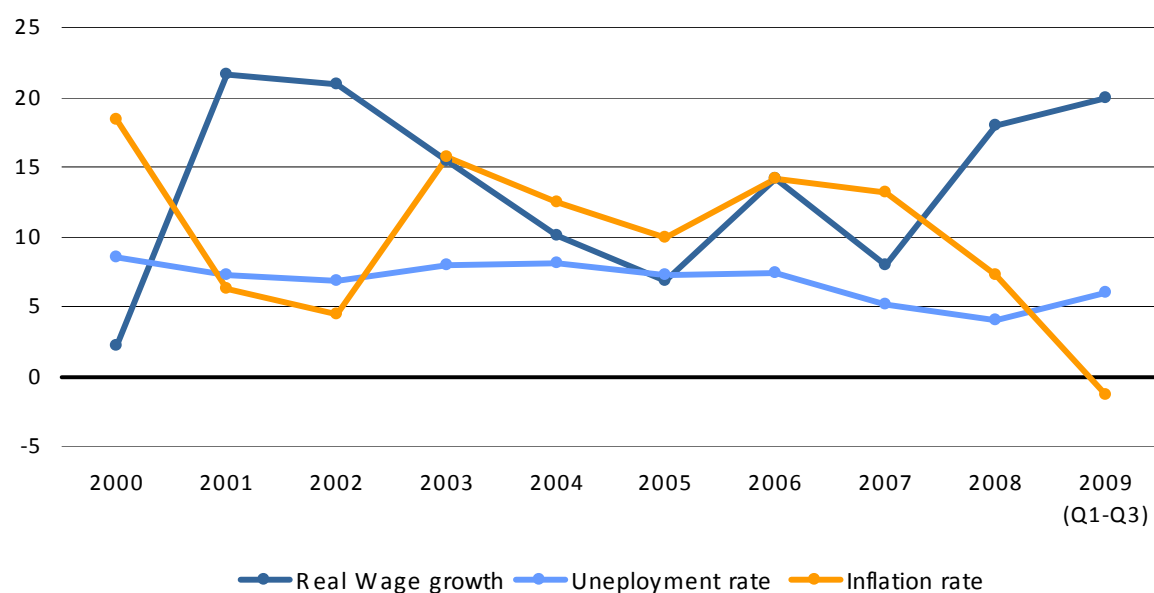
⁸ National Bank of Moldova data, www.bnm.org

⁹ Web page of the Ministry of Finance <http://www.minfin.md/>

¹⁰ <http://www.statistica.md/newsview.php?l=ro&idc=168&id=2698>

The dynamic of medium nominal salary had sure growth trends in the past years, increasing by 8 percent in 2007, up to 165 dollars, until 9.8 percent in Q1-Q3 2009, up to 249 dollars.. However, inflationist pressures in 2006-07 affected the evolution of real salary, which increased by only 11 percent on average compared with 15 percent for Q1-Q3 2009 **Figure 2**.

Figure 2 Dynamic of the key Labour market indicators



Source: NBS reports, 2000-2009 and author's computations.

4 KEY FINDINGS

4.1 INTRODUCTION

The key findings are analysed in accordance with the requirements in TORs and will have some introductory chapters, which analyse cross-cutting issues that influenced the implementation. This includes:

- UNDP strategic positioning;
- Partnership strategy.

Having set the context for the implementation, each of the three projects will be analysed with regard to:

- > Status of and degree of change in outcomes, and factors influencing the outcomes, level of incurred changes;
- > Relevance of the outcomes and outputs;
- > Sustainability.

4.2 UNDP STRATEGIC POSITIONING

Firstly, with the consistent political changes in Moldova as a fact the three projects have experienced a turbulent period of implementation. One project has been implemented over a five year period and has operated under very challenging conditions with regard to economy and legislation. The two other projects having two and three years of implementation respectively have faced equally severe challenges, as the political environment, with which they were supposed to engage, remained fluid with first election campaigns and subsequent engagement in replacement of Members of Parliament and Ministries and establishment of new ministries.

The UNDP presence, collaboration and constant pressure for legislative amendments and changes has no doubt contributed positively to the spirit of change. It has created a substantial confidence in UNDP as being neutral and therefore relevant as a partner in times of change as attested to the evaluation team by both central and local government partners. So the positioning was timely although the project outcomes suffered pangs inherent in already described political circumstances. Without doubt, these were difficult times for the projects.

Secondly, the three projects: Better Opportunities for Youth and Women (BOYW), Public Private Partnership (PPP) and Global Compact (GC) project activities reflects well the present needs in the political, economical and social sphere in Moldova. The projects implement complementary activities, which is strategically prudent as it allows for synergy effects. It is, moreover, resource saving generates faster effect and provides a project safety net, which can serve as a forum for discussions of how best to address challenges and for exchange of experiences.

BOYW project has worked with social rehabilitation of youth and women with the main aim to prevent trafficking. This has been done through close collaboration with financially and legally restrained local governments. There is therefore an immense need for financial injections, possibly from the private sector. Subsequently there is a need for comprehensive financing of

capacity building of the private sector to help the sector plan for competitive businesses, which would further make the capacity building result in sustainable outcomes.

The PPP project has worked with some of the same local governments attempting to connect the public and private sector. It is, however, not restriction at present to infuse funds from the private to the public sector for which reason the project has worked. The PPP Project having a friendly law formulated and adopted in Parliament (Law on PPP with No. 179 was approved by Parliament on 10.07.2008, which then was published in *Monitorul Oficial* No. 165-166 entered into force on 02.12.2008)¹¹. This law could also help the BOYW project in searching for private funds for social rehabilitation. Also, in 28.04.2009 was adopted Government Decision No. 339 regarding on approval the amendments and additions to be operating in some decisions of government, published in *Monitorul Oficial* No.86-88/392 of 08.05.2009. With this decision in the Public Property Agency of the Ministry of Economy and Trade has established the Public-Private Partnership Department. Respectively, by this decision stipulates the powers and duties of Public Property Agency on PPP development at central and local levels¹². Eventually, we can discuss about 2 categories of laws that support the PPP: (i) legal framework for development of public services and infrastructure through PPP arrangements, and (ii) the legal framework that support CRS and sponsoring.

The GC project is a regional project with representation in six countries in the region. In Moldova it has established a Local Global Compact Network (LGCN) consisting of 56 members with the aim to introduce and promote corporate social responsibility (CSR) and enhance business opportunities and promote development through collaboration. This adds to the implementation of both of the above projects. But as it is the case in the above projects the present legislation does not accommodate private enterprise development and initiatives. It is therefore necessary to urgently lobby for political attention to facilitate building market economy.

The outcome evaluation has the following conclusions on UNDP's strategic positioning:

- The investment in Moldova in a time of transition and implementation through the central ministry, Ministry of Economy and Trade (MoET), is strategically relevant and probably the most efficient way to achieve outcomes. After powerful autocratic governance and with legislation and structures supporting such governance, there is a serious need for changes in legislation and structures, if project outputs and outcomes are to be achieved. The government, however, was and will remain the appropriate organ through which to operate, if the projects wish to achieve the desired results;
- The present project contents tally with the need for interventions, while the present short-term timeframe is inconsistent with the formulation of outputs and outcomes that require long-term support. Moreover, the outcomes cannot be achieved without considerable changes in the present legislation;
- The focus on legislation and business as key issues for the PPP and GC projects and development of governmental structures provided by BOYW and PPP are strategically relevant for a country in transition;
- In the very difficult times of operation UNDP has managed to build trust and confidence within MoET and among the local governments providing it with a solid platform for faster and sustainable achievements of outputs and outcomes in the future.

¹¹ <http://www.pppmoldova.md/doc.php?l=ro&idc=6&id=101>

¹² <http://www.pppmoldova.md/newsview.php?l=ro&idc=16&id=103>

Recommendations:

- Work through MOET as key ministry should continue and the capacity building through the existing projects be expanded to speed up achievements of required changes;
- Focus on development of market economy through legislative changes and development of supportive structures is more relevant than ever with a market oriented government in place. Present initiatives therefore need to be extended in period and financial input. Further, expansion in scope of operations would be timely since new ministries relevant for the UNDAF objective are in place and very open towards collaboration.

4.3 PARTNERSHIP STRATEGY

UNDP partners with the following groups of actors:

- Central and local government;
- Civil society organisations (CSOs), and
- Private sector;
- Other UN agencies.

The idea of partnerships is (i) intended to capacitate local entities with the aim to leave behind empowered bodies that can take over the project implemented interventions and/or (ii) to benefit from the synergy effect of a wider scope of complementary and supplementary expertise. UNDPs role was therefore to select partners and support partner projects while partially or fully supplying the required inputs in terms of financial support, equipment, capacity building, information, awareness and other inputs.

With regard to (i), UNDP had to find local competent bodies with relevant skills and capacities. In countries of strong autocratic governance it is obvious for development agencies to liaise with the government and public offices and institutions. However, autocratic systems often have limited financial capacity, which can result in a gradual decline in professional expertise, which will therefore need injections of knowledge, skills and experiences to provide qualified support of development projects. With regard to (ii), when having democracy and human rights as organisational values it is necessary to also look for non-governmental organisations (NGOs) and private sector actors to complement the partnership with independent bodies. Each group of partners should contribute with specific expertise relevant for project achievements.

The rather modest collaboration with other UN agencies is surprising, as several agencies could play a central role in supporting development of public private projects, in legislative support, development of human rights with specific reference to women and children's rights. The evaluation team recognised the presence of IOM and ILO, the first assisting BOYW with shelter and selection of people for anti-trafficking measures, while the latter has supported the GC project on labour laws and information about the illegality of child labour.

With a wide scope of acute needs for interventions, especially with regard to legislation and development of relevant and efficient governmental structures, it will be pertinent to consider engagement with a broader segment of donors agencies.

Conclusions:

- The implementation through partners is a necessity when aiming at sustainability, because it leaves behind adequate capacity to analyse, plan, implement and monitor development;
- The choice of project partners is diversified and represents public and private interests and powers, which adds to the likelihood of sustainability;
- The present partnership strategy combining various powers and local expertise is evidently relevant in countries in transition from autocratic to democratic and market oriented governance;
- UN agencies do not sufficiently make use of their diverse competencies and expertise to engage in partnerships for achievement of faster and more visible outcomes.

Recommendations:

- Partner training need scaling up to qualify local leaders to suggest, plan and implement the required changes. The scaling up should be built on a participatory needs assessment. Special attention should be paid to governmental partners who lag behind in updated knowledge and skills;
- The group of partners should include relevant UN agencies such as UNICEF, UNIFEM, UNHRC, FAO, ILO, WHO and UNESCO;
- Partnerships should be formalised with clear indication of responsibility and deliverables;
- Formalised partnerships could be complemented by semi-formal networking with other relevant bodies.

4.4 STATUS AND DEGREE OF CHANGE IN THE OUTCOMES AND ACTORS INFLUENCING THE OUTCOMES

The three projects fall under UNDAF Outcome 3b:

“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.”

The three projects all contribute towards this outcome. Recognising the political scenario with a change of government, and thus of key partner representatives, it was difficult for the projects to influence regional and local policies in a pace necessary for achievements of project outputs prior to project expiry.

4.4.1 Better Opportunities for Youth and Women

The BOYW project was launched in 2005 and expires by end 2009. It aimed at achieving the following output:

“Employment opportunities for social vulnerable groups are made available through social reintegration centres, social enterprises development and business start up.”

The project aims at preventing vulnerable youth from being trafficked to other countries, where they are promised employment and good living standards, but often end up in underpayment, hazardous working conditions and/or immoral living conditions. It is further intended to address unemployment, poverty and domestic violence. The rehabilitation is run through and in close collaboration with the local governments on cost-share basis.

The indicative activities in the left column define what should have been achieved while the factual achievements are found in the right column.

INDICATIVE ACTIVITIES	DELIVERED ACTIVITIES
A. Creation of 10 Social Reintegration Centers & Increase Center's Capacity	Has 10 centers: 6 centers for social reintegration of youth 3 centers for young mothers 1 for victims of trafficking
B. Social-Economic reintegration of beneficiaries	6,029 graduates of boarding schools assisted and provided with vocational training
C. Job creation	
a. Social entrepreneurship	9 social enterprises established and 15 social business plans were financed
b. Self and wage employment	1,252 beneficiaries in self or wage employment including 607 new jobs created with project support
D. 50 professionals in social area and child protection trained to work into beneficiaries support	From the beginning of the project until the present a number of 78 professionals were trained and the process is still continuing. In particular: Centers Directors - 8 people Services Coordinators – 13 people Social assistance – 19 Social referents – 17 Psychologists – 13 Market Analysts – 8
E. Awareness and communication	In 2006 a Communication Plan was approved by the Steering Committee. The plan concerned promotional materials, organization of round tables, opening events, presentations and series of publications in local mass media

The BOYW project was largely implemented under the same government and with the major efforts injected into the project well before focus shifted to electioneering and frequent change in partners representatives started. This period of full focus is reflected in the excess delivery in the planned indicative activities. This is both impressive and commendable.

There is, however, a huge challenge in making the 10 centres to fully match the needs of the youth. It must be noted that the targeted youth have had traumatic childhood, which offered none of the basic conditions for a sound emotional, social, intellectual and physical development. Yet many manage to cope with life after conclusion of support from the centres. Some of these youths have been in kindergarten, in some cases in boarding kindergarten, from the age of 3 and have not seen their parents since. Some parents were alcoholics, whose whereabouts nobody seems to know, others died from drinking or untreated diseases, others are abroad earning a living, while some are in the country trying to make ends meet, but with no desire to be made responsible for a demanding stranger - their teenage child. Most of these youths have never had a home or parental care and love remaining a number in a government institution with

discipline as an overshadowing educational factor. This should not be viewed solely as a negative aspect, since it is difficult to teach huge groups of children basic knowledge without practising discipline.

Most parents do also discipline their children. But they do also hug, caress, comfort, guide and love their children for which there is little room in a public institution. This youth has to catch up with the lack of social, intellectual and emotional development, while trying to handle all the usual teenage problems and looking simultaneously for a job. There is nobody to encourage them after several unsuccessful applications and “knocking on doors”. Some have a grandmother or a cousin with whom they live. But these are people who have accepted to accommodate them only after being traced by the social rehabilitation centres. They have no genuine interest in the young person and neither do they possess psychological, social and intellectual capacity to support and further educate the young person on how to handle adult life.

The evaluation team met such a young woman with no known relatives or other strong networks:

The woman was 32 years, but appeared to be very immature. She had been placed in a boarding kindergarten when three-years old. She was recently rescued from being trafficked to Russia, but had no clear idea of which of her three vocational trainings she would or could use, how she would manage life after the period in the centre or what type of life to strive for. She was shy, unaware of her own potential, uncertain of what she wanted and how to manage life. She even mentioned the possibility of going to Russia when she moves out from the centre. She sat with shrugged shoulders like a young, insecure and uncertain child.

It is known from development psychology that children whose psychological development is interrupted at a given age, will have to resume this development from where they stopped when professional support becomes available irrespective of age. This means that also 32 year old women will have to go through all the phases before gaining maturity of a 32 year old person. This will take her several years and a phasing out of her case before she is emotionally mature may result in a fatal fall-back.

The centres provide psycho-social assistance, life skills training and help in getting vocational training. Since youth that have lived in institutions since early childhood have no idea of how to cook, wash clothes, do shopping or other daily household tasks, the centres have to provide life skills training to help the youth establish a sustainable independent life. A person can stay in a centre for six months with possible extension of up to twelve months if need be. But nobody can catch up with 15 years or more of insufficient psychological, social and intellectual development in six or twelve months. This means that the young people are given skills to cope with life, but not the necessary time to develop as a person, which is a determinant for sustainability of such a project and for any future design of rehabilitation interventions for youth in Moldova.

Despite many challenges quite a number of youth are now able to manage their lives. The exact number is, however, not known. The following is an example of such a girl and boy:

Persons are from Carpineni Village. Maria Donos is a 17 year old girl and one out of two children. She has a one year older brother, who also stayed at the centre. They are children of a single mother with no room for children. They have both attended governmental boarding school. She became a vendor and got employment after a period of internship. She has now rented a room at \$20 and is able to manage her own economy, cook and do cleaning. She has come to trust herself after one year at the centre. She is about to open a bank account with the aim to save for further education. She wants to become a hairdresser and open own saloon. The brother has got apprenticeship as artist at a monastery and is staying there.

However, the provided education will not always result in immediate employment, which would impede the progress towards a sustainable independent life. In a country with an

unemployment rate that remains high, around 7%, even after an out-migration of 28% of the labour force, it is a challenge for newly educated and professionally inexperienced youth to find employment. The below example is just one such case:

Potirniche Anatol is a boy 18 years old, whose father died when he was a young boy. The mother was deprived of the rights to have him, so the governmental boarding school was his salvation. He came to the centre in 2008 and attended training as a cook. He has looked for employment most of 2009, but has not yet been lucky although he also found his way to Chisinau in search for employment. He is staying with his grandmother, who has work. He does not see his mother. If given the opportunity he would like to develop as a cook and later open his own restaurant.

With regard to the rehabilitation of young mothers the centres offer a most needed psycho-social and life skills support to those, who may never have had a home and therefore have no idea of how to run a home and take care of a child supporting his/her development. They are trained in basic household skills and can use the centre as a meeting place after placement outside the centre.

To supplement the limited public finances with the aim to ensure sustainability of the centres, the project establishes public income generating activities in terms social entrepreneurship. One such activity is a new health clinic in Drochia, which has invested in scanning equipment, which is not found in the area. The clinic lives up to all standards for hygiene and offers drinks and TV to the waiting patients. The clinic is relatively new, but the clientele is rapidly growing. It has generated a surplus from the first day of operation.

Conclusions:

The project has:

- > Established the planned number of social rehabilitation centres;
- > Educated vulnerable groups, but has only partially secured employment;
- > Developed social enterprises as planned;
- > Established a relevant and well working network that works well;
- > Created awareness about the work of the centres;
- > Filled a gap that is not covered by the GOM;
- > Modernised the design of governmentally supported social institutions.

Some critical needs were noted:

- > Development of sufficient and diversified social network system for the youth;
- > Secured apprenticeship opportunities for trained youth, which makes some youth have no employment at the time of leaving the centre. This has a negative effect on self-esteem and social stability;
- > Monitoring of success rate of youth managing their lives adequately after e.g. 1, 2 and 3 years after transfer to independent life.

Both activities are crucial for full and sustainable rehabilitation.

Recommendations:

- > The centres should liaise with a number of employers, eventually through the Employment Agency which is already a partner, providing unpaid internships of three to six month duration;
- > The project develops a monitoring system reflecting the success rate. Since the youth may move to areas outside project operations it may be necessary to involve local governments in an annual monitoring;

- > The services of centres to be extended to include services such as guardians/foster care in a re-designed shape, which can replace parental loss, which a professional institution like the centres cannot. When equipped with basic skills the youth can be grouped into three main categories, each of which will require different external support:
 - Those who can start an independent life with or without continued external support from the centres;
 - Those who have work and can live in social apartments shared with other youth from the centre they frequented;
 - Those who need parental care from for example foster parents. Some of the youth are so far behind in emotional development that they need to stay with a family for some time, maybe 6 to 24 months, while others can stay in own or social apartment and have the family as a back-up to have “parents” who will (i) help and comfort when problems arise, (i) remember birthdays, (iii) celebrate Christmas and other holidays, (iv) go fishing (or do other family activities) over the weekends. The young person should otherwise stay on his/her own on daily basis attending to job, education or other activities that presages a prosperous future.
 - As a consequence the centres need not be more in number at this point in time, but rather develop into institutions that fully cater for the diverse needs of the youths with a view to ensuring sustainable growth and entry into independent life.

4.4.2 Public Private Partnership project

The project was launched late 2007 and expires at the end of 2009. The project has throughout its implementation suffered from an unpredictable political scenario and change in MOET representatives. The aim of the project is:

“To increase the capacity of central and local governments to promote, develop, operate and manage public-private partnership projects for infrastructure development and the provision of basic services”.

This should be achieved through the following indicative activities:

INDICATIVE ACTIVITIES	DELIVERABLES
<p>A. Establishing adequate Policy, Legal and Institutional Frameworks for Public Private Partnership Development at the Local Level</p>	<ol style="list-style-type: none"> 1. Analysis and recommendations for PPP development frameworks were completed. 2. Law on PPP was adopted on 10 July 2008 3. Was approved the Government Act for creating the PPP Department within the Agency for Public Property, public institution for promoting PPP at the central level. 4. Elaborate drafts of: <ol style="list-style-type: none"> a) Government Act regarding the creation of PPP National Council; b) Law regarding the modifications of some legislative acts for the implementation of the PPP; c) Government Act on PPP procedures; d) Recommendations on policies for the development of PPP; e) PPP Manual (Guide). 5. Project WEB page 6. The necessary support and consultancy was provided to the MoET by consultants and project team. 7. Round table was organized round "PPP Implementation opportunities in Republic of Moldova: presentation of the draft of law on PPP"
<p>B. Building National and Local Capacity for Public Private Partnerships</p>	<ol style="list-style-type: none"> 1. The 5 days Training for Trainers was performed by an International Consultant. 24 persons representing the 3 universities and 7 consulting companies were trained on topics related to PPP. There were established 7 training modules that will constitute the base of the training program for the representatives of the local public authorities. 2. Were provided 35 regional trainings for local public authorities that covered all regions. 772 public servants and councillors representatives from more than 300 local administrations were trained on topics related to PPP. 3. Training for private companies that are interested in development of PPP projects. The activity is in process. The Training will be organized in November. 4. Workshops attended: <p>First Session of the United Nations Economic Commission for Europe Team of Specialists on Public-Private Partnerships, held in Geneva, in February 2008</p> <p>Workshop organized by the "Institute for Housing and Urban Development Studies" Rotterdam, the Netherlands, February 2009.</p> <p>Forum Co-organized by Ministry of Foreign Affairs for Greece and UNDP on "Responsible Business Opportunities in Eastern Europe and Commonwealth Independent States". April, 2009</p>

With the above activities it is expected that the following should be achieved:

- Institutional and regulatory frameworks established in which the public authorities are able to create and implement public private partnership projects;
- Private investments in utilities, public services and infrastructure enhanced;
- Quality of utilities, public services and infrastructure improved;
- Better value for money in delivering public services and infrastructure ensured.

The establishment of a development oriented institutional and legislative framework is not yet totally in place due to the project launching coinciding with preparations for the election that came shortly thereafter. The MoET has not yet settled and appointed the representatives that shall work with the project in the future.

Notwithstanding all challenges the project has managed to carry out some of its mandates. The project has in total assisted the adopted by Parliament PPP law and elaboration of Law on modifications in of twelve laws, all of which relate to the adopted law on PPP which should be approved by Parliament, too. The division handling PPP initiatives is not yet established, even all legal acts for this was elaborated and approved. Real PPP work cannot start until the law is passed and the institutional frame work is in place. Thus the project only partially delivered on outcome.

Under the given, and known, circumstances with no law and institutional framework in place and with Government resignation in 2008 and with two Parliamentary election campaigns in 2009, it was not realistic to expect that all elaborated by project documentations will be possible to approve by Government and Parliament. So, only partially of obtained results by the project are took effect in the society. In this circumstances the project have not achieved all as described in the PPP project document, part II. On the other hand, we have to make a difference between the produced by project products and those that have no effect due the factors that are not under the control of the Project (meaning Parliament and Government modifications).

The MoET confirmed the difficult situation, which was exemplified in that only one person was left, who knew about the project. She had received training once, but found it insufficient and mentioned the need for repeating all training in both the central and local government since most people have been replaced. MoET suggested that the PPP project should fall under the Office of the Prime Minister (PM) to enjoy the sincerity it deserves. UNDP should take the initiative and take a lead in coordinating all donor activities. It was the MoET perception that PPP can only succeed if involving high ranking officials.

The PPP could help the government in renovating and/or expanding existing public services, a possibility which is not commonly known within the government. The training was insufficient and not well understood. The possibilities inbuilt in PPP are as a result not sufficiently known even among people, who have been trained.

PPP is too limited in scope of work to match the actual and critical needs of the government. Furthermore, to assist in planning and implementation of immediate changes, the bureaucracy should be less to accommodate shorter cycles from idea to implementation. MoET feels a great need for being able to negotiate PPP projects and make risk assumptions, which would help in speeding up the project planning and assessment period.

MoET sees it as a great challenge to create capacity to promote and implement PPP in the PPP unit, which should be able to explain and advise on PPP to other ministries. The remuneration for the work in the PPP unit is low, which affects motivation negatively.

PPP initiative should set some success criteria, for example (i) number of initiatives taken as result of training, (ii) number of projects approved by PPP council against number of activities. MoET is not sure that the council should approve activities, as present mechanisms do not seem to be efficient sometimes.

The first and almost completed PPP project is carried out with Ministry of Health (MoH). The partner indicated that there is great interest from the private sector in investing in public health, as the revenue is guaranteed. International companies are already investing in health in Romania, Bulgaria and other countries in the region.

Also the first and almost completed PPP project within the social corporate responsibility initiatives is carried out with MoH. MoH started discussions with the partners, Orange¹³ and UNDP, early this year assessing which barriers to remove. The partners signed a Memorandum of Understanding. The project concerns establishment of diagnostic centre for people suffering from after-effects of heart attack. The project includes scanner used for heart attacks and brain damage from accidents. The role of MoH is to provide room for it and maintenance. Assigned staff is in the process of being trained in correct use of the equipment. Past experiences show the fatal consequences of not training staff in use of new technology. This project will have quality control carried out by an independent institution, which has the right to monitor all services, private or public.

MoH will benefit (i) through having upgraded facilities (currently not allowed to invest in upgrading due to stop in public investments) and (ii) by saving for other health purposes when not investing in new technology. The role of MoH is the same, namely being responsible for offering treatment with health insurance requirements. The patients will benefit because of the excellent service. There are, however, staffing problems in the sector due to low salaries.

At the local government/rayon level the project has an upcoming project in Calarasi addressing garbage collection. The plan is to develop this service through PPP arrangement for covering 100% of localities and assure the high level of service quality and waste management. It shall serve three communities. The tender was out during the evaluation. The thinking is that the selected partner enters a joint venture with the municipality. The PPP project assisted with feasibility studies, which are found to be comprehensive. It indicates strengths/weaknesses, how to attract private partners and determines tender procedures. The study also shows the partner profit in the long-term. The work will be carried out by local entrepreneurs.

The same municipality is planning development of a green house for cut flowers, which shall serve as income generating activity for public services. The BOYW also collaborates with same municipality on rehabilitation of youth.

¹³ Provider of mobile phone services.

Conclusions:

The project has:

- Delivered fully to point 1, 2 in Project Document, point 3 is in process and there is partial delivery to point 4, a performance which is commendable taking into consideration the unpredictable partnership environment that ruled during the entire project period;
- Established positive networks and inroads, the work of which has been delayed by election activities and inauguration of a new government, which is not yet in place.

The project has not:

- Made itself known to all relevant stakeholders;
- Made the idea of PPP fully understood among the trained partners and stakeholders;
- Made itself known outside the immediate scope of stakeholders.

Recommendations:

- The project should expand considerably in human and financial capacity to enable simultaneous support of development of new legislation, establishment of PPPs in more regions and in more sectors with emphasis on start of innovative and/or immediately marketable SME productions (e.g. in collaboration with GC), which can ensure rapid increase in employment and thereby a higher and stable tax revenue. Therefore focus on development of SMEs should be on market analysis rather than on marketing, and on specialization rather than on bulk production with the aim to have more stable and profitable markets;
- Better utilization of regional and European experience with PPP for easy and relevant knowledge transfer;
- Develop business interest in assisting needy education institutions with e.g. equipment, as better educated youth will be advantageous for enterprises in development and international competition.

4.4.3 Global Compact

The Global Compact (GC) project was first launched in 2006 with the second phase of the project launched early 2008 expiring by end 2009. It is a regional project with activities in Armenia, Belarus, Georgia, Moldova, Ukraine and Russia Federation.

The main objective of the project was:

“To accelerate sustainable economic growth and poverty reduction through promoting responsible entrepreneurship and developing public private partnerships with potential for both commercial and development returns”.

The overarching strategy in the second phase was:

“To develop an exit strategy, making the structures sustainable and transferring to the national partners”.

Intended outcomes for the project were the following:

- Higher sustainable and competitive economic growth, poverty reduction and regional stability;
- Improved economic governance framework;

- Enhanced international integration of the countries.

The below table gives an overview over planned outputs in the left column and a listing of deliverables in the right column.

OUTPUTS	DELIVERABLES
One GC network per country	Delivered. There is at present 56 members. The goal was 10 members per year
Business Case for CSR and partnerships developed	For CSR only
Partnership approach to development	Not achieved
Institutional collaboration between the country and the donor country (Belgium)	Not achieved

With limited achievements under outputs, there will be a similarly low performance at the outcome side.

The last 18 months have not provided a conducive environment for business development, the success of which depends entirely on formulation of adequate market oriented legislation promoting and supporting access to open markets for all and free flow of capital. Without a market economy there will be limited resources, if any at all, to engage in social responsibility and networking. Viewed in the light of the hitherto centralised governance in Moldova, it is not realistic to expect the outcomes presented above.

The President of Coordination Council of Global Compact Network Moldova (GCNM) informed the evaluation team that the work has been to organise a local office with the aim to involve the private sector in social corporate responsibility (CSR). The work centres round four core principles: human rights, labour standards, environment, fight against corruption and fight against child labour. There are at present 56 members of the Moldova network including CSOs, universities and other organisations. Each member works individually on contributing to the society. The membership of the network gives access to contact with international experts in membership sectors and to participation in international conferences. The members give updates on progress in bi-monthly meetings. CRS activities can for example be company cleaning of kindergarten compound or repair of playgrounds.

The secretariat has published a book Social Corporate Responsibility, which is used for teaching students at management studies. Part of the work is also lobbying of business and economy promoting laws.

The secretariat organises international conferences for UNDP, governmental representatives, NGOs and the private sector, who discuss ways to ensure profitability and competitiveness when engaging in social responsibility. Many people in leading positions do not understand the idea and benefit of social responsibility. With the aim to enhance the understanding of CSR the secretariat held round-table discussions with members of Parliament. Ministers and PM were invited to a recent international conference.

The network has a council consisting of seven members, who are elected every year, which gives a disruption in flow of activities. It is suggested that the election should be after 2-3 years to help

council gain experience that can be useful for the network and also serve as capacity building in management.

The team met with one of the network members, a major telecommunication company, which has been member from the very start and has held the position as President of Council. The company is pioneers in CSR. Their aim is to benefit from the global network and build effective national networks. They see the network as a preparation to European Union integration.

It was emphasised that the UNDP neutrality and respectability is of great importance for acceptance of changes from all interest groups. It was made clear that the time for support of the new Parliament is now to avoid that it adopts old habits simply out of lack of knowledge of and experience with alternatives. Chamber of Commerce and Industry seems an obvious future key partner.

There is an ongoing research work on the status of the business situation in Moldova, which should form basis for planning of future activities.

Conclusions:

The project has:

- Operated since 2006 and is phasing out by end 2009;
- Has only partially delivered to the outcomes due to a challenging business environment;
- Made itself attractive for enterprises of all sizes because the network is global and UNDP is regarded as neutral;

The project has not:

- Established structures that can make the network continue without significant support;
- Initiated an improved economic governance framework;
- Offered training in business development and establishment and management of business partnerships;

Overall it can be concluded that well planned interventions from this point in time will have relatively fast and significant outcomes in principle consistent with the ones already formulated.

When formulating three-year outputs and outcomes for this project it must be taken into consideration that Western European countries spent over two decades on achievements in legislation against industrial pollution across all sizes of industries and sectors and corporate social responsibility with regard to staff well-being/health by e.g. having company fitness centers and a wider social responsibility by engaging e.g. in national or international development work.

Recommendations:

- That the project be given another three years to work intensively on legislative matters followed by activities in SME development;
- Make use of the ongoing research to formulate a progressive Action Plan for long-term development of the business environment and capacity.
- Develop the existing network continuously, but moderately until the supportive legislation is in place – and latest until end of next phase;
- Consider the role of Chamber of Commerce and Industry and assists the body in being able to deliver the required services;

- Establish specialized Interest Groups/Committees within the network, which would ensure that SMEs with same interests or problems, could work entirely on issues relevant for a specific group. Such a group, or several groups combined, could develop into production and/or export networks, where the one SME feeds into the next, or each SME specializes in a field relevant for the entire group;
- Diversify mode of training to include specialized study tours for a few network/Interest Group members, referral to relevant websites, initiation of direct SME to SME contact etc. Parts of it can be arranged by the network itself with some minimal UNDP support;
- Train in diversified and locally relevant and specific subject matters such as national and international market analysis based on Moldova resources and capacities, capacity assessment, production planning and costing, networking outside GC and many more. It may be relevant to have a needs assessment among members and non-members to have a current and inclusive picture of the SME needs for assistance;
- Better utilization of regional experiences in business development, network development etc.;
- The banks should play a pro-active role in supporting all wider section of investors;
- Involve banks in CSR in terms of giving loans at reasonable conditions to innovative and viable SMEs;
- Use local expertise to introduce new members to the network and train these in basics concerning CSR with the aim to save resources for policy issues.

5 LESSONS LEARNED

The lessons learned presented here are overall and cut across the conclusions presented earlier in this report. The lessons learned are divided into strengths and weaknesses that are viewed against the outcome that forms the frame for this evaluation, namely:

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

It can overall be concluded that the three projects in total have not delivered to the outcome as planned. The performance varies and detailed descriptions are found under evaluation of each of the three projects.

The opportunities created by the projects cannot be verified to be sustainable, either because they are too young or because the opportunity is not fully developed or in place. The development of adequate regional and local policies is insufficient, because of the short time they have worked, limited governmental capacity and recent change in governmental composition.

All three projects have established robust and committed governmental and business networks and contacts, which will facilitate a fast kick-off if given more time to achieve the outcome.

The planned outcome is, however, realistic, especially with the present wider political back-up. It is recommended to be more specific in the outcome and define for example how many people should take advantage of the said opportunities and which fields or sectors should have adequate policies. Adequate legislation could relate to legislation supportive of private business development or it could relate to employment opportunities and work conditions. It is difficult to substantiate achievements, if these are not specific. It could be concluded that with the legislation concerning PPP is sufficient and that the project therefore has achieved what was expected. Acknowledging the challenges facing the Moldovan economy, the consultants assumed that the above project outcome aimed higher than just legislation concerning PPP.

To have substantial and sustainable achievements the project should be given another ten years working in sequential phases and utilising the already available and relevant network, the very skilled and committed staff and the opportune political situation in Moldova.

To reach such conclusion the consultants have thoroughly analysed the status of the projects and the environment in which they operate. The analysis is divided into strengths and weaknesses with the aim to build the subsequent recommendations on respectively the strengths and the weaknesses mentioned below:

Strengths:

- The present government is very open towards changes and ready to collaborate in all spheres including receiving the required capacity building;
- The present outcomes and outputs are highly relevant for the present and presumed future political and socio-economic situation in Moldova if given the required time;
- The importance of UNDP support was mentioned repeatedly during the evaluation. This is common. But the ability among the many and diverse stakeholders to define

exactly which role UNDP could play, why UNDP was the preferred partner, the high level of openness and knowledge about details of the work make the evaluation believe that the UNDP support can be credibly linked to the achieved outcomes;

- Only the BOYW project is sustainable, but will leave the assisted youth in a difficult situation if phasing out without offering extended support;
- The implementation through the key ministry has made the project run smoothly with regard to provision of back-up at central and local level;
- The partnership with CSOs and local governments have worked effectively and solid foundations and networks are built;
- The complementarities and the focus of the three projects have a huge potential for ensuring fulfilment of CPO outcome 3.2;
- BOYW project, which has had five years' of operation under relatively predictable conditions, has delivered beyond the stipulated outputs despite collaborating with changing partner representatives;
- PPP and GC projects have partly delivered to the expected outcomes despite the short period of implementation which furthermore took place during a period of irregular and insufficient support from MoET;
- All three projects have built useful and pro-active networks that can help in fast achievements in future activities;
- All three projects have dedicated and qualified staff and positive partners;
- BOYW and PPP projects have been innovative in combining public private partnerships. BOYW has moreover successfully developed a new and very professional way of handling the most common problems of vulnerable youth and young mothers: poverty resulting in trafficking, lack of life skills, lack of family and family support and domestic violence.

Weaknesses:

- The present outputs should be more and be more diversified to deliver rapidly and fully to the outcomes. Examples of training and other activities to include is found earlier in this report and under Recommendations;
- The placing of the projects under MoET does not provide the project with the required powers and respect from other ministries and leaders, which is seen in e.g. absenteeism from meetings and lack of implementation of agreed actions;
- That the effect of the upcoming Parliamentary Elections was not taken into account, which made implementation for especially the PPP, but also for the GC project, become difficult. The project periods were characterized by unpredictability with regard to partner focus and efforts, which made it impossible to deliver fully on the outputs;
- Being new in terms of political and person composition the present governmental coalition is fragile due to insufficient experience with which directions to take to best develop Moldova as desired;
- The huge potential of complementarities of the three projects is not made sufficient use of as there is not formal link, which can help beneficiaries move from one stage to the next – or benefit from all projects;
- Most partners do not have high-level knowledge, skills and experience and can therefore not fully deliver to the project as presumed in the outcomes;
- The present capacity building is implemented mainly as training in workshops, seminars or conferences and has generally not had the expected effect in terms of partners and network members being able to take over necessary activities;
- Monitoring of and reporting on activities is inconsistent with the project design and makes it difficult to easily establish progress towards outputs and outcomes.

6 RECOMMENDATIONS

The below recommendations are overall and cross-cutting, while the project specific recommendations are found under the analysis of the respective project.

The recommendations are viewed within the context of how the projects be better designed to contribute to the outcome being evaluated. They relate directly to the points under Lessons Learned.

Based on the present politically and economically scenario the recommendations build on the assumptions that Moldova over the next ten years will be able to develop a solid foundation for taxation through development of innovative, profitable and competitive SMEs. This will enable the public service to extend and maintain public service systems.

To ensure that the already supported development of infrastructure does not collapse before the capability is in place, it may be considered of importance to emphasize more on SME development inclusive of the required legislative development with the aim to have higher turn-over and more jobs in SMEs. Such a development partially depends on the following in random order:

- The project should be placed under higher powers to gain the required respect and subsequent support for rapid and sustainable implementation. It should be assessed which office would take interest and be the most advantageous;
- Regular Parliamentary Elections to be taken into account when planning projects, defining outputs and outcomes and timing planned activities acknowledging the lesser time for implementation from governmental side;
- The government needs massive and immediate support to develop democracy and the subsequent institutional framework. It is strongly recommended that UNDP with its long-term and international experience in building and nurturing good governance plays its role by planning for a ten-year support granted on three phases of three years with one-year phasing out at the end. The funding each phase should depend on government commitment to change and on verified progress reflected in SME and public activities and national returns. The first phase should stabilise existing projects as described under each project, while intensively working at amending adverse legislation and formulate new laws supporting transparent governance and market oriented development. The content of the second phase should correspond with the outcome of the ongoing research work establishing status of (business) development in Moldova. The third phase will build on the outcome of phase two to ensure progression. The third phase should have an exit strategy, which implies what needs to be in place before the one-year phasing out.
- That the ongoing research work be extended to incorporate a full baseline survey on which coming activities should be based;
- The programme engage with more donors and agencies as a response to the changed political landscape, for example involving USDOL/ILO in support of labour market development both with regard to legislation, structures and capacity, EU in development of market opportunities and structures, USAID and SIDA in development of rural

livelihoods/productions/small scale industry, SIDA/Danida/German in environmental activities, Dutch in development of local IGA primarily agriculturally based, DFID(/ActionAid) in development of good governance from top to bottom including popular awareness about new structures and legislation and their general effect/benefit;

- That the three projects are made fully complementary in design with the aim to avoid overlapping of activities. For example all three projects need not spend resources on developing inroads and networks to influence policy making and every project needs not specialise in development of innovative public IGAs. A full complementarity would also enable a given SME in being supported by GC with regard to CSR and international connections, while assisting PPP and/or BOYW in (co-)financing some of their activities;
- Future capacity building to be diversified and match the needs and level of the individual (groups of) participants. The capacity building could take place through for example:
 - > referral to relevant Internet information, which is relevant for partners and beneficiaries in all three projects,
 - > internships in national or international enterprises or institutions since “learning by doing” is acknowledged as a very effective way to learn. Local governments could for example visit local governments in Western Europe to learn about designs in youth and adult foster care or specific SMEs could have periods of internships in relevant other, successful SMEs nationally or internationally,
 - > coaching of SMEs. organisations and institutions by similar national or international SMEs, organisations and institutions,
 - > grouping of people from similar backgrounds to allow for synergy effect. This could for example be grouping of people from public and private sector with same or similar responsibilities e.g. HRM/D or treatment of vulnerable children and youth,
 - > coordination of support (from other sources, e.g. international companies or as CSR) for higher education from institutions outside Moldova, for example MBA degrees, which can be read as distance studies at international universities thus combining external knowledge and experience with internal challenges and shortcomings;
- Development of SMEs should include market analysis, product development, planning of enterprise development, production partnerships where for example 30 farmers establish a local yoghurt or juice production or where entrepreneurs engaging in constructions form partnerships delivering the whole package from design of the construction till the cleaning of the handles before the client moves in.
- Development of uniform UNDP project documents based on consistent logframes with SMART indicators, which will make management, monitoring and evaluation be interlinked and progressive;
- Development of systematic logframes that match the UNDP criteria for good performance. The logframes could have the following columns:

OUTPUTS	QUANTITY INDIC.	MEANS OF VERIFIC.	OUTCOME INDIC.	MEANS OF VERIFIC.
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- Introduction¹⁴ of simple, uniform and progressive reporting, which provides updated information about a project in a glance. The format could be:

¹⁴ It should be taken into consideration that the evaluation team did not have access to the Atlas.

OUTPUT:

ACTIVITY	ACTUAL STATUS/ACHIEVEM.	UNFORESEEN FACTORS	AMENDMENTS/CHANGES
Activity A	No of network members	X legislation not yet passed	
Activity B			

The format is simple and fast to fill, while giving a current update on progress, performance, external factors that helped or hindered progress and suggested changes, for example that the NGO that runs complementary activities and therefore has made the project have faster results should be made a partner or be offered certain training. Furthermore, it helps in timely detection of gaps and overlapping in implementation of the three projects.

7 ANNEXES

ANNEX 1: TERMS OF REFERENCE

United Nations Development Programme in Moldova

Terms of Reference

for

Outcome Evaluation on Engaging with the Private Sector: New Businesses and Jobs are created in targeted, poor rural and urban areas

Subject: UNDP will hire two consultants for this assignment: one international and one national

Duty Station: Chisinau, Republic of Moldova

Duration of Employment: 01.09.2009-30.11.2009

Working days: 25

Contract type: SSA

Organizational setting: The consultants will work under the supervision of the Programme Manager for achievement of the tasks.

BACKGROUND AND OBJECTIVE

In line with the evaluation plan for UNDP Moldova Programming Cycle 2007- 2011, UNDP plans to undertake an outcome evaluation on Engaging with the Private Sector, which is expected to be finalized in the fourth quarter of 2009.

In particular, the evaluation relates to the Country Programme Outcome (CPO) 3.2 “*New Businesses and Jobs are created in targeted, poor rural and urban areas*”. The evaluation will put a major focus on assessing the impact and overall contribution of the portfolio of projects falling under CPD 3.2, towards progress in achieving the outcome 3 of the United Nations Development Assistance Framework: “*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 (LPAs) and partners*”, as well as draw recommendations for eventual adjustments and, to the extent possible, lessons learnt for the elaboration of the next Country Programme.

The purpose of the Evaluation is to learn from the experience of UNDP-funded and implemented projects and activities in Moldova expected to contribute to the creation of new businesses and jobs in targeted areas. The Evaluation is expected to clarify underlying factors affecting the situation, highlight unintended consequences (positive and negative) and better design UNDP-supported interventions at the next stage. The Country Office accordingly plans to make use of the exercise as a learning opportunity not only for the office but also for key partners and stakeholders, as inclusively as possible.

As the success of development activities is increasingly measured on the basis of tangible changes in the situation of the intended beneficiaries (“Results-based Management” approach), the Government, civil society and donors are increasingly paying more attention and allocating more resources for the formulation of relevant progress indicators, as well as the collection and analysis of relevant data, as part of monitoring and evaluation activities.

This evaluation is therefore a requirement for UNDP to consider a follow-up phase to its assistance; it will also help ensure that the needs for the development of national capacities in using data for the formulation, implementation and monitoring of policy and programmes are covered. As such, the findings of this evaluation will be equally beneficial in contributing to strengthen the capacities of central and local authorities and other partners in view of creating new business and jobs in targeted rural and urban areas.

Finally, in view of the current economic crisis and already-felt impact on the socio-economic development of the Moldovan economy (in terms of falling remittances and return migrants, falling demand and contraction in various sectors and resulting significant rise in unemployment), this outcome evaluation is also timely in view of further determining areas of assistance which need further development whilst at the same time identifying those which need to be either scaled-down or merged for maximum impact on the most vulnerable / needy groups.

BRIEF NATIONAL CONTEXT RELATED TO THE OUTCOME

Moldova’s good growth performance between 1999 and 2004 moved 40% of the population out of poverty. This represented the largest reduction in poverty (in percentage terms) in the Europe and Central Asia region over this period¹⁵. Despite this, about 26% of the Moldova population in 2007 remained poor (down from over 30% in 2006), with about two-thirds of the poor living in rural areas.

At the same time, the resumption of economic growth in 2000 was not accompanied by an increase in employment and, instead employment in Moldova has declined. The late 1990s saw much higher unemployment rates than is now the case (11% in 1999 – ILO definition). Since then unemployment has been declining steadily and, in 2007, was just over 5%. Youth unemployment (in the 15-24 age group) has also been declining and, at 14% in 2007, is low by European standards¹⁶. This trend has been mainly the result of emigration - about 628,000 Moldovans out of 3.6 million (not counting Transnistria) are currently working abroad.

On the other hand, the impact of the global and economic crisis has already taken a toll on the labour market situation in the country through various channels, with huge implications on unemployment in the country: returning migrants, fewer opportunities for migration, industrial contraction and contraction in domestic and external demand among others. According to official data, there was a near 2-fold increase in the number of jobless people registered and recorded Dec – March 2009 compared to the same period last year (with currently more than ten unemployed individuals competing for one job).

These recent developments in turn call for renewed action and effort to address the unemployment challenges in the country. The proposed outcome evaluation of UNDP funded and implemented activities aimed at creation of new jobs and businesses is therefore timely

¹⁵ World Bank (2009) *op.cit.*, p. 5.

¹⁶ European Training Fund (2009). ENPI 08-14 Black Sea Labour Market Reviews: Moldova Country Report. January.

and extremely important in view of evaluating the impact of such activities in that regard. Most importantly, in view of possibility for scaling up such activities/expand coverage of targeted beneficiaries, lessons learnt from these activities will be critical in designing further and better targeted interventions in this field.

SUBJECT OF THE EVALUATION

According to the evaluation plan of the UNDP Moldova office, in 2009 an evaluation will be conducted for the Outcome on 'Engaging with the Private Sector'. This evaluation is linked to the UNDAF Outcome 3, Country Programme Outcome 3.2 and Country Programme Outputs 3.2.1, 3.2.2 and 3.2.3 (as stated in the UNDP Country Program Action Plan (CPAP) 2007-2011), as reflected in the table below:

UNDAF	Country Programme Outcome (UNDAF)	CPD Outputs	Projects
Outcome 3	Outcome 3.2	Better business opportunities are made available through:	<i>Better Opportunities for Women and Youth</i>
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 (LPAs) and partners	New Businesses and Jobs are created in targeted, poor rural and urban areas Indicator: Number of operating small enterprises Baseline: 22,928 (1.01.2004) Target: Number of small enterprises as one of the factors to reduce the level of poverty (by rural/urban disaggregated) increased by 20%	(1) improved policy framework and business services; (2) the financial sector offering innovative products of interest to SMEs and the poor (3) improved local level infrastructure. Indicator: number of Centers assisting business development Baseline: 6 Centers (UNDP) Target: number of Centers increased to 10 (UNDP) Indicator: volume of loans/credits, provided by the banks to small businesses Baseline: 912.6 mln Lei in 2004 Target: increase in the volume of loans provided by the banks to the small businesses Indicator: Number of infrastructure projects developed Baseline: TBD in 2006 Target: 30 projects developed	
	Indicator: Number of new jobs created (disaggregated by rural/urban) Baseline: 0 (1 January, 2007) Target: At least 1,000 new jobs created	Private public partnerships (PPPs) are created in poor rural and urban areas for infrastructure development and service provision Indicator: Number of PPPs created Baseline: One PPP functions in Ciadir-Lunga Target: 15 PPPs created	<i>Public Private Partnership</i>
			<i>Global Compact</i>

PROJECTS TO BE EVALUATED

The above-mentioned outcome evaluation will be undertaken by evaluating the following development interventions:

a. “Better Opportunities for Youth and Women”

The overall project purpose is to develop specific services to support the social, economic and professional reintegration of graduates of boarding schools – orphans or children without family care, mothers with children at risk, expectant mothers at risk, through providing shelter services (up to 12 months), with conditions similar to family one, psychological and social care, providing with independent life skills, activities aimed at facilitating beneficiaries’ access to labour market, financial and material support. The project is expected to create jobs for vulnerable groups, identifies existing job vacancies and provides vocational trainings.

The expected benefits of the project are the following:

- 10 fully operational centres for social reintegration established;
- During 2006-2009, 1720 graduates of boarding schools assisted and provided with vocational training;
- During 2006-2009, 300 beneficiaries provided with jobs;
- Minimum 10 social enterprises oriented to support centres’ activities and to provide new jobs;
- 50 professionals in social area and child protection trained to work into beneficiaries support.

b. Public Private Partnership Project

The overall objective of the project is to increase the capacity of central and local governments to promote, develop and manage public-private partnership projects for infrastructure development and the provision of basic services. The specific objectives are the following:

- Establish an adequate policy, legal and institutional frameworks for Public Private Partnership development at the national and local level;
- Build capacity of central and local governments to develop and implement PPP projects, promote partnership arrangements, and leverage private sector investment;
- Identify investment opportunities and mobilize stakeholder support for services and infrastructure improvement projects and establishment of PPP arrangements for the development, financing and long term implementation and management of infrastructure and services;
- Support for Corporate Social Responsibility initiatives in the area of health care and social assistance.

The above are expected to achieve the following:

- Institutional and regulatory frameworks established in which the public authorities are able to create and implement public private partnership projects;
- Private investments in utilities, public services and infrastructure enhanced;
- Quality of utilities, public services and infrastructure improved;
- Better value for money in delivering public services and infrastructure ensured

c. Global Compact Project

The main objective of this regional project is to accelerate sustainable economic growth and poverty reduction by promoting responsible entrepreneurship and developing public private partnerships with potential for both commercial and developmental returns.

The specific objectives of the project are the following:

- Promote Corporate Social Responsibility and consolidate the Local Global Compact Network (LGCN) in Moldova;
- Enhance the participation of those Moldovan companies which are members of the LGCN in policy dialogues and formulation on promotion of responsible inclusive entrepreneurship;
- Identify and broker public private partnerships (PPPs) to boost community development and social involvement of companies.

SCOPE OF THE EVALUATION

This is a summary progress evaluation, aiming to assess the extent to which programme and project activities implemented with partners during 2007-2009 have contributed to progress under **CPD Outcome 3.2**, as well as overall contribution to the **UNDAF Outcome 3** implementation. It is also aimed at evaluating the achievement of set targets, whether existing UNDP's partnership arrangements with local partners proved to be successful and relevant and overall, whether UNDP-supported activities have contributed to improved performance of governance institutions in Moldova. The evaluation shall identify changes that happened within the last two and a half years as they relate to the development outcomes, the degree and levels of these changes, i.e. enabling environment, organizational and/or individual levels. It shall also assess whether UNDP's strategic positioning in this area can be improved.

Since this is an evaluation carried out in the middle of the development interventions planned for in the current CPAP, evaluators shall give greater importance to assessing efficiency and to a possible extent the effectiveness of UNDP's programme in contributing to the CP Outcome 3.2 and UNDAF Outcome 3 implementation: whether the size of resources, both financial and human, and partnership strategies continue to be cost-effective and may be applied in continuation and/or revised/changed in the Country Programme Action Plan 2007-2011.

The main partners to be involved in the evaluation are: Ministry of Local Public Authorities, Ministry of Economy and Trade, Moldova Investment and Export Promotion Organisation, the private sector and selected donors.

Evaluators shall take into account the following core issues:

- Status of and degree of change in the outcomes, and factors influencing the outcomes;
- Level of incurred changes: Enabling environment, Organizational and/or Individual levels;
- UNDP strategic positioning on achieving the outcomes;
- Relevance of the outcomes and outputs;
- Partnership strategy;
- Sustainability: whether there is ownership and capacity to maintain and manage development in the outcomes.

The overall objectives of the evaluation are the following:

1. Provide an objective assessment of the achievement of the outcome through UNDP support and partnership with other key actors
2. Generate lessons from experiences in the respective interventions for the period 2007 to date to inform current and future programming at the country level
3. Identify whether past results represent sufficient foundation for future progress
4. Provide clear and forward-looking recommendations in order to suggest effective and realistic strategies by UNDP and partners towards intended results identified in the UNDAF.

More specifically, the outcome evaluation is expected to address the following issues:

Outcome status: Determine whether or not the outcome has been achieved and, if not, whether there has been progress made towards its achievement. List innovative approaches tried and capacities developed through UNDP assistance. Assess the relevance of UNDP outputs to the outcome. Ascertain the progress made in relation to the outputs. List the factors (positive and negative) that affect the accomplishment of outputs.

Underlying factors: Analyze the underlying factors beyond UNDP's control that influenced the outcome. Distinguish the substantive design issues from the key implementation and/or management capacities and issues including the timeliness of outputs, the degree of stakeholders and partners' involvement in the completion of outputs, and how processes were managed/carried out.

UNDP contribution: The relevance of the outcome and the constituent components specifically for UNDP assistance. Determine whether or not UNDP funded outputs and other interventions – including outputs, soft and hard assistance – can be credibly linked to the achievement of the outcome. Assess the likelihood of the achievement of the outcome within the set timeframe and inputs. Ascertain the prospect of sustainability of UNDP interventions related to the outcome – can it be ensured that the outcome is reached and maintained even after the UNDP interventions?

Outputs status: Are the UNDP outputs still relevant to the outcome? Has sufficient progress been made in relation to the UNDP outputs? What are the factors (positive and negative) that affect the accomplishment of the outputs?

Output-outcome link: Whether UNDP's outputs or other interventions can be credibly linked to the achievement of the outcome (including the key outputs, projects, and soft assistance). What are the key contributions that UNDP has made/is making to the outcome? With the current planned interventions in partnership with other actors and stakeholders, will UNDP be able to achieve the outcome within the set timeframe and inputs – or whether additional resources are required and new or changed interventions are needed? Whether UNDP's partnership strategy has been appropriate and effective? Has UNDP been able to respond to changing circumstances and requirements in capacity development? What is the prospect of the sustainability of UNDP interventions related to the outcome?

Partnership strategy: Ascertain whether UNDP's partnership strategy has been appropriate and effective. What were the partnerships formed? What was the role of UNDP? How did the partnership contribute to the achievement of the outcome? What was the level of stakeholders' participation? Examine the partnership among UN Agencies and other donor organizations in the relevant field.

Cross-cutting issues: Sustainability: an assessment of the likelihood that the projects results will endure after the active involvement of UNDP has ended. To what extent the changes

(and benefits) brought by the projects can be expected to last after projects completion. The evaluation team should be requested to provide recommendations for potential follow-up interventions, i.e. how feasible the follow-up actions would be, what alternatives can be identified and/or what components can be added to it, what knowledge products could be developed.

METHODOLOGY

Overall guidance on outcome evaluation methodologies is provided in the UNDP Handbook on Monitoring and Evaluation for Results and the UNDP Guidelines for Outcome Evaluators. Based on these guiding documents, and in consultation with UNDP Moldova, the evaluators should develop a suitable methodology for this outcome evaluation.

During the outcome evaluation, the evaluators are expected to apply the following approaches for data collection and analysis:

- Desk review of relevant documents (project documents with amendments made, review reports -midterm/final, donor-specific, etc);
- Discussions with the Senior Management and programme staff of UNDP Country Office;
- Briefing and debriefing sessions with UNDP and the Government/Parliament, as well as with other donors and partners
- Interviews with partners and stakeholders (including gathering the information on what the partners have achieved with regard to the outcome and what strategies they have used)
- Field visits to selected project sites and discussions with project teams, project beneficiaries;
- Consultation meetings.

Contributions made towards Outcomes to be evaluated:

- CP Outcome 3.2: *"New Businesses and Jobs are created in targeted, poor rural and urban areas"*
- 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 (LPAs) and partners"*

EXPECTED DELIVERABLES FROM THE EVALUATION

The key product expected is a comprehensive analytical report that includes, but is not limited to the following components: (in line with the UNDP Guidelines for outcome evaluators):

- Executive summary
- Introduction
- Description of the evaluation methodology
- Development context
- Key findings
- Lessons learned
- Recommendations for the future (including viable project ideas and other recommendations)

- Annexes: ToRs, field visits, people interviewed, documents reviewed, etc.¹⁷

The evaluator should provide a proposed report structure to UNDP prior to the start of fieldwork. The report should be prepared in English. The UNDP Evaluation Focal Team will ensure that the report is translated into Romanian. It should take into account the opinions/voices of people from Moldova, government representatives, donors and NGOs. The evaluators will prepare a presentation of the preliminary findings to be discussed at a roundtable in Chisinau with UNDP and its partners.

In addition, an outline for future UNDP interventions in the respective area (if still deemed relevant) based on the recommendations of the mission is to be produced. The format of the outline will be agreed between UNDP and the evaluators prior to the start of the evaluation.

The evaluators are required to discuss the full draft of the evaluation report prior to departure from Moldova. Both products shall be submitted in hard copy and electronic form.

Dissemination mechanisms

The results shall be presented at a round-table to all key stakeholders (representatives of Government, relevant Parliamentary Committees, projects and specialized NGOs) and shared through specialized local and regional networks. The final evaluation report will be placed on the UNDP web-site and distributed through regular Government channels to interested parties.

EVALUATION TEAM

Members of the mission must not have been associated with the project's formulation, implementation or monitoring. It is proposed that the mission be led by a senior international consultant and one national consultant. The Government and Donors active in the sector are invited to be represented in the mission by consultants/staff selected by them. UNDP Moldova welcomes suggestions from partners as to candidates for the posts of team leader and national consultants.

Required qualification and skills for the international consultant (Team Leader):

- Advanced university degree in sociology, economics, international development or related field
- At least eight years of work experience in the field of poverty and private sector development
- At least 5 years experience in conducting evaluation of projects in the socio-economic field
- Sound knowledge about results-based management (especially results-oriented monitoring and evaluation)
- Previous work experience in related areas with UNDP or other development organizations preferably in the region
- Fluency in English (Russian or Romanian are an advantage)

Specifically, the team leader will perform the following tasks:

- Lead and manage the evaluation mission;
- Design the detailed evaluation scope and methodology (including the methods for data collection and analysis) for the report;
- Decide the division of labor within the evaluation team;

¹⁷ See the *UNDP Guidelines for Outcome Evaluators* for a detailed guidance on the preparation of an outcome evaluation report.

- Conduct an analysis of the outcome, outputs and partnership strategy (as per the scope of the evaluation described above) for the report;
- Draft related parts of the evaluation reports; and
- Finalize the whole evaluation report.

The team leader will take the overall responsibility for the quality and timely submission of the evaluation reports to the UNDP Country Office.

Required qualification and skills for the National Consultant:

- Advanced university degrees in the area of sociology, economics, international development or related field;
- At least five years work experience in the areas related to poverty and private sector development
- Sound knowledge and understanding of the specifics and socio-economic development in Moldova and have experience in conducting evaluations.
- Previous work experience in related areas with UNDP in Moldova
- Fluency in English, Romanian and Russian languages

S/he will perform the following tasks respectively:

- Review documents
- Participate in the design of the evaluation methodology;
- Data collection
- Assessment /construction of indicators' baselines
- Actively participate in conducting the analysis of the outcome, outputs and targets (as per the scope of the evaluation described above), as agreed with the international consultant
- Draft related parts of the evaluation report; and,
- Assist Team leader in finalizing document through incorporating suggestions received on draft related to his/her assigned sections.

Timeframe

The detailed schedule of the evaluation and the length of the assignment will be discussed with the evaluators prior to the assignment. The estimated duration of evaluators' assignment is up to 25 working days. The final evaluation report should be delivered by November 30, 2009.

IMPLEMENTATION ARRANGEMENTS

To facilitate the outcome evaluation process, UNDP Moldova will set up an Evaluation Focal Team (EFT). The EFT—with support from the UNDP Programme Manager, will assist in connecting the evaluation team with the senior management, and key stakeholders. In addition, the EFT will assist in developing a detailed evaluation plan; conduct field visits; and organize meetings. During the evaluation, the EFT will help identify key partners for interviews by the evaluation team. However, the evaluation will be fully independent and the evaluation team will retain enough flexibility to determine the best approach in collecting and analyzing data for the outcome evaluation.

Indicative Mission Schedule:

Activity	Timeframe	Place	Responsible Party
Evaluation design, methodology and detailed work plan	15 - 25 September, 2009 2 man days	On-line	UNDP CO, International consultant National consultant

Activity	Timeframe	Place	Responsible Party
Desk review	25 September– 1 October, 2009 5 man days	On-line	International consultant National Consultant
Interviews, consultations 1st Draft Outline and Presentation to the UN/UNDP	Due 20 October, 2009 12 days	In Moldova	International consultant, national consultant and EFT
Preparation and submission of 1st draft of the evaluation report	5 November, 2009 8 days	On-line	International consultant
Feedback on draft report from partners and UNDP	5 - 20 November, 2009	Online	EFT
Finalization of evaluation report. Presentation to stakeholders	30 November, 2009 5 days	On-line or In Moldova	International, national consultants

DOCUMENTS FOR STUDY BY THE EVALUATORS

1. UNDP Handbook on Monitoring and Evaluation for results
2. UNDP Guidelines for Outcome Evaluators
3. Ethical Code of Conduct for Evaluation in UNDP
4. UNDP Result-Based Management: Technical Note
5. UNDAF Moldova 2007-2011
6. UNDP Moldova CPAP 2007-2011
7. National Development Strategy of the Republic of Moldova, 2008-2011
8. Millennium Development Goals Report in Moldova, 2008
9. Projects' Documents and progress reports

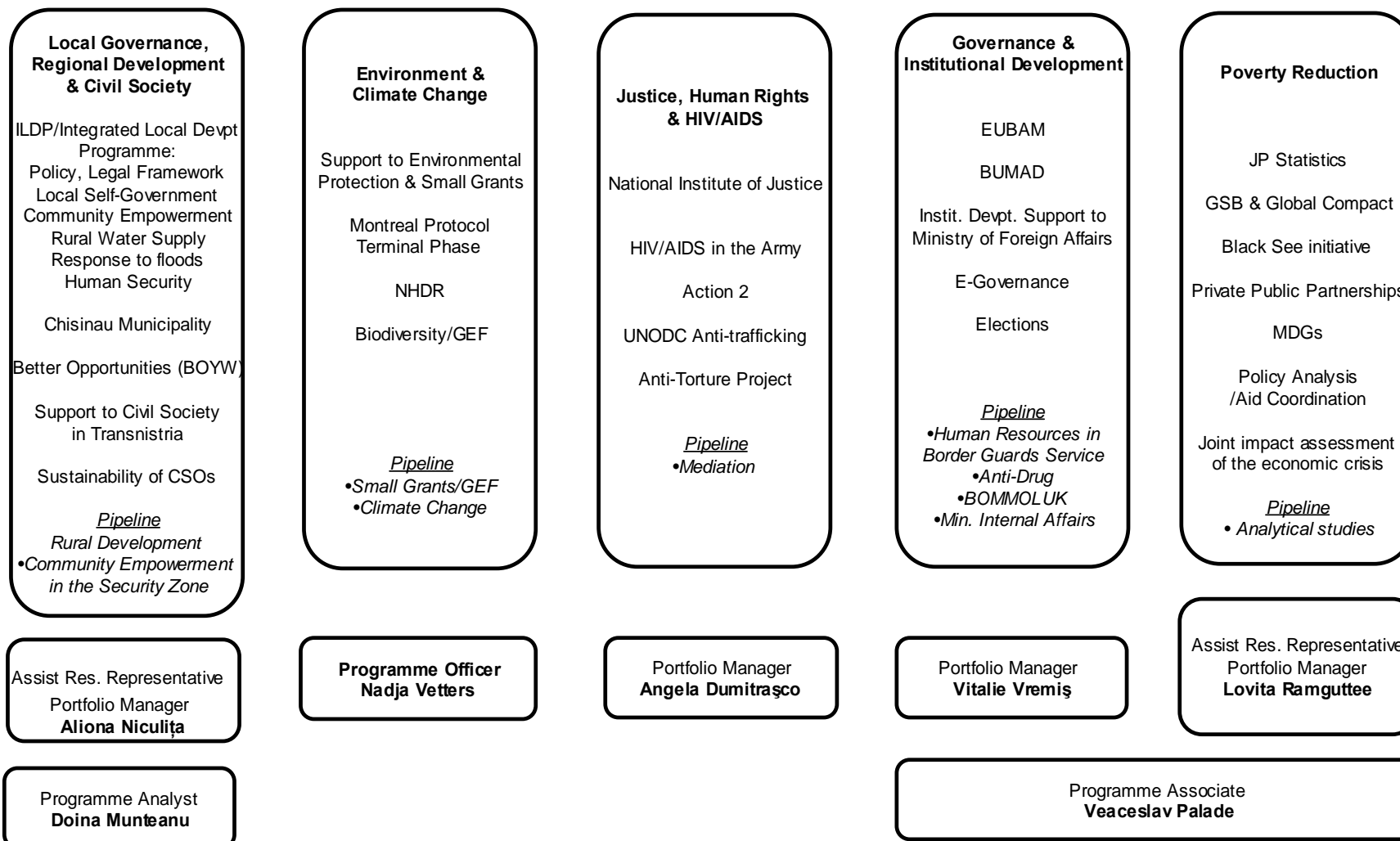
ANNEX 2 LIST OF PEOPLE MET

NAME	TITLE	ORGANISATION
Lovita Ramquette	Assistant Resident Representative	UNDP
Dumitru Budianschi	Project Manager	UNDP/PPP
Viorel Albu	Project Manager	UNDP/ BOYW
Selena Stejaru	Project Assistant	UNDP/GC
Anatolie Palade	Executive Director	Business Advisory Center
Lilia Fusa	Social Projects Manager	Business Advisory Center
Ion Lupan	Head of Structural Reform and Investment Division	MoET
Tatiana Udrea	Advisor to Deputy Minister	MoET
Vladimir Crivciun	Head of the Investment Policy Direction	MoET
Ghenadie Turcanu	Head of the Policy Analysis, Monitoring and Evaluation Department	MoH
Ala Supac	Director	Employment Agency, Chisinau
Svetlana Sarban	Deputy Director	Employment Agency, Chisinau
Mariana Ambros	Adviser	Office of General Mayor, Chisinau
Lilia Rata	Specialist Investments	Council, Calarasi
Susarenco Vladimir	Deputy Major	Council, Calarasi
Maria Donos	Youth	Reintegration Centre, Calarasi
Potirniche Anatol	Youth	Reintegration Centre, Calarasi
Bunu Galina	Youth	Reintegration Centre, Calarasi
Timofti Vasile	Deputy Chairman on social issues	Raional Council, Calarasi
Cotelea Mihail	Head of Social Assistance and Family Protection Department	Raional Council, Calarasi
Diaconov Tamara	Director	Employment Agency, Calarasi
Aliona Grulea	Coordinator	Association "Centre of social protection of children / young people in difficulty" EPITROP, Calarasi
Rusu Rodica	Social Assistant	EPITROP Centre, Calarasi
Tihon Ina	Social Assistant	EPITROP Centre, Calarasi
Negru Tatiana	Social Assistant	EPITROP Centre, Calarasi
Irina Todorova	Prevention and Protection Programme Coordinator	IOM, Chisinau Office
Natalia Moisevici	Prevention and Protection Programme Assistant	IOM, Chisinau Office
Simion Sirbu	Director	Maternal Centre, Drochia
Eugeniu Josan,	President of Coordination Council of GCNM	GC Project Network
Rodica Verbeniuc	Member of CC of GDNM	MOLDCELL

ANNEX 3 LIST OF LITERATURE STUDIED

1. UNDP Handbook on Monitoring and Evaluation for results
2. UNDP Guidelines for Outcome Evaluators
3. Ethical Code of Conduct for Evaluation in UNDP
4. UNDP Result-Based Management: Technical Note
5. UNDAF Moldova 2007-2011
6. UNDP Moldova CPAP 2007-2011
7. National Development Strategy of the Republic of Moldova, 2008-2011
8. Millennium Development Goals Report in Moldova, 2008
9. Projects' Documents and progress reports for BOYW, PPP and GC
10. Economic Statewatch, Q3/2009
11. Various websites to which there is referred in the report

UNDP MOLDOVA COUNTRY PROGRAMME



Programme:
Good governance

National priority/ goal: EGPRSP: Sustainable, socially-oriented development (entails consistent growth in the standards of living of the poorest, consistent with the MDGs)
EU-Moldova Action Plan: Political dialogue and reform (Democracy and the rule of law; Human rights and fundamental freedoms; Cooperation on foreign and security policy; Conflict prevention and crisis management)

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

CP Outcome 1.1 Pro-poor policies, addressing development and population issues, are formulated, implemented, and monitored in a more transparent and participatory manner.

1.1.1 Institutional capacity of the legislative and executive strengthened to align national legislation with European laws.

1.1.4 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.

1.1.6 The Government has improved capacity to coordinate, monitor and report on human rights observance as required by UN treaties

1.1.9 The availability, quality, and usage of disaggregated statistical data is improved (emphasis on geographic, age, and gender disaggregation)

1.2 The justice system functions in a more transparent, accountable and independent manner

1.2.1 Key reform proposals developed/ revised and capacity of various entities of the justice system strengthened to ensure efficient administration and equitable access to justice, including alternative dispute settlement mechanisms

1.3 There is increased engagement of CSOs and media in national development processes

1.3.1 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

1.4 Management of environment and natural resources is improved in compliance with international/EU standards

1.4.1 Environmental monitoring and information systems/ tools are updated and effectively used

1.4.2 Environmental impact assessment (EIA) mechanism is in place and managed by public institutions with CSOs inputs

1.4.3 Civil society is better able to participate in environmental policy formulation and monitoring

1.4.4 Food safety and water quality standards revised in line with International/ EU standards

1.5 Improved readiness to prevent and mitigate natural and man-made disasters and crisis

1.5.1 A comprehensive contingency plan for a coherent humanitarian response to emergencies, including specific attention to age and gender issues, is developed

UNDAF Outcome 2

Vulnerable groups enjoy increased equitable, and guaranteed access to basic services of good quality provided by the state with the support of civil society

2.2 People of reproductive age adopt safe behaviours and seek commodities and information on HIV/AIDS/STIs and Reproductive Health

2.2.3 HIV/AIDS prevention and care programmes are made available to high-risk and especially vulnerable groups, including IDUs, CSWs, MSM, people in uniform, mobile populations, children in institutions

Programme: Regional
& local development

National priority/ goal: EGPRSP: Sustainable, socially-oriented development (Emphasis on poverty and inequality reduction, participation of the poor in economic development. Policy priorities include: regional development, SME development, stronger investment climate, and Infrastructure)
EU-Moldova Action Plan: Economic and social reform and development; Improve welfare (Regional and rural development)

UNDAF Outcome 2

Vulnerable groups enjoy increased equitable, and guaranteed access to basic services of good quality provided by the state with the support of civil society

2.4 Vulnerable groups enjoy improved access to quality social protection services, including systems to prevent and protect from violence, abuse, exploitation and discrimination.

2.4.3 Improved institutional capacity at national and rayon level (to manage and carry-out the social sector reform process and) to develop social services, including for children

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 (LPAs) and partners.

3.1 LPAs operate in a more effective and transparent manner

3.1.1 Legal and regulatory framework and administrative procedures and systems are improved with particular emphasis on: (1) delegation of authority, (2) decentralization of services and resources, (3) increased women's representation in decision-making positions, (4) simplified and streamlined provision of services.

3.1.3 Capacities of targeted LPAs are improved to plan, implement, and monitor in a participatory manner.

3.3. Empowered communities and CSOs participate in local development planning, implementation and monitoring.

3.3.2 Capacities of local NGOs in targeted areas are strengthened to influence local decision-making, and implement and monitor development activities.

3.2 New businesses and jobs are created in targeted, poor rural and urban areas

3.2.1 Policies and mechanisms are enhanced/developed to foster regional development, with an emphasis on (1) increasing investment and trade, (2) private sector development, and (3) piloting of local development funds

3.2.2 Better business opportunities are made available through: (1) improved policy framework and business services, (2) the financial sector offering innovative products of interest to SMEs and the poor (3) improved local level infrastructure

3.2.3 Private public partnerships (PPPs) are created in poor rural and urban areas for infrastructure development and service provision

3.2.4 National microfinance institutions are strengthened and financially viable