Moldova:

What can be learned from Moldova's Partnership Principles Implementation Plan

<u>Context:</u> Official Development Assistance in Moldova has more than tripled between 2005 and 2012 from USD 139 million to USD 513 million, making effective cooperation and coordination between Government and international development partners grow in breadth, scale, and importance.

The Government's top priorities related to external assistance are

- (i) the development of a functional institutional and regulatory system to build the foreign aid absorption capacity;
- (ii) better targeting of foreign assistance, in line with the national priorities, national institutions and systems;
- (iii) better coordination and synergy in foreign assistance programming, implementation, monitoring and evaluation.

The Government of Moldova has been working to increase the effectiveness of aid since endorsing the Paris Declaration in 2006. Since 2010, government-development partner coordination and communication is based on the **Partnership Principles Implementation Plan (PPIP).** This plan has been developed and signed by the Government of Moldova and 21 development partners working in Moldova.

<u>Objective</u>: Drawing from the international principles of effective development cooperation, the Partnership Principles Implementation Plan sets out in specific terms **how Development Partners and the Government will work together**. The plan aims to enhance the **effective use of resources** to deliver the Government's priorities and the development outcomes which Moldova has set for itself through the National Development Strategy

Approach:

As decided by the Government, **Sector Coordination Councils** have been established under all ministries and other central authorities. However, not all of them are active, and some of those that have



Helen Clark, UNDP Administrator, with Prime Minister of Moldova, Vladimir Filat in 2010.

the potential to further enhance their role to a more strategic advisory role to the respective sectors that is embedded in the national policy debate.

A **Joint Partnership Council** has been established at the highest level to promote the strategic partnership between public authorities, external development partners, civil society and the private sector. However, the council has not yet met to date.

A regular monthly development partner meeting with participation of the State Chancellery primarily serves the purpose to share information on general development trends, issues and strategies, avoid duplications and look for synergies.

In the framework of Moldova's Partnership Principles Implementation Plan and with a view to increase transparency and accountability, a new **national Aid Management Platform** is being set up. The platform is a crucial instrument to promote informed decision-making within the Government and among other leaders. Its full adoption and use will assist in the collation of data from partners and provide a consistent means of analyzing the external assistance programmes and their implementation.

Success factors:

- **Political support at highest levels:** It has been shown that consistent ownership and support by the Government and lead development partners is crucial to the success of sector coordination.
- Strong link between national development strategy and budget: The National Development
 Strategy Moldova 2020 and the budgetary cycle are already linked to a Medium Term Budgetary
 Framework and 16 Sector Expenditure Plans. This is an efficient instrument to make sure that
 policies can be implemented with direct effect on the budget. Ultimately, this leads to
 budgetary planning becoming more realistic, which has been confirmed with the latest Public
 Expenditure and Financial Accountability Report.
- **Alignment:** The Government leads and participates in the development of partner strategies to promote their alignment with the national priorities.

Issues to manage:

- There is potential to further improve development partners' alignment to national priorities through more systematic use of national systems (planning, reporting, auditing, procurement and monitoring and evaluation mechanisms) by development partners.
- Despite positive developments with Moldova's national development strategy being linked to the budget, there is potential to more closely **link the policy priorities to the resources available** for their implementation.

Results in the context of the Global Partnerships:

- Ownership and results: Development cooperation has contributed to the strengthening of national capacities for external aid coordination. Further enhancement is necessary for result based monitoring of development.
- Strengthened institutional framework for coordination: Central Public Administration Reform
 resulted in the streamlining of Government structures and the establishment of a new strategic
 planning and policy coordination system. Each central authority has developed Strategic
 Development Programs that contain policy objectives and institutional capacity building
 objectives.
- Transparency through use of modern social media: Innovative e-services and applications introduced via the e-transformation agenda further contribute to increase efficiency, transparency and accountability.
- Paradigm shift in development cooperation: The way development cooperation is taking place
 in Moldova has changed slowly but measurably in the past decade towards the internationally
 agreed principles. It will be important for providers and recipients to keep that momentum.

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