

Data Sheet

USAID Mission:	Moldova
Program Title:	Democratic Transition
Pillar:	Democracy, Conflict and Humanitarian Assistance
Strategic Objective:	117-0230
Proposed FY 2004 Obligation:	\$1,350,000 FSA
Prior Year Unobligated:	\$3,397,000 FSA
Proposed FY 2005 Obligation:	\$5,485,000 FSA
Year of Initial Obligation:	FY 2001
Year of Final Obligation:	FY 2007

Summary: The USAID Democratic Transition program in Moldova consists of the following components: technical assistance to local government units; small grants to local NGOs; and a legal reform program to promote the rule of law. USAID will augment these activities with two new components: citizen participation and political party development programs.

Inputs, Outputs, Activities:

FY 2004 Program:

Responsible and accountable local government (\$850,000 FSA, \$1,350,000 FSA carryover). Local Government Reform Project activities include: 1) increasing the autonomy and sustainability of effective local government through implementation of the previously adopted Moldovan Government initiatives for greater fiscal decentralization; 2) improving strategic planning for municipal services and assets; 3) increasing transparency and citizen participation in decision-making at the community level; and 4) promoting strategic planning for local governments and municipal associations. Currently, there are more than 50 communities participating in the local government program. Forty-one of these communities have received intensive training and technical assistance in office automation/financial management, and 43 communities have completed strategic plans.

In FY 2004, this process will continue through these highly participatory forms of citizen involvement, improving transparency and helping local governments to become more accountable to the citizens who have elected them. The proposed extension of the current program will involve more local government partners and make models of service improvement available by "rolling-out" (via additional training and technical assistance) lessons learned from the several municipal pilot demonstration projects, building upon successful USAID projects in the region. Based on the needs assessments for assisted communities, training and technical assistance for budgeting, economic development, municipal association strengthening, and legislation for communal services will be provided to local governments, citizen-based NGOs, and municipal officials. The principal contractor is the Urban Institute.

Citizen participation (\$2,046,840 FSA carryover). USAID plans to start a five-year, \$10 million Citizen Participation program. This new activity is expected to strengthen local communities and civil society and compliment other USAID activities that assist with the development of new jobs and economic opportunities in rural Moldova. The project will actively engage local governments, citizen groups, and NGOs in community and economic activities that are also intended to enhance local democracy and grass-roots citizen participation. It will also complement and enhance USAID's existing local government reform program and revitalize local communities through strong citizen participation and community empowerment. Principal contractor/grantee to be determined.

Political party development (\$500,000 FSA). A new three-year Political Party Development program was initiated in FY 2003. The new activity will address the issues of political power, democratic initiatives and leadership skills at the grass-roots level. The objective of the program is to create conditions for the political leadership to evolve in communities, involve local political structures, empower political activists,

and build democratic practices from the bottom up. The principal grantees are the International Republican Institute (IRI) and the National Democratic Institute (NDI).

Rule of Law (\$0 FSA). The program will continue to focus on training and technical assistance in three main areas: advocacy on behalf of human rights, legal association building, and institutional capacity building. The advocacy program will have an immediate impact on defending citizens' rights. This program will increase citizen confidence and help them to develop a better understanding of the legal system through consultations provided on human rights, freedom of speech and association, minority rights, property rights, labor law, family law, and privatization. Most of these tasks will be concentrated at the local level, in conjunction with the Local Government Reform Project. The principal contractor/grantee is the American Bar Association Central and Eastern Europe Law Institute (ABA/CEELI).

FY 2005 Program:

Responsible and accountable local government (\$5,485,000 FSA). USAID plans to use the FY 2005 funds to continue providing technical assistance to local government units, NGO development, and to support the legal reform program, as well as citizen participation and political party development programs. USAID expects to renew its Rule of Law program in FY 2005. The implementing partners are the Urban Institute, the Eurasia Foundation, the IRI and NDI, and ABA/CEELI.

Performance and Results: Through its FY 2003 Local Government Reform (LGR) programs, USAID significantly contributed to advancing the rule of law by informing citizens of their legal rights and responsibilities and providing free legal consultations and representation. Further, the project increased the legal system's capacity to respond more effectively to this demand by improving the knowledge of judges, lawyers, and other legal professionals. The LGR project is introducing community strategic planning, improving financial management and services and increasing transparency and citizen participation. Citizen participation in decision-making was reported in 20 partner local governments in the budget sphere and in 58 local governments for municipal services and strategic planning. Pro bono legal services were expanded in targeted regions. The capacity of the legal system to meet the demands was increased, and assistance was provided to a total of 1,273 new clients. Public outreach and education projects which helped promote public awareness of legal rights took place in 26 Moldovan villages. The project advised 1,026 citizens on how to handle various issues, including human rights, social benefits, labor and environment.

Based on successful introduction and demonstration of formal public hearings at the local government level, it is anticipated that the methods of citizen participation will increase transparency by extending it to an ever-increasing group of participating local communities. Based on earlier demonstrations, it is anticipated that this democratic practice will begin to be institutionalized by an increasing number of local governments. As more communities prepare, adopt, and begin implementing strategic plans, a combination of increased revenues resulting from fiscal decentralization and some donor assistance will enable those communities to utilize the municipal service models demonstrated by USAID implementing partners all across Moldova.

By the end of the program, local governments in many communities throughout Moldova will have the capacity to establish and implement strategic development and investment plans that address local problems and concerns. Furthermore, they will find prepared and willing partners among a more knowledgeable and informed citizenry, with a sizable body of examples of the success of participatory and democratic action.