

# Project Document

Country: Moldova

<b>Project Title</b>	<b>EU High Level Policy Advice Mission (EU HLPAM)</b>
<b>UNPF Outcome(s):</b>	<b>Increased transparency, accountability and efficiency of central and local public authorities</b>
<b>Expected CP Output</b>	<b>A modernized public administration system able to efficiently develop, implement and monitor policies and EU association agenda.</b>
<b>Project specific output</b>	<b>Government office and line ministries have enhanced capacities in the overall implementation of the Government Programme "European Integration: Freedom, Democracy, Welfare" 2009-2013, with particular focus on the EU integration agenda, economic recovery and reforms</b>

### Brief Description

The overall objective of the project is to provide high level policy advice to the Republic of Moldova in the overall implementation of the Government Programme "European Integration: Freedom, Democracy, Welfare" 2009-2013, with particular focus on the EU integration agenda, economic recovery and reforms. The support will be given through to the main institutions including the *Prime Minister's Office (Central Public Administration Reform and Communications)*, the *Ministries of Economy, Education, Justice, Interior, Transport, Environment and Agriculture*, as well as the *General Prosecutor's Office, State Tax Inspectorate, CCCEC, Bureau for Migration and Asylum and the Customs Service*. The project will employ a team of international high level experts in key areas to act as advisers to the Government office, line ministries and other institutions and support them in their efforts of designing, implementing and monitoring relevant policies and measures. The project's recommendations and advice will be transformed into policy actions by the Moldovan officials. These policy actions will generate scope of work for additional interventions in support of implementing reforms in Moldova, particularly when it comes to the negotiation and implementation of the new agreement between the EU and Moldova, capacity development and public administration reform, Confidence Building Measures and others. Specific projects deriving from the advisers' recommendations will be designed and proposed for implementation within the next EU-Moldova programming cycles.

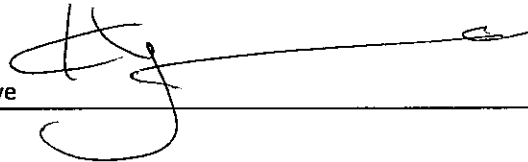
Programme Period:	<u>2012-2013</u>
Start date:	<u>01 April 2012</u>
End Date:	<u>30 September 2013</u>
PAC Meeting Date:	<u>January 2010</u>
Management Arrangements:	<u>NIM</u>
Award ID: 00059148	
Project ID: new project (previous phase 00073877)	

Total resources required	<u>USD 4,152,146</u>
Total funded budget:	
Incl. commitments	<u>USD 4,152,146</u>
• UNDP Regular	<u>USD 169,987</u>
• EU	<u>USD 3,982,159</u>
Unfunded budget:	<u>USD -</u>
In-kind Contributions	

Agreed by (Government of Moldova): Vladimir Filat, Prime Minister



Agreed by (UNDP): Kaarina Immonen, Resident Representative




## I. CONTEXT AND SITUATION ANALYSIS

In October 2009, Prime Minister Filat wrote to Commissioner Ferrero-Waldner requesting the Commission Services to provide high-level policy advisors to support the Government to design and implement its reform agenda. This request was well-received and on the 12th January 2010 a one year agreement was signed between the EU Delegation and the United Nations Development Programme (UNDP). The agreement entered into force on the 15th January 2010 and was designed to support the establishment of the European Union High Level Policy Advice Mission (EUHLPAM). The value of the initial contract was €1,630,907 (96.65% EU-funded and 3.35% UNDP own resources). The agreement was subsequently extended by a further 12 months and the budget increased to €3,415,049, although through good budget management the project continued without additional funding until March 2012.

In December 2011, the EUHLPAM comprised 15 international Advisors, supported by 9 national experts: a Communications Advisor, located in the Prime Minister Office; and advisors to the Ministries of Justice, Internal Affairs, Economy, Agriculture and Food Industry (2), Finance, Environment and Transport, and to the Heads of the Public Procurement Agency, Customs Service, the General Prosecutor's Office, the Bureau for Migration and Asylum, the Centre for Combating Economic Crimes and Corruption and the Tax Inspectorate.

The assistance under this first phase of the EUHLPAM mission was greatly appreciated by the Government and in August 2011, the Prime Minister requested of Commissioner Füle that the EUHLPAM's support be continued beyond the end of the present contract, ideally for a period of three years. Commissioner Füle agreed in principle but requested an independent evaluation of the work of the EUHLPAM prior to giving final consent to a continuation. The evaluation was conducted in September and October 2011 and was highly positive about the efficiency and effectiveness of the EUHLPAM's work. The evaluation report recommended that the EUHLPAM continue for an initial period of 18 months with a proviso that the agreement could be extended by an additional 18 months subject to a satisfactory interim evaluation.

The Evaluation Report confirmed the continued relevancy of the EUHLPAM and the strategic role that it plays in supporting the Government to implement its reform agenda and complete the Association Agreement negotiations.

The Government has also moved ahead rapidly with the negotiations of the EU-Moldova Association Agreement. The negotiations were launched on the 12th January 2010, practically coinciding with the start-up of the first phase of the EUHLPAM. The advisors have played a significant role in briefing their Ministers/Heads of Agencies on negotiating positions and in preparing background papers. Thus far broad agreement has been reached on Political Dialogue and Reform, Cooperation in the field of Foreign and Security Policy and Justice, Liberty and Security; good progress has been made with regard to the Preamble, the Objectives and General Principles as well as the Institutional and General Provisions of the Agreement. All five Chapters of the People to People Cooperation have been closed, as have 21 of the 24 Chapters linked to cooperation in the Economic Sector.

Progress has also been made with respect to the introduction of visa liberalisation: An Action Plan on visa liberalisation was adopted by the European Council and presented to the Moldovan Government in January 2011. The Moldovan Government has approved an internal agenda for the implementation of the Action Plan and has produced progress reports highlighting its achievements in adopting the benchmarks for Phase 1. The EC's first progress report of the implementation by the Republic of Moldova of the Action Plan on Visa Liberalisation was issued on the 16th September 2011. It assessed the Moldovan Government's performance in achieving the benchmarks of Phase 1 as good to very good. The Commission Services carried out two further assessment missions of the implementation of Phase 1 in October 2011 and a third between the 7th and 10th November 2011.

The work of the EUHLPAM has been instrumental in assisting the Government to achieve these targets. However, the process of developing appropriate policies, and supporting them with well-designed strategies and action plans, is ongoing. The Government is keen to retain the services of the advisors to ensure that this phase in the evolution of Governmental capacity is completed expeditiously. Moreover, there is an urgent need to move onto a second phase of the support: the development of policy management capacity within the line Ministries and State Agencies. In this context, the EUHLPAM is seen as providing a solid foundation upon which the assistance to be provided through the Comprehensive Institution Building Programme 2011-2013 can build and through which the impact of the support being given through Technical Assistance and Twinning projects might be magnified.

work will be debated and communicated through high-level events (Conferences, Round Tables etc.) with key beneficiaries.

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### III. PROJECT SUMMARY BUDGET

Estimated project budget for the two-year duration is USD 4,152,146 to be funded almost entirely by the European Union, and co-funded by UNDP (4.09 %).

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### IV. PROJECT COMPONENTS AND ACTIVITIES

#### Target group and beneficiaries:

The main beneficiaries of the project are the Prime Minister and the State Chancellery, represented by the Secretary General of the Government. The target group is the line Ministries, State Agencies and other public bodies involved in the implementation of the Government's reform agenda and the negotiation and implementation of the Association Agreement and visa liberalisation.

In this phase of implementation of this Agreement, the assistance will be provided to the following institutions: Prime Minister's Office (Central Public Administration Reform and Communications), the Ministries of Economy, Education, Justice, Interior, Transport, Environment and Agriculture (2 posts), as well as the General Prosecutor's Office, State Tax Inspectorate, CCCEC, Bureau for Migration and Asylum and the Customs Service.

It is also understood that support to the General Prosecutor's Office and CCCEC may be discontinued in January 2013 and to the State Tax Inspectorate in March 2013, subject to the needs assessment and review to be performed in the last quarter of 2012. In case of their discontinuation, the replacement with other areas of intervention shall be subject to the beneficiary's needs and availability of funding.

The indirect beneficiaries of the project are civil society organisation and the Moldovan business community.

During the course of implementation, it is anticipated that the work of some of the advisors will be completed and their role phased out. The Government / UNDP may appoint replacement advisors to different institutions, subject to written approval in the form of an Administrative Order from the EU Delegation, with the proviso that the total number of international advisors engaged at any one time does not exceed 15 and the total number of national advisors engaged at any time does not exceed 9.

#### Key Activities

The Mission will provide advice in the implementation of the objectives set forth above, more specifically in the fields of:

- 1. Support to the implementation of the Government's reform agenda** – the Government Activity Programme 2011-2014 and the National Development Strategy Moldova 2020, notably with respect to public administration reform and decentralisation, the development of a modern public finance management and revenue collection system, the introduction of structural and regulatory reforms to stimulate environmentally sustainable economic recovery and growth, and modernisation of the social and technical infrastructure
- 2. Support to the negotiation and implementation of the Association Agreement / DCFTA** and the implementation of the visa liberalisation action plan – policy advice will be provided to strategic institutions directly and indirectly involved in the negotiation processes to strengthen their capacity to prepare coherent and fact-based negotiating positions, and to ensure the timely, efficient and effective implementation of the agreements through the adoption of the necessary policies, elaboration of strategic planning documents and the harmonisation of legislation and regulations
- 3. Strategic guidance on human rights, democratization and good governance:** policy advice will be provided to assist the Government, the Parliament and the Ombudsman to meet the Copenhagen criteria of a well-functioning democracy and the Rule of Law

## Other meetings

- Each month the Project Administrator will meet jointly with the Project Manager within the EU Delegation and the State Chancellery to discuss project management and coordination issues.
- The EU Delegation has the right to invite the EUHLPAM advisors to discuss project progress
- The Moldovan Government has the right to request that the work of EUHLPAM be presented to and discussed with other high-level bodies. In such circumstances, the EUHLPAM will be represented by the Project Administrator and/or the individual advisor and/or the entire mission team.

## Project Administration

Responsibility for the day-to-day co-ordination of the advisors' work, management of the activities, delivery of inputs and outputs for the project, provision of technical and financial reports on the work of the EUHLPAM, rests with the Project Coordinator/Administrator. This includes the management and supervision of the activities of the backstopping staff. The Project Administrator will be supported by a Project Associate. Support staff will be hired to ensure adequate administrative, secretarial, IT, logistical and interpreting support, or other services (drivers etc.) within the limits of the available budget.

## Co-operation with the Counterparts

The key experts, whenever possible should be directly located in the counterpart institutions, and should be to the extent possible fully integrated into their structures. For the experts to be able to provide effective advice, the counterpart institutions should put at their disposal the necessary information and appropriate office space with appropriate working conditions. It is expected that at least weekly coordination meetings will be held between the key advisers and their counterparts to discuss progress and to identify and solve problems

**Project Assurance** is a key element of the PRINCE2 project management method, upon which the Project Management Arrangements are based. 'Assurance' is essentially an independent audit function, whereby the Project Board is able to monitor progress against agreed work plans. On behalf of UNDP, the function is delegated to a UNDP Portfolio Manager.

## Duration

The implementation period will be 18 months, with an inception phase of 1 month. During the Inception Phase, the EUHLPAM advisors will carry out a detailed needs analysis with their respective counterparts and will jointly prepare comprehensive Work Plans, including clear input and output schedules and indicators of achievement. At the request of the Government, the extension of up to 36 months remains a possibility, subject to conditions outlined in the Evaluation section on page 10.

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## VI. MONITORING FRAMEWORK AND EVALUATION

The UNDP will carry out regular internal monitoring of project performance in accordance with its own methodology. Quality assurance of project implementation will be the responsibility of the Country Office (Office (Moldova) and the UNDP Regional Centre (Bratislava). The EU Project Manager will be provided with a copy of the proposed monitoring schedule and methodology at the end of the Inception Phase and will receive a copy of all monitoring reports produced.

During the Inception Phase, the UNDP will adjust the overall project log frame appended as Annex 1 to this Description of the Action to include clearly defined outputs for each advisor and objectively verifiable indicators and sources of verification. The UNDP will also ensure that overall and individual work plans are prepared against which the efficiency of the assistance provided may be measured.

Furthermore, the ENPI Monitoring Team, in accordance with its Terms of Reference, will carry out periodic monitoring on behalf of the European Commission, represented by the EC Delegation to Moldova. In doing so, the Monitoring Team will ensure that missions are planned well ahead and procedural matters are agreed with UNDP and the State Chancellery in advance. The Monitoring Team will make a draft of its report available to the UNDP and the State Chancellery for comments prior to final issuance.

In carrying out monitoring activities, the following tools are used generally by UNDP:

## VII. RISK LOG AND MANAGEMENT

Risks have been identified as part of the formulation process and captured in the risk log below. The project Risk Log is maintained throughout the project implementation to capture potential risks to the project and associated measures to mitigate risk. The Project Administrator and Project Associate are the main role players who maintain and update the Risk Log, and ensure that risks are identified, communicated, and managed effectively.

**Risk Log**

Description of risk	Type and Category	Risk management actions
The work of the Government and Parliament continues to be disrupted by personal and political disputes	Political/ Medium	High level advisers are focused on key policies and strategies of national interest and will prioritize areas on European integration
Middle ranking officials are resistant to the proposed policy, institutional and operational changes	Political / low	UNDP will engage from the start in the acceptance by the Government of the project provisions. Also, the project will advocate constantly and raise awareness of leadership about the benefits of implementation of policy advise and recommendations
Weaknesses in the legislative process, compounded by inadequate co-ordination between the Government and the Parliament, inhibits the timely and efficient adoption of the policy, legislative, regulatory and institutional recommendations offered by the EUHLPAM	Operational / Medium	The Mission advisers are also engaged in provision of advice on internal communication and coordination to the state institutions. The project also offers good opportunities to all involved stakeholders for a better communication and coordination, including through national consultants hired under the project.
A lack of institutional, technical and human resource capacities and high staff turnover result in a failure to absorb the available assistance efficiently and effectively	Operational / Medium	Encourage staff to stay by providing an interesting environment with long term individual development plans, encourage government to budget for retention of core staff through non-election years, ensure more than one person knows each task and functional area, create good archive.

**IX. RESULTS AND RESOURCES FRAMEWORK**

**Logical Framework for the Mission**

Project Title: "EU High Level Policy Advice Mission"		Country:	Moldova
		Project Duration:	18 months
Intervention logic	Objectively Verifiable Indicator	Sources of Verification	Assumptions
<p><b>Wider objective</b></p> <p><i>To support the Government to implement its wider reform agenda, the Government Activity Programme 2011-2014 and the National Development Strategy Moldova 2020, and in particular to assist the Government to develop the capacities required for the preparation, negotiation and implementation of the Association Agreement, including the Deep and Comprehensive Free Trade Area, and visa liberalisation</i></p>	<p>Association Agreement is signed and implementation has begun</p> <p>Political decision to grant visa liberalisation is taken</p>	<p>Association Agreement and visa liberalisation approved by the Member States, European Council, the European Parliament, and the Moldovan Parliament</p> <p>Annual Reports of the European Commission</p>	<p><i>The European Union and the Government of the Republic of Moldova remain committed to the conclusion and implementation of an Association Agreement and the European Union continues to provide financial and technical support to achieve these goals</i></p>

	<p><i>Component 3</i></p> <p><i>Strategic guidance on human rights, democratization and good governance</i></p>	<p>The MIA and the Border Guard Services are demilitarised</p> <p>The CCECC and the Prosecutor General's Office are independent of political interference</p> <p>An intelligent policing system introduced</p> <p>Public confidence in the justice system increases</p> <p>Nº of convictions for corruption</p> <p>Nº of crimes solved and convictions obtained</p> <p>National and local elections conform to international stands</p> <p>Nº of laws / decisions adopted by Parliament is in accordance with annual work plan</p> <p>% reduction in illegal migration to Europe</p> <p>Nº of persons enjoying privilege of visa free travel</p> <p>PACE monitoring of the accession obligations to CoE closed</p> <p>Signature of DCFTA by EU and the Republic of Moldova</p> <p>Nº of regulations linked to DCFTA issues adopted and enforced</p> <p>Nº of strategic institutions restructured in conformity with EU requirements</p> <p>% increase in EU-Moldova trade measured in terms of volume and value</p> <p>Nº of Moldovan businesses entering EU markets</p>		<p><i>will provide adequately equipped and furnished office space for the advisors</i></p>
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- At least 15 years of relevant professional experience
- Specific professional experience:
- At least 5 years of professional experience linked to the provision of policy advice
- At least 5 years proven experience of working with the public administration in Moldova
- Proven knowledge of EU external assistance programmes and policies targeted at ENP countries
- Participation in at least 1 EU-funded project

Other international experts may be seconded to the EUHLPAM by EU Member States with the agreement of the EU Delegation, the State Chancellery and the UNDP. Any experts seconded by the Member States will be additional to the number of advisors to be financed through this agreement.

#### **Backstopping**

A sufficient number of staff will be hired to ensure adequate secretarial, IT, logistical and interpreting support, or other services. A backstopping team composed of the following persons is foreseen:

- Project Associate
- Pool of short term translators
- Driver/Clerk

The selection procedures for all advisory and backstopping staff shall be in line with UNDP's usual transparent procedures, including professional qualification, language skills and work experience. All local staff is to be independent and free from conflicts of interest. Civil servants and other staff of the public administration of the beneficiary country may not be considered for recruitment or recruited as project staff.