

## Moldova

**The Development Challenge:** The key challenge for achieving economic growth is the fact that Moldova remains one of the poorest countries in the region. In 2001, per capita gross domestic product (GDP) was estimated at \$400 and poverty rates at 55%-70% of the total population. Over 70% of the poor live in rural areas, and only 8% live in large cities. Some 800,000 Moldovans have left the country, most of them coming from the countryside. Moldova's financial fragility makes it strongly dependent on external financing and/or debt rescheduling. In the mid-1990s, Moldova made considerable progress in democratization and economic development, particularly in reforming the agricultural sector. While this transformation has generally continued on track and most of the population maintains support for the reform process, it has imposed many hardships on the Moldovan people. This led to popular dissatisfaction with the previous government, and to the victory of the Communist Party in the February 2001 elections.

After initial concerns about Communist Party rhetoric and a number of anti-reform measures taken by the Government of Moldova (GOM), USAID and the U.S. Embassy have been encouraged by the government's efforts to maintain a strong working relationship with the USG. The GOM has continued to make progress on economic and market reform and has committed to improve relations with the International Monetary Fund (IMF) and the World Bank. In spite of some difficulties in mid-summer 2002, the GOM received \$10 million in assistance from the World Bank and approximately \$12.5 million from the IMF in FY 2002.

According to World Bank statistics, Moldova experienced the largest decline in GDP of any country in Europe and Central Asia. In 1999, Moldova's annual GDP per capita of \$370 was less than a quarter of its 1990 level. However, a reversal of this downward trend started in 2000 and progress has continued. Led by positive growth in agricultural production, Moldova will record its third consecutive year of positive GDP growth in 2002, with year-end real GDP growth predicted at 6%. Projections for future years give hope that economic growth will continue in the agriculture sector. Agriculture and small and medium-sized enterprise (SME) projects supported by USAID are improving the living standards of people in rural Moldova. Business associations that are being developed with assistance from USAID are providing nascent advocacy and other services to their members. Their activities are consistent with the development of a more active civil society in Moldova. Agriculture is the mainstay of the economy. Nearly 50% of Moldovan GDP, 40% of employment and 65% of exports is related to agriculture (if agribusiness is included). More than half of the country's population lives in rural areas and makes its living from agriculture related activities. USAID's strategy therefore concentrates on job creation, income generation, and economic opportunity in rural Moldova. USAID encourages growth through investment in agribusiness and improving the environment for private enterprise.

**The USAID Program:** The Program Data Sheets provided below cover the three objectives for which USAID is requesting funds in FY 2003 and FY 2004. These three objectives concentrate on: supporting private enterprise growth to create jobs and generate income; developing effective, responsive, and accountable democratic institutions by strengthening local government autonomy and civil society; and helping create a social safety net to reach vulnerable groups.

USAID will expand its involvement in the agriculture sector to increase jobs, income, and economic opportunities. An Anti-Trafficking Program will be developed in 2003 and will be closely integrated with these existing rural economic and agriculture development programs. The sense of personal powerlessness that exists among a large portion of the population is due to the lack of economic opportunity that plagues much of rural Moldova. This is a major factor in the vulnerability of young women who are being trafficked. This program will provide potential trafficking victims with real economic opportunities and jobs, and help them develop a tangible stake in their community.

A new Citizen Participation Program is planned that will help to ensure continued public support for economic and political reform by helping people to make a tangible and positive improvement in their

lives. This program will be focused on producing real and rapid results in communities across Moldova by demonstrating the effectiveness of citizen participation and democratic action.

The health delivery system in Moldova continues to crumble in the face of an epidemic of tuberculosis and other infectious diseases. To mitigate this crisis, USAID will strengthen the diagnosis and treatment of tuberculosis in Moldova, and consider options to expand to other health sector assistance activities that will address additional infectious diseases after FY 2004.

During FY 2003, all activities under SO 1.2, "Increased Soundness of Fiscal Policies and Fiscal Management Practices," will be completed as USAID shifts its emphasis toward job creation and income generation in rural Moldova. Though this phase-out of fiscal policy reform activities is consistent with the schedule proposed in the approved strategy, substantially fewer funds were expended in this sector than originally proposed.

USAID will continue expending funds already appropriated for Utility Regulatory Cooperation (National Association of Regulatory Utility Commissioners), and the Municipal Network for Energy Efficiency (Alliance to Save Energy).

**Other Program Elements:** USAID/Washington manages several activities including the Farmer-to-Farmer Agribusiness Volunteer Program (Citizens Network for Foreign Affairs), a loan portfolio guarantee program, a food industry development program (Louisiana State University), and customs information, trade and transport, and energy programs.

The Bureau for Economic Growth, Agriculture, and Trade manages the Loan Portfolio Guarantee (LPG) program, which assists micro-enterprises and small businesses on the basis of a risk-sharing arrangement. This project started in July 2000 with three Moldovan financial institutions. USAID is guaranteeing 50% of the collateral requested by the banks. During the first two years of this program, nearly 600 loans have been made in the SME sector, totaling \$5 million. The U.S. Department of Agriculture administers a commodity monetization program that provides agricultural land mortgage loans. Mortgage loans under this program, working through three financial institutions, total about \$1million.

**Other Donors:** Donor coordination is maintained through occasional meetings of all bilateral and multilateral donors at which the U.S. Ambassador and the USAID Country Program Coordinator represent the United States. The United States is the only major bilateral donor. However, Germany, the Netherlands, Japan, Great Britain, and Sweden all have small bilateral programs. Further, the Soros Foundation and several other private organizations run development programs in Moldova. In addition to U.S. bilateral assistance, the other major players are the multilateral donors composed of the International Monetary Fund (economic policy), World Bank (economic policy, social investment fund, micro-projects at the village level, and energy), European Union-Technical Assistance to the Commonwealth of Independent States (agricultural sector), and the International Fund for Agriculture Development (agricultural sector). The United Nations Development Program provides support for a number of separate activities.

**Moldova**  
**PROGRAM SUMMARY**

(in thousands of dollars)

Accounts	FY 2001 Actual	FY 2002 Actual	FY 2003 Prior Request	FY 2004 Request
FREEDOM Support Act	45,072	35,946	32,500	23,000
<b>Total Program Funds</b>	<b>45,072</b>	<b>35,946</b>	<b>32,500</b>	<b>23,000</b>

**STRATEGIC OBJECTIVE SUMMARY**

117-0120 Fiscal and Financial Reforms				
FSA	3,400	1,751	0	0
117-0131 Private Enterprise Development				
FSA	8,875	13,900	18,400	13,301
117-0230 Democratic Transition				
FSA	3,100	6,366	4,000	4,465
117-0340 Social Transition				
FSA	4,190	3,913	2,000	2,914
TRANSFER				
FSA	25,507	10,016	8,100	2,320

Mission Director,  
Christopher Crowley

## Data Sheet

<b>USAID Mission:</b>	Moldova
<b>Program Title:</b>	Private Enterprise Development
<b>Pillar:</b>	Economic Growth, Agriculture and Trade
<b>Strategic Objective:</b>	117-0130
<b>Status:</b>	Continuing
<b>Proposed FY 2003 Obligation:</b>	\$18,400,000 FSA
<b>Prior Year Unobligated:</b>	\$6,234,000 FSA
<b>Proposed FY 2004 Obligation:</b>	\$13,301,000 FSA
<b>Year of Initial Obligation:</b>	FY 2001
<b>Estimated Completion Date:</b>	FY 2006

**Summary:** The USAID Private Enterprise Development program in Moldova is made up of three components: technical assistance to private farmers; technical assistance to private businesses (including Western NIS Enterprise Fund and BIZPRO); and energy sector and communication infrastructure reform and development activities.

### Inputs, Outputs, Activities:

#### FY 2003 Program:

Agriculture (\$7,226,000 FSA). The Private Farmers Assistance Program (PFAP) will continue to contribute to the business success of private farmers and ensure that the transition to private farms results in sustainable economic growth. The program will support the development of a sound legal and regulatory environment; support rural enterprises, including farmer business cooperatives and agriculture producers' associations; provide legal assistance and advocacy in support of the constitutional rights of landowners; and provide direct technical assistance to newly created farmer associations, cooperatives, and other rural enterprises. PFAP will conduct four studies on agriculture sector development, strengthen the Agriculture Producers Association Network, create at least 20 new farmers' service cooperatives, strengthen at least 100 agribusinesses, provide assistance in at least 10 court cases, and facilitate the resolution of at least 300 disputes through arbitration. The principle contractor/grantee is the East-West Management Institute.

The Private Farmers Commercialization Program (PFCP) will be extended. PFCP is the commercial arm of USAID's agricultural efforts and focuses on the development of agribusinesses. PFCP will support the economic success of Moldova's private farmers at the village level, assuring input supply and output distribution that in turn open new opportunities. PFCP will build 25 community level farm stores expanding its network to thousands of new private farmers; develop at least four agribusiness partnerships that will improve Moldova's capacity to produce high-value fresh and frozen products which will help them to compete in world markets; and increase emphasis on high impact training in farm management, business planning, and cooperative development. Citizen's Network for Foreign Affairs is the prime contractor/grantee.

**Increase Land Tenure Security:** A Land Privatization Support Project (LPSP) will be developed to increase tenure security. The project will correct survey and land distribution errors made during the initial land privatization project funded by USAID, and provide a means to consolidate land holdings, advance gains made in land privatization, and assist in the development of private property rights. This project will help consolidate land holdings through market-driven mechanisms, advance gains made in land privatization, and assist in the development of private property rights. The principle contractor/grantee is to be determined.

**Economic Growth (\$5,137,000 FSA).** BIZPRO will continue to increase the economic role of SMEs by improving access to financing, market business skills, and information. Development Alternatives, Inc. is the prime contractor.

Improve Investment Climate in Moldova: The Western NIS Enterprise Fund (WNISEF) promotes direct foreign investment in cooperation with EBRD and IFC.

Energy: Continue the Process of Energy Sector Regulatory and Legal Development \$6,037,000 FSA). Moldova needs a healthy regulatory environment to succeed in the privatization of existing energy-sector companies and in the development of new ones. USAID will provide continued assistance to the National Agency of Energy Regulation (ANRE) through training and exposure to U.S. and regional experience on the subjects of tariff policy, licensing, customer service, and public relations, developing ANRE's capacity to function as an independent, authoritative, and competent regulator. USAID will work with the National Association of Electricity Consumers, media organizations, and other public interest and consumer advocacy groups to balance the interests of all energy-sector stakeholders. The principal contractors/grantees are: Pierce Atwood Attorneys and the National Association of Regulatory Utility Commissioners.

Heating Sector Development: During 2001/02 only two out of 40 Moldovan district heating systems were fully operational, and the two functioning systems were bankrupt and in receivership. USAID will work with the investor community, consumer groups, local governments, ANRE and the Ministry of Energy to develop and implement legislative and regulatory reforms necessary to improve the investment attractiveness of the heating services business.

**FY 2004 Program:**

Agriculture (\$8,718,500 FSA). A November 2002 evaluation team documented an extremely high level of satisfaction regarding the results achieved by PFAP and PFCP and strongly recommended the continuation of these activities, with small adjustments, for at least two more years. Additional agriculture partnerships are being developed for use of FY 2004 funding.

Economic Growth (\$3,595,500 FSA). The WNISEF effort to improve the investment climate in Moldova will be continued at reduced levels of ongoing USAID support. WNISEF has a sizable investment portfolio and already has substantial reflows and earnings to respond to new investment opportunities.

Energy: Heating Sector Development (\$987,000 FSA). USAID heating sector efforts will expand in the areas of project design, financing development, and implementation.

**Performance and Results:** GOM statistics indicate that Moldovan GDP grew by approximately 6 percent during 2002, the third consecutive year of economic growth. USAID assistance is playing a key role in this achievement. Despite initial uncertainty about the new Communist government's commitment to reform, PFAP and PFCP have been very successful in improving the policy, legal, and regulatory environment. During 2002, the membership of the National Union of Agriculture Producers Associations (UAPA) doubled. PFAP and PFCP have continued the development of the network of Mechanical Services Centers, resulting in about 100 service cooperatives, 60 farm stores (including 30 created during 2002), and a series of highly sophisticated pilot agriculture partnerships, such as controlled atmosphere cold storage and flash freezing processing lines. SME sector activities increased the number of loans made by the Moldova Microfinance Network and formal financial institutions on the basis of Partnership Agreements formed with these groups by the project. Also, in FY 2002, WNISEF succeeded in attracting a major foreign strategic investor to one of its portfolio companies, earning the fund a sizable return on its investment.

By program completion it is expected that land tenure will be secure, landowners will have the capacity and knowledge to defend their property rights, and private agriculture will be sustainable with little serious threat of re-collectivization. Private farmers will have sufficient access to quality inputs, equipment, services, technical advice, and markets that provide them with an opportunity to succeed. Energy supplies will be secure, stable, accessible, and able to support economic growth and development.

## US Financing in Thousands of Dollars

Moldova

117-0131 Private Enterprise Development	<b>FSA</b>
<b>Through September 30, 2001</b>	
Obligations	0
Expenditures	0
Unliquidated	0
<b>Fiscal Year 2002</b>	
Obligations	7,666
Expenditures	845
<b>Through September 30, 2002</b>	
Obligations	7,666
Expenditures	845
Unliquidated	6,821
<b>Prior Year Unobligated Funds</b>	
Obligations	6,234
<b>Planned Fiscal Year 2003 NOA</b>	
Obligations	18,400
<b>Total Planned Fiscal Year 2003</b>	
Obligations	24,634
<b>Proposed Fiscal Year 2004 NOA</b>	
Obligations	13,301
Future Obligations	0
Est. Total Cost	45,601

## Data Sheet

<b>USAID Mission:</b>	Moldova
<b>Program Title:</b>	Democratic Transition
<b>Pillar:</b>	Democracy, Conflict and Humanitarian Assistance
<b>Strategic Objective:</b>	117-0230
<b>Status:</b>	Continuing
<b>Proposed FY 2003 Obligation:</b>	\$4,000,000 FSA
<b>Prior Year Unobligated:</b>	\$4,391,000 FSA
<b>Proposed FY 2004 Obligation:</b>	\$4,465,000 FSA
<b>Year of Initial Obligation:</b>	FY 2001
<b>Estimated Completion Date:</b>	FY 2006

**Summary:** The USAID Democratic Transition program in Moldova is currently made up of the following components: technical assistance to local government units; small grants to local NGOs through the Eurasia Foundation; and a legal reform program with the local bar association. These activities will be augmented by new citizen participation and political party development programs. USAID will use FY 2003 funds to promote local government reform, rule of law, small grants to NGOs, citizen participation, and political party development programs.

### **Inputs, Outputs, Activities:**

#### **FY 2003 Program:**

Civil Society (\$3,620,000 FSA). Local Government Reform Project activities include: 1) increasing the autonomy and sustainability of effective local government through implementation of GOM initiatives for greater fiscal decentralization; 2) improving strategic planning for municipal services and assets; and 3) greater transparency and citizen participation in decision-making at the community level. Currently, there are more than 40 communities participating with the local government program including 29 that have received intensive training and technical assistance in office automation/financial management. Thirty-one communities have completed strategic plans. In FY 2003, this process will continue through participatory forms of citizen involvement, improving transparency and accountability of local governments to citizens. Additional local government partners will be added and models of service improvement will be made available by "rolling-out" lessons learned from several municipal pilot demonstration projects. By the end of FY 2003, fiscal autonomy training and technical assistance will have been provided to all cities and towns in Moldova with population in excess of 10,000 persons. Training and technical assistance provided to local NGOs and municipal officials will increase accountability of local governments.

The Eurasia Foundation provides small grants to Moldovan NGOs to promote the development of democracy and a market economy. The Eurasia Foundation's programmatic focus includes: 1) private enterprise development to provide management training, business education, small business and agribusiness support; 2) public administration and policy reform to promote transparency and development of local governments, public administration training and public policy advice; and 3) civil society activities to develop and support independent media and systems for alternative dispute resolution and the empowerment of non-governmental organizations.

In FY 2003, USAID plans to start a three-year citizen participation program to strengthen local communities and enhance USAID support for the development of new jobs and economic opportunities in rural Moldova. The project will engage local governments, citizens groups, and NGOs in effective community and economic activities and enhance local democracy and grass-roots citizen participation. It will complement USAID's local government reform program revitalizing local communities through strong citizen participation and community empowerment. The program will provide: 1) small grants to community groups, NGOs, and local governments for civic participation projects, joint community income generation, environmental and infrastructure improvements; 2) training and technical assistance for local governments in the techniques and practices of civic participation; 3) training and technical assistance to

NGOs and community groups in civic leadership skills, strategic planning, consensus building, civic action, project development and project management, and building effective partnerships with local governments; and 4) training and grants for local and regional journalists and media outlets.

The program will support the development of democratic practices and community leadership skills. Over time, local governments will learn to be participatory, transparent, and accountable in their operations. Informed, more engaged communities, capable of demanding transparency and accountability from its local leaders, will be actively involved in local development projects.

In FY 2003, USAID intends to launch a new three-year Political Party Development program. The current Moldovan political party system is largely fragmented with about 30 political parties. Only half of these parties ran in the last parliamentary elections and only three are represented in the Parliament. Moldovan political parties are not organized strictly in line with democratic orthodoxy and their internal structure is essentially authoritarian and oligarchic. The objective of the program is to create conditions for political leadership to evolve in communities, involve local political structures, empower political activists, and build democratic practices from the bottom up. The principal civil society contractor/grantees are the Urban Institute and the Eurasia Foundation.

Rule of Law (\$380,000 FSA). The Rule of Law program will continue to focus training and technical assistance on three main areas: advocacy on behalf of human rights; legal association building; and institutional capacity building. The advocacy program will involve direct use of the legal system to defend citizen rights, increase citizen confidence, and help citizens 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 prime contractor/grantee is the American Bar Association/Central European and Eurasian Law Institute (ABA/CEELI).

**FY 2004 Program:**

Local Governance (\$639,200 FSA).

Civil Society (\$2,773,000 FSA).

Political Process (\$1,052,800 FSA).

USAID will use the FY 2004 funds to continue technical assistance to local government units, NGO development, and legal reform, citizen participation, and political party development programs. The Rule of Law and grant programs will continue in FY 2004 at approximately the same levels as FY 2003. The prime contractor/grantees are the Urban Institute, the Eurasia Foundation and ABA/CEELI.

**Performance and Results:** The Urban Institute Local Government Reform Project (LGRP) has conducted activities in 39 cities since its inception. Currently, 30 cities have some degree of on-going participation with LGRP activities which include: municipal strategic planning (31 cities); fiscal autonomy technical assistance (budgeting and financial management (28 cities); office automation (32 cities); citizen participation (19 cities); and municipal transparency (25 cities). The project seeks to improve municipal services by providing grant funding for infrastructure improvements. To date, the LGRP has assisted eight cities in making improvements to water systems; four have decentralized heating projects and two have undertaken solid waste management initiatives.

By program completion, it is expected that local governments throughout Moldova will have the capacity to establish and implement strategic plans that address local problems and concerns, and will find ready and willing partners among a more knowledgeable and informed citizenry, with a sizable body of examples of the success of participatory and democratic action.



## US Financing in Thousands of Dollars

Moldova

117-0230 Democratic Transition	FSA
<b>Through September 30, 2001</b>	
Obligations	1,343
Expenditures	285
Unliquidated	1,058
<b>Fiscal Year 2002</b>	
Obligations	4,084
Expenditures	2,663
<b>Through September 30, 2002</b>	
Obligations	5,427
Expenditures	2,948
Unliquidated	2,479
<b>Prior Year Unobligated Funds</b>	
Obligations	4,391
<b>Planned Fiscal Year 2003 NOA</b>	
Obligations	4,000
<b>Total Planned Fiscal Year 2003</b>	
Obligations	8,391
<b>Proposed Fiscal Year 2004 NOA</b>	
Obligations	4,465
Future Obligations	0
Est. Total Cost	18,283

## Data Sheet

<b>USAID Mission:</b>	Moldova
<b>Program Title:</b>	Social Transition
<b>Pillar:</b>	Democracy, Conflict and Humanitarian Assistance
<b>Strategic Objective:</b>	117-0340
<b>Status:</b>	Continuing
<b>Proposed FY 2003 Obligation:</b>	\$2,000,000 FSA
<b>Prior Year Unobligated:</b>	\$2,812,000 FSA
<b>Proposed FY 2004 Obligation:</b>	\$2,914,000 FSA
<b>Year of Initial Obligation:</b>	FY 2001
<b>Estimated Completion Date:</b>	FY 2006

**Summary:** The portion of USAID/Moldova's Social Transition Program funded with Freedom Support Act resources includes three components: humanitarian and social assistance; health partnerships and combating infectious diseases (Tuberculosis (TB)); and anti-trafficking of persons.

### Inputs, Outputs, Activities:

#### FY 2003 Program:

Tuberculosis (\$1,400,000 FSA). Tuberculosis is a major public health danger in Moldova. The TB epidemic is being driven by declining social and economic conditions, growing unemployment, and subsequent poverty, as well as by inefficient anti-tuberculosis practices. USAID plans to start a new four-year activity to combat the tuberculosis epidemic in the Republic of Moldova by enhancing the implementation of the cost-effective World Health Organization (WHO)-recommended DOTS (Directly Observed Treatment, Short-course) strategy for tuberculosis diagnosis, treatment, and care procedures. At the end of the project, the following results will be achieved: 1) improved laboratory capacity to diagnose infectious pulmonary tuberculosis, including the establishment of a National TB Laboratory Network; 2) strengthened institutional capacity of the Moldova health care system to initially detect TB victims and provide follow-on anti-tuberculosis treatment at the primary health care level, and apply up-to-date TB surveillance to measure progress and coordinate the DOTS programs for civilian and prison populations; 3) increased knowledge of tuberculosis signs, symptoms, referral, and treatment in the general population attained through public outreach campaigns; and 4) the establishment of a facility to monitor multi-drug resistant (MDR) tuberculosis and to provide DOTS Plus (+) treatment for TB patients with confirmed drug resistance.

This project will build upon the on-going USAID-funded Regional Moldova/Romania TB Initiative. This activity has two components: 1) TB laboratory strengthening component to improve laboratory diagnosis, treatment outcome monitoring, laboratory safety, and quality control; and 2) Improving TB drug procurement and supply management systems to assure the uninterrupted availability of the appropriate TB drugs in the correct quantities, at reasonable prices, meeting recognized standards of quality, and supported by favorable political and regulatory processes. The principal contractors/grantees are American International Health Alliance (AIHA), (prime), and Rational Pharmaceutical Management Plus (RMP+) (sub).

Trafficking in persons (\$600,000 FSA). Moldova is a major origin country in Western NIS for trafficked persons. USAID intends to start a new anti-trafficking project. The project will focus on prevention through public awareness and information campaigns and the identification and recognition of risk factors and assistance to potential and actual victims of trafficking through legal consultations, crisis prevention services, psychological rehabilitation, training programs in job skills, and entrepreneurship. USAID expects to establish up to four Women Empowerment Centers that will provide the above-mentioned services. It will focus heavily on greater rural outreach and coordinate with on-going USAID-funded activities for SMEs, agribusiness development, primary health care centers, and legal clinics. The activity will also establish linkages with the new citizen participation program. The objective of this project will be

to prevent trafficking in persons by offering economic solutions to an economic problem. It will especially consider rural population and youth, and cover different audiences including rural women, adolescent girls, university graduates who are seeking employment, and women who are developing entrepreneurial ideas. Contractor to be determined.

**FY 2004 Program:**

Humanitarian assistance (\$197,400 FSA). The Community Humanitarian Assistance Program (CHAP) is a rapid response, humanitarian commodity distribution program that addresses the critical needs of the most vulnerable groups of the population, i.e., disaster victims, the elderly, disabled, children and youth, sick people, and veterans. CHAP aims to provide assistance to rural areas and regions often overlooked by other international donors. To achieve its goals, CHAP has four objectives: improvement of the quality of life of humanitarian assistance end-users; increased capacity of local non-governmental organization (NGO) partners; improved humanitarian assistance activities by other private voluntary organizations (PVOs); and effective response to natural and man-made disasters in coordination with the U.S. Government, the Government of Moldova (GOM), and local authorities. CHAP will be in its last year of implementation and will focus on its exit strategy and the sustainability of CHAP's local NGO partners. The principle contractor/grantee is Counterpart International, Inc.

Tuberculosis (\$789,600 FSA). Strengthening the Diagnosis and Treatment of Tuberculosis in Moldova and Other Infectious Diseases will continue to work on the key project components such as improved laboratory capacity; TB surveillance system; public outreach campaigns on TB and the establishment of a facility to monitor multi drug resistant (MDR) tuberculosis. USAID will review options to address other infectious diseases in FY 2004. The principle contractor/grantees are the American International Health Alliance (AIHA) (prime) and Rational Pharmaceutical Management Plus (RMP+) (sub).

The Regional Moldova/Romania TB Initiative will continue to provide technical assistance that will improve diagnosis, treatment outcome monitoring, laboratory safety, quality control, and TB drug procurement and supply management systems.

Other infectious diseases - Antimicrobial Resistance (\$893,000 FSA). During FY 2003, the Mission will consider the expansion of assistance for the prevention of other infectious diseases with FY 2004 funding.

Trafficking in Persons (\$1,034,000 FSA). The Anti-Trafficking project will continue to establish Women Empowerment Centers that will provide services to potential and actual victims.

**Performance and Results:** By program completion it is expected that local civil society institutions will have sufficient capacity to independently establish Moldova's humanitarian assistance needs, identify donors of humanitarian support, secure funding for the transportation of humanitarian support, facilitate its clearance through customs, distribute assistance to those in need, and monitor its use. In the health sub-sector, Moldova will have the indigenous resources necessary to complete the successful implementation of the GOM 2001-2005 Anti-TB Program, including the capacity to approach a 75% cure rate, and begin to approach a near Western Europe average of new TB cases. In anti-trafficking, it is expected that a network of indigenous Women Empowerment Centers will be sustainable (with continued non-USAID international donor support) and that local economies will be minimally, but sufficiently vibrant, to offer jobs and economic opportunities to significant numbers of young women who would otherwise be vulnerable to becoming trafficked.

## US Financing in Thousands of Dollars

Moldova

117-0340 Social Transition	<b>FSA</b>
<b>Through September 30, 2001</b>	
Obligations	17,297
Expenditures	135
Unliquidated	17,162
<b>Fiscal Year 2002</b>	
Obligations	2,384
Expenditures	16,881
<b>Through September 30, 2002</b>	
Obligations	19,681
Expenditures	17,016
Unliquidated	2,665
<b>Prior Year Unobligated Funds</b>	
Obligations	2,812
<b>Planned Fiscal Year 2003 NOA</b>	
Obligations	2,000
<b>Total Planned Fiscal Year 2003</b>	
Obligations	4,812
<b>Proposed Fiscal Year 2004 NOA</b>	
Obligations	2,914
Future Obligations	0
Est. Total Cost	27,407