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Project Title: Curbing corruption by building sustainable integrity in the Republic of Moldova
Project Number: 00115715
Implementing Partner: National Anticorruption Centre
Start Date: January 2019 **End Date:** December 2021
PAC Meeting date: 14 January 2019

Brief Description

The project will contribute to achieving a sustainable integrity and anticorruption system in the Republic of Moldova through the strengthened capacities of the public and private sector entities and the civil society for the efficient application and monitoring of national integrity instruments and standards. The project will enhance capacities of the public and private sector actors, as well as of the Civil Society Organisations (CSOs) for the implementation of effective corruption prevention instruments and tools and will strengthen the anticorruption demand side through an increased public awareness on anticorruption and on the means to curb corruption. It will contribute to the progressive implementation of the Sustainable Development Goal 16 that calls for a substantial reduction of corruption and bribery in all their forms and for developing effective, accountable and transparent institutions at all levels. To be relevant to the national strategic priorities, the Project is framed around the National Integrity and Anticorruption Strategy (NIAS) 2017-2020 and responds to the needs of its various actors and stakeholders in addressing the challenges for the effective implementation of NIAS, such as (i) limited capacities of the Secretariat of the Strategy's pillar monitoring groups and reduced involvement of CSOs in the monitoring process; (ii) insufficient capacities within central and local public authorities to ensure the uniform compliance with anticorruption and integrity standards; (iii) lack of mechanisms for enforcing integrity standards in private sector; and (iv) weak anticorruption demand-side explained by the limited awareness of men and women on the available anticorruption tools to be used and on the means of protection in the event of denunciation of corruption.

Contributing Outcome (UNDAF/CPD, RPD or GPD): UNDAF **Outcome 1:** The people of Moldova, especially most vulnerable, demand and benefit from democratic, transparent and accountable governance, gender-sensitive, human rights- and evidence-based public policies, equitable services, and efficient, effective and responsive public institutions
 Indicative Output(s) with gender marker: **GEN 2**

Total resources required:	USD 2,000,000
	UNDP TRAC:
	Donor: USD 2,000,000
	Government:
	In-Kind: USD 100,000
Unfunded:	

Agreed by:

Implementing Partner National Anticorruption Center	UNDP
Bogdan Zumbreanu, Director	Dafina Gercheva, UNDP RR
Date:	Date: 21.01.19

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I. DEVELOPMENT CHALLENGE

Corruption undermines economic development, the rule of law and society's confidence in the political system and has a negative impact on the quality of people's life and the fulfilment of human rights. The 2030 Agenda has established anti-corruption as a global imperative on which hinges the achievement of all sustainable development goals. Goal 16 is rooted in human rights and highlights the importance of strengthening institutions and governance in our pledge to leave no one behind.¹ The 2030 Agenda for Sustainable Development provides us with a new opportunity to bring together anti-corruption with the development, peace and security agendas.

Although an important progress has been made to put in place efficient anticorruption policies and mechanisms in the Republic of Moldova in the recent years, such as the adoption of the Integrity Law (2017) and the Law on Institutional Integrity Assessment (2016); the package of laws on reforming the National Integrity Commission (2016); Law on the Asset Recovery Agency (2017); and the National Integrity and Anticorruption Strategy 2017-2020, the change in the real situation might become visible in years to come. The Government Program 2016 – 2018 sets fighting corruption as the top priority, focusing on fighting “big” and political corruption; misuse of foreign aid and illicit enrichment; ensuring confiscation of corruption-related gains and establishing a robust system of control of assets, personal interests and on strengthening integrity of public institutions. The next years will be critical to ensure effective implementation of these new legal and operational frameworks.

The continuous efforts of the public institutions and the specialized authorities, such as the National Anticorruption Centre, to curb corruption and diverse conditions that lead to its manifestation, have produced a several achievements based on innovative action, aimed at eliminating specific risks in the legal framework, in the activity of public authorities and civil servants, and in the private sector. The cooperation with development partners has aided in the modernization of integrity strengthening instruments. With the direct support of the Ministry of Foreign Affairs of Norway within the UNDP project “Strengthening Prevention and Analysis Functions of the National Anticorruption Center (NAC)”, a system for corruption proofing expertise was created, a national Criminal Assets Recovery Agency was established, an innovative National Integrity and Anticorruption Strategy aiming at effective policy implementation rather than on policy development was elaborated and approved, and the national capacities to prevent corruption and maintain a dialogue with civil society in addressing and managing corruption risks were improved.

However, corruption is still an important impediment for the democratic development of the country and men's and women's perceptions attest that the level of corruption is high in Moldova. A recent survey² reveals both the achieved progress and the challenges which need to be addressed: respondents give to corruption the 15th place among the most important problems facing their village/town, while at the same time, corruption receives the second place among the most important problems that Moldova is currently facing. In the same survey, the favourable opinion towards government has increased by 2% compared to 2017, similar results being registered by the health and educational systems, which can be also attributed to the initiation of the mechanism of developing sector-based anticorruption plans. The favourable opinion towards the Central Electoral Commission has increased by 9%, towards courts – by 4%, and towards Parliament – by 3%. Nonetheless, the average trust in public institutions and sectors does not exceed 40%, the most trusted being the local governments, which is little better than found by 2017 Study on setting the baseline for the National Integrity and Anticorruption Strategy 2017-2020, that concludes that the level of trust in public institutions does not exceed 35%.³ The 2017 Transparency International's Corruption Perception Index places the Republic of Moldova on the 122nd position among 180 countries, with a score of 31, a one-point improvement compared to 2016.⁴

¹ <https://sustainabledevelopment.un.org/sdg16>

² International Republican Institute, May – June 2018.

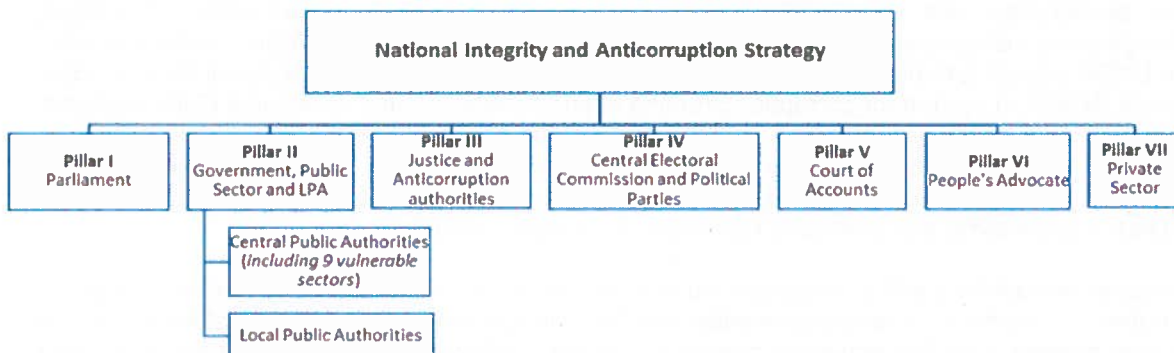
³ http://www.md.undp.org/content/moldova/en/home/library/effective_governance/studiu-de-evaluare-a-impactului-strategiei-naionale-de-integrita.html

⁴ <https://www.transparency.org/country/MDA>

EU repeatedly states that corruption remains a major problem potentially producing risks for the implementation of the Association Agreement (AA) which tied up the government of the Republic of Moldova to improve method to combat and prevent corruption. The latest EU's assessment underlines that "Corruption still remains widespread, and independence of justice, law enforcement as well as national anti-corruption authorities need substantial improvement",⁵ continuing that "...reforms in the justice sector and the fight against corruption have been started but, in some cases, not completed and/or not yet implemented".

In line with the focus on a practical and sustainable implementation, the National Integrity and Anticorruption Strategy (NIAS), developed through a participatory and inclusive process with the support of the Norway-funded UNDP project, sets a new paradigm for enforcing integrity and focusing on effectively curbing corruption. The main assumption is that enforcement of integrity standards in public and private sectors and effective corruption prevention mechanisms will result in a decrease of corruption and can be more effective and less costly than fighting corruption consequences. In line with the SDGs Complexity Mapping carried out by UNDP in Moldova, which has demonstrated that corruption prevention is one of 3 most important accelerators for the implementation of the Global Agenda 2030, the Strategy has a strong linkage with the Sustainable Development Goals and includes 6 targets of the SDG 16 within its objectives, such as *to substantially reduce corruption and bribery in all their forms; significantly reduce illicit financial flows, strengthen the recovery and return of stolen assets; and develop effective, accountable and transparent institutions at all levels.*

NIAS is based on an *innovative approach* in line with the internationally acknowledged concept of a national integrity system.⁶ This approach is built on the principle of ensuring accountability by key actors representing seven integrity pillars of the Strategy.



The Strategy aims at strengthening the integrity climate among civil servants at central, sectorial and local levels, focuses on the effective enforcement of the legal and institutional frameworks rather than on legislative modifications and institutional restructuring prioritized in the previous years, and for the first time seeks to promote integrity standards in the private sector. The Strategy is supported by a sound monitoring and reporting system that clearly defines the roles and responsibilities of the NIAS's Secretariat and Pillar Monitoring Groups, introduces the focal points in all public institutions and establishes clear reporting lines and the timeline.

The National Anticorruption Center that is responsible for the implementation of the effective corruption prevention strategies as set forth in the NIAS and beyond, requested UNDP to provide support that will contribute to addressing the above-listed challenges.

⁵ Association Implementation Report on Moldova. Joint Staff Working Document (5 Apr 2018). Pp.1-2, at https://cdn4-eeas.fpfis.tech.ec.europa.eu/cdn/farfuture/Bsw7b55h390fCujCmGRX1jA5BgDcARl6Z_E_fg86jZA/mtime:1522915732/sites/eeas/files/association_implementation_report_on_moldova.pdf

⁶ http://www.transparency.org/whatwedo/publication/moldova_national_integrity_system_assessment_2014

STRATEGY

The National Integrity and Anticorruption Strategy reflects the political will to address, prevent and curb corruption, as well as the understanding of the complexity of achieving the objective. It is in line with the National Priority as stated in the United Nations – Government of Moldova Development Assistance Framework: A strong State with *transparent, corruption-free and efficient institutions*, rule of law, people-oriented justice system, respect to the human rights and freedoms, and increased social cohesion that deliver to people's needs. The Strategy is a comprehensive and innovative document, and the Project will provide support to various institutional actors and stakeholders in addressing the following challenges for the effective implementation of the NIAS:

- **First**, for increased efficiency, there is a need to **strengthen the capacities of the Secretariat of the pillar monitoring groups**, as well as support and facilitate the involvement of CSOs in the monitoring process;
- **Second**, for a uniform compliance with anticorruption and integrity standards and regulations within central and local public authorities, as well as at the sectorial levels, a comprehensive capacity development aimed at **improving integrity knowledge and sector-relevant practices of the responsible authorities** is required;
- **Third**, for effective private sector engagement in promoting and implementing integrity standards, there is a need to facilitate a permanent dialogue with the **private sector representatives** and to offer expert advice on the mechanisms of enforcing integrity standards in private sector, considering its relative novelty for Moldova; and
- **Fourth**, for strengthening the **anticorruption demand-side** enhanced efforts aiming at men's and women's awareness raising on corruption issues, as well as civic education campaigns explaining the links between corruption and human rights (including economic, consumer, civil rights) and the confidence of being protected in the event of denunciation of corruption are necessary.

The intervention is in line with the United Nations – Government of the Republic of Moldova Development Assistance Framework for 2018-2022, objective: "The people of Moldova, in particular the most vulnerable, demand and benefit from democratic, transparent and accountable governance, gender-sensitive, human rights- and evidence-based public policies, equitable services, and efficient, effective and responsive public institutions". In this context, transparent and accountable governance means that public institutions adhere to integrity principles in all areas of their activity.

Enhanced transparency and digitalisation. Information and transparency are key tools in the fight against corruption that lead to openness and a level playing field for both governments and markets. The emergence of these tools has the potential to push forward the anti-corruption agenda through revolutionizing methods of corruption detection, prevention and analysis. Technology can be leveraged to help end corruption by allowing to see anomalies and other indications of possible bad conduct. The proliferation of technology (big data for capturing, data mining for detecting, mobile applications for increasing accessibility and forensic tools for reducing opportunities for corruption) has the potential to create unparalleled opportunities for transparency and anti-corruption.⁷

The project will continue support to the National Anticorruption Center in further developing and operationalisation of the innovative IT anti-corruption tools, such as a digitalised NIAS's reporting and monitoring system, a new module to the "e-Integrity Register" system that will support the implementation of the institutional integrity testing and a register of the institutional risk assessment. These are software that would allow cross-checks of data from various public and private institutions, help identify integrity gaps and non-compliance.

Innovative integrity incentive tools. To embed an incentive for the effective implementation of the integrity system, the Project will offer a methodology for conferring Integrity Awards to public institutions and private entities based on the Tool elaborated and applied in South Korea and will

⁷ 4 technologies helping us to fight corruption. World Economic Forum. <https://www.weforum.org/agenda/2016/04/4-technologies-helping-us-to-fight-corruption/>

assist in its replication in Moldova. Opposing to the traditional anti-corruption initiatives that often focus on identifying and prosecuting those involved in wrong practices, the Tool is based on the understanding that the integrity policies shift from a narrow focus on deterrence and enforcement towards promoting values-based decisions and provides the substantiated evidence for highlighting success stories to foster greater trust. This responds to the recently enforced anticorruption policies in the Republic of Moldova that represent a paradigm shift from corruption prevention to setting robust integrity systems and their effective implementation. The award would be conferred to the institutions that provide the evidence of the highest integrity commitment and accountability. Praising the champions would, on the other hand, put on spot, or “shame” the laggards and will stimulate institutions to perform better on promoting integrity.⁸ The Integrity Awards Too combines qualitative and quantitative assessment with a systematic scoring system through a regularized process, and serves to evaluate how participating organizations apply various institutional mechanisms to prevent corruption and to enhance integrity. The scoring system allows to rank the institutions on an annual basis and to publish the ranking. In this way, the Integrity Award becomes a motivational tool for the heads of public institutions to put in place and improve institutional measures for preventing corruption and ensuring integrity. In this way, a spotlight will be provided for examples of positive action and leadership that boost values and culture.

Corruption Risk Assessment. While integrity is more a choice and a behaviour, supporting ethical conducts without surrounding control safeguards is a challenge for any integrity system. Therefore, alongside with developing capacities for the implementation of the integrity standards and tools, the project will continue building capacities for applying the control safeguards, such as corruption risk assessment and corruption risk management, both as training on corruption risk assessment for civil servants and as expert support to implementing assessments in the most corrupted sectors, such as health, education, law enforcement, etc. Although, for example, in Health sector corruption risk assessment was performed in 2017 with the support from the Council of Europe, anti-corruption experts suggest that these exercises shall be repeated in a mid-term to assess the improvements achieved and to identify the persistent gaps that might require a different approach.

Innovation. Building on the experience accumulated through the previous anticorruption work (Hackathons resulting in the development of the innovative tools, for example www.openmoney.md allowing to follow the end beneficiaries of the public contracts), the project will continue strengthening innovative partnerships with emerging specific type civic-tech organizations which use technological expertise to facilitate interactions between citizens and government data and information systems. The initiatives to be supported might *inter alia* be based on the mobile technology and applications that could be utilized to harness data and gain faster insights. The mobile applications might serve for men and women empowerment to engage in anticorruption actions and ultimately to strengthen the anticorruption demand side. Examples of this include the creation of applications and websites to detect and deter corruption.

Evidence-based monitoring. Data collection for monitoring the NIAS's implementation and impact will be continued through the yearly public opinion survey implemented for the first time in 2017 based on a tailored methodology in order to establish the baseline for the set of the Strategy's targets. The results of the survey will be made public and will provide the alternative quality and representative data for assessing the yearly progress in the implementation of the NIAS.

Capacity Development. The approach to capacity development that will be used by the project is based on the methodological advice from [OECD's handbook on behavioural approaches in anti-corruption](#). It suggests that capacity building on anticorruption and integrity shall include sufficient information, training, guidance and timely advice for public officials to apply public integrity standards in the workplace. A particular attention will be paid to the interactive training that offers a unique opportunity to emphasise and reinforce shared values and can thus contribute to raising the moral reference point of participants. Interactive components of training with realistic situations are more likely to generate a personal mental commitment to integrity than mere presentations by training. In line with this, the design of training will be built on the **behavioural insights**. The Project will also support an innovative capacity development method – setting up an **Integrity Mentorship scheme**: a pool of Integrity Mentors (National Anticorruption Center staff) will be trained to serve as Mentors to particular sectors, offering advice and methodological support to institutions on challenges and

⁸ Introduction to Korea's Anti-Corruption Initiative Assessment. A Tool to Evaluate Anti-Corruption Efforts in the Public Sector in the Republic of Korea.

dilemmas encountered in the development and implementation of the integrity plans and periodically engaging with the staff of the institutions in integrity discussions.

Public awareness. In a thoroughly corrupt setting, even people who think corruption is morally wrong are likely to take part because they see no point in doing otherwise. The established in Moldova comprehensive integrity legal framework aims at such “rules in use”, and challenges corruption at its source. But, to provide a long-term cure to a disease that has afflicted the societal body for far too long,⁹ the project will apply **behavioral approaches** to impact the behavior of women and men in the public outreach and public awareness campaigns on anti-corruption and integrity, as well as in relation to the private sector engagement in strengthening the integrity and anticorruption systems.

Youth Engagement. Engaging youth is essential for success in curbing corruption, as youth represent a significant portion of the population and are generally more open to social change and political transformation, since they may have less interest in maintaining the status quo.¹⁰ Young people are an integral element for the success of a cultural change in attitudes and behavior towards corruption and in the shaping of the values of tomorrow, since they represent the future of their countries. In Moldova in 2018, according to the official data, persons of the age between 15-29 years old accounted for 766 214 (390 895 men and 375 319 women), or about 22% of the total population.¹¹ Involving, informing and educating young people about the benefits of integrity, transparency and good governance can make a significant difference in shaping of the future society. The project will replicate the best global practice on engaging youth into integrity and anticorruption work investing into the future generations that could bring the change in the societal culture. Among those are Integrity/Democracy Camps and Summer Schools that, based on interactive lessons and activities, role playing games and simulations, provide young people and young leaders with tools and incentives to become strong supporters of open and responsible governance; Integrity Clubs where participants are taught through debate about their rights, anticorruption policy and the way government should work, and are encouraged to come up with creative approaches to mobilize citizens, raise awareness about corruption and wrong-doings and hold leaders to account; or implementation of the awareness-raising campaigns and other activities (for example, when students take a pledge to “refuse to be corrupt”) targeting young people.

The Project will support the implementation of the NAC's innovative idea on mobilizing young anticorruption volunteers for enhancing civic engagement in corruption prevention and in the disclosure of illegal practices. The volunteers will be trained to efficiently convey the information about integrity principles and mechanisms to the population and mobilise their peers for similar activism.

Gender Equality. Irrespective of whether women are more or less corrupt than men, they experience corruption in different ways than men, due to power imbalances and to the difference in participation in public versus domestic life. The *Assessment of the impact of corruption on women's opportunities for jobs and career in the central public administration*¹² carried out in 2016 based on UNDP developed Methodology on addressing gender related corruption risks and vulnerabilities in civil service demonstrated that corruption manifestations, such as favoritism, cronyism, influence peddling are felt by women to a greater extent than by men. These, combined with the social barriers, family obligations, but also with the traditional gender roles' distribution, limit women's opportunities to strengthen their professional capacities and advance the career in central public administration. As women tend to have a weaker voice to demand accountability, they can also become easier targets for corruption as they are less aware of their rights and less likely to report

⁹ Four myths about corruption. World Economic Forum. <https://www.weforum.org/agenda/2017/12/four-myths-about-corruption/>

¹⁰ Best practices in engaging youth in the fight against corruption. <https://www.u4.no/publications/best-practices-in-engaging-youth-in-the-fight-against-corruption.pdf>

¹¹ http://statbank.statistica.md/pxweb/pxweb/ro/20%20Populatia%20si%20procese%20demografice/20%20Populatia%20si%20procese%20demografice_POP010/?rxid=2345d98a-890b-4459-bb1f-9b565f99b3b9

¹² <http://www.md.undp.org/content/moldova/en/home/presscenter/pressreleases/2016/04/28/corup-ia-influen-eaz-indirect-cre-terea-ncarier-a-femeilor-n-administra-ia-public-central-denot-un-studiu-pnud-.html>

abuse. Fighting corruption can improve women's opportunities and quality of life. In addition, as women play a key role in shaping the value system of any society and of future generations, in particular through raising their children, they have an important contribution to make in building sustainable integrity systems.

The Project will support a follow up on the set of 30 specific recommendations for gender-sensitive anticorruption interventions from the Report, including by collecting reliable gender disaggregated data, putting a strong focus on the gender aspect of integrity and on offering the opportunity to both women and men to report corruption and strengthening policy makers' capacities and awareness on the differential gender impact of corruption for designing targeted and gender responsive anticorruption policies.

Private sector. Corruption in the private sector takes many forms, among them bribery, undue influence, fraud, money laundering and collusion. Private sector corruption contributes to environmental damage, health and safety problems, economic instability and human rights violations by diverting scarce resources, both financial and human. Private sector corruption erodes confidence in public institutions and deprives citizens of capital needed for economic growth. Although the private sector bears the cost of the corrupted behaviour of public officials, established ties and agreed deals eliminate the competition in favour of those who pay. Therefore, not always the private sector actors are ready to change the *modus operandi* and exit the comfort zone, while to promote integrity, both the supply and the demand side of corruption should be tackled. Open contracting, enhanced transparency, integrity and monitoring mechanisms, as well as corporate integrity and incentives and deterrents for the private sector should be combined to reduce corruption.¹³

The project will support breaking the corruption chain by identifying integrity champions in the private sector, building capacities of business associations on setting the integrity standards in the private sector and for the implementation of particular actions designed for the private sector in the NIAS. The Sample Code of Ethics for small and medium enterprises developed through the previous project and adopted with the support of the joint EU/Council of Europe CLEP project¹⁴ contains a set of principles on conducting a fair, transparent and legal business activity, and sets up the ethical and behavioural rules for the company's shareholders, management and employees.¹⁵ The Code of Ethics will be further promoted with the aim to be largely applied by the private entities and their associations in close collaboration with the CLEP project. UNDP will also aim to adjust the Korea Integrity Award to the specifics of the private sector in Moldova and to pilot it with an objective to achieve scaling it up.

Coordination with other initiatives. There are a few initiatives supporting the Government of Moldova Anticorruption Agenda that also address the needs of the National Anticorruption Center, among other beneficiary institutions – the National Integrity Agency, the Criminal Asset Recovery Agency, the Anti-Money Laundering Office, the Anticorruption Prosecution Service, and the internal Anti-Corruption Units at the Ministry of Internal Affairs and the General Police Inspectorate. These initiatives are mostly addressing the corruption investigation and combatting, and money laundering.

UNDP Project will ensure the appropriate coordination with these initiatives to avoid possible overlapping and to seek synergies and joint implementation of relevant activities, as necessary. UNDP Project will also support the National Anticorruption Centre in initiating and facilitating regular Donors' meetings for information sharing and better coordination.

The assistance currently provided in the area of anticorruption by other actors is described below.

¹³ Tools to reduce private sector engagement in grand corruption during the award of public contracts, concessions and licenses: <https://www.u4.no/publications/tools-to-reduce-private-sector-engagement-in-grand-corruption-during-the-award-of-public-contracts-concessions-and-licenses>

¹⁴ Controlling Corruption through Law Enforcement and Prevention (2017 – 2020)

¹⁵ <http://cna.md/libview.php?l=ro&idc=5&id=1361&t=/Mass-media/Comunicate-de-presa/Institutionalizarea-masurilor-de-integritate-in-sectorul-privat-pai-siguri-spre-o-economie-prospera>
http://www.md.undp.org/content/moldova/en/home/library/effective_governance/raport-de-evaluare-coruptie-privat.html

The European Union has included a number of the High-Level Policy Advisors on Anticorruption through its "EU High Level Policy Advise Mission to the Republic of Moldova". The Advisers provide policy advice to the Heads of the anticorruption agencies. There is no a dedicated Advisor on corruption prevention in the team.

EU Twinning Project "Support to the strengthening of the operational capacities of the Law Enforcement Agencies of the Republic of Moldova in the field of prevention and investigation of criminal acts of corruption" (2017 – 2019) has as an overall objective strengthening the institutional capacities of the National Anti-Corruption Centre, Anti-Corruption Prosecutor's Office, Ministry of Internal Affairs, General Police Inspectorate and Customs Service towards increasing the efficiency in the fight against corruption through the unselective discovery, investigation and sanctioning corruption cases.

The joint EU/ Council of Europe Project "Controlling Corruption through Law Enforcement and Prevention (CLEP)" (2017-2020) has as the overall objective strengthening the anti-corruption framework in the Republic of Moldova in line with the Council of Europe's conventions and other international treaties, supporting the reform of the anti-corruption regulatory framework and relevant institutions in line with European and international standards, and re-enforcing national and international co-operation of specialized law enforcement and prevention systems. It is addressing gaps in the legislative and regulatory framework; implementing capacity building initiatives on anti-corruption and anti-money laundering; supporting the establishment and functioning of the new assets recovery framework; upgrading information sharing systems; increasing national and international cooperation of law enforcement agencies; and increasing public awareness and participation (especially media and civil society). The Project works with a wide range of anti-corruption and law enforcement bodies, including the National Anti-Corruption Centre. It implemented a range of activities to support the implementation of the NIAS through training on Strategy monitoring for pillars' focal points at the local level, facilitating the elaboration of the Integrity Plan for the Health Sector, training of CSOs at the local level on shadow reporting, strengthening analytical capacities of the NAC, strengthening integrity of private sector entities through implementation of the Model Code of Ethics for small and medium enterprises, and other. UNDP project will continuously coordinate the activities with CLEP to build on synergies, combine efforts and avoid overlapping.

A new initiative by the European Union "Strengthening the Rule of Law and Anti-Corruption Mechanisms in the Republic of Moldova" will be implemented by GIZ from July 2019 (planned). The team that is working on the Project Document consulted with UNDP on the initial project ideas that has a wide scope and will be focusing mainly at the local level. Further exchange will be maintained with the Team to advice on the activities to be supported by UNDP with Norway funding to avoid overlapping and to achieve a necessary complementarity.

The Project's **Objective** is: To achieve a **sustainable integrity and anticorruption system** in the Republic of Moldova through the strengthened capacities of the public and private sector entities and the civil society for the efficient application and monitoring of the national integrity policy, instruments and standards, as well as raised public awareness and enhanced anticorruption demand side and civic engagement.

The Theory of Change of the project is that

if

- a) the NIAS Secretariat and Pillar Monitoring Groups have capacities to coordinate, monitor, report and effectively communicate internally and externally on the progress achieved
- b) and the established institutional integrity systems and standards are implemented
- c) and the Civil Society pro-actively engages in addressing, monitoring and reporting on corruption cases
- d) and the whistle-blowers are effectively protected
- e) and the young women and men create awareness about corruption and integrity among peers and a strong demand to transparency, accountability and integrity towards governance

then

the necessary pre-requisites for curbing corruption will be created and conditions conducive to development, poverty reduction, good governance and rule of law for men and women will be enhanced

because

the objectives and targets of the National Integrity and Anticorruption Strategy will be achieved, and the integrity culture and practice will be established.

The project will consist of five **Outputs**:

- 1) Efficient and participatory monitoring and evaluation of NIAS implementation ensured;
- 2) Strengthened capacities of the anticorruption authority to enforce and improve integrity instruments;
- 3) Strong institutional integrity mechanisms at the sector and local levels established;
- 4) Integrity standards in the private sector developed and endorsed by key stakeholders; and
- 5) Enhanced civic engagement for an effective and objective monitoring of the integrity system.

RESULTS AND PARTNERSHIPS

The Project will aim at achieving the following results:

1. **Reduced level of corruption** by ensuring of at least **70% qualitative implementation** of the National Integrity and Anticorruption Strategy;
2. Strengthened institutional integrity systems through the **establishment of the Integrity Award** system in public sector;
3. Capacities of **NIAS focal points in 9 sectors, from all 32 districts (rayons) and in at least 70% of 900 local governments** strengthened to effectively coordinate the implementation of **sector and local Integrity Plans**;
4. **A standardized anticorruption compliance mechanism** in the private sector established with the support of the Integrity Award for private sector methodology;
5. **Civil society, and young men and women** in particular enabled to effectively engage in corruption prevention and advocacy for "zero-tolerance" to corruption and also in strengthening the national integrity system through the NIAS monitoring and shadow reporting;
6. Citizens increasingly use **effective tools for reporting corruption** demonstrating a stronger civic engagement;
7. Ombudsman's Office has sufficient capacity to **effectively protect the whistle-blowers**.

Output 1: Efficient and participatory monitoring and evaluation of NIAS implementation ensured

The implementation of the NIAS action plan is overseen by the Pillar Monitoring Groups, supported by the National Anticorruption Center, who is responsible for NIAS Secretariat and who engages with a wide range of institutions from various sectors and decentralized administrative levels. NAC is continuously working to achieve an inclusive and participatory monitoring process, to engage with the reporting institutions through training and consulting designated internal focal points (anticorruption officials), who will be engaged in all stages, from monitoring the implementation of the sector-based and local integrity and anticorruption plans in the 9 sectors and in the local public administration institutions, to monitoring and reporting on progress. The Project will support the national partner in the effective implementation of this comprehensive monitoring mechanism through the capacities and knowledge development of the Secretariat, Monitoring Groups and institutional focal points. Also, the monitoring process will be more efficient, if the reporting and monitoring system is digitized as a dedicated module to be added to the "e-Integrity Register" system that supports in an innovative way the process of populating and analysing of the institutional integrity testing and of the institutional risk assessment registers.

The NIAS monitoring framework provides for carrying out a public opinion survey on a yearly basis (implemented for the first time in 2017 in order to establish the baseline for the set of the Strategy's targets) to provide the alternative quality and representative data for assessing the yearly progress

in the implementation of the NIAS. Measuring corruption is important to improve evidence-based policymaking and promote accountability.¹⁶ The public opinion survey will also provide data for measuring the progress under the nationalised SDGs Target 16.5 on substantially reducing corruption and bribery indicators.¹⁷ The project will support this data collection and analysis efforts also putting a strong focus on the gender aspect of integrity and on offering the opportunity to both women and men to report corruption and share opinions through the participation in the survey.

Indicative activities:

- 1.1 Support the NIAS Secretariat in the transparent coordination and monitoring of the NIAS implementation;
- 1.2 Strengthen the accountability of the NIAS implementation through the organisation of public events and consultations (National Anticorruption Conferences, round tables, etc.) ;
- 1.3 Conduct yearly the gender-sensitive impact monitoring public opinion survey to inform on the Strategy's implementation progress;
- 1.4 Support the expansion and efficient use of the "e-Integrity" information system.

Output 2: Strengthened capacities of the anticorruption authority to enforce and improve integrity instruments

The National Anticorruption Centre has become known as a promoter of the innovative integrity instruments. A successful and continuous implementation of the new mechanisms, such as the corruption proofing expertise software, the 14 integrity instruments of the Integrity Law and the trainings and counselling activities promoting their implementation, the civic engagement platforms for the National Integrity and Anticorruption Strategy shall be continuously improved, based on the lessons learned through the first phase of their application.

Indicative activities:

- 2.1 Upgrade the corruption proofing expertise software by including a module for draft normative acts submitted for endorsement and by improving statistical monitoring module;
- 2.2 Support the public outreach/anticorruption awareness raising plan "Anticorruption Day in Your Town" developed by the Corruption Prevention Department of the NAC tailored to the specific needs of the main target groups - youth, private sector, specific public sectors (health, education, etc.);
- 2.3 Strengthen NAC's capacities in the strategic and operational analysis.

Output 3: Strong institutional integrity mechanisms at the sector and local levels established

The NIAS is based on 7 Integrity Pillars, while the second Pillar identifies the most vulnerable to corruption sectors - 9 thematic and one related to the local public administration. Sector-based integrity and anticorruption plans are being developed and implemented for each of the sectors. The project will help NAC in the provision of support to cover eventual capacity gaps in the public administration, including with specific expertise for sector-based corruption risk assessments to respond to institutional bottleneck impeding the establishment of the strong integrity systems.

This support will ensure the effective implementation of the integrity plans, establishing a uniform character of compliance with the required standards. As the OECD Recommendation on Public Integrity suggests, it is important to have available guidance when public officials are faced with specific doubts or ethical dilemmas. To transform the institutional culture towards value and

¹⁶ MANUAL ON CORRUPTION SURVEYS. Methodological guidelines on the measurement of bribery and other forms of corruption through sample surveys http://www.unodc.org/documents/data-and-analysis/Crime-statistics/CorruptionManual_2018_web.pdf

¹⁷ Indicator 16.5.1 is the "proportion of persons who had at least one contact with a public official and who paid a bribe to a public official, or were asked for a bribe by those public officials, during the previous 12 months"; and Indicator 16.5.2 is the "proportion of businesses that had at least one contact with a public official and that paid a bribe to a public official, or were asked for a bribe by those public officials during the previous 12 months".

principle-based commitments to a dialogue and integrity norms in the delivery of public goods and services, NAC plans to upgrade the format of its traditional trainings offered to public institutions and, instead, to appoint its staff to mentor a particular sector, offering advice and methodological support to institutions on challenges and dilemmas encountered in the development and implementation of the integrity plans and to periodically engage with the staff of the institutions in integrity discussions. The project will assist with the capacity development of these mentors equipping them with the required knowledge and skills.

The Strategy introduces integrity as a positive commitment by institutions to respect certain norms and values, which ensure the delivery of quality public services and the efficient communication with the public. To support and promote this positive initiative, the Project will offer a methodology for conferring Integrity Awards to institutions based on the Tool elaborated and applied in South Korea and will assist in its replication in Moldova. The award would be conferred to the institutions that provide the evidence of the highest integrity commitment and accountability. Praising the champions would, on the other hand, put on spot, or “shame” the laggards and will stimulate institutions to perform better on promoting integrity.

Indicative activities:

- 3.1 Capacity development of the NIAS focal points at the central level;
- 3.2 Capacity development of the NIAS focal points at the local level in all 32 districts (rayons) of Moldova and in 70% of the communities on the results-based implementation of the integrity and anticorruption regulations and on integrating anti-corruption in service delivery;
- 3.3 Assist NAC in training of 9 integrity mentors (one per sector) that will provide advice and methodological support to the sectors in advancing the institutional integrity culture;
- 3.4 Thematic assessment of corruption risks in at least 3 sectors mostly vulnerable to corruption – education, health¹⁸, and public order sectors;
- 3.5 Support the establishment of a system of the Integrity Award to rate the performance of public institutions in the NIAS implementation and share best practice across the institutions.

Output 4: Integrity standards in the private sector endorsed by key stakeholders

The Global Business Bribery Risk Index developed by TRACE International placed the Republic of Moldova as the 130th among 197 countries in 2016. The interaction between the private sector and the Government institutions had been indicated as having a high risk of corruption. Corruption risks are found in areas of regulating import and export operations, anti-monopoly housing construction, public-private partnerships, corporate governance and especially in enterprises with full or majority state/municipal shares. An assessment of the conformity of the Moldovan national integrity system in the private sector with the international anticorruption standards, commissioned by UNDP in 2016, revealed that there is insufficient information and analysis on the extent and herein effect of corruption in the private sector. The report also highlighted the lack of incentives to promote integrity and prevent corruption in the private sector. It recommended effective measures to promote integrity and corporate ethics standards, including the establishment of a uniform Code of conduct to be implemented by private companies. To address these issues, NIAS sets an ambitious objective of promoting a competitive and fair business environment based on the corporate integrity standards, transparency and professionalism in interaction with the public sector, in conformity with Article 12 of UNCAC, and Article 16 of the RM-EU Association Agreement.

Indicative activities:

- 4.1 Establish and support a platform for cooperation on promoting integrity between public and private sector through the regular dialogue and consultations;

¹⁸ Council of Europe has supported Corruption Risk Assessment in Health Sector in 2017. Taking into account the complexity of the sector and its high corruption vulnerability, the NAC requested UNDP to support a follow-up assessment in 2020.

- 4.2 Carry out the awareness raising campaigns to promote integrity standards in doing business;
- 4.3 Support the establishment of an Integrity Award to rate the performance of private companies in implementing integrity policies and standards;
- 4.4 Support the effective implementation of integrity plans by state/municipal enterprises.

Output 5: Enhanced civic engagement for an effective and objective monitoring of the integrity system

The Strategy states that the effectiveness of its implementation will depend on the contribution of the civil society and media. In addition to the submission of official reports to the Secretariat of the Monitoring Groups by the responsible institutions, it is important for the civil society and media to directly contribute to monitoring of the implementation of the action plans under the Strategy's Pillars and to provide alternative (to the official) reports.

For a participatory and inclusive monitoring of the impact of the Strategy's implementation, the Project will use downstream data mechanisms to collect direct feed-back from citizens on the corruptibility/integrity of public services. The project will partner with the Moldova Innovation Lab (MiLab) established jointly by the Government and UNDP to identify and implement effective innovative tools and solutions for boosting the anti-corruption demand-side. To encourage corruption reporting by ordinary women and men and to make it more user-friendly and efficient, the Project will work with CSOs/youth organizations on developing user-friendly modern tools for reporting corruption and will carry out a public awareness campaign on whistle-blowers and their protection as per the Law on whistle-blowing approved in 2017. On the other hand, capacity development support will be offered to the Ombudsman's office that is responsible by law to ensure the protection of the whistle-blowers.

A particular attention will be given to youth engagement into anticorruption activities and also to youth education in line with the integrity values and principles. The Project will support the implementation of the NAC's innovative idea on mobilizing anticorruption volunteers for enhancing civic engagement in corruption prevention and in the disclosure of illegal practices. The volunteers will be trained to efficiently convey the information about integrity principles and mechanisms to the population.

Indicative activities:

- 5.1 Strengthen the capacities of CSOs to carry out innovative alternative monitoring of the NIAS implementation;
- 5.2 Implement a Small Grants Scheme for CSOs to monitor the implementation of the NIAS and sector/local plans and to produce shadow monitoring reports;
- 5.3 Design and implement public awareness campaigns on the whistle-blowing and the protection of whistle-blowers;
- 5.4 Support the Ombudsman's Office in setting up a system of the protection of the whistle-blowers;
- 5.5 Support the anticorruption volunteers in organizing anticorruption public information campaigns and activities.

Partnerships

The project interventions will build on UNDP's strong relationships with the National Anticorruption Center, Line Ministries, Ombudsperson Office, local governments, Alliance of Anticorruption NGOs and other CSOs, private sector and Youth organizations, and the extensive expertise in strategic policy implementation, capacity development, innovation for development, as well as in gender equality and human rights mainstreaming. Synergies with other current interventions, such as on parliamentary development (that includes support to the implementation of the Open Parliament Initiative and of the Parliament's Anticorruption Action Plan, to the Moldovan Chapter of the Global Organization of Parliamentarians against Corruption – GOPAC – and to the

promotion of the Code of Ethics for the Members of Parliament), strengthening electoral systems and processes (support to the elaboration and implementation of the Political Party Finance module within the State Automated Information System "Elections"), and UNDP Regional initiative "Integrity Islands" at the local level. A robust coordination system will be established with anticorruption initiatives supported by other development partners, in particular with Council of Europe and the European Union.

Risks and Assumptions

The Project results depend on the assumptions that:

- There is a strong political will to further strengthen the integrity and anticorruption system in the Republic of Moldova through enhanced transparency, accountability and inclusiveness;
- The National Anticorruption Center has a strong commitment to lead on the implementation of the National Integrity and Anticorruption Strategy 2018 – 2020 and its Action Plan;
- Sector public institutions and the local governments deliver on their responsibilities under the NIAS in line with the Action Plan;
- The public actors are open to the engagement and collaboration with the CSOs, while CSOs are pro-active in monitoring and reporting on the implementation of the NIAS and have sufficient capacities to do so, as well as to continue advocacy and raising awareness actions;
- The implementing partner (NAC) has a strong ownership over the project and effectively engage in its implementation offering the time of staff and financial resources (in-kind);
- The private sector actors and Business Associations engage in the implementation of NIAS and in the project activities;
- A strong Donor coordination mechanism in the area of corruption prevention is in place;
- Project resources are sufficient to meet the identified needs and implement agreed activities.

The detailed **Risk Log** is in the Annex III.

Stakeholder Engagement

The key partners from the beneficiary institution were closely involved in the design of the Project and the activity plan. Representatives of other institutions – relevant sector-level institutions, local governments, Ombudsman Office, and Civil Society had been consulted on their particular needs for support. Additionally, representatives of the development organisations working in the area of anti-corruption had been consulted in order to ensure a strong coordination and avoid potential overlap. The Project Team will be located at the National Anticorruption Centre's premises in order to ensure day-to-day interaction and capacity transfer.

Civil society organisations, in particular, the organisations working in anticorruption area, representing youth or the private sector, promoting human rights and gender equality will be part of the consultation processes on the analytical studies and other products delivered by the project. Through the consultation process, the Project will ensure that it meets the needs of diverse actors and responds to concerns in an inclusive and participatory manner.

Target Groups

The Project target groups are the civil servants from the central and local level public institutions, members of the NIAS's Secretariat and Pillar Monitoring Groups, staff of the Ombudsman Office, Integrity Focal Points at the public institutions, private sector actors, Civil Society and young men and women. The target groups will be engaged in the design, implementation and evaluation of Project activities.

The Project will not have any adverse social and environmental impacts. Project's Social and Environmental Screening is enclosed as Annex II.

Sustainability and Scaling Up

The Project has been designed upon the request and in close coordination with the National Anticorruption Center and other partners. These attest to a strong ownership of the national partners over Project objectives. The Project has been designed according to a best-researched, evidence-based approach and is in line with national development priorities. The intervention addresses the Government's Programme priority, the needs of the stakeholders in line with the National Integrity and Anticorruption Strategy 2018 - 2020, and its Action Plan, and the Republic of Moldova's international commitments in the area of anticorruption. Thus, the institutional support to the Project and the political will in terms of its success and sustainability is safeguarded from the outset. As the Project aims to invest into systems, processes, internal policies and standards, institutional and individual capacity and changed behaviours, the investment will stay with the public and private institutions and staff, as well as will be transformed into skills for more active civic engagement, thus being sustainable. Due to the national ownership ensured through the planning process, the Project will build capacities by implementing activities in a calibrated way, considering national capabilities for policy and Project implementation and creating conditions for context-specific innovations and solutions to emerge, which can be shared, all increasing the sustainability of the Project interventions. The Project will also build on the synergies with other assistance interventions to the sector in order to achieve stronger results and ensure cost-efficiency.

The Integrity Award to be piloted with the project support in the public and private sector will become part of the national integrity system through scaling up to all public institutions, and eventually, to the key actors in the private sector.

The proposed priorities, objectives and procedures of the Project are aligned with the overall programmatic framework and planned results of UNDP Moldova 2018-2021 Country Programme Document. The Country Programme Document explicitly states that "UNDP will support the country's reform agenda, including overarching public administration and sectoral reforms. Institutional integrity and transparency will be enhanced at all levels through leveraging ICT and innovation, re-engineering and digitizing business processes."

PROJECT MANAGEMENT

Cost Efficiency and Effectiveness

The project will build on the available resources offered by the Government of Norway and will undertake further resource mobilisation efforts through the engagement with other Donors, as necessary. The operational and implementation costs will be reduced by: a) building synergies and linking activities with other UNDP's ongoing projects that work with the central and local public institutions, private sector, CSOs, and young men and women, such as Pilot Regions, Parliamentary Development, Enhancing Political Party Finance Transparency, Support to Police Reform, Access to Justice, Civic Education, as well as those that promote and mainstream gender equality and human rights. A particular attention will be paid to the collaboration with UNDP-established units aiming at promoting innovation in the private and public sectors - Business Development Lab and MiLab to identify and design innovative solutions to strengthening integrity, preventing corruption, achieving meaningful private sector participation in the project activities, as well as an enhanced civic engagement of men and women in corruption monitoring and reporting and in awareness raising. The Project will ensure sharing relevant expertise and implementing joint procurement with other UNDP projects.

Project Management

The Project will be implemented under Support to the National Implementation Modality (Support to NIM), as described in chapter VIII below. The Project Team will be located in the premises offered by the National Anticorruption Center as in-kind contribution to the Project. UNDP Country Office will provide programmatic, quality assurance, procurement and financial management support, while these direct project costs incurred will be charged to the Project budget. The Project will work in close collaboration with other UNDP Moldova Projects. The Project Team will look for synergies with other Projects that might allow for joint activities and for cost-sharing of the activities to achieve higher value for money.

The first part of the document is a letter from the Secretary of the State to the Governor, dated January 1, 1900. The letter is addressed to the Governor and is signed by the Secretary of the State. The letter discusses the state of the state and the progress of the government. The letter is followed by a report from the Secretary of the State to the Governor, dated January 1, 1900. The report is addressed to the Governor and is signed by the Secretary of the State. The report discusses the state of the state and the progress of the government. The report is followed by a report from the Secretary of the State to the Governor, dated January 1, 1900. The report is addressed to the Governor and is signed by the Secretary of the State. The report discusses the state of the state and the progress of the government.

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RESULTS AND RESOURCES FRAMEWORK (RRF)

<p>Intended Outcome as stated in the UN Partnership Framework: Outcome 1: The people of Moldova, especially most vulnerable, demand and benefit from democratic, transparent and accountable governance, gender-sensitive, human rights- and evidence-based public policies, equitable services, and efficient, effective and responsive public institutions</p> <p>UNDP Country Programme Outcome: The people of Moldova, especially most vulnerable, demand and benefit from democratic, transparent and accountable governance, gender-sensitive, human rights- and evidence-based public policies, equitable services, and efficient, effective and responsive public institutions</p> <p>Indicator: Level of confidence in public institutions</p> <p>Baseline: Government: 23%; Parliament: 19%; Local Public Administration: 47%;</p> <p>Target: Government: 45%; Parliament: 40%; Local Public Administration: 60%.</p> <p>Indicator: Households and businesses facing corruption in the last 12 months, % of the interviewed;</p> <p>Baseline (2015): Households 24%; Business 24%;</p> <p>Target (2022): Households 12%; Business 14%.</p>
<p>Partnership Strategy: UNDP will seek and forge close collaboration and coordination with the National Anticorruption Center, Ombudsman Office, central and local public administration institutions, private entities, the Civil Society Organisations, as well as international and donor organisations, in the design, monitoring and implementation of the activities. The main counterpart will be the National Anticorruption Center of the Republic of Moldova</p> <p>Project title and ID (ATLAS Project ID): Curbing corruption by building sustainable integrity in the Republic of Moldova; Project ID: 00115715</p>

INTENDED OUTPUTS	INDICATIVE INTERVENTIONS	RESPONSIBLE PARTIES	INPUTS
<p>Output 1</p> <p>Efficient and participatory monitoring and evaluation of NIAS implementation ensured</p> <p>Indicator 1.1: No. of gender-sensitive infographics reflecting the progress in NIAS participatory implementation</p> <p>Baseline 1.1: NIAS annual narrative progress reports available on the NAC website</p> <p>Target 1.1: 6 gender-sensitive infographics reflecting the progress in NIAS participatory implementation disseminated</p> <p>Means of Verification 1.1: Infographics published on NAC website</p> <p>Indicator 1.2: No. of public events for ensuring the accountability on NIAS implementation</p> <p>Baseline 1.2: 0</p> <p>Target 1.2: 6</p> <p>Means of Verification 1.2: Training programme, Lists of trainees, Project Reports</p>	<p>1.1 Support to the NIAS Secretariat in the transparent coordination and monitoring of the NIAS implementation;</p> <p>1.2 Strengthen the accountability of the NIAS implementation;</p>	<p>UNDP National Anticorruption Center Secretariat of the NIAS Pillar Monitoring Groups</p>	<p>National Consultants, Contractual Services/Companies, Equipment, Direct Project Costs, Project Management costs USD 408,240</p>

<p>Indicator 1.3: No. of Public Opinion Survey carried out and results disseminated Baseline 1.3: 1 (2017) Target 1.3: 3 Means of Verification 1.3: Reports on the Public Opinion Survey published on NAC website, Agendas of public presentations of the Surveys' results</p> <p>Indicator 1.4: Interoperability of e-Integrity system with other systems Baseline 1.4: No Target 1.4: e-Integrity system interoperable with the NIAS Monitoring e-system and corruption proofing of legislation e-system Means of Verification 1.4: NAC Annual Reports, Project Reports, NAC website</p>	<p>1.3 Conduct yearly the gender-sensitive impact monitoring public opinion survey to inform on the Strategy's implementation progress</p> <p>1.4 Support the expansion and efficient use of the "e-Integrity" informational system.</p>	
<p>Output 2 Strengthened capacities of the anticorruption authority to enforce and improve integrity instruments</p> <p>Indicator 2.1: New module in corruption proofing software Baseline 2.1: corruption proofing software does not include the expertise of the draft normative acts Target 2.1: Corruption proofing software includes a module for the expertise of draft normative acts Means of Verification 2.1: NAC Annual Reports, Project Reports</p> <p>Indicator 2.2: No. of public outreach/anticorruption awareness raising activities "Corruption in Your Town" implemented and No. of beneficiaries reached out Baseline 2.2: 0 Target 2.2: 60 public outreach/anticorruption awareness raising campaigns "Anticorruption Day in Your Town" implemented reaching out to 15,000 men and women Means of Verification 2.3: Mass-media reports, NAC Annual Reports</p> <p>Indicator 2.3: No. of trainings and No. of participants (m/w) Baseline 2.3: 0 Target 2.3: 5 trainings and 30 participants (15 m/ 15 w)</p>	<p>2.1 Upgrade the corruption proofing expertise software by including a module for draft normative acts submitted for endorsement and by improving statistical monitoring module;</p> <p>2.2 Support the public outreach/anticorruption awareness raising campaigns "Anticorruption Day in Your Town" developed by the Corruption Prevention Department of the NAC tailored to the specific needs of the main target groups - youth, private sector, specific public sectors (health, education, etc.);</p> <p>2.3 Strengthen NAC's capacities in the strategic and operational analysis.</p>	<p>UNDP NAC</p> <p>International Consultants, National Consultants, Contractual Services/ Companies, Training, Travel, Equipment, Goods, Direct Project Costs, Project management costs USD 403,760</p>

<p>Means of Verification 2.4: Training programmes, Lists of participants, Project Reports</p>			
<p>Output 3 Strong institutional integrity mechanisms at the sector and local levels established</p>		<p>UNDP NAC</p>	<p>International Consultants, National Consultants, Contractual Services/ Companies, Training, Travel, Direct Project Costs, Project management costs USD 429,680</p>
<p>Indicator 3.1: No. (w/m) of NIAS Focal Points at the sector level trained Baseline 3.1: 0 Target 3.1: 80 (40 w/ 40 m) Means of Verification 3.1: Training programmes, Lists of participants, Project Reports</p>	<p>3.1 Capacity development of the NIAS focal points at the central level;</p>		
<p>Indicator 3.2: No. (w/m) of NIAS Focal Points at the local level trained Baseline 3.2: 0 Target 3.2: 150 (75 w/ 75 m) Means of Verification 3.2: Training programmes, Lists of participants, Project Reports</p>	<p>3.2 Capacity development of the NIAS focal points at the local level in all 32 districts (rayons) of Moldova and in 70% of the communities on the results-based implementation of the integrity and anticorruption regulations and on integrating anti-corruption in service delivery;</p>		
<p>Indicator 3.3: No. of Integrity Mentors (w/m) trained Baseline 3.3: 0 Target 3.3: 9 Integrity Mentors (5 men/ 4 women) trained Means of Verification 3.3: Training programme, Lists of participants, Project Reports</p>	<p>3.3 Assist NAC in training of 9 integrity mentors (one per sector) that will provide advice and methodological support to the sectors in advancing the institutional integrity culture;</p>		
<p>Indicator 3.4: No. of sectors assessed Baseline 3.4: 0 Target 3.4: 3 sectors assessed Means of Verification 3.4: Assessment Reports, NAC Reports, Project Reports</p>	<p>3.4 Thematic assessment of corruption risks in at least 3 sectors mostly vulnerable to corruption – education, health, law enforcement;</p>		
<p>Indicator 3.5: No. of institutions participating in the Integrity Award competition Baseline 3.5: 0 Target 3.5: 15 Means of Verification 3.5: Project Reports, NAC Reports</p>	<p>3.5 Support the establishment of a system of the Integrity Award to rate the performance of public institutions in the NIAS implementation and share best practice across the institutions.</p>		
<p>Output 4 Integrity standards in the private sector developed and endorsed by key stakeholders Indicator 4.1: No. of dialogue meetings with the private sector representatives</p>		<p>UNDP NAC Business Associations</p>	<p>International Consultants, National Consultants, Contractual Services/ Companies, Training, Direct Project Costs,</p>

<p>Baseline 4.1: 0 Target 4.1: 7 Means of Verification 4.2: Agendas, Lists of participants, Project Reports</p> <p>Indicator 4.2: No. of public awareness campaigns promoting integrity standards in doing business Baseline 4.2: 0 Target 4.3: At least 3 Means of Verification 4.3: Media Reports, Project Reports</p> <p>Indicator 4.3: No. of private entities that piloted Integrity Award Baseline 4.3: 0 Target 4.3: 5 Means of Verification 4.4: Media Reports, NAC Reports, Project Reports</p> <p>Indicator 4.4: No. of state/municipal enterprises trained in integrity standards Baseline 4.4: 0 Target 4.4: 200 Means of Verification 4.5: Training programme, Lists of participants, NAC Reports, Project Reports</p>	<p>4.1 Establish and support a platform for cooperation on promoting integrity between public and private sector through the regular dialogue and consultations;</p> <p>4.2 Carry out the awareness raising campaigns to promote integrity standards in doing business;</p> <p>4.3 Support the establishment of an Integrity Award to rate the performance of private companies in implementing integrity policies and standards;</p> <p>4.4 Support the effective implementation of integrity plans by state/municipal enterprises.</p>		<p>Project management costs USD 207,100</p>
<p>Output 5 Enhanced civic engagement for an effective and objective monitoring of the integrity system</p> <p>Indicator 5.1: No. of CSOs representatives trained (w/m) Baseline 5.1: 0 Target 5.1: 90 (45 w/ 45 m) Means of Verification 5.1: Training programme, Lists of participants, NAC Reports, Project Reports</p> <p>Indicator 5.2: No. of grants implemented Baseline 5.2: 0 Target 5.2: 10 Means of Verification 5.2: Grantees' Reports, project Reports</p> <p>Indicator 5.3: No. of public awareness campaigns on the whistle-blowing and the protection of whistle-blowers Baseline 5.3: 0 Target 5.3: 3</p>	<p>5.1 Strengthen capacities of CSO's to carry out innovative alternative monitoring of NIAS implementation;</p> <p>5.2 Implement a Small Grants Scheme for CSOs to monitor the implementation of the NIAS and sector/local plans and to produce shadow monitoring reports;</p> <p>5.3 Design and implement public awareness campaigns on the whistle-blowing and the protection of whistle-blowers;</p>	<p>UNDP NAC Ombudsperson Office</p>	<p>Contractual Services/ Companies, Training, Grants, Direct Project Costs Project Management Costs USD 819,140</p>

<p>Means of Verification 5.3: Media Reports, Ombudsperson Office Reports, Project Reports</p> <p>Indicator 5.4: No. of training courses developed and piloted Baseline 5.4: 0 Target 5.4: 1 off-line and 1 on-line training courses available</p> <p>Means of Verification 5.4: Ombudsperson Office Website and Reports, Project Reports</p> <p>Indicator 5.5: No. of activities organized by Anticorruption Volunteers Baseline 5.5: 0 Target 5.5: At least 240 public activities organized</p> <p>Means of Verification 5.6: Anticorruption Volunteers' Reports, Media Reports, Project Reports</p>	<p>5.4 Support the Ombudsman's Office in setting up a system of the protection of the whistle-blowers;</p> <p>5.5 Support the anticorruption volunteers in organizing public information anti-corruption campaigns and activities</p>		<p>USD 150,684</p>
<p>General management costs (8%)</p>			

MONITORING AND EVALUATION

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

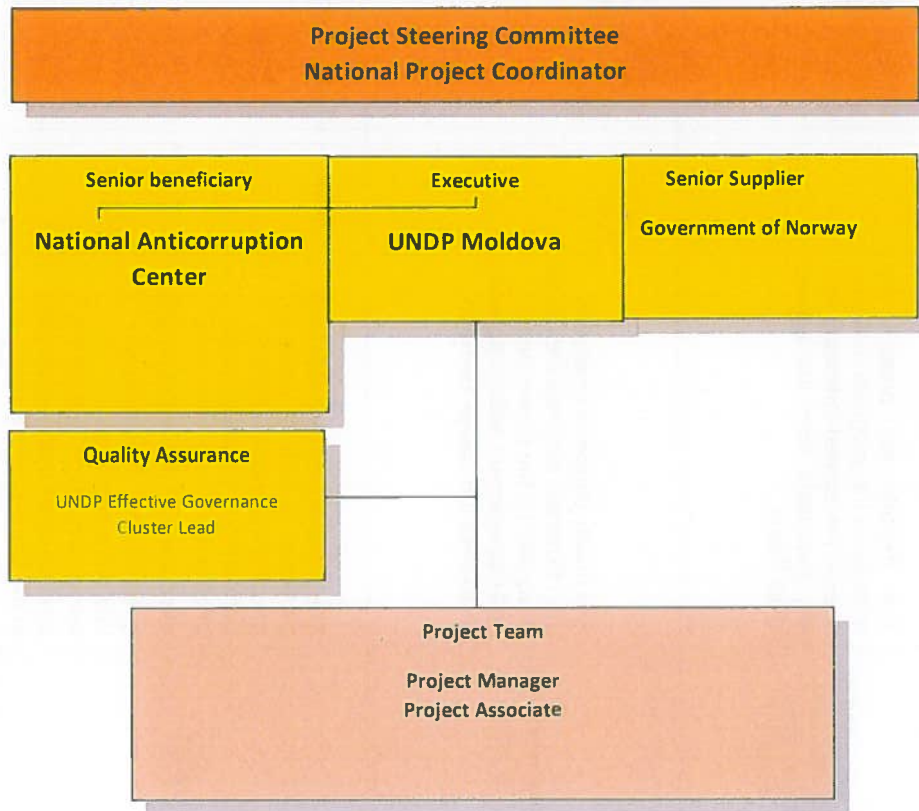
A detailed Annual Work Plan (AWP) will be developed containing the information on the schedule of deliverables, timeframes, responsible parties, and estimated detailed costs of the actions. In accordance with UNDP's programming policies and procedures, the project will be monitored through the following monitoring and evaluation plans:

Monitoring Plan

Monitoring Activity	Purpose	Frequency	Expected Action	Partners	Cost (if any)
Track results progress	Progress data against the results indicators in the RRF will be collected and analysed to assess the progress of the project in achieving the agreed outputs.	Quarterly, or in the frequency required for each indicator.	Slower than expected progress will be addressed by project management.	UNDP NAC	Project Management and Quality Assurance costs
Monitor and Manage Risk	Identify specific risks that may threaten achievement of intended results. Identify and monitor risk management actions using a risk log. Audits will be conducted in accordance with UNDP's audit policy to manage financial risk.	Quarterly	Risks are identified by project management and actions are taken to manage risk. The risk log is actively maintained to keep track of identified risks and actions taken.	UNDP NAC	Project Management and Quality Assurance costs
Learn	Knowledge, good practices and lessons will be captured regularly, actively sourced from other projects and partners and integrated back into the project.	At least annually	Relevant lessons are captured by the project team and used to inform management decisions.	UNDP NAC	Project Management and Quality Assurance costs
Annual Project Quality Assurance	The quality of the project will be assessed against UNDP's quality standards to identify project strengths and weaknesses and to inform management decision making to improve the project.	Annually	Areas of strength and weakness will be reviewed by project management and used to inform decisions to improve project performance.	UNDP NAC	Project Management and Quality Assurance costs
Review and Make Course Corrections	Internal review of data and evidence from all monitoring actions to inform decision making.	At least annually		UNDP	

			Performance data, risks, lessons and quality will be discussed by the project board and used to make course corrections.	NAC	Project Management and Quality Assurance costs
Project Report	Progress reports will be presented to the Project Board and key stakeholders, consisting of progress data showing the results achieved against pre-defined annual targets at the output level, the annual project quality rating summary, an updated risk log with mitigation measures, and any evaluation or review reports prepared over the period.	Annually, and at the end of the project (final report)	The Reports will present the analysis of the progress achieved against the agreed indicators and any deviations from the agreed Work Plans.		Project Management and Quality Assurance costs
Project Review (Project Board)	The project's governance mechanism (project board) will hold regular project reviews to assess the performance of the project and review the Multi-Year Work Plan to ensure realistic budgeting over the life of the project. In the project's final year, the Project Board shall hold an end-of project review to capture lessons learned and discuss opportunities for scaling up and to socialize project results and lessons learned with relevant audiences.	At least two times per year	Any quality concerns or slower than expected progress should be discussed by the project board and management actions agreed to address the issues identified.	UNDP NAC	Project Management and Quality Assurance costs
Project Final Evaluation	A Team of an International and a National Consultants will be hired through an open competition to perform the independent Project Evaluation	2021	The Independent Evaluation will be based on OECD Evaluation principles to assess project's performance in relation to the original work plan; relevance; effectiveness; risk management; sustainability; derive lessons learned and provide recommendations and identify best practices that may be used in the future programming.	UNDP	USD 30,000

GOVERNANCE AND MANAGEMENT ARRANGEMENTS



The Project will be implemented under Support to the National Implementation Mechanism (Support to NIM) in line with UNDP project management rules and regulations. The National Anticorruption Center will be the Project's Implementing Partner.

UNDP Moldova will be responsible for the Project administration, including: organizing implementation of Project activities, procurement of goods and services, recruitment of Project personnel and national and international consultants, connecting to national and international expertise and knowledge networks, and the quality assurance, ensuring the timely and expedient implementation of Project activities, including the provision of continuous feedback and information sharing among stakeholders.

A Steering Committee shall be set up and function as an overall management structure for the Project to oversee transparency, accountability and efficiency of the Project operations as well as assess opportunities, risks and political challenges and link the project to other relevant Government and development partners' initiatives. Most importantly, the Steering Committee will approve the Annual Work Plans, the Progress and the Final Reports prepared by the Project and will take decisions on mid-year changes in Project activities or financial allocations, if any.

The Project Steering Committee shall be made up of:

Members (with a voting power):

- Director of the National Anticorruption Center of the Republic of Moldova or a person nominated by the Director as the National Project Coordinator;
- UNDP Deputy Resident Representative;
- Project Donor – Norway MFA;
- People's Advocate Office;

- NGOs' Anticorruption Alliance;
- Youth Anticorruption Volunteer/ Student NAC;
- Chamber of Commerce and Industry;

Observers:

- State Chancellery;
- National Integrity Agency;
- Ministry of Education, Culture and Research;
- Multi-lateral or bi-lateral partners – EU Delegation, Council of Europe, Embassies, etc., as relevant;
- Representatives of the NIAS Secretariat and of Pillar Monitoring Groups, project beneficiaries and the NAC's staff, as relevant.

The Project Steering Committee will hold meetings on a semi-annual basis, or more frequently if deemed necessary. The Committee will monitor the Project progress, will decide on strategic decisions to ensure continued coherence between the implementation and the goals and objectives, will decide on the annual work plans and budgets, will revise and adjust the annual plans and budgets, as necessary. Amendments to the budget, including use of contingencies, will be subject to the approval of the Project Steering Committee.

The Steering Committee will be chaired by the National Project Coordinator. The National Project Coordinator will be responsible for convening the Project Steering Committee meetings, signing the Project Annual Work Plans and Budgets approved by the Steering Committee, the Quarterly and Annual Project Combined Delivery Reports generated by UNDP financial systems, and the Budget Revisions, as necessary.

Day to day coordination between UNDP Project Team and the beneficiaries will be facilitated by the designated by the National Project Coordinator focal point from the National Anticorruption Center.

Execution of the Project

UNDP shall be responsible for the overall management and administration of the Project, primarily regarding the responsibility for the achievement of the outputs and the stated outcome. The Project activities will be implemented by UNDP. UNDP will be accountable to the Project Steering Committee for the use of Project resources. UNDP will ensure that communication, consultations and review discussions are held on an on-going basis. During the Project implementation, synergies and linkages with other on-going projects, in the areas of democratic governance, gender and human rights implemented by UN agencies will be maintained and strengthened.

The Project Team will monitor the progress towards the Project's objectives and will report to UNDP and to the Donor accordingly. UNDP will delegate the managerial duties for the day-to-day running of the Project to the Project Manager, selected by UNDP through a competitive and transparent selection process. The Project Manager has the authority to run the Project on a day-to-day basis on behalf and within the constraints laid down by the Project Steering Committee. The Project Manager is responsible for day-to-day management and decision-making for the Project. The Project Manager's prime responsibility is to ensure that the Project produces the results specified in the Project Document within the specified constraints of time and cost. The Project Manager will be in charge for preparing progress and final reports to be submitted to the Donor. The Project Manager is responsible for the implementation of Monitoring and Evaluation framework. The Project Manager will report directly to the UNDP Effective Governance Cluster Lead.

Organizational, administrative, procurement, financial and other related issues will be provided by UNDP Moldova through Project Associate, as well as by the relevant Units (Operations, Human Resources, Procurement, IT, Finance) at the UNDP Country Office.

The Project Manager and the Project Associate will form the Project Team. The Project Team shall have the capacity to motivate people and to build relationships with colleagues, partners, beneficiaries, government authorities, donor organizations and other stakeholders.

Detailed descriptions of duties of the Project Manager and the Project Assistant shall be reflected in their Terms of References.

Project Quality Assurance

The Project quality assurance is provided by UNDP Effective Governance Cluster Leader and the Programme Associate. Quality assurance on implementing a Project is conducted to achieve Project outputs as defined in the Project Document/Annual Work Plan through implementation and monitoring. The Project Team will support the Cluster Leader and the Programme Associate by carrying out objective and independent Project oversight and monitoring functions. The Project Team ensures appropriate Project management milestones are managed and completed. The Project Team conducts meetings with stakeholders and targeted institutions to ensure the Project is on track, in line with strategic priorities and takes in to account emerging needs.

Audit arrangements

The Project is subject to the standard UNDP audit arrangements. Being a subsidiary organ of the UN General Assembly and fully a part of the United Nations, UNDP enjoys a special status deriving from the UN Charter, the general legal framework of the UN, including the privileges and immunities enjoyed by the organization pursuant to the Convention on the Privileges and Immunities of the UN adopted by the General Assembly in 1946. In accordance with this status, audits of UNDP are guided by the 'single audit' principle. Under that principle, any review by any external authority, including any governmental authority, is precluded under regulation 7.6 of the Financial Regulations and Rules of the United Nations, which provides that "the Board of Auditors shall be completely independent and solely responsible for the conduct of audit." This principle was reaffirmed by the General Assembly in its resolution 59/272: "The General Assembly [...] 11. Reaffirms the role of the Board of Auditors and the Joint Inspection Unit as external oversight bodies, and, in this regard, affirms that any external review, audit, inspection, monitoring, evaluation or investigation of the Office can be undertaken only by such bodies or those mandated to do so by the General Assembly".

Financial management

Financial management of the project will be conducted under UNDP Financial Regulation and Rules (FRR). FRR are regulations that govern the financial management of the United Nations Development Programme and shall apply to all resources administered by UNDP and to all the Funds and Programmes administered by the Administrator. They ensure acceptable levels of controls, as well as separation of duties. The new FRR are issued effective 1 January 2012 and govern the broad financial management of UNDP and the funds administered by UNDP, including the budgeting and accounting of resources. They have been updated to reflect the adoption of IPSAS and its terminology; and the revised harmonized cost classifications of the Joint report of UNDP, UNFPA and UNICEF on the road map to an integrated budget. Financial reporting mechanisms for the Project will follow UNDP rules and procedures and will comply with the reporting requirements of the Donor.

Anti-corruption

UNDP applies the UN Convention against Corruption and strictly follows the UNDP Policy of Fraud and Other Corrupt Practices at the country level. UNDP will provide mandatory capacity building for project staff and personnel to ensure compliance with the UNDP M&E Rules and Regulations, including on anti-corruption. The last internal audit of UNDP Country Office in Moldova (2018), has been satisfactory and there were no corruption cases identified at UNDP Moldova.

All Project staff will undertake the UNDP mandatory training courses on anti-corruption and on ethics during the project inception phase.

Accountability of managers at the country level is prescribed in UNDP's Programme and Operations Policies and Procedures (POPP) and the Internal Control Framework (ICF).

Intellectual property rights and use of logo

Project materials, publications, print or digital deliverables will be branded by the relevant UNDP logo and typography (subject to corporate brand-book) and donors' logo. All intellectual products produced under the Project will be equipped with a standard UNDP intellectual property right disclaimer and, at discretion and agreement with donors may be placed into creative commons.

LEGAL CONTEXT

This Project Document shall be the instrument referred to as such in Article 1 of the Standard Basic Assistance Agreement (SBAA) between the Government of the Republic of Moldova and UNDP, signed on October 1, 1992 and the Amendment of the same of July 5, 1997.

Consistent with the Article III of the SBAA, the responsibility for the safety and security of the executing agency and its personnel and property, and of UNDP's property in the implementing agency's custody, rests with the implementing agency.

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

The implementing partner shall:

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

The implementing partner agrees to undertake all reasonable efforts to ensure that none of the UNDP funds received pursuant to the Project Document are used to provide support to individuals or entities associated with terrorism and that the recipients of any amounts provided by UNDP hereunder do not appear on the list maintained by the Security Council established pursuant to resolution 1267 (1999). This provision must be included in all sub-contracts or sub-agreements entered into under this Project Document".

The implementing partner agrees to undertake all reasonable efforts to ensure that none of the UNDP funds received pursuant to the Project Document are used to provide support to individuals or entities associated with terrorism and that the recipients of any amounts provided by UNDP hereunder do not appear on the list maintained by the Security Council established pursuant to resolution 1267 (1999). This provision must be included in all sub-contracts or sub-agreements entered into under this Project Document".

ANNEXES

- 1. Project Quality Assurance Report – part of UNDP on-line Quality Assurance system**
- 2. Social and Environmental Screening**
- 3. Risk Log**
- 4. Multi-Year Work Plan and Budget**
- 5. Project Steering Committee Terms of Reference**
- 6. Terms of References (TORs) of the Project Team**