

November 14, 2007

Government of Moldova
United Nations Development Programme
United Nations Food and Agriculture Organization
World Food Programme
United Nations Populations Fund
United Nations Children Fund

UNDAF Outcome(s)/Indicator(s)¹: -

Expected Outcome(s)/Indicator(s): Improved readiness to prevent and mitigate natural and man-made disasters and crises

Implementing partners: *Ministry of Agriculture and Food Industry, State Agency for Material Reserves, Public Acquisitions and Humanitarian Aid*
(designated institution/ executing entity)

Programme Period:	2007 - 2011
Programme Component:	
Project Title:	Relief and Technical Assistance Response to Drought in Moldova
Project ID:	00058015
Project Duration:	2007 - 2008
Management Arrangement:	National Execution (NEX)

<i>*(to be updated as contributions are confirmed)</i>	
Estimated Budget	11,417,830.29 USD
General Management Support Fee	_____
Total budget:	_____
Allocated resources:	_____
• Government	
• Regular	300,013.50 USD
• Other:	
○ Donor	
ADA	141,879.70 USD
UNFPA	70,000.00 USD
SIDA	1,538,461.54 USD
ECHO	4,255,319.97 USD
Netherlands	1,234,582.59 USD
Norway	TBC
Unfunded budget:	3,877,573.00 USD

Date: October 2007

Agreed by:

Igor Dodon
Minister of Economy and Trade
UNDP National Coordinating Agency

Kaarina Immonen
Resident Representative
UN Development Programme /
UN Population Fund

¹ For global/regional projects, this is not required

**Government of Moldova
United Nations Development Programme
United Nations Food and Agriculture Organization
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Project Proposal

Relief and Technical Assistance Response to the Drought in Moldova

Project Summary

The Relief and Technical Assistance Response Project Proposal to the Drought in Moldova constitutes a coordinated United Nations response to the request for assistance made by the Prime Minister of Moldova to the United Nations Secretary General in July 2007. This project proposal is designed to address primarily the emergency needs created by the severe drought affecting the country during the summer of 2007 and builds on the findings of the joint UN Food and Agriculture Organization and the World Food Programme assessments undertaken during July and August 2007. It considers the difficult situation that many farmers as well as socially vulnerable groups are facing and aims to mitigate the harsh effects from a poverty alleviation viewpoint.

The project includes five key outputs: (a) Technical expertise, management, coordination; (b) Emergency procurement of seeds / agricultural supplies; (c) Emergency assistance to socially vulnerable groups; (d) Aid Monitoring; (e) Planning for medium and long-term assistance.

The project will be managed by the United Nations Development Programme in partnership with the Food and Agriculture Organization, UN Population Fund, United Nations Children Fund, other UN agencies and the Government of the Republic of Moldova, as well as non-governmental organizations and local public authorities.

I. SITUATION ANALYSIS

During the summer of 2007, Moldova is suffering from an extraordinary drought that is affecting most of the country. According to international ratings on the impact level of this phenomenon on ecology and agriculture, this drought is of catastrophic proportions. For the entire period of meteorological observations conducted on the territory of the country, similar phenomena were observed only twice – at the end of the 19th century and in the period of 1946-1947.

The extreme climate conditions leading to an unusual situation and a profound crisis in the agricultural and food sector of Moldova this year have demonstrated once again that agriculture is the most vulnerable and risky sector of the national economy; the yield and productivity of agricultural crops in 2007 registering the lowest rate within the last decade, and prompting a major collapse in this sector.

Agriculture remains a key sector in the Moldovan economy (15% of GDP in 2006) and, as such, it has a critical role both for poverty reduction -as it is the main occupation for a large number of people concentrated around the poverty line- but also as a source of raw material for the development of the industry and export growth.

The reforms undertaken in the sector in the last decade resulted in the privatization of about 80% of agricultural land. An important share of agricultural land is worked by peasant households (individual farmers), which own on average 1.6 ha or about 45% of the utilized land and produce approximately 72% of the total agricultural product. The total area of farmers' backyard is about 306.9 thousand hectares and 34.3% of the total production of agricultural crops comes from the farmers' backyards. A clearer indication of the breakdown of individual household involvement in farming activities, including the division of responsibilities and delineation of land ownership will be an outcome of a rapid household food security assessment conducted by the project. The survey will also reveal the impact of the drought on available food and nutrition to households together with the effects on income raised through the sale of surplus production.

However, the reforms have resulted only in a limited improvement of agriculture performance. During 2000 – 2006, agriculture has been growing on average by 4% annually, while the other sectors of the economy grew much faster. The sector continues to be characterized by the lowest level of productivity and labor retribution.

The main reasons behind the poor performance of the sector is the lack of investment, poor access to financial resources, the small size of internal markets and limited access to external ones, excessive parceling of land plots, poor managerial practices, etc. Moreover, the vulnerability of the sector to the natural disasters further complicates the process of agricultural recovery. In the past few years, the country encountered on a constant basis phenomena such as hail, frost and drought, which had a significant negative impact on the livelihoods of thousands of people.

The drought experienced in the 2007 agricultural season has exacerbated the problems in this area and exposed a large number of farmers and vulnerable people to poverty. According to the observations of the State Hydrometeorological Service, during September 2006 – July 2007, the total volume of rainfall was only 50 to 75% of the average norm, while in some regions it reached only 25%. The lack of rainfall during crop flowering, seed set and ripening, coupled with excessive temperatures and an insufficiency of productive humidity, caused varying degrees of crop damage. According to data from the Ministry of Agriculture and Food Industry (MAFI), it is estimated that the total area damaged by the current drought is about 1.2 million hectares or approximately 84% of the total surface area of arable fields.

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The United Nations Food and Agriculture Organization and the World Food Programme (FAO/WFP) mission of August 2007 estimated an opportunity cost of lost production, at market prices, at nearly €300 million for cereal crops only. For most crops, the estimated volume of production is much lower than the 2006 level: for winter wheat – 44.5%, for spring barely – 50.2%, for corn – 27.6%, for sunflower- 28.6%, and for sugar beet – 48.3%. The drought has also affected the family livestock: 1/3 to 1/2 of household cattle holdings have been sacrificed, depending on area. Since subsistence agriculture continues to be an important source of living for most of poor people from the rural area, it is obvious that these developments will primarily affect them. Lower or no returns to land, much less food from home garden production, loss of savings, food and income from liquidated family livestock, increased food expenditures, as well as higher prices for other basic requirements (energy, gas, heating, etc.) will have serious implications on the living standards of vulnerable people. The rapid household food security assessment will determine household vulnerability based on levels of risk to access food and nutrition supplies particularly linked to home production capability related to family size, livestock numbers, available land area, incomes sources, etc.

Government and other donors' response

In the context of the drought crisis the Government of Moldova has initiated a number of measures aimed at mitigating the impact of the disaster and coordinating an effective response:

- US\$ 16 million was allocated to compensate income losses to farmers;
- National Commission on Emergency Situations was formed headed by the Prime Minister, as well as a Technical Assistance Coordination Committee, chaired by the Ministry of Economy and Trade (MET), and involving other key government entities, such as Ministry of Finance (MF), Ministry of Agriculture and Food Industry (MAFI), Ministry of Social Protection (MSP), the State Agency for Material Reserves, Public Procurement and Humanitarian Aid (State Agency), etc.;
- A mechanism for the monitoring of the situation and aid distribution is being set up, covering all three levels: communities, *rayons* and the national level; local partner organizations will be engaged to monitor the selection of beneficiaries within predetermined criteria and the distribution of inputs. A post distribution assessment of the targeting selection and satisfaction of beneficiaries, the distribution of seeds, fertilizer and fuel and animal feed, will be conducted under the guidance of an international specialist

Given the magnitude of the disaster, the Government of the Republic of Moldova also issued an appeal to the international community asking for support in mitigating the consequences of the drought. In response to the Prime Minister's request to the United Nations Secretary General, initial assistance was provided by FAO/WFP experts in assessing the impact of the drought and in identifying the needs for immediate help. Following the appeal several donors have already expressed their willingness to provide direct budget support or assistance in other forms². In the same vein, the United Nations Development Programme (UNDP), through its Bureau for Crisis Prevention and Recovery (BCPR), has thus far allocated US\$100,000 to support relief and poverty-reduction activities.

² Summary of the donor contributions / pledges in Annex 1

II. PROJECT DELIVERABLES (OUTLINE)

Through this project, UNDP and FAO are joining forces to respond to the priority needs of the Moldovan people to mitigate the negative impact of the drought through a number of specific outputs, as follows:

1. Technical expertise, management and coordination assistance

Through FAO, International expertise will be made available in-country to the designated central and local public administration institutions (i.e. State Agency for Material Reserves, Procurement and Humanitarian Aid, Ministry of Agriculture and Food Industry, local administrations). This international technical expertise will cover agriculture including seed and livestock, logistics support, impact assessments. Similarly, FAO will field a project manager/coordinator for the programme who will plan and implement the rehabilitation assistance of agriculture related projects, strengthen disaster management capacities for the agricultural related sectors as well as promote cooperation and coordination in order to enhance effective response to natural disasters. The FAO headquarters in Rome will ensure overall technical guidance, including clearance of the requisite technical specifications. FAO expertise and criteria will be used for targeting and beneficiary selection purposes. At the same time, the experts will assist in identifying the best suited distribution mechanisms to deliver inputs to the farmers in the most efficient and timely manner. Beneficiaries' assessments will be conducted after the distribution operations to get the feedback of beneficiaries on the intervention. A household food security assessment (including livestock) will be undertaken through a general survey to better understand the food security mechanisms at the household level and as a consequence to design the response with the most suitable activities in a timely manner.

UNDP will manage and coordinate all project activities, as well as ensure adequate oversight and linkages with other donors and government efforts. *Inter alia*, UNDP will ensure:

- appropriate measurement and assessment of programme performance;
- quality in project activities and best possible benefit for beneficiaries;
- accountability in the use of donors' resources through appropriate assurance activities and audits;
- transparency in programme activities, finances, and results to all stakeholders;
- that the project provides a mechanism of ensure learning for purposes of improving ongoing implementation and guiding new initiatives; and
- involvement of local public authorities (LPAs), civil society actors and media in all relevant elements of the project.

Finally, regular briefing and information-sharing meetings will continue to be organized by the Office of the UN Resident Coordinator.

2. Emergency procurement of winter wheat seed, and animal feed

The consequences of the drought on the livelihoods and food security of people in Moldova are:

- Loss of livelihoods in the form of reduced production of cash crops, reduced farm employment (agricultural related), loss of income from livestock production and loss of land lease contracted to cooperative farms;
- Distress sale of livestock for lack of feed, with severe household food insecurity consequences in the years to come;
- Critical shortage of early generation of seed required to ensure the continuous operation of

the seed delivery system and immediate crop production for food security.

The reduced yields in fall and spring crops as a result of the drought have affected farming on a larger scale, and drastically reduced the returns to land leased by the majority of small holders. The lack of pasture and fodder and the need to purchase increasingly expensive food has forced a large number of people to sell part of their livestock especially cattle. Sharply reduced yields in winter cereals and in summer crops have severe financial implications. Many of the small farmer associations and limited liability companies had borrowed from banks and from input suppliers to finance purchase of agricultural inputs, this will cause significant outstanding debts. Loans must be re-scheduled otherwise a failed cropping season may be followed by a delayed or sharply curtailed one.

As a quick response to the devastated farmers' livelihoods and food security, FAO identified two immediate relief interventions: **Winter wheat seed and animal feed** distribution to be carried out immediately respecting to the seasonal calendars:

A. Supply of winter wheat seeds and related emergency agricultural inputs to the most vulnerable farming households

Objective: To support wheat production of 20,500 farming households in the worst affected *rayons* in the winter planting season through the provision of seed and related inputs for 0.5ha cultivation per household. The intervention will be integrated into other rehabilitation-oriented actions to ensure a more stable agricultural base and mitigate future disasters.

A detailed analysis of the seed requirement was carried out by FAO along with an investigation into possible sources of locally available seed and a list of seed suppliers. Based on this analysis, the following considerations were taken:

- a) For winter wheat, the seed requirement will be procured locally through seed growers in Moldova.
- b) The seed producers/suppliers of locally available stock are under economic pressure to sell this stock as grain because of higher prices in the grain market (4.5 lei/kg as opposed to 2.5 lei/kg the same time over the last few years) caused by the shortage of grain. Therefore, the earlier the seeds are purchased from the seed growers the more likely that very valuable genetic materials will not be discarded as grain for monetary reasons;
- c) Timing of intervention is critical. For an effective response to the seed emergency, immediate action has to be taken as the seeding time for the winter crop is very close. Farmers need to have seed in hand for planting by latest 15 October;
- d) There is a need to use the emergency intervention as a building block for rehabilitation and use this opportunity to strengthen some elements within the NARs in order to make them more efficient and able to play a crucial role in any future intervention;
- e) To facilitate the envisaged intervention in Moldova, information and provision of other allied inputs – particularly fertilizer – which maximizes the genetic potential of seed, must be supplied to beneficiaries as farmers could not afford them.
- f) Also, fuel for the operation of land preparation and seed sowing machineries needs to be provided.

Required Inputs³:

<i>Item</i>	<i>Total quantity, metric tons</i>
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³ Please see Annex 2 and 3 for details

Winter wheat seed	2,050
Fertilizers (Ammonium nitrate)	1,230
Fuel for cultivation	164

Package per farming household for 0.5 ha of land per household:

<i>Item</i>	<i>Kg or liters</i>
Winter wheat seed	100
Fertilizers (Ammonium nitrate)	60
Fuel for cultivation	8

A beneficiaries' assessment will be conducted during the operation to measure the satisfaction of beneficiaries of the intervention (a definition of satisfaction should be discussed and agreed with beneficiaries beforehand; the assessment will include the offered technical support).

B. Supply of emergency animal feed to most vulnerable farmers

In Moldova, livestock is an essential source and a key component of household financial and food security, providing nutrition and income to the majority of rural households. It is estimated that more than 90% of the livestock is owned and managed in small numbers by rural families. Most of the households process dairy products at home for self-consumption and local markets. The main sources of livestock feed are grass, alfalfa, crop residues and feed concentrates. The latter is usually mixed with hay and dry alfalfa in winter.

The 2007 drought caused severe shortage of alfalfa, grass and hay as well as crop residues, while feed concentrates are prohibitively expensive and inaccessible to many households. The government estimates over 25% of livestock have been slaughtered in distress sales by households⁴. The drought has affected the family livestock: 1/3 to 1/2 of household cattle holdings have been sacrificed, depending on area. Meat production, as a result of distress selling has increased by more than 11,000 tonnes, which reflects the reductions in livestock numbers.

Since subsistence agriculture continues to be an important source of living for most of poor people from the rural area, it is obvious that these developments will primarily affect them. Lower or no returns to land, much less food from home garden production, loss of savings, food and income from liquidated family livestock, increased food expenditures, as well as higher prices for other basic requirements (energy, gas, heating, etc.) will have serious implications on the living standards of vulnerable people. In addition to the loss of a living asset, the sale of the last cow and sheep in a household means less dairy products available for consumption by children, nursing mothers and pregnant women. *As the primary and immediate objective of this programme is to prevent the most vulnerable rural families falling into a deeper food security crisis, with the associated implications, the analysis of gender related issues as mentioned would be better served by an independent and more focused programme addressing all aspects of potential inequalities.*

This project component will aim at providing 15,000 rural vulnerable households (approximately 60,000 people) with livestock fodder and feedstuff in the Southern and Transnistrian regions of the country. The vulnerability will be determined according to the criteria based on suggestions made

⁴ For national balance sheet purposes, the Mission assumes that reduction in livestock is on the order of 10 percent for agricultural enterprises and 28 percent for small farms and households.

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on the basis of the rapid field survey in July-Aug 2007. The following criteria are proposed to further narrow targeting⁵:

1. Farmers (rural families) owning 1 or maximum 2 cows;
2. Give priority to household with most children.
3. Give priority to household having the lowest ratio Area Cropped / Number of Cow(s); Number of cow(s) being 2 at maximum).

Re-stocking of livestock will have tremendous repercussions for many households and the livestock sector in Moldova as a whole. Experience shows that once de-stocking passes a critical level, it will take many years with tremendous costs to increase the stock at a reasonable level. This will have far reaching consequences for many households in years to come. Therefore, an urgent effort is necessary to prevent further de-stocking of highly productive livestock at the household level.

3. Emergency assistance to socially vulnerable groups

A critical shortage of food production and a lack of purchasing power to access food in the markets are expected to be one of the direct consequences of the drought, resulting in danger of malnutrition and even loss of life during winter. In this context, as per preliminary findings of the FAO/WFP assessment, measures are necessary to assure the **food security and access to basic services of socially vulnerable families and children** through food security and nutrition interventions (school meals if required, increased allowances or the establishment of a special time0-limited “vulnerability, poverty or heating“ allowances; imported fortified cereals (to avoid iron deficiency), etc. This increased monitoring of particularly vulnerable families and persons (including disabled, children and the elderly) in most affected communities and in residential institutions (orphanages, maternity wards, maternal centers and detention centers) will help mitigate the impact on the most vulnerable Moldovans.

A rapid assessment is being carried out by several agencies including the Ministries of Health, the Ministry of Social protection, Family and Children, the Ministry of Education, the National Bureau of Statistics with support from UNICEF (using UNICEF standard methodology). This rapid assessment will allow a better understanding of the impact of the drought on the most vulnerable Moldovan families. Similarly, this assessment will provide valuable information concerning drinking water, hygiene and sanitation, food security, nutrition, health, education (pre-school and primary schools), and child protection (to monitor eventual increases in placement of children in residential institutions and of child abandonment). As a result of this rapid assessment, a set of emergency interventions will be identified and the present project proposal will be updated to include the information on respective financial needs.

In the meantime, in preparation for the emergency interventions, urgent technical and logistical assistance will be provided to the social assistants network of the Ministry of Social Protection, Family and Children for the **identification of most vulnerable families** in each community of the districts and *primarias* (municipalities) most affected by the drought. Inspectors and supervisors of the Ministries of Education (regarding residential institutions) and Justice (regarding children and women in detention and under probation) will be provide the same support to increase the periodicity of their inspection visits to institutions and persons under their responsibility. Likewise, social assistants will be requested to increase house to house visits and attend monthly feedback/monitoring meetings at *rayonal* level.

⁵ Refer to Annex 4 for full details concerning the criteria for the selection of vulnerable households. The household food security assessment may reveal more precise information regarding the most vulnerable people.

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Give the crucial role the network of social assistants will play in the identification of beneficiaries and in the distribution of aid, the **close supervision and performance monitoring mechanisms of social assistants** by the Ministry of Social Protection must be rapidly upgraded. Logistical, technical and administrative support as well as training for the full chain of command and supervision of the network will be necessary.

In response to the request of the Government, the UN Population Fund (UNFPA), has offered humanitarian assistance in the amount of US \$70,000 to procure and distribute free of charge food packages to **pregnant women and mothers of newborns** (infants up to 6 months old) residing in regions extremely affected by drought. The food packages that will include flour, sugar, rice, yeast, oil and beans, will be distributed through the network of Reproductive Health Cabinets operating in the rural areas.

4. Aid Monitoring

An overall monitoring framework is to be designed to ensure effective multi-stakeholder (UNDP, FAO, Government, donors, civil society, community, donors) monitoring of activities supported through the project, through on-site monitoring, regular reporting, and financial expenditure tracking. The monitoring process is a mean to assess the performance of the randomly selected communities and households, the view of the beneficiaries as well as obtain data on the impact obtained due to the distributed inputs. Regarding relief interventions in agriculture, the following components (phases) will be included:

- After distribution, monitoring (by contracted implementing partner – a local NGO) with maximum possible coverage.
- After distribution, monitoring evaluation or cross-checking (by UNDP/FAO) in randomly selected localities.
- After winter, crop performance.

The first two phases will include gathering and analysis of data all stages of aid distribution process:

- identification of beneficiaries at the primary level;
- supply of aid to the rayon level;
- receiving of aid by the communities/local public authorities;
- distribution of aid to final beneficiaries; and
- use of aid for production purposes, when applicable.

5. Planning for medium and long-term assistance

While focusing on immediate short-term needs in September-December 2007, elaborate analysis and consistent action are required to ensure that negative effects of the possible droughts in the future can be managed pro-actively and effectively. Lessons learned from the monitoring exercises will be factored in the future potential follow up interventions. In this regard FAO is currently working on a proposal for an agricultural development strategy that would enable the national authorities to:

- Incorporate climate change and other agro-climatic considerations in agricultural development planning and support;
- Address soil degradation and other critical quality assurance issues on a systemic basis;
- Put in place a risk mitigation system for natural disasters such as hail, drought, flooding, frosts, etc.

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- Resolve structural issues such as access to market, financial resources and farmer back-up schemes.

III. MANAGEMENT ARRANGEMENTS

It is suggested that the Ministry of Economy and Commerce, as the UNDP National Coordinator, designate the Ministry of Agriculture and Food Industry as National Implementing Agency; the latter will appoint a National Project Director to oversee the project on a day-to-day basis.

A Project Board is to be established for the purpose of oversight of the programme activities, which will minimally be comprised Ministry of Economy and Trade, UNDP/FAO, Ministry of Agriculture and Food Industry, State Agency for Procurement, Humanitarian Aid and Supplies, participating donors, and representatives of civil society (to be determined). The Project Board is responsible for making executive management decisions for the project when guidance is required by the Project Management Team. The Project Board approves of work plans and project revisions. The Project Board provides strategic policy guidance and advice to ensure the relevance of the project to Government recovery priorities and to oversee and monitor project directions, results and lessons learned.

The National Project Director in coordination with UNDP / FAO will oversee the work of the Project Manager who will be responsible for the effective implementation of the project and management of project inputs; the Project Manager will regularly report to the project Board. A Project Management Team comprising the requisite administrative backstopping and lead technical consultants will be established and co-located in Government premises, preferably within the Ministry of Agriculture and Food Industry.

UNDP will designate a programme officer to serve the function of Project Assurance, namely, to perform day-to-day oversight and monitoring activities, as well as ensure that project management milestones are managed and completed as planned in the project document.

Delivery of the various activities of this project will be undertaken through partnerships with local and national authorities, national NGOs, civil society groups, the private sector (if relevant), and international NGOs. In making decisions about what implementation approach or partner to use, priority will be given to prospects for efficiency and effectiveness in delivery. Wherever possible, local and provincial capacities will be directly engaged.

IV. IMPLEMENTATION ARRANGEMENTS

The project will combine both reliance on national systems as well as UN expertise for the management of technical and financial resources. This approach will allow to work within, support and build capacity of national counterparts while providing the requisite controls and ensuring qualitative delivery of aid through international monitoring, as requested by contributing donors.

Procurement

Two separate procurement methods will be followed for the purchase of emergency agricultural supplies, namely:

- a) Procurement of winter wheat seeds, fertilizers and fuel: Solicitation process and funds will be committed by the Government and UNDP will pay directly to suppliers. This is in line with the new UN Harmonized Approach to Cash Transfers (HACT)⁶, direct payment modality.
- b) Procurement of livestock fodder and feedstuff as well as contracting of technical assistance: All procurement activities will be based on standard UNDP rules and procedures.

a) Procurement of winter wheat seeds, fertilizers and fuel

The solicitation process, bids evaluation and suppliers' selection will be undertaken by the Ministry of Agriculture and Food Industry in cooperation with the State Agency according to national public acquisition rules, with supervision by project consultants. These consultants will assist as necessary and ensure quality control in developing technical specifications, tender documents, solicitation processes and purchasing/contracting. This approach allows for using national procurement systems while ensuring that procurement activities are undertaken in conformity with the requisite transparency and expediency, as per contributing donors' express requirement.

The technical specifications for agricultural supplies are jointly prepared by FAO and the MAFI. An open public tender will be floated by no later than September 25, 2007 by the MAFI upon validation by the State Agency. The deadline for submission of bids will be set for September 28 and on September 29th bids will be opened, evaluated and winners selected. Winning bids will be selected based on lowest price and upon compliance with all technical and tender specification, including delivery timeframes. UNDP will co-sign the contracts as paying agent ("platitor") based on the results of the MAFI/State Agency managed competition, and will pay suppliers directly.

Suppliers will be required to package and deliver supplies at rayon level.

b) Procurement of livestock fodder and feedstuff as well as technical assistance

All procurement processes under this activity will be undertaken based on standard UNDP procurement rules and procedures, as set forth in the UNDP Contract, Asset and Procurement Management User Guide⁷.

Selection of beneficiaries

Beneficiary identification and distribution criteria will be based on the FAO/MAFI developed procedure. Special commissions have been created at the community level with the purpose to identify the beneficiaries of both farmers' support and humanitarian aid. These will include the community (village) counsellors, the mayor, the social assistant and representatives of local NGOs,

⁶ HACT follows the commitment made at the Paris Declaration on Aid Effectiveness by signatories to rely on national systems.

⁷ <http://content.undp.org/go/userguide/cap/;jsessionid=aNTJXPrhbTtf?lang=en#top>

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if present. The commissions will be provided with general criteria to be used for the identification of beneficiaries, which entail the following:

- For winter wheat seeds, criteria will include: (i) the drought impact level, (ii) the social condition of the beneficiaries (prioritize young families with two and more children under 15; who are cultivating their own land, young families with at list one child and one dependant pensioner), and (iii) their ability to cultivate winter crops.
- For livestock fodder, criteria will include: (i) the drought impact level, (ii) farmers owning 1 or maximum 2 cows, (iii) the social condition of the beneficiaries (prioritize households with most children, young families with two and more children under 15 who have at list one cow), and (iv) prioritize households having the lowest ratio Area Cropped / Number of Cow(s); Number of cow(s) being 2 at maximum.
- For emergency social assistance to women and children, beneficiary selection criteria will be based on the rapid assessment being undertaken by UNICEF.
- For small-scale labour-intensive public works, the selection criteria will be based on the rapid household food security to be undertaken.

The lists of beneficiaries will be agreed by the commissions and sent to the rayon level commission for approval.

Distribution

For winter wheat seeds and related emergency agricultural supplies, suppliers will deliver the seeds and other supplies to the *rayons* where these will be stored at the premises of the territorial commissions for humanitarian aid, to be subsequently transported to communities. The Mayors office will be responsible to organise the delivery of seeds from the *rayons* to the community level. The community commissions will be responsible to deliver the seeds to the beneficiaries. An independent national NGO (group of NGOs) will be contracted to support and monitor the whole distribution system.

For livestock fodder, suppliers will deliver the fodder and other supplies to the *rayons* where these will be stored at the premises of the territorial commissions for humanitarian aid, to be subsequently transported to communities and beneficiaries. An NGO will be contracted to support the commissions to deliver fodder to beneficiaries.

V. RISKS AND ASSUMPTIONS

- Project document signed by the Government (YES)
- Government agree with the implementation arrangements and selection criteria of *rayons* and beneficiaries (YES)
- Transnistrian authorities allow implementation of project activities in the region of Transnistria (discussions are ongoing, positive indications)
- Limited availability of fodder in country or neighboring countries.
- International procurement to be undertaken on time.

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VI. TIMEFRAME

The initial project duration is estimated at six months, covering the period September 2007 – February 2008.

See Annex 5 (Excel file)

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VII. RESULTS & RESOURCES FRAMEWORK

VII. PROGRAMME RESULTS AND RESOURCES FRAMEWORK

Intended United Nations Development Assistance Framework for Moldova Outcome:				
<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 LPA and partners.</i>				
2007-2011 UNDP Moldova Country Programme Outcomes:				
<i>There is improved readiness to prevent and mitigate natural and man-made disasters and crisis</i>				
Outcome indicators as stated in the Country Programme Results and Resources Framework, including baseline and targets.				
Applicable MYFF Service Line: Improved readiness to prevent and mitigate natural and man-made disasters and crises (CPOutcome, CPAP 2007-2011)				
Partnership Strategy				
The project will be managed by the United Nations Development Programme in partnership with the Food and Agriculture Organization, UN Population Fund, United Nations Children Fund, other UN agencies and the Government of the Republic of Moldova, as well as non-governmental organizations and local public authorities.				
Project title and ID (ATLAS Award ID): Relief and Technical Assistance Response to the Drought in Moldova (Drought Response) (Award ID: 00048036; Project ID: 00058015)				
Intended Outputs	Output Targets for (years)	Indicative Activities	Responsible parties	Inputs
1. The most vulnerable farming households are provided with seeds and fodder and social vulnerable groups with emergency assistance.	2007	Activity: 1.1. Technical expertise, management and coordination assistance. Actions: 1.1.1. <i>Provide international expertise in the seed and fodder distribution operation</i> 1.1.2. <i>Provide international expertise in technical specification of inputs, best sources of supply, technical advice to farmers on best practices.</i> 1.1.3. <i>Provide international expertise for impact assessments.</i>	MAFI FAO PSC PIU	International consultancy Mission costs \$342,400
		Activity: 1.2. Emergency procurement of seeds and fodder. Actions: 1.2.1. <i>Procurement and distribution of winter seeds, fertilizers and fuel;</i> 1.2.2. <i>Procurement and distribution (transportation) of fodder and feedstuff;</i> 1.2.3. <i>Procurement and distribution of spring seeds, fertilizers and fuel.</i>	MAFI AMRPAHE UNDP LPA PSC PIU	Winter seeds, fertilizers Fodder and feedstuff Spring seeds, fertilizers and fuel \$9,831,214.56
	2008	Activity: 1.3. Emergency procurement of agricultural supplies. Actions: 1.3.1. <i>Procurement winter seeds, fertilizers and fuel</i> 1.3.2. <i>Technical expertise and agricultural best practices</i>	MAFI AMRPAHE UNDP LPA PSC PIU	Seeds, fuel Local consultants \$144,092.55
		Activity: 1.4. Emergency assistance to socially vulnerable groups.	MLPA MSPFC UNFPA	International consultants Mission costs Local consultants

<p>Vulnerable farming householders provided with fodder</p> <p>Pregnant women provided with food packages</p> <p>Labour Intensive Public Works implemented in 20 selected villages</p> <p>Strategy for medium and long-term assistance elaborated.</p>	<p>Actions:</p> <p>1.4.1. <i>Rapid assessment on emergency needs in Transnistria region, identification of beneficiaries;</i></p> <p>1.4.2. <i>Rapid assessment (quantitative/qualitative) of impact of the drought on socially vulnerable groups (children, children in institutions, women, invalids)</i></p> <p>1.4.3. <i>Support for pregnant women and nursing mothers</i></p> <p>1.4.4. <i>Public Works Programmes in affected rural areas</i></p>	<p>UNICEF UNDP WFP LPA PSC PIU</p>	<p>Grants Food Packages</p> <p>\$712,969.20</p>
	<p>Activity:</p> <p>1.5. Aid Monitoring.</p> <p>Actions:</p> <p>1.5.1. <i>Monitoring of seeds, fertilizers and seeds distribution/fodder and feedstuff distribution;</i></p> <p>1.5.2. <i>Monitoring of fodder and feedstuff distribution</i></p>	<p>MAFI MEC UNDP NGOs PSC</p>	<p>Local consultants Meeting costs Transportation costs</p> <p>\$219,473.15</p>
	<p>Activity:</p> <p>1.6. Planning for medium and long-term assistance.</p> <p>Actions:</p> <p>1.6.1. <i>Support to MAFI and LPA to improve the Information System and Early Warnings;</i></p> <p>1.6.2. <i>Support the Government in Disaster Risk Management;</i></p>	<p>MAFI FAO UNDP PSC PIU</p>	<p>International consultants Mission costs Local consultants Meeting costs</p> <p>\$25,500</p>
<p>Target 2006:</p> <p>Project team formed and fully operational.</p> <p>Overall targets:</p> <p>1. Ensure at least 90% delivery rate;</p> <p>2. Timely implementation of planned activities;</p> <p>3. Timely development and submission of work plans and progress reports;</p> <p>4. Compliance with UNDP rules and regulations.</p>	<p>Activity:</p> <p>1.7. Project efficient management and communication.</p> <p>Actions:</p> <p>5.1. <i>Recruit project staff</i></p> <p>5.2. <i>Rent and equip the office</i></p> <p>5.3. <i>Launch the project</i></p> <p>5.4. <i>Implement projects activities</i></p> <p>5.5. <i>Annual monitoring and external evaluation by the end of the project period</i></p>	<p>PSC PIU</p>	<p>Local consultants Meeting costs Transportation costs Equipment</p> <p>\$72,169.60</p>
		<p>TOTAL</p>	<p>\$11,347,819.59</p>

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Annex 1

DONORS' ASSISTANCE TRACKING TABLE – DROUGHT RESPONSE As of 10 October 2007

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Annex 2

Details on Input Packages

The table below shows input packages that need to be provided to target beneficiaries to enable them to plant 0.5 hectare of winter wheat and 0.5 hectare of winter barley.

Technical and other specifications are presented in Annex 3.

1. Package A. Assistance for Winter Wheat Production per 0.5 Hectare

Input Package	Unit	Unit Cost (US\$)	Quantity	Total US\$
Commercial Seed	Kg	0.5	100	50
Fertilizer (Ammonium Nitrate)	Kg	0.25	60	15
Fuel (for farm machinery)	Litre	0.8	8	6
Subtotal				71

2. Package B. Assistance for winter barley production per 0.5 hectare

Input Package	Unit	Unit Cost (US\$)	Quantity	Total US\$
Commercial Seed	Kg	0.45	90	41
Fertilizer (Ammonium Nitrate)	Kg	0.25	50	13
Fuel (for farm machinery)	Litre	0.8	8	6
Subtotal				59

The above table is the basis for calculating project costs, which is presented in Table 2 below. Cost estimation assumes targeting 40,000 winter wheat growing farmers and some 50,000 winter barley growers. When implemented a total of 20,000 hectares of wheat (9% of total planted area) and 25,000 hectares of barley (32% of total planted area) would have been planted.

Annex 3

Assumptions and calculations of individual wheat and barley seed packages together with technical specification of seeds

WINTER WHEAT SEED DISTRIBUTION

US\$2 856 000 to purchase winter wheat seeds, fertilizer (NH₄NO₃) and fuel for cultivation of 20 000 ha:

- Winter wheat seed (I and II multiplication) – 4 000 ton @ \$US 500 = **\$US 2 000 000** (seed varieties : CUIALNIK, DUMBRAVITA, ODESKAIA 267, CAPRIANA)
- Ammonium nitrate Fertilizers – 2 400 ton @ \$US 250 = **\$US 600 000** (spreading norm per hectare is about 120 kg/ha and market price per metric tone is about US \$ 250)
- Fuel for cultivation – 320 ton @ \$US 800 = **\$US 256 000** (spreading norm per hectare is about 16 liter/ha and market price per metric tone is about US \$ 800)

Winter wheat sowing rate is about 200 kg/hectare and current prices are about US\$ 500 per ton and fertilizer average rate per hectare is about 120 kg and price per metric ton is about US\$ 250. Fuel average quantity for cultivation of 1 hectare is about 16 liter and the price is about US\$ 800 per ton.

The total input of the project:

Winter wheat Seed – 4 000 ton,
Ammonium nitrate Fertilizers – 2 400 ton,
Fuel for cultivation – 320 ton

The following Distribution Package will be prepared for the distribution of the 40 000 families in drought affected regions of Moldova:

100 KG - Winter wheat seed,
60 KG - fertilizer
8Liter - fuel for seedling and cultivation

Distribution Package cost per beneficiary is about \$US 71.5 dollar

Input cost per hectare is about US\$ 142.8 dollar

Technical specifications for winter wheat seed

- Packed in standard plastic or jute Bags of 50 Kg net,
 - Varietals purity: 98% minimum
 - Species purity: 2% maximum of other cereal species with similar seed size
 - Analytical purity: 98% minimum
 - Germination: 90% minimum
 - Moisture: 13% maximum
 - Maximum inert matter 2%
 - Free from damage/living insects and manifest fungi infestation
 - Phytosanitary certificate required.
 - Seeds quality: first and second multiplication
- * Suppliers should provide full technical specifications of the varieties proposed.

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Recommended variety which are approved and registered in a national seed register are: ALUNIS, COLUMNNA, DUMBRAVITA, CAPRIANA, ODESKAIA 267 (weight of seeds will be about 38-50 gram per 1000 items)

Delivery deadline: 10 October 2007. Suppliers should indicate for each variety the maximum amount they have available, which they can offer under the same conditions (price and time of delivery). Place of delivery: Central warehouse of the Central and Southern Moldova (the exact address of the region distribution centre will be determined, transport by road).

FODDER CEREAL (WINTER BARLEY) SEED DISTRIBUTION

US\$2 970 000 to purchase winter wheat seeds, fertilizer (NH₄NO₃) and fuel for cultivation of 20 000 ha

- Winter Barley Seed – 4 500 ton @ \$US 450 = **\$US 2 025 000** (Osnova, Tigina)
- Ammonium nitrate Fertilizers – 2 500 ton @ \$US 250 = **\$US 625 000**
- Fuel for cultivation – 400 ton @ \$US 800 = **\$US 320 000**

Winter barley sowing rate is about 180 kg/hectare and current market prices are about US\$ 450 per ton and fertilizer average rate per hectare is about 100 kg and market price per metric ton is about US\$ 250 and fuel average quantity for cultivation of 1 hectare is about 16 liter and the price is about US\$ 800 per ton.

The total input of the project:

Winter Barley Seed – 4 500 ton,
Fertilizers NH₄NO₃ – 2 500 ton,
Fuel for cultivation – 400 ton

The following Distribution Package will be prepared for the distribution of the 50 000 families in drought affected regions of Moldova:

90 KG - winter barley seed,
50 KG - fertilizer
8Liter - fuel for seedling and cultivation

Distribution Package cost per beneficiary is about \$US 59 dollar

Input cost per hectare is about \$US 119 dollar

The FAO contribution also includes costs of general and direct operating costs.

Technical Specification of Winter Barley seeds

- Pack ed in standard plastic or jute Bags of 50 Kg net
- Varietals purity: 95% minimum
- Species purity: 2% maximum of other cereal species with similar seed size
- Analytical purity: 96% minimum
- Germination: 90% minimum
- Moisture: 14% maximum
- Maximum inert matter 2,5%
- Free from damage/living insects and manifest fungi infestation
- Phytosanitary certificate required.

*Suppliers should provide full technical specifications of the varieties proposed.

Recommended variety which are approved and registered in a national seed register are: Osnova, Tigina (weight of seeds will be about 40-53 gram per 1000 items)

Technical specifications for fertilizers and availability of seeds from local producers are being provided under separate cover.

WINTER CEREALS ELITE AND SUPER-ELITE SEED MULTIPLICATION
(WINTER WHEAT AND WINTER BARLEY)

US\$2 001 720 to purchase winter wheat seeds, fertilizer (NH₄NO₃) and fuel for cultivation of 6000 ha of winter wheat and 1400 ha of winter barley superelite and elite seeds.

- Winter Wheat Seed – 1200 ton @ \$US 1200 = **\$US 1 440 000** (Capriana, Dumbravica, Alunisht, Kolomna)
- Winter Barley Seed – 252 ton @ \$US 1000 = **\$US 252 000** (Mugurel, Pigina)
- Ammonium nitrate Fertilizers – 860 ton @ \$US 250 = **\$US 215 000**
- Fuel for cultivation – 118.4 ton @ \$US 800 = **\$US 94 720**

Winter wheat elite seeds sowing rate is about 200 kg/ha and market prices are about US\$ 1200 per ton. Winter barley sowing rate is about 180 kg/hectare and current market prices are about US\$ 1000 per ton. Fertilizers NH₄NO₃ needs for winter wheat seed multiplication in 6 000 hectares is about 720 ton with average spreading rate per hectare of 120 kg and market price per metric ton is about US\$ 250. The NH₄NO₃ fertilizer requirement for winter barley seed multiplication in 1 400 hectares is about 140 ton with average spreading rate per hectare of 100 kg and market price per metric ton is about US\$ 250. Total fuel quantity for cultivation of 7 400 hectares of winter wheat and barley seed multiplication is about 118.4 ton with the 16 liter average usage per hectare and the market price is about US\$ 800 per ton.

The total input of the project:

Winter Wheat Seed – 1200 ton,
Winter Barley Seed – 252 ton,
Fertilizers NH₄NO₃ – 860 ton,
Fuel for cultivation – 118.4 ton

These Distribution Package will be prepared for the distribution to the professional farmers associations and selection stations with the condition that in 2008 cropping season they will provide to the drought affected farmers 60% of their expect 21 000 tons yields or 12 600 tons first category of winter wheat and 2 520 tons of winter barley seed out of expected 4200 tons. These quantities will be distributed to the 126 000 farmers who were caused by 2007 drought and loosed their living assets such as winter wheat and livestock and are going to rehabilitate fodder shortage for animal breeding and winter wheat multiplication. The farmer's distribution package will include:

100 KG – winter wheat seed
33 KG - winter barley seed

The farmers benefit from this project is that by the provision of the first category of the first category of winter cereal seeds that will be provided by the primer beneficiaries of the project each of them can produced in 2009 about 1500 kilo winter wheat that will used for home consumption – about 500 kilo, for next year seedling – about 200 kilo to planting one hectare area and 800 kilo of the rest amount will be sold to have a cash income. And about 550 kilo produced winter barley can be used for planting 0.5 hectare area – 90 kilo and the rest 460 kilo for animal feeding.

With those amount of seed distribution the main output of the project will be visible in 2009 and it will cover about 31.5 % of the 400 000 most affected small farmers by 2007 drought.

Annex 4

Criteria for selection of vulnerable households

Criteria	Car	House	Permanent work	Pension	Commerce	Temporary job	Surface	Ship	Cow
Very poor	No	1. Old 2. Destruction degree 2 and above. 3. Adobe 4. Without own dwelling	No or 1 member has low-paid work (less than 100 MDL/month)	No or only for 1 member	Small commerce, low income	Yes, but low-paid	No more than 1.6 hectare	No more than 2	No more than 1
Poor	Old	1. Old. 2. Destruction degree 2 and above. 3. Adobe 4. Without own dwelling	1 or 2 members have low-paid work. (in sum no more than 500 MDL)	One member has	Small commerce, low income	Yes	no more than 5 hectare	No more than 2	No more than 1
Average	Old	1. Old. 2. Destruction degree 1, 2 3. Bricks or new adobe blocks 4. Own house	Yes (teacher, doctor, worker) (salary no more than 300 MDL/month)	One or two members have	Yes (Income less than 300 MDL.)	Yes or no	from 5 to 10 hectare	No more than 4	No more than 2
Above average	Car of 2000 production	1. Not old 2. Brick 3. Destruction degree 1	Yes (local administration or government employee)	Two people have or high pension	If yes than high-level income (no less than 300lai)	Yes or no	no more than 25 hectare	More than 4	More than two
Wealthy	New car	1. New 2. Brick	High-paid (local administration, government)	Yes or no	If yes than high-level income (no less than 1000 MDL)	Yes or no	more than 25 hectare	More than 10	More than three

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Annex 5

Timeframe, Budget and Funding Gap

(See enclosed Excel file)