

## Acknowledgements

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## List of Acronyms

<b>APA</b>	-	Academy of Public Administration
<b>CIB</b>	-	Comprehensive Institution Building Program
<b>CoG</b>	-	Center of Government
<b>CPA</b>	-	Central Public Administration
<b>CPAAs</b>	-	Central Public Administration Authorities
<b>CPAR</b>	-	Central Public Administration Reform
<b>CS</b>	-	Civil Service
<b>CSL</b>	-	Civil Service Law
<b>EU</b>	-	European Union
<b>EC</b>	-	European Commission
<b>E-gov</b>	-	Electronic Government Centre
<b>HR</b>	-	Human Resources
<b>HRM</b>	-	Human Resources Management
<b>IDP</b>	-	Institutional Development Plan
<b>LPA</b>	-	Local Public Administration
<b>MDTF</b>	-	Multi-Donor Trust Fund
<b>MTBF</b>	-	Medium term Budget Framework
<b>NPC</b>	-	National Participation Council
<b>NDS</b>	-	National Development Strategy
<b>OECD</b>	-	Organization for Economic Cooperation and Development
<b>PAR</b>	-	Public Administration Reform
<b>RM</b>	-	Republic of Moldova
<b>SC</b>	-	State Chancellery
<b>SDP</b>	-	Strategic Development Program
<b>SG</b>	-	Swedish Government
<b>ToR</b>	-	Terms of Reference
<b>UNDP</b>	-	United Nations Development Program
<b>WB</b>	-	World Bank

## Executive Summary



The Central Public Administration Reform, launched in 2005, has put forward a comprehensive approach and systematic effort, and was targeted towards a transparent, predictable, responsible, and efficient public administration, which would meet the society's demands and correspond to the European standards. In December 2005, the Government approved a CPAR Strategy and a three-year (2006-2008) Implementation Plan (Government Decision No.1402).

At the Government's request, several development partners (the Government of Sweden, the Government of the United Kingdom and the Government of Netherlands) have decided to allocate financial assistance to support the design and the implementation of the reform. The Multi Donor Trust Fund (MDTF), in the amount of US\$6.15 million and administered by the International Development Association, was aimed at supporting the implementation of the reform program outlined in the Strategy and included several components: (i) institutional reorganization, (ii) Government's policy making capacity, (iii) merit-based professional civil service, (iv) management, information and communication, (v) TF management. The Trust Fund was to be disbursed during the period of July 2006 – December 2008. The timeline for the MDTF coincided with the government term, and followed the electoral cycle.

After three years the implementing team changed and it took some time for the new team to reach its optimal capacity. Thus, during the period of 2006-2013, the MDTF was amended 3 times (in 2009, in 2011 and 2012 – when new activities to the planned support were added), with the extension of implementation period from three to seven years over 2006 - February 2014, and the total budget of 11,450,000 USD.

### *Main Achievements: Reorganization of CPA*

The Project has conducted a horizontal functional review (HFR) of five big policy sectors, represented by all government ministries and approximately 160 subordinated government bodies. Recommendations for optimization of allocation of functions among government entities have been developed and partially implemented. The beginning of this activity was supported by the UNDP, which was able to quickly mobilize resources to start the HFR prior to MDTF approval.

While the previous Government made limited use of the functional review recommendations, reorganization undertaken by the current Government in 2010-2012 was strongly guided by the functional review findings. As a result, better separation of policy development from implementation function has been achieved. Consolidation of the Government structure was also achieved by cutting the number of central public administration bodies from 29 to 24 and the number of government agencies from 16 to 8.

The rich analysis has become a useful basis for the development and promotion of the law on organization of the central specialized public administration, which was approved in 2012 and introduced a sound legal basis for the organization, subordination, monitoring and accountability of public administration authorities for their performance. The State Chancellery on a regular basis screens any normative draft to ensure that the organizational system adheres to the set of principles developed as part of the functional review. In addition, the government has realized the need to better regulate administrative functions of the government and together with the SIGMA Program's experts developed a concept of the law on administrative procedures that binds civil servants to adhere to the due process in making decisions regarding right of the citizens and businesses.



*Mr. Victor BODIU, Secretary General of the Government*

After the improvement of the Government structure as a whole, and improvements done in the structure of each public authority (regulations, division of functions, responsibilities, etc.), it has been decided to go further and to modernize the public service delivery process. Thus, with the MDTF support, a comprehensive review of public services was conducted, new Vision document on public services and the Government Program of public services' modernization was developed, and is to be approved. Based on concepts and solutions identified in Vision Document, a draft Law on Public Services is now finalised (after consultations with the Department and the e-Gov Centre). Such systemic law, according to the best international practice, is recommended solution to ensure a common legislative framework for the whole reform to be implemented in a uniform style.



In parallel to setting up a comprehensive conceptual framework and tools for its implementation during 2014 – 2016, project experts have prepared Methodology for Public Service Reengineering, which provides a step-by-step guidance on how to approach reengineering process within any public administration institution providing services to citizens. Three pilot projects were carried out in cooperation with public institutions. Three public service reengineering plans were prepared as a result.

Calculations based on proposed methodology suggest that if these reengineering plans would be implemented, a MDL 32,55 million/per year administrative burden currently placed on citizens and businesses would be removed. Investments needed to implement these measures are only MDL 6,65 million during the first year that are outweighed by cost reduction to clients and benefits from efficiency gains in public administration.

So, the project's assistance ensured continuity and efficiency of the reforms and showed that it is needed to reengineer processes before they are digitized to avoid investment into badly formed and run public services.

### *Main Achievements: Government's Policy Making Capacity*

Moldova has developed and introduced an effective strategic planning and policy coordination system. An institutional capacity, in terms of a dedicated policy coordination unit, has been established in the State Chancellery and competent staff has been hired and trained. Methodologies for development of National Development Strategy and sector strategies (linked to government policy priority goals) have been introduced. Each Central Public Administration Authority (CPAA) has developed and approved its Strategic Development Program, which includes policy objectives and institutional capacity building objectives. The National Development Strategy "Moldova 2020" serves as a policy framework for developing a medium-term expenditure framework (MTEF).

A system of ex-ante policy impact analysis has been developed and introduced for most important policies. Prior to final approval, policy options are being discussed at the Strategic Planning Committee, chaired by the Prime Minister. The capacity to develop policy at the sector level has been enhanced through setting up dedicated strategic planning and policy analysis units in line ministries. The staff in these units has been trained in the Academy of Public Administration that offers a training module on strategic planning. Additional hands-on trainings on procedures introduced through new regulatory acts



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and methodologies have been conducted by the State Chancellery's staff and supporting consultants with minimal cost impact.

It is to mention that the Academy of Public Administration prior to the MDTF has not offered any topical training course, but rather had delivered informational seminars to officials, mostly at the local government level. The capacity of APA was developed under the PFM Project, as well as with the support and guidance of the State Chancellery and contracting out trainings using the MDTF funds.

### ***Main Achievements: Merit-based Professional Civil Service***

Substantial progress has been achieved in the development of a merit based civil service. The new Law on Public Office and Status of Civil Servant, drafted in line with the EU good practice, was adopted in July 2008 and entered into force as of January 1, 2009. The main achievement of the law was to introduce a merit-based selection and promotion of administrative officials, and separating rules governing political and administrative officials. Implementing government regulations on competitive selection, performance appraisal, probation period, preparation of job descriptions, recruitment, etc. have been approved and are being implemented. In total, seven new human resource (HR) management procedures have been introduced. The current legislative framework presents a good basis for a modern Civil Service, according to the expert evaluators' review, and is a significant step forward compared to the system that existed when the Strategy for Central Public Administration Reform was passed in 2005. The management of the civil service became transparent, rule based, with emphasis placed on professional development, performance and ethics.



A Personnel Policy Division was established within the State Chancellery, and its capacity for enforcement of the civil service law and coordination of HR units is being continuously strengthened. A network of personnel managers has been established to facilitate a uniform implementation of civil service rules and procedures across the civil service. Training in application of new civil service rules has been implemented. More than 300 of workshops for HR personnel and for management and executive personnel were organized over the lifetime of the MDTF.

### *Main Achievements: Management, Information and Communication*

The MDTF supported the development of a communication program in relation to the Central Public Administration Reform to ensure awareness, understanding and support to CPAR measures aimed at improving transparency, professionalism, and ethics in the civil service. Routinely, the Government adopted annual plans for implementation of the CPAR and prepared annual reports on its implementation. The reports have been posted on the CPAR web page on the Government portal. During 2006 - early 2008, quarterly meetings on PAR for the Government, NGOs and Donor Community were organized to present the progress on PAR implementation. Later Governments did not continue with this practice. However, initially introduced as project activity, first consultants and then the staff responsible for public administration reform, started publishing regular bulletins on civil service, strategic planning, policy coordination, supplemented by an overview of international public administration reform practices. These bulletins are being disseminated electronically and posted on the CPAR portal. Thus the project helped institutionalize better transparency of the CPAR process and accountability to the public on CPAR implementation.

### *Main Achievements: Trust Fund Management*

The project was well integrated into activities of the State Chancellery. It has benefitted from continuous necessary political support, as well as from close supervision by the Prime Minister through a designated advisor.

The project steering arrangements have changed throughout implementation. Under the current arrangements, Government Strategic Planning Committee chaired by the Prime Minister plays the role of the steering committee for the project.

The Office of Administrative Support (OAS) for the project, based on World Banks' assessment and audit reports, has provided highly satisfactory support to Project implementation. The main functions that the OAS carries out are procurement, financial management, contract management and project monitoring. The continuity of the OAS staff has helped the State Chancellery to maintain satisfactory rating for MDTF implementation.

### *Conclusions*

The understanding of the CPAR reform evolved during its implementation. Importantly, the technical leaders of the project have been the main drivers of the reform implementation. They were



learning throughout the process and evolved as seasoned managers of the public sector management reforms capable of developing customized solutions for the Moldovan administrative and cultural environment. Given that the evolving vision presented more specific understanding on how MDTF (and CPAR) objectives could be better attained, the World Bank's team supported changes to the initially agreed activities.

Based on the Result Monitoring Matrix and the external assessment commissioned by the project, more than 90 percent of initially planned results and activities have been achieved. In cases when the result has been achieved much later than planned, the main reason was mostly a lack of political will or limited capacities of the counterparts.

Better governed institutional system, enhanced transparency of the civil service management, enhanced skills in policy management, predictable human resource management framework, supported by the newly implemented HRMIS, ongoing improvements in service delivery, prioritized policies, qualitative ex-ante assessments and public policies, strategic planning systems at the level of central public authorities, as well as professional civil servants in CPAAs – these are just a few results and outcomes of the central public administration reform implemented during 2006-2013.

## I. Background of the Project

The Central Public Administration Reform (CPAR) in Moldova was launched immediately after the Parliamentary elections of 2005, when the reelected President of Moldova announced public administration reform as one of the top priorities of the Government. In December 2005, the Government initiated a Central Public Administration Reform, aimed at streamlining of the central public administration (CPA) and its aligning with the requirements of a market economy and European integration.



The Central Public Administration Reform, launched in 2005, has put forward a comprehensive approach and systematic effort, and was targeted towards a transparent, predictable, responsible, and efficient public administration, which would meet the society's demands and correspond to the European standards. In December 2005, the Government approved a CPAR Strategy and a three year (2006-2008) Implementation Plan (Government Decision No.1402).

The CPAR Strategy proclaimed four key objectives: (a) modernization of public administration based on a functional review and institutional reorganization; (b) improvement of human resource management; (c) optimization of the decision making process; and (d) improvement of links between policy and public finance management.

In order to implement all the planned activities, the Government of Moldova asked for donors community's support and, as a response to that, a Grant Agreement between the International Development Association (*as administrator of grant funds provided by Swedish Government, United Kingdom of Great Britain and Northern Ireland and the Government of Netherlands*) and Government of the Republic of Moldova was signed in July 2006 to establish a Multi-Donor Trust Fund (MDTF) in an amount of US\$6,150,000.

The purpose of the Grant was to assist the Government of Moldova in the implementation of the Central Public Administration Reform (CPAR), laid out in the CPAR Strategy, by strengthening the

institutional capacity of the public administration system in the Republic of Moldova for better development and implementation of government policies and more strategic use of public resources. The activities for which the Grant was signed are as follows:

- (a) **Institutional Reorganization:** Provision of technical assistance to: (i) conduct a government-wide functional review of the central public administration entities; (ii) further develop the legal framework on the organization of public administration; and (iii) build capacity of the CPAR unit of the Government Office of the Cabinet of Ministers of the Republic of Moldova.
- (b) **Government's Policy-Making Capacity:** Provision of technical assistance to: (i) review the policy planning system and develop a methodology for improved elaboration and coordination of policy proposals; (ii) conduct on-the-job-training in preparation, and pre-approval procedures for policy documents; (iii) review and amend Government normative acts and pass additional regulations on policy coordination system; and (iv) further develop mechanisms linking policy and budget planning.
- (c) **Merit-based Professional Civil Service:** Provision of technical assistance to: (i) revise the draft Civil Service Law and draft secondary civil service legislation; (ii) further develop civil service human resource management methodology and human resource functions; (iii) support capacity building of the civil service management entity; (iv) further develop civil service classification, grading and remuneration system; (v) conduct training, workshops and study tours for civil servants; and (vi) design and implement a civil service register, and provide software, hardware and office equipment for the central and ministries' personnel management units.
- (d) **Management. Information and Communication:** Provision of technical assistance to: (i) plan and implement communication program to increase awareness, participation and support for the CPAR program; (ii) maintain the CPAR website; (iii) disseminate training and communication materials to increase awareness and participation of major stakeholders in monitoring the CPAR program; and (iv) conduct surveys on CPAR implementation progress.



- (e) **Trust Fund Management:** Provision of technical assistance of the Project including management support to the CPAR Unit in conducting financial, procurement, and implementation monitoring and reporting arrangements, and audit services.

Project team was organized in an Office for Administrative Support for Assistance in the Implementation of the Central Public Administration Reform Strategy in the Republic of Moldova, consisting of a manager, procurement specialist, financial specialist and an assistant.

## II. CPAR Project Implementation History

### Project Design and Implementation

Following the dialogue between the Government, on the one side, and the World Bank and major donors on the other side, the Government requested the donors to mobilize resources in support of the CPAR. The agreement was reached with the donors – Swedish Government, DFID and the Dutch Government, that they would provide funds for a Multi-Donor Trust Fund (MDTF), to be implemented by the Government Office, as Grant implementing agency, and administered by the World Bank.

Prior to MDTF effectiveness, UNDP and Swedish Government had provided technical assistance that addressed initial PAR management capacity building support, and implementation of the first phases of the horizontal functional review and related analyses of the governance system, e.g., the analysis of the civil service system, the analysis of the decision-making system, etc.

The duration of the MDTF was set to coincide with the mandate of the incumbent Government. The MDTF was split into Government-executed (net USD 7.38 Million) and Bank-executed (net USD 0.16 Million).

With only a few months left until the end of the first stage of the reform, the Government acknowledged that the original reform agenda proved to be very ambitious and progress achieved until the end of 2008 had been uneven. The main reasons for the slower progress were the underestimation of the complexity of the reform and the insufficient internal capacity to digest the external advice, gain support for the reform among the decision-makers, and adjust the reform recommendations to the local needs. Also, the strong emphasis at the beginning of the reform on the need to reduce the number of staff working in central public institutions has resulted in less support to reform on the part of the concerned institutions.



The Bank-executed part of the MDTF was closed as initially approved in December 2008 with 90% disbursement. Initially envisaged support to managerial controls and accountability under the Bank executed component has not materialized, as the public administration was not ready for institutionalizing of managerial devolution during the





early years of the MDTF implementation. More effort from the implementing agency was needed to put in place the core systems: merit-based civil service and optimized institutional framework. Thus approximately US\$17,000 of the bank executed component was cancelled. The Government Executed part of MDTF was extended until December 31, 2010.

Following the mid-term review discussions conducted with the donors in spring 2010, and based on the progress achieved under the project, the Government expressed an interest to expand the scope of project activities. The proposed additional activities presented a logical continuation of technical assistance initiated under a parallel DFID project in 2009 aimed at strengthening government policy making capacity. Historically, DFID TA project resulted from the recommendations generated under CPAR MDTF in the early years of its implementation. The results achieved under DFID TA were very positive, but the TA could not be continued under the original project because of the closure of the whole DFID program in Moldova. The Government and all the donor partners involved in implementation of CPAR agenda in Moldova have requested that the CPAR MDTF should continue supporting improvements of the government policy making capacity initiated under the DFID project. Given the general satisfaction with the progress achieved by the DFID project and importance of the policy capacity for governance effectiveness and efficiency, Swedish Government has offered to provide an additional contribution to CPAR MDTF to finance the costs of additional assistance. The additional assistance involved scaling up the pilots initiated by the DFID project and the move towards institutionalizing a well-coordinated government policy management system.

At the same time, it was acknowledged that for objective reasons, the State Chancellery did not manage to implement certain activities until the new closing date of the Grant Agreement (December 31, 2010), such as the design and implementation of the Register of Public Functions and Civil Servants (as the development of tender documentation took too much time, due to lack of experience in this domain). The implementation of the new job classification and grading system in civil service and development and implementation of a new remuneration system in civil service also were delayed due to the large volume of work and the need for consensus on these issues within the government, as well as with international financial organizations





(the IMF has supported a freeze on pay roll in the strained post-crisis economic environment).

Therefore, in 2010, the Government requested the second extension of the Grant Agreement closing date for additional 24 months, until December 31, 2012, and an increase in the grant amount, to finalize the activities mentioned above and also to

implement a number of new Government priorities envisaged in the updated Government CPAR implementation plan for 2011-2012, such as:

- (a) conduct an analysis of the administrative procedures in place and draft/implement a new code/law in this area;
- (b) update the legislation in place and implement new procedures for ex-ante analysis of policy proposals;
- (c) conduct the analysis of public services provided by CPAA and develop a new program/strategy to modernize them, by introducing, *inter alia*, quality standards for the public services delivered by the authorities; and
- (d) lay the foundation for the implementation of e-governance in the Republic of Moldova.

The additional grant financing received by the MDTF with that project extension amounted to USD 3.75 mln.

In 2012, based on further progress achieved, the Government requested one more extension of the project closing date for additional 12 months (till December 31, 2013) and another increase in the grant amount of US\$ 1.55 mln. for further scaling up the activities under the project. The increase in the grant amount was requested to support the implementation of priority activities included in the Government's CPAR Action Plan for 2013. The main new activity, proposed to be financed by the CPAR MDTF during the new extension period, was expected to support transformation of the delivery system of government administrative services to make them more accessible to citizens, transparent, and efficient. This activity was to build on the initial results achieved in this area under the CPAR MDTF in 2011-12 and included a review of public administrative services provided at the sub-national level and a design of a more effective and efficient service delivery model. The new service delivery model was expected to provide useful inputs to the Governance e-Transformation project that supports digitalization of government services. The Government also asked for an extension of selected ongoing activities financed by the CPAR MDTF until the end of 2013, so as to assure sustainability of the institutional reforms implemented with project support after its closure.



It was the situation when the “success was rewarded” and as the Government of the Republic of Moldova, being supported by the MDTF, proved the ability to implement CPAR effectively, and achieve planned results. The implementation period of the MDTF was extended 3 times, up to December 31, 2013. The final amount of the Grant becoming 11,450,000 USD.

Main Factors that Affected Project Implementation were the following:

1. There was an objective need for the Government to modernize its public administration, as it was not capable of supporting Government agenda: EU integration, optimization of the use of public resources, professionalization (skills) and improving transparency. The Presidency as well as political fractions in the Parliament were aware of the inefficiencies in the public administration and were ready to support the proposed agenda.
2. The reform agenda evolved from the initial review of the issues in the public administration (through UNDP and Swedish Government support) and the proposed CPAR strategy was addressing the issues that were brought on the agenda by the government officials themselves.
3. From the beginning the communication on reform agenda among broad groups of stakeholders was helping create understanding, support and in the end lead to consensus.
4. In the beginning the CPAR reform had strong support at the level of Prime Minister, Vice Prime Minister and the Minister of the Economy, as well as of the Government Committee created for promoting different initiatives.
5. The CPAR agenda supported Moldova’s aspiration for joining the EU. This allowed Moldova to benefit from the support of the SIGMA program in developing new legal instruments for management of the civil service and public administration. Also SIGMA program helped support learning of the key technical leaders who were responsible for designing and implementing reforms in line with the EU values.
6. Relative continuity of the key technical reform leaders and their vision and dedicated leadership.
7. Reliance on a strong team of local consultants for the design and implementation of reforms, which allowed for an integration of international good practices with the Moldovan administrative culture.



8. High quality of international consultants that worked with the State Chancellery.
9. Continuity of effective support from the Office of Administrative Support.
10. Strong emphasis on networking with ministries and communication via portal and an electronic bulletin. The network of policy units created at the level of ministries, as well as of human resource management divisions, helped to coordinate the initiatives of the reform and to ensure proper understanding and support in implementation.
11. Interest and support from the donor partners.

At the same time, some of the external factors, which were not under project's control, but have influenced the delay in CPAR implementation, and mainly:

12. The timeframe of the initially approved CPAR strategy (3 years of implementation) was too ambitious. The Government did not have prior experience in implementing similar reforms and had exaggerated expectations about the feasible pace of reform implementation. The originally approved timeframe for the CPAR strategy implementation determined the request for politically determined project duration.
13. Frequent leadership changes in the Government Office/State Chancellery slowed project implementation down. Over 8 years of implementation, Government project managers have changed five times. While overall continuity of the CPAR process was maintained, each change required additional time for the new manager to get familiar with the program and accept project objectives (or adjust the scope of activities) and this contributed to slippages in implementation timetable.
14. The lack of prior experience with implementation of IT solutions and weak internal IT capacity of the State Chancellery have affected implementation of the IT component of the project (civil service register). While the solution has been finally agreed for speeding up preparation of the tender documentation through an external consultancy, there is a need to further strengthen internal IT system administration capacity to assure smooth implementation and maintenance of the register in the future.

### III. Project's Performance Assessment

The main **Project Development Objective (PDO)** was to *strengthen institutional capacity of the public administration system in Moldova for better development and implementation of government policies, and more strategic use of public resources.*

In order to achieve the above mentioned and to measure its achievement, the following PDO level indicators have been set:

1. The institutional system is streamlined and consolidated around key policy areas, with Ministries playing a leading role in policy development and coordination of implementation;
2. The Government Office (State Chancellery) and the Ministry of Finance coordinate and control the quality of ministries' policy proposals within a rolling MTEF. Policy management system established and functioning;
3. Legislation on civil service and public administration compatible with EU practice, approved and implemented;
4. Central service management instituted to enforce merit based recruitment and promotes effective personnel management practices.

All of the targets of the above mentioned indicators were fully achieved, the results of implementation in details presented below, as well as in Annex 1. Project Results Matrix.

#### **Relevance** (*project design, contribution, realism, evolution*)

As a whole, CPAR had a comprehensive approach and the structure of central public administration had been too far from the best European practices of good governance at the beginning of reform. It was very important as well as essential to start modernization of public administration with a comprehensive functional review and the restructuring at the national and institutional levels. After that, very logically the Government planned to create capacities at the central level, mainly by creating policy coordination and personnel policy divisions, as well as at the ministerial level - policy units within CPAAs. Of course very essential is to build capacities of newly created bodies, to train, to coach and to establish tools and methods of cooperation, networks for better communication, etc. Then, a very important step was to develop necessary legal framework so as to align CPA policies and systems with good international practices, and again to train and to coach officials on how to



use this framework. That was exactly how the Government and the project team planned their activities and, based on the achieved result, it seems that they've done a good job in project design, as all the activities were relevant to the project objectives and to its main goal.

The contribution of CPAR project was essential at that moment, as CPA capacities were limited: lacking human resources, expertise and necessary knowledge to

implement the CPAR Strategy. In this respect, the project provided professional international and local consultancy for all components of the CPAR Strategy: institutional reorganization, decision-making process improvement, merit-based professional civil service, communication and transparency.

While the planned CPAR agenda was relevant for the government, the timetable of three years – 2006-2008 – was not. The first years were spent building the capacity for reform implementation in the center and trying to achieve political support at the presidency level for the new public sector management system, which was challenging. Once the team in the State Chancellery was strengthened and the political support was assured, the pace of implementation picked up in 2010.

One more important fact to state about the relevance of planned and implemented activities is that while the ultimate goals remained the same, the reform process was flexible and activities were always adjusted to continuously evolving understanding of the CPAR reform and changing environment – which proved to be a good approach for a successful implementation. Given that the evolving vision presented more specific understanding on how MDTF (and CPAR) objectives could be better attained, the World Bank's team supported changes to the initially agreed activities. For example, rather than preparing Ministries' reorganization plans, the Government and the World Bank agreed to proceed with the elaboration of Institutional Development Plans and then Strategic Development Programs that would underpin both strategic vision reflected in government programs, as well as capacity building of the Ministries and subordinated organizations.

### **Effectiveness** (*implementation process, results*)

Taking into account that most of the objectives of the project were achieved, effectiveness is for sure one of the main features of the project implementation process.

A more detailed view on the achieved results and implementation process is presented below.

### Component One: Reorganization of CPA

For supporting the institutional reorganization, CPAR project provided financial and technical assistance to:

- (1) Conduct a (second part of the) government-wide functional review of the central public administration entities<sup>1</sup>;
- (2) Further develop the legal framework on the organization of public administration; and
- (3) Build capacity of the CPAR unit of the Government Office of the Cabinet of Ministers of the Republic of Moldova.

In this respect the following activities have been implemented and results achieved:

Activities implemented	Period of implementation	Results achieved
Horizontal Functional review (phase II, completion)	2007	Functional review report with recommendations on CPA reorganizations
Implementation of the functional review results and recommendations	2007-2008	Internal capacity assessment unfolded and IDPs developed in all CPAAs
Development of a Law on CPA and support in its implementation	2008-2009	Law on CPA developed, consulted with all CPAAs, OECD SIGMA, civil society and adopted by the Parliament
Capacity building of the PAR Unit	2007-2008	Capacity built on reform management, strategic planning, institutional development, ex- ante impact assessment, communication and participation, transparency, etc.
Modernization of public services	2011-2013	Vision document on modernization of public services, Draft Government Decision on public services modernization program, Methodology for public services re-engineering and law on public services developed.
Support to reorganizations and optimizations	2009-2013	Standards on CPAAs regulations developed and approved. All drafts Government Decisions on reorganization of the CPAAs endorsed according to the CPA reform principles and functional review recommendations
Consultancy on administrative procedures	2010-2013	Code on administrative procedures developed according to the new CPA law

<sup>1</sup> UNDP initiated a horizontal government review in 2006.

*Strengths and weaknesses of the process*

When the MDTF became effective, its implementation (disbursements) was slow, as technical capacity to manage reform took time to develop. First consultancy assignments, related to the functional review, drafting the law on civil service and the law on central public administration, presented a possibility for the PAR Unit to interact with international consultants, as well as the Bank's supervising team, and gradually facilitated building PAR management capacity.

At the same time, the announcement made by the President of the Republic of Moldova (Mr. Vladimir Voronin) in 2005 that the scope of the CPA Reform was to pursue the cut of the CPA staff by 70%, negatively influenced the perception of civil servants and created a strong resistance in CPAAs to the reform process. This made the process of CPA reorganization more complicated and increased the timeline of CPAR implementation, as the project team had to spend more time on informing of the real scope and objectives of the reform, which were not necessarily linked to the reduction of staff, but rather on optimization of staff (depending on institution's mandate and objectives), as well as to gain CPAAs support, which was crucial for a successful implementation.

In this respect, the project team was very effective in organizing a number of communication and awareness campaigns, making presentations and explaining in each and every authority the real scope and objectives of the CPAR. Nevertheless, the functional review recommendations were treated in some cases with criticism by public authorities, as they perceived that there was an attempt to reduce their autonomy/mandate/staff.

The institutional and functional review process itself was organized very well, as it focused on ensuring participation manner, communication campaigns, etc. It was for the first time, after a long period, when not only the top-management of the public authorities, but also mid-level managers, head of divisions and sections were involved in the process of reviewing the recommendations of the functional analysis and discussing the future structure and functions of the authority.

Regarding the approach for Institutional Development Plans elaboration (which represent 49% of the finances allocated and spent for institutional reorganization component), it should be mentioned that hiring two consultants for each CPAA (one international and local) had both advantages and disadvantages. The procurement process was very complex for the OAS staff, as they had to organize 28 competitions, to select and to manage 28 individual contracts related to a single activity. From another point of view, the Government wanted to ensure that the selected consultants would be the best in their areas of expertise and that there would be a good cooperation between those



selected consultants and the management of the public authorities, as they were involved in the selection process.

Finally, the biggest disadvantage of this approach was that the authorities had very good documents (Institutional Development Plans) developed by local and international consultants, but the ownership was lacking, and managers perceived IDPs as planning documents imposed from outside, which definitely decreased their level of implementation. Nevertheless, it was one of the lessons learned by the project team and by the Government itself, which insisted on the above mentioned approach. In sum, it was a good knowledge sharing and capacity building process on strategic and institutional development for ministries and Government Office.

### *Assessment of the achieved results*

The Government has conducted a horizontal functional review of five big policy sectors, represented by all government ministries and approximately 160 subordinated government bodies. Recommendations for optimization of allocation of functions have been developed and partially implemented. While the previous government made limited use of the functional review recommendations, reorganization undertaken by the current Government in 2010-2012 was strongly guided by the functional review findings. As a result, better separation of policy development from implementation function has been achieved. This allowed ministries to focus on policy development and alignment it with budget planning. The consolidation of the Government structure was also achieved by cutting the number of central public administration bodies from 29 to 24 and the number of government agencies from 16 to 8. The rich analysis has become a useful basis for the development and promotion of the law on organization of central specialized public administration, which was approved in 2012 and introduced a sound legal basis for the organization, subordination, monitoring and accountability of public administration authorities for their performance. Presently, the State Chancellery, on a regular basis, screens any normative draft to ensure that the organizational system adheres to the set of principles developed as part of the functional review. In addition, the government has realized the need to better regulate administrative functions of the government and together with the SIGMA Program's experts developed a concept of the law on administrative procedures that regulates civil servants' behavior obliging them to adhere to due process in making decisions regarding rights of citizens and businesses.

In 2012 the CPAR project carried out a mapping exercise of the public services delivered by CPAA, during which more than 500 public services of different nature were identified, part of which is already publicized on the official service portal [www.servicii.gov.md](http://www.servicii.gov.md). It also showed that there is a number of smaller scale problems that significantly influence public service delivery, such as:

(i) the lack of defined standards for service provision among different services; (ii) absence of uniform approach towards tariff setting leading to over-priced service fees for clients; (iii) insufficient ICT use in service modernization and introduction of different and incompatible IT platforms; (iv) low service accessibility for people living in regions since some services are available only in Chisinau; (v) requirement of physical presence as the most important way of service provision ignoring other possible alternative channels; or (vi) the absence of inter-institutional service delivery cooperation models that would both improve citizen satisfaction and ensure bigger cost-efficiency.



The review of service provision led to approval of a Government Program on modernization of public services. Currently, there is a World Bank technical assistance project on Government e-Transformation, helping the State Chancellery to implement an agenda of automation of public services.. During the final stages of the MDTF, a work on public service modernization – one of the most demanded aspects of PAR by citizens – is being conducted, taking service provision to another level of details and concepts. The Project Team is working in three main directions that will be accomplished by the end of the 2013.

The first, based on the baseline measurement of the public perception and analysis of the current problems with public service quality in Moldova, a comprehensive Vision document is prepared that will serve as a conceptual basis both for updating of the Government Program in this field and also the draft a Law on Public Services establishing a common legal framework for this important work of administration. The second, Methodology for Public Service Re-engineering has been elaborated and tested in three pilot projects. Based on this work responsible civil servants from different institutions will be trained, so that they are able to apply the Methodology on a larger scale. The third, Project Team had been actively communicating with key stakeholders and establishing bridges to the Government's e-Transformation process, ensuring awareness building and broader understanding of the work behind the public service modernization process. It is evident that further support in the field of modernization of the public services provision will be required in the future, because of the low capacity and limited human and financial resources in public administration to deal with these complex issues.

**Component Two: Government's policy making capacity**

In order to support Government's Policy-making capacity the following technical assistance has been provided and results achieved:

Main activities implemented	Period of implementation	Main results achieved
Capacity building support for policy analysis and coordination unit	2008-2013	<p>Policy analysis and coordination unit has capacity to consult ministries, to train and methodologically guide them, are complying with the roles, operates according to the established procedure</p> <p>At least 50 SDPs developed in CPAAs, more than 450 civil servants trained on SDP development</p>
Support to strengthen government policy management capacity	2011-2012	<p>31 public policy proposals prepared and used for sector reforms</p> <p>Moldova 2020 developed</p> <p>Policy management capacity assessed</p> <p>Improved monitoring and reporting system for the Consolidated Government Action Plan</p> <p>Ex-post impact assessment methodology and guidelines developed</p> <p>Enhanced capacity of ministries to develop Sectoral Expenditures Strategies, Medium Term Budget Framework, etc</p> <p>Enhanced civil society participation in the decision-making process</p> <p><a href="http://www.particip.gov.md">www.particip.gov.md</a></p>
International consultancy for planning and policy prioritization in NDP	2007-2008	NDP designed with the result indicators and associated budget plans, with prioritized objectives
Local trainers on strategic and financial planning for the ministry of Internal Affairs	2013	Trainings on strategic and financial planning delivered for personnel of Ministry of Internal Affairs

*Strengths and weaknesses of the process*

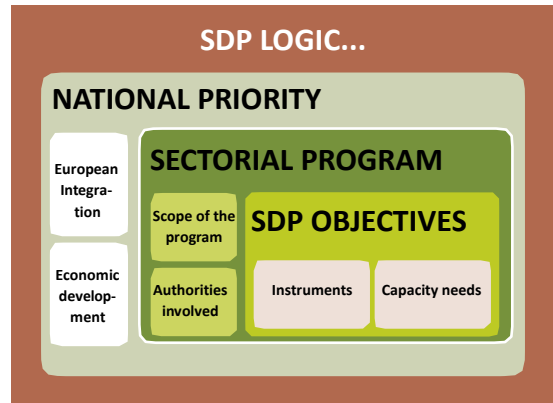
The main problem in the case of decision-making, strategic planning and policy development support at the beginning of the project was the lack of counterparts at the ministry level (policy units). Although policy analysis units were set up during 2008 they became fully operational in all CPAAs only in 2010. Before that the main focus of the support was on the development of methodological documents (ex-ante evaluation methodology, strategic development plans, standard requirements for policy documents, training materials, etc.).

Learning from the experience with Institutional Development Plans, the project addressed the issue of strategic planning in CPAAs differently: this time instead of hiring a lot of consultants for each authority, only two consultants were hired for development of methodological documents and for training delivery. Thus, after a participatory process of Strategic Development Programs Methodology development (agreed and endorsed by all authorities), in each authority a planning team was created (with participation of top-managers, policy units, and head of the main divisions of the public authorities) and more than 450 civil servants were trained in how to develop a strategic development program. So, as a result of 3 years of working in this area: methodological documents were developed, all policy units and head of divisions were trained in strategic planning and at least 50 SDPs were developed, endorsed by State Chancellery and owned this time by public authorities with minimal cost impact.

Generally speaking, all the efforts related to improvement of the decision-making process were mainly focused on capacity-building through trainings and methodological support, so as to ensure that the project does not substitutes the capacity of central Government but is transferring and sharing the knowledge to the policy units through the on-job training and learning by doing.

*Assessment of the achieved results*

Moldova has developed and introduced an effective strategic planning and policy coordination system. An institutional capacity in terms of a dedicated policy coordination unit has been established in the State Chancellery and competent staff has been hired and trained. Methodologies for development of National Development Strategy and sector strategies (linked to government policy priority goals) have been intro-



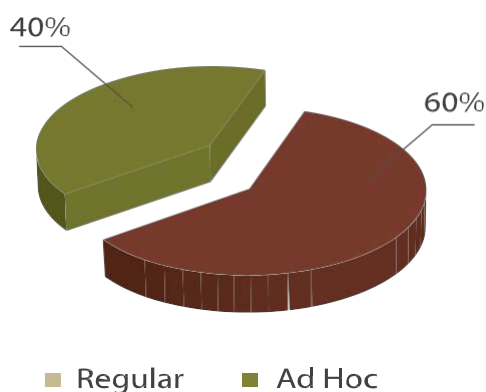
duced. Each CPAA has developed and approved its Strategic Development Program, which includes policy objectives and institutional capacity building objectives. The National Development Strategy acts as a policy framework for developing a medium-term expenditure framework. A system of ex-ante policy impact analysis has been developed and introduced for selected policies. Policy options are being discussed prior to approval at the Strategic Planning Committee, chaired by the Prime Minister.

Strategic planning, policy planning and ex ante assessment – all included the fiscal impact of strategies. Capacity to develop policy at the sector level has been enhanced through setting up dedicated strategic planning and policy analysis units in line ministries. The staff in these units has been trained in the Academy of Public Administration that offers a training module on strategic planning. Additional hands-on trainings on procedures introduced through new regulatory acts and methodologies have been conducted by the State Chancellery’s staff and supporting consultants with minimal cost impact. It is to mention that there was coordination with the PFMP project and the State Chancellery avoided duplication of activities between the two projects.

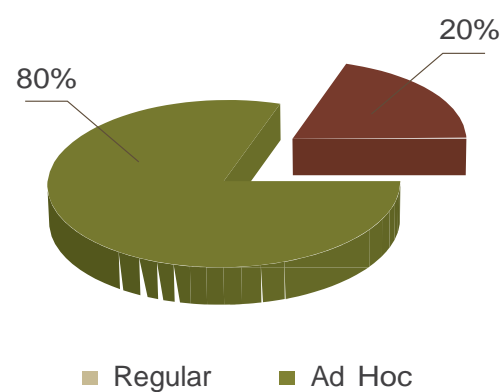
Introduction of the Consolidated Action Plan (CAP) instrument was another big success of the CPAR as it has allowed to significantly reduce the amount of parallel planning and reporting. The medium-term CAP now has become an integrated operational planning framework for all key government-wide strategic planning documents. It includes also the legislative programming, and has an electronic reporting platform. The later, though, is not widely used, yet.

Some 80% of line departments in ministries consider the CAP instrument as the main tool for prioritization, planning, monitoring and reporting. When CPAR Strategy was designed, it was believed that excessive external reporting, particularly ad hoc reporting, was among the key factors that “crowded out” the green shoots of policy making. In 2005, civil servants claimed to spend at least two thirds of their work on externally driven and ad hoc tasks and mostly reporting. Since start of the reform, the State Chancellery twice carried out so called guillotine of outdated policy documents and other government decisions. More than 200 items have been abolished in this way. Along with introduction of the CAP instrument it has had positive impact on the amount of externally required reporting.

Proportion of reports: 2010



Proportion of reports: 2012





Reporting burden has not only been minimized but also regularized. There was carried out research of ministerial reporting practices in 2010 and in 2012. The data obtained, as shown in the charts 1 and 2 below, show positive trend. The proportion of non-regular or ad-hoc reports has been reducing substantially.

Another big result of the CPAR project is increased transparency in the decision-making process. The



Law on Transparency, adopted by the Parliament in 2008, establishes equal opportunities to all citizens to participate in the decision-making process. The National Participation Council (NPC) was created and it discusses all the main draft policy documents. It consists of 30 representatives of civil society, and is supported by a Secretariat. The NPC can participate in all Government meetings thus facilitating the link of the civil society to the Prime Minister.

On-line consultations have become a norm and are used by 24 CPAAs: traffic increased nine-fold from 2,000 unique visitors to 18,000. The First National Strategy presented for on-line consultations via [www.particip.gov.md](http://www.particip.gov.md) was Moldova 2020, which gathered over 200 comments.

Presently 80% of policy documents are being subjected to consultations through this platform.

Before 2005 the decision-making process was very much opaque: no consultations on draft laws were conducted with the society, the inter-ministerial consultation was not obligatory. All these factors had a negative influence on the quality of laws, regulations, public policies and compliance.

It is to mention that this year the Republic of Moldova for the first time won the UN Public Service Award, being ranked the first in the Europe and the North America region in the category „Fostering participation in the decision-making process through innovative mechanisms”. It happened due to the set of initiatives on increasing transparency of decision making and participation of the civil society in this process, launched and implemented by the State Chancellery during 2009-2012 for facilitating and promoting citizen participation through new institutional mechanisms, for encouraging responsiveness and administration transformation.

Comparing the planned and achieved results, we could see that we have achieved even more than it had been planned.





**Component Three: Merit-based professional civil service**

For supporting the merit-based professional civil service, CPAR project provided financial and technical assistance to:

Activities implemented	Period of implementation	Main results
Implementation of civil service legislation	2007-2013	The Law on Public Function and Civil Servant's Status was amended in 2012 and the secondary legislation is being adjusted.
Modernization of APA/CS training system	2012-2013	Strategic Development Program of the APA developed based on functional review recommendations. Civil service training strategy developed, based on a comprehensive analysis
Support capacity building of the civil service management entity	2010-2013	Civil service management entity has capacities to develop qualitative policies, to train and methodologically guide the HRM ministerial units, as well as to manage HRMIS ( HRM informational system)
Further develop civil service classification, grading and remuneration system	2008-2009	New classification in civil service have been developed, approved and implemented, based on a comprehensive analysis. New grading system approved and used as a base for the new remuneration system of civil servants.
Conduct trainings, workshops and study tours for civil servants	2007-2013	Only in 2012 more than 15000 employees, i.e. 59.8% of all staff, received trainings. English courses, strategic planning, HRM, communication and transparency, legal framework development and many other trainings delivered to civil servants.
Design and implement a civil service register and provide software, hardware and office equipment for the central and ministries' personnel management units	2013	HRMIS software developed and hardware provided for its implementation. The system is also used at local level.

### *Strengths and weaknesses of the process*

The organization of this component has been both effective in terms of the quality of results and efficient in terms of cost/result ratio. Moreover, the implementation was marked by the strong, results driven leadership of the head of the PPD. The transparency and participatory approach was the main logo through the whole implementation of civil service reform.

The biggest challenge was limited capacities within Government Office/ State Chancellery, as a newly created Personnel Policy Division had only 4 staff but had an ample agenda: to develop a series of normative acts, to consult and to promote them, to train civil servants of all CPAA and in local governments in its implementation, to ensure methodological support and coaching and at the same time to organize a lot more different activities related to this domain. The fact that all the planned activities were implemented even with low capacities happened mainly due to the enthusiasm, hard work, the will to change the things and exceptional management of the head of personnel policy division (Mrs.



*Mrs. Tamara Gheorghita*

Tamara Gheorghita) with the help of qualified local and international consultants and local staff.

For this component the project contribution sometimes played the role of capacity substitution instead of capacity building for the State Chancellery, as local consultants did a lot of work that would otherwise be assigned to civil servants, but it was unavoidable under the circumstances of limited staffing. At the same time, with respect to ministries and other public authorities all the project activities were definitely ensuring capacity building.

One acute problem that remains is an increased turnover of personnel at all the levels of public administration. This problem affects the sustainability of other reforms due to the fact that trained professionals (being trained in the last years in order to perform specific tasks and functions) are leaving state apparatus, mainly because of uncompetitive remuneration issues.

### *Assessment of the achieved results*

Substantial progress has been achieved in development of a merit based civil service. The new Law on Public Office and Status of Civil Servant, drafted in line with the EU good practice, was adopted in July 2008 and became effective as of January 1, 2009. Implementing Government regulations on competitive selection, performance appraisal, probation period, preparation



of job descriptions, recruitment, etc. have been approved and are being implemented. In total, seven new human resource (HR) management procedures have been introduced. The expert analysis of the current legislative framework suggests that it presents a good basis for a modern Civil Service. A



significant step forward was made under the MDTF compared to the system that had existed when the Strategy for Central Public Administration Reform was passed in 2005.

Personnel policy division was established within the State Chancellery and its capacity is being developed for enforcement of civil service law and coordination of HR units. A network of personnel managers has been established

to facilitate implementation of civil service rules and procedures across the civil service. Training in application of new civil service rules has been implemented. More than 300 of workshops for HR personnel and for management and executive personnel were organized.

According to the data provided by the public authorities, 15230 employees, i.e. 59.8% of all staff, received training (14,037 of which were civil servants, i.e. 69.5% of the trained staff) in 2012. The monitoring reveals that 51.4% of the civil servants received at least 40 hours of training as required by the *Law on the public office and status of civil servant*.

The breakdown of civil servants trained with the support of the Multi-Donor Trust Fund by training types is shown below.

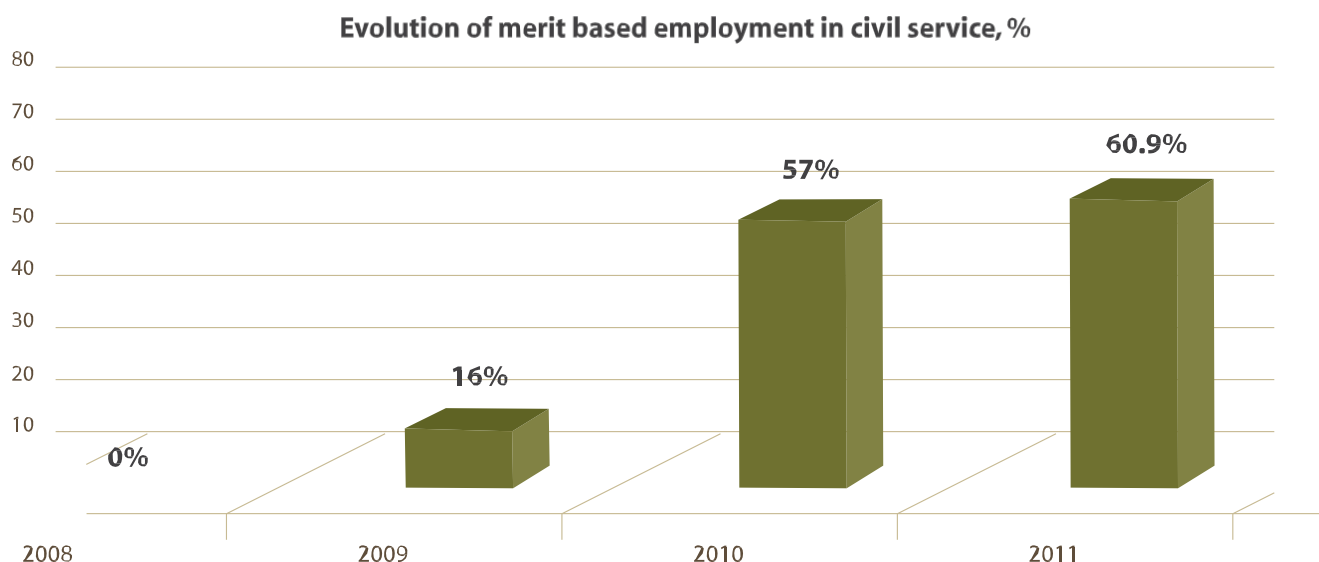
Several measures were taken in order to improve job attractiveness, the recruitment process and the remuneration, which were identified among the main obstacles to better performance of the civil service. For instance, a new remuneration system was developed with the aim to attract and retain young professionals in the public service. Also, a non-monetary motivation scheme (based on methodical guide and personnel motivation plans) has been developed and is being implemented.

A number of different guides and methodologies were developed and published for civil servants.

Merit-based employment started to prevail in the central specialized bodies, while in 2008 no civil servant was employed or promoted through competition. The authorities applied only the transfer and appointment to civil service positions through administrative acts.



In 2012 more than two thirds (70.7%) of civil servants were employed based on merit. Competition was applied to more than half of employments (50.8%). Promotion also recorded a high rate (one fifth), and the transfer accounted for only one quarter of employments (24.9%), while the previous years it prevailed in the public authorities.



The cases of noncompliant employment to civil service accounted for 4.4% as against 6.8% in 2011.

At January 1, 2013, overall, 99.4% of the civil service positions in the public authorities at central level and 98.2% in the public authorities at local level have job descriptions, compared to only about 5% in 2005.

Substantive work was done in development of the Electronic Register “Human Resource Management Informational System”, which is to be launched in December 2013. The HRMIS system will ensure necessary data for management decisions. All necessary hardware were procured and installed in CPAAs, civil servants were also trained on how to use it. It is planned to procure computers also for Local Public Administration Authorities.

#### **Component Four: Communication and transparency in Government activity**

Within this component the CPAR project provided technical assistance to:

- (1) Plan and implement communication program to increase awareness, participation and support for the CPAR program;
- (2) Maintain the CPAR website;
- (3) Disseminate training and communication materials to increase awareness and participation of major stakeholders in monitoring the CPAR program; and
- (4) Conduct surveys on CPAR implementation progress.

Activities implemented	Period of implementation	Main results
Implementation of CPAR Communication Programs (maintaining PAR website, communication materials, organizing events, etc.)	2008-2009	Web page <a href="http://www.rapc.gov.md">www.rapc.gov.md</a> developed and maintained  Seminars, workshops organized and communication materials printed
Organization of opinion polls	2007	One opinion poll organized in order to develop CPAR Communication Strategy
Ensuring transparency in Governmental activities	2009-2010	Legal and normative framework developed, trainings on transparency provided to all ministries.  80% of draft policy documents are being subjected to consultations
Monitoring and Evaluation of CPAR	2007-2013	Monitoring and evaluation reports developed quarterly and made public on the web page of the reform
Implementation and development of new PAR Strategy	2012-2013	An assessment of the CPAR implementation have been unfolded and based on the results, a new draft Strategy developed and consulted with CPAAs

The Trust Fund supported the development of a communication program in relation to the Central Public Administration Reform to ensure awareness, understanding and support to CPAR measures aimed at improving transparency, professionalism, and ethics in the civil service. Routinely, the government adopted annual plans for implementation of the CPAR and prepared annual reports on its implementation. The reports have been posted on the CPAR web page on the Government portal. During 2006-early 2008, quarterly meetings on PAR for the government, NGOs and donor communities were organized to present the progress on PAR implementation. Later governments did not continue with this practice. However, the staff responsible for public administration reform, started publishing regular bulletins on civil service, strategic planning, policy coordination, supplemented by an overview of international public administration reform practices. These bulletins are being disseminated electronically and posted on the CPAR portal.



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The communication process played the main part in the promotion and implementation of the CPAR project as it ensured the support of civil servants, of top management, of the Government, Parliament and the Presidency.

As key actors or stakeholders who influenced the reform implementation changed during the implementation process (*Governmental Commission on CPAR and Supervisory and Consultative Committee have been replaced by National Participation Council*), and as IT development have changed more and more the way CPA

is functioning, the number of CPAR dissemination/information events decreased. This did not have a negative impact on CPAR project implementation, as the objectives and the tools of implementation were very well acknowledged.

In 2010, the new Government changed the project communication style by setting up a National Participation Council and relying on ICT tools and other communication media for reaching out to the public administration and the civil society on reform issues. After 2009 the whole assistance within communication component focused on State Chancellery and Government activity, helping them to promote and disseminate their initiatives and results.



**Component Five: Trust Fund Management**

The project was well integrated into activities of the State Chancellery. The latest arrangement with the General Secretary of the Government in charge of the CPAR reform and the MDTF implementation has assured the necessary political support. The project was also benefitting from close supervision by the Prime Minister through a designated advisor.

The project steering arrangements have changed throughout implementation. Initially, the CPAR Council played a role in directing and supervising the CPAR process. During the following government changes, the arrangements changed to suit the preferences of the Prime Minister, who retained the ultimate political responsibility for CPAR implementation. Under the current arrangements, Government Strategic Planning Committee chaired by the Prime Minister plays the role of the steering committee for the project.

The Office of Administrative Support (OAS) for the project has provided satisfactory support to Project implementation. The main functions that the OAS carries out are procurement, financial man-

agement, contract management and project monitoring. The continuity of the OAS staff has helped the State Chancellery to maintain satisfactory MDTF implementation.

The procurement process has been organized in compliance with the Bank Consultant and Procurement Guidelines. 126 tenders have been organized by the OAS and approved by the World Bank. The implementing agency's procurement performance has been satisfactory. The latest Procurement Plan was updated and approved in March 2013.

The financial management arrangements of the project have been rated satisfactory since project



initiation. The latest FM on-site supervision was undertaken in April 2013 and next one is planned for December 2013. The financial management arrangements of the project are generally

adequate and the control procedures are in place. The semi-annually un-audited interim financial reports (IFRs) have been submitted to the Bank on a timely basis in agreed content and format. The project audited financial statements for FY2006-FY2012 were received on time and contained the unqualified audit opinion with no internal control issues raised by the auditors.

It is to mention that the project suffered from the tragedy which happened with the former manager and the accountant of the OAS (both tragically passed away) and it was very challenging for the new OAS team to successfully finalize the project.

### **Efficiency** (*timelines, procedures, value for money, transparency, accountability*)

From the efficiency point of view, calculating all the inputs (financial, material, human resources, time, etc.) and all the outcomes of the reform, it is very complicated to measure how efficient CPAR project was. Nevertheless, taking into account a huge number of authorities, which had to change their functions, their structures, internal and external tools and methods of communication and transparency, as well as the number of civil servants involved in civil service reform (25,000) who have now a job description and clear procedures of recruitment, performance appraisal, promotion, etc., who have been trained and have now many-many other tools to participate and to influence decision-making process, which was really closed before 2005, definitely we won't be wrong saying that CPAR project proved to be efficient in its implementation.

With only about USD 11,45 million granted by the donor partners (which is a very important point to mention), spent during a period of 8 years, and working not only with central public authorities (as

initially planned), but also with local authorities, changing their way of thinking and of functioning (participatory and transparent approach, public service delivery), developing capacities in the meanwhile, establishing the legal and regulatory framework, main tools and mechanisms and ensuring the basis and opportunity for further improvement, the CPAR project definitely ensured the value for money.

### **Sustainability** (*institutional, human resources, finance, technical equipment*)

Being a comprehensive and long-term project, CPAR project has been proved to be a sustainable one, as the legal framework will be in place and will further regulate the structure and functioning of CPA. The State Chancellery and public authorities have developed capacities and gained experience through the exercise of functional analysis, restructuring, institutional development, strategic planning, decision-making processes improvement, civil service reform or public services modernization will help the Government of the Republic of Moldova to plan and to implement future CPA reform in a complex and comprehensive manner, having first hand lessons learned from this stage of implementation. The majority of the MDTF activities were participatory, involving knowledge creation and transfer, skill development and assisted implementation. The action that followed any report or recommendation of consultancies ensured that new rules and procedures were internalized and new working culture was being developed and supported by the State Chancellery active leadership and monitoring role.

The sustainability of such a process as introducing transparency in decision-making process or e-transformation of public services delivery, or strategic planning or performance appraisal is indisputable. These practices created a demand and a certain expected standard of functioning of the public administration. The CPAR project created the conditions, necessary legal framework, necessary structures within CPA, and built their capacities in order to ensure further development, which is unavoidable.

## **IV. Donors' Performance**

One of the most important role in the whole CPAR process was, of course, the assistance of the World Bank, Embassy of Sweden, DFID, Government of Netherlands and UNDP teams.

The relevance of the assistance is without any doubt, as the comprehensive CPAR Strategy needed financial and technical assistance support to be promoted and implemented. The support became effective in July 11, 2006. Before that, UNDP was financially assisting the Government Office in CPAR implementation.

From the very beginning of project implementation World Bank team was the one who guided not only the project team, but also the State Chancellery (through PAR Unit, created for reform

coordination) on how to better and in a more efficient way to achieve effective and sustainable results.

Donor support to the CPAR reform also was important for the continuity of this reform during the changes in the government and arrival of the parties, previously in opposition, to governing the country toward its European integration and further democratization.



It is to mention that donor's support was also very effective and relevant due to the flexibility, the World Bank approached with. During these 8 years 2 Soul Source selections have been requested by the Government of the RM and approved by the

World Bank: Functional review completion by the DAI Europe Ltd. (contract cost 249 779 USD) and Strengthen Policy Management Capacity project by Ecorys&CPM (contract price 3 060 273 USD). At the same time, instead of reorganizations plans for each institution, initially planned, commonly have been agreed to have Institutional Development Plans and instead of having a single international company for technical assistance, the World Bank agreed with the Government to hire individual consultants for each institution, although it was a very complex management and procurement process and it added a huge amount of work to the project team, as well as to the World Bank team.

All this flexibility helped a lot the beneficiary to get exactly the assistance they wanted to get, ensuring continuity of the processes started by UNDP (functional review) and DFID (CPMC project).

The communication and coordination between the World Bank team and the project team was very efficient and have not encountered any problems. All the issues were addressed timely and with proper understanding.

## V. Conclusions and lessons learned

- **Planning.** One of the most important phases in the project cycle is proper planning. In case of projects, which are unique tasks, when there is too little experience, a good approach is international expertise and assistance, which can help with identification of risks, mitigation measures, opportunities as well as can help with setting a proper and realistic timeline.
- The Government was too optimistic to approve a very **challenging implementation plan**, taking into account the practice of other countries, which demonstrated that it was impossible to implement all the actions foreseen in the Strategy in such a limited period of time. The success of such a reform depends not only on technically approved decisions and financial support but also on the implementation capacity, which was to be built from scratch.
- **Will and commitment to change.** For an efficient restructuring process of any system in CPA there is a need not only for a qualitative functional review/mapping and strategic planning for identifying future priorities, but also a clear, comprehensive and organized approach, a very strong political will as well as good understanding and supportive attitude of those who are involved. Capacities can be always developed – it is important to have the political will for change.
- **Transparency.** Communication, transparency and participatory manner in all you do – is one of the most important key of success. It ensures understanding of the objectives and the means of their achievement, it ensures supportive attitude, changes way of thinking and way of doing, makes implementation easier, and why not – ensures a constructive criticism which is always helps.
- **M&E systems.** Very clear and well organized monitoring and evaluation procedures can save 70% of the time in the period of reporting.
- **Training for proper implementation.** The development and approval/adoption of a good regulation or a law is less than 40% of success, as implementation is the most important. More consultations, trainings and coaching you do before and after the approval, more chances for a successful implementation process. None of 100 civil servants, reading the regulation or methodology you developed, will understand 100% in the same way as you meant, unless you explain, train and coach.



- **Ownership.** Internal documents of public authorities must be fully developed by themselves, otherwise no ownership will be in place and no implementation will follow, which means that technical assistance will be mainly useless. Capacity building is sustainable, not capacity substitution.
- **Participatory process.** Team-work is very important as it helps to coordinate activities and to identify mistakes during the process. A change is not possible without a team of those who support this change.
- **Flexibility.** A flexible approach is important for projects in public administration, as all the activities should be correlated with changing environment, political will and priorities, never the less the continuity of the project implementation should be also ensured.



**Annex 1. Results monitoring matrix**

Indicator	Baseline value (June 1, 2006)	Target value (end project – January 1, 2014)	Status
<b>Project Development Objectives Indicators</b>			
<p><b>(a) The institutional system is streamlined and consolidated around key policy areas, with Ministries playing a leading role in policy development and coordination of implementation.</b></p>	<p>Functions and legal status of government bodies are not aligned. Responsibilities for policy areas overlap. Legal regulation for organization of public administration is absent.</p>	<p>Delineation of policy and implementation functions complete at central government level</p>	<p><b><u>Achieved</u></b></p> <p>The ministries have aligned their structures with the provisions of the Law on Central Public Administration, which stipulates the leading policy role of line ministries. The review of public service system at the subnational level will be conducted to contribute to strengthening institutions of service delivery</p> <p>CPA Law adopted, which divided policy development functions from policy implementation.</p> <p>More than 150 Government decisions related to reorganization were approved and 15 legal provisions were enacted by Parliament.</p> <p>The number of government agencies was reduced from 16 to 8.</p> <p>Policy units were created and are operational in all CPAAs.</p>
<p><b>(b) The GO and the MoF coordinate and control the quality of Ministries’ policy proposals within a rolling MTEF. Policy management system established and functioning</b></p>	<p>No formal policy coordination mechanisms or institutional system are in place. The MoEc is responsible for national planning. New policies are approved regardless of fiscal implications</p>	<p>Institutional system, including policy units, central policy coordination, and methodologies are established and operational</p>	<p><b><u>Achieved</u></b></p> <p>The State Chancellery (SC, the successor of the Government Office) is the lead institution in coordination of policy development (CPA Law). Annually the SC prepares a policy priority framework to inform MTBF.</p>

Indicator	Baseline value (June 1, 2006)	Target value (end project – January 1, 2014)	Status
<b>(c) Legislation on civil service and public administration, compatible with EU practice, approved and implemented</b>	Civil service law (1995) does not require merit based competitive selection. The civil service management system is absent. Appointments are non competitive. A law on public administration absent	Civil service legislation approved and enforced. Public Administration is regulated by law.	<b><u>Achieved</u></b>  The civil service legislation, the Law on Public Administration and the draft Administrative Procedures Code – all have been prepared in consultation with the SIGMA/OECD that provided guidance on EU good practices. The first two laws approved and implemented
<b>(d) Central civil service management instituted to enforce merit based recruitment and promote effective personnel management practices</b>	Central civil service management capacity absent. Central oversight and enforcement of civil service legislation does not exist.	Central CS unit set up and its capacity to enforce civil service law and effective personnel policies created.  Civil service register is operational and enables effective oversight of personnel policies.	<b><u>Achieved</u></b>  The compliance with merit based recruitment and promotion, based on law, has reached 96.9% in 2012 according to the civil service monitoring data.  Personnel policy division established within the State Chancellery and is functioning. The capacity to enforce civil service law and coordinate HR units is being developed through training and consultative support.

## Status of implementation of intermediate project indicators

Intermediate Indicator	Status of Implementation	Explanation
1. The system of management of public administration reform is institutionalized	<b>Achieved</b>	Following the restructuring of the State Chancellery, a Department of Policy Coordination, Foreign Aid Coordination and Central Public Administration Reform was established. The Department reports to the Secretary General of the State Chancellery.
2. Strategic planning capacity in the Center of Government strengthened	<b>Achieved</b>	The total staffing level of the leading Department is increased to 36 posts. The Department has competent staff in management of strategic planning, policy development and coordination, human resources management and civil service monitoring. Managers of policy and civil service area are competent and experienced. Core staff has adequate capacity.
3. Sector expenditure planning capacity at the line ministry level strengthened	<b>Achieved</b>	The State Chancellery and the Ministry of Finance supported development capacity to prepare Sector Expenditure Strategies (SES), aligned with the sector policy planning. Training to line ministries was delivered. In 2012 the quality of SES has improved, SES became better prioritized. 13 of 16 ministries developed SES, 12 SES submitted to MOF for consideration during MTBF
4. Mechanisms for NPC operations developed and functioning	<b>Achieved</b> <a href="http://www.particip.gov.md">www.particip.gov.md</a>	The Second NCP was elected in S2 of 2012. The supporting NCP secretariat and NCP members were trained. NCP actively participates in a consultative process of policy development. NCP takes part in working groups developing Public Policy Proposals, led by ministries. The provided substantial input into <i>Moldova 2020</i> strategy.
5. Civil Service legislation drafted	<b>Achieved</b>	The Law on Public Function and Civil Servant's Status was amended in 2012 and the secondary legislation is being adjusted. The secondary legislation covers selection and appointment, performance management, professional development, etc.
6. Reorganization of public administration has taken place in line with the principle of functional delineation and matching the role of government underpinned by national strategic documents	<b>Achieved</b>	The reorganization of public administration took place to realize recommendations of the functional review (2006) supporting policy responsibility of the lead ministry, accountability of subordinated implementing bodies and allocation of competences in line with hierarchical status.
7. Legal basis for organization and functioning of public administration has been developed and approved	<b>Achieved</b>	The Law on Public Administration, that became effective on February 3, 2013, supports principles of allocation of functional responsibilities, and accountability for policy implementation.
8. A program for improving the quality, transparency and efficiency of administrative public services developed	<b>Largely achieved</b>	Following the review of the 500+ functions the Government approved a medium-term program of streamlining public services, improving service standards, methodology of tariff setting, digitalizing respective services. Three pilot projects completed and all normative and legal acts developed and ready for approval.

## Annex 2. Final output table of CPAR Project

Objective	Activities	Indicators	Results/outputs
<b>Component 1: Institutional Reorganization</b>			
<b><i>Ensure a comprehensive review of functions in CPA</i></b>	<b>Support functional review completion</b>	Functional review completion report	<p>The functional review has been completed. 159 central authorities and 24 deconcentrated bodies have been analyzed. Functional review completion report was developed for 5 sectors: 1) justice and internal affairs, security; 2) Agriculture and Environment; 3) Social and education 4) Culture and Tourism; 5) Economic development.</p> <p>More than 200 recommendations have been presented and discussed with stakeholders and during the period of 2006-2012 – more than 70% of reorganization recommendations have been implemented.</p>
<b><i>Drafting Institutional Development Plans in all CPAAs, based on FR recommendations</i></b>	<b>Support in hiring international and local consultants for each CPAA</b>  <b>Support in drafting IDPs for each CPAA</b>	IDPs developed in all CPAAs	<p>28 consultants have been contracted: for each CPAA - 2 consultants: one international and one local.</p> <p>28 IDPs developed with the help of the consultants. First step of strategic planning exercise in central public authorities have been finalized.</p> <p>All the IDPs served as a basis and for internal reorganizations and, as a next step - for Strategic Development Plans elaboration.</p>



Objective	Activities	Indicators	Results/outputs
<p><i>Implementation of new legislation in CPA organization and creation of a modern CPA by finalizing the implementation of relevant FR recommendations</i></p>	<p><b>Support in reorganization and optimization of Central Public Administration Authorities' activity.</b></p>	<p><b><i>Proposals and recommendations provided.</i></b></p>	<p>Recommendations of the 2005 and 2006 Functional Reviews were revised and a program on CPA reorganization, than a Law on organization of central specialized public administration have been developed and passed by the Parliament (no.98 of 04.05.2012, to enter into force on 03.02.2013).</p> <p>Legal support have been provided to the State Chancellery in order to develop more than 150 draft Government Decisions on reorganization of different authorities.</p> <p>State Chancellery became the "quality filter" of the public administration, being restructured and taking on board new functions, as policy coordination and HRM of public service.</p> <p>Policy development functions have been delimited of policy implementation functions in all CPAAs.</p>
	<p><b>Regulate the organization of and improve the administrative procedures in line with the good European practices.</b></p>	<p><b><i>Concept Note provided to the State Minister.</i></b></p>	<p>A study based on the good European practices in the field of administrative procedures was developed as well as an analysis of the appropriateness of a new law (code) on the administrative procedures <b>was conducted. Recommendations for regulating the administrative procedures in Moldova aligned with EU norms and values were presented to the Government.</b></p>

Objective	Activities	Indicators	Results/outputs
		<i>Final draft of a new Code/law on administrative procedures elaborated and submitted for Government's approval.</i>	New Code on administrative procedures was developed, according to the best EU norms and values, and sent to Government for approval.
	Development of the Law on CPA	<i>Law developed and approved by the Parliament</i>	Law on CPA developed, consulted with all CPAAs, OECD SIGMA, civil society and adopted by the Parliament
<b>Component 2: Decision-making, strategic planning, policy development</b>			
<i>Capacity building for Policy Analysis and Coordination Unit/Implementation of strategic planning procedures</i>	<p>Support to policy coordination process</p> <p>Support in ex-ante impact assessment</p> <p>Support in monitoring, reporting and evaluation</p> <p>Support for NDS planning and policy prioritization</p>	<p><i>Recommendations on policy coordination process and on MTBF development</i></p> <p><i>Ex-ante impact assessment methodology developed and piloted</i></p> <p><i>Assessment of the reporting system and proposals on reducing the reporting burden</i></p>	<p>Due to recommendations and coaching on policy coordination process, the State Chancellery created a network of policy units and started to coordinate policy development, monitoring and evaluation processes.</p> <p>Ex-ante impact assessment methodology developed and introduced in policy development process, trainings and consultancy support provided to all CPAAs</p> <p>A new monitoring and evaluation system has been developed and implemented in State Chancellery and CPAAs. An informational M&amp;E system as well as reporting system is used for Consolidated Action Plan of the Government Implementation.</p> <p>Assessment of the reporting system has been made and recommendations for its simplification have been implemented. As the result, more than 90 Government decisions have been abolished and the</p>

Objective	Activities	Indicators	Results/outputs
			<p>system has been simplified.</p> <p>National Development Strategy has been developed, as well as Moldova 2020 – which became the new national strategic document, the first one consulted with all the stakeholders, civil society and interested persons, as well as the most transparently developed.</p>
<p><b><i>Ensuring an efficient and transparent decision-making process and improving strategic planning</i></b></p>	<p><b>Support in improving the methodological framework for institutional strategic &amp; development planning.</b></p>	<p><b><i>New methodology approved for piloting.</i></b></p> <p><b><i>Notes/comments on draft SDPs of the CPAAs and of subordinated institutions</i></b></p> <p><b><i>Trainings/workshops provided to the working groups within CPAAs and subordinated institutions (selected by the State Chancellery)</i></b></p> <p><b><i>SDPs developed in all CPAAs and subordinated institutions (selected by the State Chancellery).</i></b></p>	<p>The Methodology and the Guide on Strategic Development Programs have been developed, consulted and approved.</p> <p>More than 100 of trainings provided to the Planning groups of the CPAAs and subordinated institutions</p> <p>Support to all CPAAs and subordinated institutions (selected by the State Chancellery) was provided in the capacity assessment and development of SDPs aligned with EU CIB Program, as well as of the annual action plans, according to the new Methodology and Guide on SDP’s elaboration</p> <p>All the SDPs were developed by the CPAAs and subordinated institutions, with the methodological guidance of the strategic planning consultant and endorsed by the State Chancellery</p>
	<p><b>Support in implementation of ex-ante policy analysis and procedures.</b></p>	<p><b><i>Draft normative acts presented to the Government for approval.</i></b></p>	<p>Adjustments of the legislative and normative framework for applying ex-ante impact assessment procedures have been developed and submitted to the State Chancellery</p>

Objective	Activities	Indicators	Results/outputs
	<b>3) Support to strengthen policy management capacity.</b>	<p>a) <u>For Central Government Level:</u></p> <p><b><i>New strategic vision document elaborated.</i></b></p> <p><b><i>Reports/proposals presented.</i></b></p> <p><b><i>Multi annual Action Plan updated twice.</i></b></p> <p><b><i>Regular (quarterly) monitoring reports.</i></b></p> <p><b><i>Format of SEPs improved.</i></b></p> <p><b><i>Report on coaching activities carried out.</i></b></p> <p><b><i>Two rounds of training carried out.</i></b></p>	<p>Assistance provided to the State Chancellery in the development, coordination, discussion and promotion of the "Moldova 2020" document</p> <p>Report on the policy management framework and recommendations for medium and long term reform developed</p> <p>Developed the consolidated Action Plan for 2011, 2012 and 2013 and made recommendations for integrating activities designed to meet commitments made under the EU Association Agreement</p> <p>The monitoring and reporting software have been developed, all civil servants from Policy units trained and the new reporting system of the Consolidated action plan piloted</p> <p>The Ministry of Finance was assisted to update the MTBF and programme budgets to improve programming of national and international resources</p> <p>The State Chancellery was trained and coached in order to ensure its capacities to manage and roll out the Ex-ante Impact methodology and PPP process and to provide feedback in line ministries</p> <p>The "Better Policy Management" training program have been institutionalized; and the APA was assisted to run two further rounds of the training program</p>
		<p>b) <u>For Ministerial level:</u></p> <p><b><i>PPPs of line ministries are</i></b></p>	<p>At the line ministry level, the project has supported the development of two rounds of Public Policy</p>

Objective	Activities	Indicators	Results/outputs
		<p><i>submitted to the Government.</i></p> <p><i>Ministerial SEPs updated in line with new format.</i></p> <p><i>Reports on Ministry Action Plans in line with State Chancellery requirements.</i></p> <p><i>SEPs in all ministries are consistent with other key planning, monitoring and reporting tools.</i></p> <p><i>Reports /policy advice/on the job assistance.</i></p> <p><i>Reports on events of the Network;</i></p> <p><i>Network's website regularly updated and used.</i></p>	<p>Proposals, amounting to a total of 31 PPPs across 15 line ministries.</p> <p>The project has also provided extensive on the job capacity building support to line ministries in the preparation of their Sector Expenditure Strategies for the next MTBF (2013 – 2015) as well as program budgets.</p> <p>Implemented a new module to participation website that serves as the hub of all draft Government decisions and laws</p> <p>Trainings of government officials on using the new participation module have been unfolded</p>
		<p>c) <u>For National Participation Council:</u></p> <p><i>NPC website and other communication tools functional.</i></p> <p><i>Report on number of trainings delivered.</i></p> <p><i>Report on actions undertaken.</i></p> <p><i>Report on support actions, including information provision and training, undertaken.</i></p>	<p>The project has increased the capacity of civil society to participate in the Government decision making process by strengthening the capacity of the NPC Secretariat within the State Chancellery as well as the NPC itself. With regard to the NPC Secretariat, the participation experts have supported the State Chancellery to clearly define its vision and role in relation to participation and consultation. Notably, the project has also supported the launching of the web platform <a href="http://www.particip.gov.md">www.particip.gov.md</a> in a new format which encourages stakeholder participation, enhancing the transparency of the decision making process. The</p>



Objective	Activities	Indicators	Results/outputs
		<p><b>Number of workshops, trainings held.</b></p>	<p>SPMC team actively supported the use of the new participation module by line ministries, and since it was launched, 336 policy items have been announced, and 17 public discussions called. This was accompanied by a highly successful, broad-based publicity campaign to publicize the website. The project also supported the NPC to revise its Strategy and Action Plan for 2012 – 2014, as well as built its capacity to actively engage with the process of developing Moldova 2020 and the 31 PPPs.</p> <p>Support the NPC in delivering training on the guidebook for participation as well as in implementing the strategy and action plan have been provided</p> <p>Facilitated involvement of NPC in preparing the National development Strategy</p> <p>A training for the involvement of civil society in the PPP preparation process was held</p>
<b>Component 3: Merit-based professional civil service</b>			
<p><b>Creation of a merit-based professional civil service</b></p>	<p><b>1) Support in implementation of performance appraisal system.</b></p>	<ul style="list-style-type: none"> <li>▪ Finalizing performance appraisal methodology/ <b>Methodology provided;</b></li> <li>▪ Developing civil servants professional career development mechanisms/ <b>Proposals provided;</b></li> <li>▪ Developing proposals of non-</li> </ul>	<ul style="list-style-type: none"> <li>▪ Regulation on performance appraisal of civil servants was approved through the Government Decision no.697 of August 5, 2010.</li> <li>▪ Performance appraisal of civil servants was put in place in both central and local public administration.</li> <li>▪ 34 workshops held for 1700 managers from LPAs on setting objectives;</li> </ul>

Objective	Activities	Indicators	Results/outputs
		financial motivation of personnel/ <b>Proposals provided;</b> <ul style="list-style-type: none"> <li>▪ Developing the draft Regulation on individual performance appraisal/  <b>Regulation approved;</b></li> <li>▪ Organization of dissemination workshops on new legislation on performance appraisal/  <b>Number of organized workshops.</b></li> <li>▪ Improving the Regulation on individual performance appraisal based on 3 years of implementation/  <b>Amendments on Regulation on individual performance;</b></li> <li>▪ Developing proposals to the draft Regulation on collective performance appraisal/  <b>Proposals provided;</b></li> </ul>	<ul style="list-style-type: none"> <li>▪ Guidebook on non-financial motivation for managers developed and distributed in 3000 ex.</li> <li>▪ 18 workshops held at APA, 445 of trained managers from CPA and LPA.</li> <li>▪ Regulation on collective performance appraisal developed and approved</li> </ul>
	<b>2) Support in elaboration of an integrated training system at the central level.</b>	a) Analysis of the situation regarding training of civil servants from CPA and LPA and drafting proposals to amend of the normative framework on the civil servants' professional development/ <b>Report presented.</b>	<ul style="list-style-type: none"> <li>• Regulation on Civil Servants Continuous Professional Development drafted and approved by the Government;</li> <li>• Report on the development of the Draft Concept for liberalization of training services provided to the public authorities based on competitive market principles;</li> <li>• Methodological instructions on minimal requirements on civil servants training program developed.</li> <li>• Annual training plans financed through the state order and conducted as part of externally</li> </ul>
		b) Formulating methodical recommendations as to how to run the professional development of staff from public authorities/	

Objective	Activities	Indicators	Results/outputs
		<p><b>Recommendations presented.</b></p> <p>c) Developing the training plans financed through the state order/conducted as part of externally financed training activities</p> <p><b>Draft training plan presented.</b></p>	<p>financed training activities developed and approved</p>
	<p><b>3) Continuous support to central and local public administration authorities in implementation of the Law on public function and statute of civil servants.</b></p>	<p>a) Draft the law amending the Law on the public function and status of civil servant/ <b>Draft submitted for approval</b></p> <p>b) Formulate proposals to amend/complement the secondary legislation in order to bring it in line with the provisions of the Law on the public office and status of civil servant/ <b>Proposals provided</b></p> <p>c) Review the current legislation for introducing the position of State Secretary in civil service/ <b>Draft legal acts elaborated</b></p>	<ul style="list-style-type: none"> <li>• Law on the pay system in civil service was passed (no.48 of 22.03.2012);</li> <li>• Law on the amendment of Law on the public office and status of civil servant (no.158-XVI of July 4, 2008) was drafted and approved (Law no.268/2012);</li> <li>• Regulation on ongoing professional development of civil servants was approved (Government Decision no.231 of April 13, 2012).</li> <li>• Civil Servant's Day was created (Government Decision no. 200 of April 4, 2012).</li> <li>• Comments on the drafts of normative acts submitted by other public administration authorities, containing provisions related to the public function and status of civil servants provided</li> </ul>
	<p><b>4) Support in checking the correctness of personnel lists of central and local public administration authorities submitted to State Chancellery for</b></p>	<p>Examine and comment on the personnel lists (determine the status of positions) in public authorities/ <b>Number of notes provided</b></p>	<ul style="list-style-type: none"> <li>• Civil Servants Job Classification System brochure edited</li> <li>• Developed and posted on the web page methodological recommendations „Completion and endorsement of the staff lists”</li> </ul>

Objective	Activities	Indicators	Results/outputs
	approval.		<ul style="list-style-type: none"> <li>• 2415 staff lists were revised to ensure compliance with the new Classification</li> </ul>
	<b>5) Support in finalizing the draft law on the statute of persons exercising functions of public dignity.</b>	<b><i>Draft law and summary of proposals from CPAAs presented to State Chancellery</i></b>	The draft law on the status of persons exercising functions of public dignity by analyzing and summarizing the proposals submitted by CPAAs on it has been finalized and approved
	<b>6) Support in development of a new pay system for civil servants.</b>	<ul style="list-style-type: none"> <li>▪ Together with State Chancellery, Ministry of Labor, Social Protection and Family and Ministry of Finance, based on the new law on Public Function and Statute of Civil Servant and new job classification and grading system, developing a new pay system for the authorities of PA;</li> <li>▪ Preparing training materials and train a selected group of civil servants in the principles underlying the new pay system and the methodology for applying the new pay system in the institutions of PA;</li> <li>▪ Liaising with the Ministry of Finance to enable the Ministry to estimate the cost of the new pay system and ensure that the system takes account of established fiscal limits;</li> <li>▪ Assisting in drafting a law on pay for public administration authorities and provide advice, if necessary,</li> </ul>	<ul style="list-style-type: none"> <li>▪ The draft <i>law on the pay system in civil service</i> was endorsed by the central specialized bodies, consulted with the civil society, approved through the Government Decision no. 769 of October 13, 2011 on approval of the draft law on the pay system in civil service and submitted to the Parliament for review.</li> <li>▪ Participation in the working group and proposals for the improvement of the grading and pay systems (draft law) provided to the Ministry of Labor, Social Protection and Family</li> <li>▪ List of amendments proposed to the Parliamentary Commission to improve the draft law on pay system (second reading).</li> </ul>

Objective	Activities	Indicators	Results/outputs
	<p><b>7) Elaboration of the HRMIS “Register of Public Functions and Civil Servants”.</b></p>	<p>during the consideration of the law on pay in the Government.</p> <p>a) Finalizing bidding documents/ <b>Finalized bidding documents presented to the State Chancellery.</b></p> <p>b) Support in contracting a company to develop the necessary software for CS Register implementation/ <b>Number of consultations.</b></p> <p>c) Support in development of the software/ <b>Number of consultations.</b></p> <p>f) HRMIS development and implementation/ <b>Software developed, HRMIS implemented.</b></p>	<ul style="list-style-type: none"> <li>• Technical documentation for the design of the HRMIS software in compliance with the CPAA needs finalized;</li> <li>• Relevant samples were developed for HR procedures to be incorporated into the HRMIS;</li> <li>• The first version of the software for HRMIS implementation was designed and piloted in authorities;</li> <li>• Relevant equipment was provided for the implementation of HRMIS and its connection with other state registers was made.</li> <li>• The software has been operational accepted</li> <li>• The Government Decision on HRMIS was approved in February 2014 and the system has been officially launched on March 20 2014, during the quarterly meeting with HR Managers of CPAAs and LPAAAs.</li> </ul>
		<p>g) Expansion of the Civil Service Register at rayon level/ <b>Trainings provided; Consultations to local PAAs.</b></p>	<p>A series of trainings provided to local authorities in November 2013</p> <p>Technical equipment for Civil Service Register implementation provided to each LPAA</p>
	<p><b>8) Increasing professional competences of civil servants</b></p>	<p>a) Trainings within Academy of Public Administration (APA) for all central and local PAAs/ <b>Number of organized workshops and</b></p>	<ul style="list-style-type: none"> <li>• Training materials on setting individual objectives drafted (with examples for more than 6 generic jobs from LPAs and CPAs);</li> <li>• Training materials on non-financial motivation workshop drafted (workshop design, agenda, PPT, handouts);</li> </ul>

Objective	Activities	Indicators	Results/outputs
		<p><i>trained civil servants.</i></p>	<ul style="list-style-type: none"> <li>• New Concept on Training of Trainers for civil servants (with trainer role within their authority) from PAs developed;</li> <li>• Training and workshops were delivered, meetings and outreach sessions held and guiding materials developed to build civil servants' skills;</li> </ul> <p>With Trust Fund support 89 training events were held in 2012 for 3089 civil servants and political appointees in the central and local public authorities (55 of which were delivered by the Academy of Public Administration for 1389 civil servants); In 2011 <b>94.6%</b> of civil servants from the central offices of ministries and other central administrative authorities received training; <b>75.4%</b> of them received <b>at least 40 hours of training</b>. In 2010, with the support of the <b>Multi-Donor Trust Fund</b> training was delivered to <b>1826 civil servants</b>, including 1394 civil servants from CPA and 432 from LPA of second level.</p> <p>The capacity of HR units for enforcement of civil service legislation was developed through training, quarterly meetings and creation of the HR network in civil service.</p>
		<p>b) English language courses/ <b>Number of trained civil servants.</b></p>	<p><i>English language courses for 400 civil servants</i> from the central government conducted by Quo Vadis, European Centre for Foreign Languages and held in the central public authorities. In the reported period, all the 35 groups created for learning English finalized</p>



Objective	Activities	Indicators	Results/outputs
			all 3 modules, lasting altogether 120 hours.
	<b>9) Modernization of the Academy for Public Administration and reform of civil servants training system in the Republic of Moldova</b>	<ul style="list-style-type: none"> <li>- Review of the current training system/<b><i>New civil service training model agreed by State Chancellery; implementation started.</i></b></li> <li>- Institutional strengthening of APA/<b><i>SDP approved.</i></b></li> <li>- Elaboration of the new CS training strategy/<b><i>Civil service training strategy approved by the Government.</i></b></li> </ul>	Functional review of the Academy, Strategic Development Program and Training Civil Service Strategy was developed, discussed and delivered to the beneficiary.
	<b>10) Elaboration of the managerial development program</b>	<ul style="list-style-type: none"> <li>- Analyze gaps in management competences and skills in Moldova/<b><i>Report elaborated</i></b></li> <li>- Develop a curricula for the Managerial Training Program and relevant training materials/<b><i>Curricula and all training models elaborated; trainers selected and trained; one training to top managers delivered.</i></b></li> </ul>	<p>Report on management competencies and skills developed</p> <p>ToT delivered</p> <p>Curricula for the managerial training program developed</p>
<b>Component 4: Modernization of public services</b>			
<b><i>Improving quality of public services</i></b>	<b>1) Analysis of all services provided by CPAAs and development of selected public services reform program/plan.</b>  <i>(Note: Moldovan legislation does not define the public services, but as</i>	<ul style="list-style-type: none"> <li>- Analyzing all services rendered by the CPAAs/<b><i>The Report presented to the State Minister;</i></b></li> <li>- Draft Program for reforming public services/<b><i>Draft Program elaborated;</i></b></li> </ul>	Review of the public services delivered by the public administration authorities was completed; Consequently the 2012-2015 Program on Reformation of Public Services was developed (approved through the Government Decision no.797 from 2012.10.26). Methodology for establishment of Minimum Quality

Objective	Activities	Indicators	Results/outputs
	<p><i>it is the practice of other states, by public services in the meaning of our project will be understood: The result of the interaction of the central public authorities with interested physical and legal persons aiming at satisfying their legitimate rights and interests. It is for instance issuance of different documents required by law (licenses, authorizations, certificates, etc.).</i></p>	<ul style="list-style-type: none"> <li>- Draft methodology for implementing minimal quality standards for public services/ <b><i>Draft methodology elaborated.</i></b></li> </ul>	<p>Standards and Tariffs for public services was finalized and coordinated with CPAAs and has to be approved by the Government.</p>
	<p><b>2) Support in promotion of e-Governance/e-Services</b></p>	<p>Organization of different events</p>	<p>Assisting organization of a study tour to Singapore for 13 civil servants</p> <p>Support and financing to the Governance e-Transformation Project in the capacity building and development of the e-Government Center have been provided</p>
	<p><b>3) Further implementation of public services reform.</b></p>	<ul style="list-style-type: none"> <li>- Develop institutional/functional concept of public services delivery/ <b><i>Draft concept elaborated</i></b></li> <li>- Review and pilot re-engineering of at least 3 public services/ <b><i>Minimum 3 public services piloted</i></b></li> <li>- Elaboration of the methodology for public services re-engineering (based of piloting experience)/ <b><i>Draft methodology elaborated</i></b></li> </ul>	<p>A comprehensive Vision document is prepared that will serve as a conceptual basis both for updating of the Government Program in this field and also the Law on Public Services establishing a common legal framework for this important work of administration.</p> <p>Methodology for Public Service Re-engineering has been elaborated and tested in three pilot projects. Based on this work responsible civil servants from different institutions will be trained, so that they are able to apply the Methodology on a larger scale.</p> <p>Project Team had been actively communicating with</p>

Objective	Activities	Indicators	Results/outputs
			key stakeholders and establishing bridges to the Government's e-Transformation process, ensuring awareness building and broader understanding of the work behind public service modernisation process.
<b>Component 5. Communication and transparency of Government activity</b>			
<b>Increasing transparency in the activity of central public administration and participation of non-government stakeholders in the decision-making process</b>	<b>1) Implementation of CPAR communication programs (including in HR programs).</b>	a) Maintaining/modification of the CPAR web-page (in 3 languages)/ <b>Placed information;</b>	<ul style="list-style-type: none"> <li>• Development of recommendations concerning activities laid down in the Communication strategy;</li> <li>• Editing and publishing of the "Civil servants' management" newsletter - 12 issues in Romanian, English and Russian;</li> <li>• Daily maintenance and updating of the www.rapc.gov.md and www.cancelaria.gov.md web pages</li> <li>• Editing and posting of news and press releases on www.rapc.gov.md website (all of them in Romanian, English and Russian); and other articles;</li> <li>• Coordination/editing of reports on TV; interviews in the print media; articles in the national newspapers; articles in the online media;</li> <li>• Arrangements for the celebration of the Moldovan civil servants Professional Day;</li> </ul>
		b) Publishing and distribution of promotional materials regarding activities/realizations within CPAR/ <b>Number of promotion materials published and distributed;</b>	
c) Organizing communication events/ <b>Number of organized events;</b>			
d) Updating the Communication Plan for CPAR/ <b>Draft plan presented for approval;</b>			
	<b>2) Support in development of normative framework on the participation in decision-making</b>	a) Draft the Government Decision on enforcement of the Law on transparency in decision making/	The Government approved decision no.96 of February 16, 2010 on the enforcement of Law no.239-XVI of November 13, 2008 on transparency in the decision

Objective	Activities	Indicators	Results/outputs
	<p><b>process, including revising communication function and responsibilities in public authorities.</b></p>	<p><b><i>Draft submitted for approval.</i></b></p> <p>b) Draft the law amending and complementing certain legislative acts (6 laws) in order to enforce the provisions of the Law on transparency in decision making/ <b><i>Draft submitted for approval.</i></b></p> <p>c) Draft Government Decision on access to information/<b><i>Draft submitted for approval.</i></b></p> <p>d) Organize a cycle of workshops with the representatives of CPAAs for the purpose of enforcing the Law on transparency in decision making and the Regulation on its enforcement/ <b><i>Number of workshops organized.</i></b></p> <p>e) Draft the internal regulation of the State Chancellery for the purpose of enforcing the normative framework on transparency in decision making/ <b><i>Draft submitted for approval.</i></b></p> <p>f) Monitor and provide assistance to CPAAs and State Chancellery in the enforcement of the legal provisions on transparency in decision making/ <b><i>Monitoring reports submitted to the State Minister/ Recommendations</i></b></p>	<p>making which:</p> <ul style="list-style-type: none"> <li>– approved the Regulation on transparency procedures in the decision making;</li> <li>– amended the Regulation on posting information on the official websites of public administration authorities, approved through the Government decision no.668 of June 19, 2006;</li> <li>– stipulates that the State Chancellery will be in charge of monitoring the provisions of Law on transparency in the decision making.</li> </ul> <p>To put in place an effective document management system across Government, a working group was created to draft a Policy Proposal by the end of the first quarter of 2011.</p> <p>To design an efficient communication system across Government, to improve interaction of Government with the citizens and civil society, and to ensure transparency in the work of CPAAs, a Framework Regulation for information and mass-media communication units in central public administration authorities was drafted and approved.</p> <p>To facilitate engagement of citizens in governing and enforce the <i>Law no.239-XVI of November 13, 2008 on transparency in the decision making</i>, in the reported period the following activities were carried out and progress achieved:</p> <ul style="list-style-type: none"> <li>– The open government data portal – <a href="http://www.date.gov.md">http://www.date.gov.md</a> was launched to ensure transparency of the decision making and</li> </ul>

Objective	Activities	Indicators	Results/outputs
		<i>formulated.</i>	<p>the access of citizens and businesses to the open government data. The ministries, central administrative authorities and other public authorities and institutions, on a monthly basis, registered sets of data of public interest on this portal.</p> <ul style="list-style-type: none"> <li>- Efforts are made to put in place the mechanism for monitoring transparency of drafts of decisions of public authorities. The website <a href="http://particip.gov.md">http://particip.gov.md</a> will be improved by creating new sections that will contain summaries of regulatory drafts produced by the 24 central specialized bodies that are under consultation, information of public interest and links of the websites of those authorities. For this purpose, a company was contracted, which developed the necessary software that is expected be put in place in the first quarter of 2012.</li> </ul>
	<b>3) Development and launching of the official website of the State Chancellery and Government of the RM</b>	<i>Websites developed</i>	<a href="http://www.cancelaria.gov.md">www.cancelaria.gov.md</a> and <a href="http://www.gov.md">www.gov.md</a>
	<b>4) Development and implementation of effective PAR monitoring and evaluation procedures and mechanisms.</b>	<ul style="list-style-type: none"> <li>- Updating M&amp;E methodology and procedures/ <i>M&amp;E methodology approved;</i></li> <li>- Periodical monitoring of CPAR implementation/ <i>Reports published on the official web site of the State</i></li> </ul>	<p>Methodological Manual on monitoring and evaluation of different components of the professional development system at institutional level developed</p> <p>Assistance was provided to the State Chancellery and HR units from public authorities in developing the</p>

Objective	Activities	Indicators	Results/outputs
		<p><b>Chancellery;</b></p> <ul style="list-style-type: none"> <li>- Periodical monitoring of implementation of the new CS normative framework in central and local PAAs of level II/ <b>Reports published on the official web site of the State Chancellery.</b></li> <li>- Final Report on CPAR implementation/ <b>Report published on the official web site of the State Chancellery.</b></li> </ul>	<p>methodological framework for monitoring application of HR procedures (monitoring forms for application of three HR procedures and monitoring indicators for implementation of HR procedures and other provisions of the regulatory framework were developed);</p> <p>Data about enforcement of the Law on the public office and status of civil servant received from the central and local public authorities were collected, reviewed and generalized</p> <p>Report on the enforcement of the Law on the public office and status of civil servant in public authorities and Monitoring and Evaluation Report on CPAR implementation were developed (posted on <a href="http://www.rapc.gov.md">www.rapc.gov.md</a>).</p>
	<p><b>5) Support in evaluating outcomes/impacts of implemented activities within PAR projects and proposal of a strategy/action plan for a medium period</b></p>	<ul style="list-style-type: none"> <li>- Evaluation of CPAR implementation/ <b>Report presented to the State Chancellery;</b></li> <li>- Proposing of next steps for medium period/ <b>Proposals presented to the State Chancellery.</b></li> </ul>	<p>Evaluation of CPAR has been unfolded and draft PAR Strategy developed and accepted by the State Chancellery.</p>
<b>Component 6. TF management</b>			
<p><b>Effective CPAR monitoring and implementation</b></p>	<p><b>Support in TF management, audit, operational expenditures and goods</b></p>		<p>All the activities related to TF administration (including the audit, post review of procurement, financial supervision etc.) were carried out according to the plan. The performance of the TF administration team was found to be satisfactory;</p> <p>The final audit of the project included the audit of all the assets procured during project implementation.</p>



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CPAR PROJECT COMPLETION REPORT

Objective	Activities	<i>Indicators</i>	Results/outputs

Annex 3. Uses of funds by project activity

Project Activities	Actual		
	Current Quarter	YTD	CTD
<b>Less: Uses of Funds</b>			
<b>Institutional Reorganization</b>	<b>71.306,02</b>	<b>71.306,02</b>	<b>2.949.473,12</b>
Functional Review Completion			249.779,00
Implementation of the Functional Review results and recommendation			849.487,31
New legal framework on the organization of CS			20.340,20
Development of Law on CPA and support in its implementation			33.074,07
Capacity Building of the PAR Unit			322.423,44
Modernization of public services	71.306,02	71.306,02	1.070.307,72
Legal consultant to support reorganization and optimization			91.327,47
Local consultant on administrative procedures			88.813,91
Modernization of APA/CS training system			223.920,00
<b>Decision making, strategic planning, policy development</b>			<b>3.648.853,04</b>
Support to policy coordination process			177.162,56
Support to strengthen Government policy management capacity			3.060.272,50
Capacity building support for policy Analysis and Coordination Unit (PACU)			62.992,79
International Financial Consultant			87.943,44
International Policy Process Consultant			87.824,01
Consultant on institutional strategic and development planning			136.672,46
Support in applying ex-ante impact assessment procedures			35.985,28
<b>Merit-based professional Civil Service</b>	<b>406.311,11</b>	<b>406.311,11</b>	<b>3.014.911,17</b>
Implementation of civil service legislation			108.960,98
Capacity building support for Civil Units (GO and other CPAAs)			313.520,66
CS classification, grading and remuneration system			214.920,02
Training of civil servants, workshops and study tours	99.000,00	99.000,00	1.202.668,17
Establishment of the public Functions and Civil Servants Register,	307.311,11	307.311,11	1.006.749,75
Local consultant on implementation of CS Register			96.404,03
Cons serv. Personnel Staff lists			67.335,96
Local consultant for adaptation of the procured off-the-shelf job board software			4.351,60
<b>Communication and transparency in Government activity</b>	<b>14.811,27</b>	<b>14.811,27</b>	<b>1.062.786,54</b>
Implementation of CPAR communication Programs (maintaining the PAR website, communication publications)	14.811,27	14.811,27	709.902,05
Organization of 4 opinion polls			9.319,16
Ensuring transparency in governmental activities			36.915,19
Monitoring and evaluation of CPAR implementation progress implementation and development of the new PAR Strategy			108.505,14
<b>TF management, audit</b>	<b>31.246,21</b>	<b>31.246,21</b>	<b>766.317,07</b>
Consultants fees: administration, financial, procurement and translation	14.250,43	14.250,43	544.982,71
TF audits	12.100,00	12.100,00	56.300,00
Operational expenditures	4.895,78	4.895,78	165.034,36
<b>Overall Total</b>	<b>523.674,61</b>	<b>523.674,61</b>	<b>11.442.340,94</b>

## Annex 4. Uses of funds by category

	Actual			PAD
	Current Quarter	YTD	CTD	Life of Proj.
<b>Uses of Funds</b>				
<b>Grant</b>	<b>523.674,61</b>	<b>523.674,61</b>	<b>11.442.340,94</b>	<b>11.450.000,00</b>
01 Consultants' services, including audit	97.656,45	97.656,45	8.576.722,31	8.570.000,00
02 Goods	322.122,38	322.122,38	1.497.916,10	1.500.000,00
03 Training	99.000,00	99.000,00	1.202.668,17	1.200.000,00
04 Operating Costs	4.895,78	4.895,78	165.034,36	180.000,00
<b>Total Uses</b>	<b>523.674,61</b>	<b>523.674,61</b>	<b>11.442.340,94</b>	<b>11.450.000,00</b>