

Project Fiche 6

Title	<i>Addressing needs of vulnerable layers of the population</i>
Sector	Social / Welfare Services
DAC-code	16310
Indicative cost	€6 million
Project duration	36 months
Aid Method	Centralised Management

1. Rationale

1.1 Strategic Framework

Between 1990 and 1999 Moldova faced a social crisis, which was deeper and more dramatic than the economic crisis. With large-scale release of labour from the economy, high inflation and falling real state expenditures for social needs, the losses of the population were limited not only to narrowing income resources and declining purchasing power, but also to a diminished ability to enjoy social assistance from the state, in the form of benefits and free social services. Since the year 2000 economic growth has had a favourable impact on the expenditures and consumption of the population. This also raised budget revenues that allowed the Government to increase social expenditures, primarily for healthcare and education. However, access of the population to social services remains limited because the level of their pre-crisis State financing has not yet been restored, and a considerable part of services are provided for payment.

This situation raises particular concerns about children and families. The combined effects of poverty and cuts in social sector investments have weakened family capacity to protect children. The United Nations indicate that the number of children in need of special protection, among them those deprived of parental care and family life, continues to grow. Latest government figures reveal that 12,344 children live in institutions. According to experts, some 80% of these are from vulnerable families that cannot afford to take care of them. In the absence of a clear social policy, institutional care is being used as a social welfare measure to provide shelter and education for children from very poor families. Among those, the situation of disabled children is particularly serious.

Increasing attention and support is now being dedicated to this sector because of the urgent need for support and declared government and donor policy to focus on poverty reduction and reduction of social inequality.

Indeed, various donors (WB, SIDA, DFID, UNICEF and the EC) are now coming together to develop a Sector Wide Approach to the social sector. A DFID expert will be carrying out an extensive mapping exercise to clearly establish needs, and support already being provided in order to then clearly identify areas where support is still needed. Following this a comprehensive programming exercise will be carried out which will lay the basis for government and donor activity in the future.

On more specific issues, a special law «On social protection of people who suffered damage on result of Chernobyl catastrophe» was issued in 1992 by Moldovan authorities. However, the implementation of the measures foreseen in the law is hardly hampered by the lack of resources.

The Government of Moldova approved in June 2003 a National Strategy for Child and Family Protection for the years 2003-2008. The strategy provides a comprehensive and long-term approach on children's issues, addressing in particular the most vulnerable categories of children, such as children deprived of parental care, disabled children, etc..

1.2 Lessons learnt

Only in recent years the European Union has started providing substantial technical assistance for Moldovan government to address the social consequences of transition. Future assistance should take into account the main problems met over the last years, namely a poor degree of administrative capacity and the need for strong co-ordination among possible beneficiaries.

1.3 Complementary Actions (EC assistance)

TACIS is active in Moldova in this area through two main projects:

1. “Development of integrated social services for vulnerable children and families at risk” – planned under AP 2003 – contract to be signed (2,500,000 €)

This project will be carried out by UNICEF and will run in parallel and be closely coordinated with another UNICEF implemented project financed by SIDA Creating a Protective Environment for Children and Families in Moldova. Together, the two projects will focus on policy development, legislative reform, redirection of financing, strengthening of institutional capacities, community services development. The SIDA funded project will in addition have a component for a public awareness campaign.

2. “Capacity building in social policy reform” – AP 2001 – ongoing (2,644,000 €)

This project focuses on the reduction of the level of institutionalised children by introducing new models of social childcare, increasing awareness through a wider understanding and acceptance of the principles of new social work practice with the focus on children within the institutions and those who are at risk to be institutionalised. The project activities aim to support the Ministry of Labor and Social Protection in developing working models of alternative children care and decrease reliance on institutional care; to support the government in setting up a sustainable structure for education and training of social workers and managers of social services, the focus being on children; to increase public awareness and enhance initiatives of local communities to implement alternative forms of children care.

Since 2000 the EU assists Moldova also through the **Food Security Programme (FSP)**. This is granted in form of targeted budgetary support focusing in particular on agricultural and social sectors. Moldova's Government commitment to carry out actions in the social area and to enhance an effective poverty reduction strategy is strengthened by this form of budgetary aid. Over the last years FSP focused on social protection mechanisms (social safety net) at all levels.

1.4 Complementary Actions (other donors' main activities)

The **World Bank** has devoted considerable resources to the social sector, namely a Social Investment Fund to: i) build local community and municipal capacity and skills through rehabilitation of social infrastructure, and to improve delivery of social services; and to ii) empower poor communities and vulnerable populations to manage their priority development needs. It also helped support the implementation of comprehensive reform of public pension system and introduction of regulatory framework for private pension funds; and support the implementation of a new organisational structure for social insurance. This TACIS project will especially be linked to the work of the WB.

SIDA runs the project "*Development of social work. Children and teenagers at risk*". The overall objective of the project is to improve the situation of children and teenagers at risk through development and promotion of new concepts and methods of social work. Another SIDA project is *Elderly and Handicapped*. The development objectives of the project are: i) to improve the understanding of the basics in social work; ii) to improve the system for care of elderly and disabled. Final development of the modular training material; iii) to alleviate the suffering for elderly and disabled; iv) to initiate regular in-service training for continuous upgrading of professional skills in the social sector.

UNICEF is a key player in the social sector (focusing on family and child protection). Its Child Protection Programme (2002-2006) is based on the concept of providing social assistance by using category approach. Overall objective of the project is to support Government efforts in social sector reform by building capacities, improving policies and legislative frameworks that address the protection of children and adolescents at risk and their families; to contribute to a reduction in the number of children in institutions and prevent institutionalization by developing new models of child protection services, promoting inclusive education, and strengthening community-family capacities to protect and provide for their own children; to advocate for the full implementation of children rights.

2 Moldovan Context

Moldova has committed itself to carry out important reforms in the social area through its Economic Growth and Poverty Reduction Strategy Paper (EGPRSP, which sets out the main directions for reform in all the sectors of the national economy and covers the period of 2004-2006) and through the EU-Moldova Action Plan within the European Neighbourhood Policy (which makes extensive reference to the EGPRSP in the social sector).

In particular the EU-Moldova Action Plan foresees that Moldova will take significant steps to address poverty, notably by improving targeting and effectiveness of social assistance and will redirect public expenditure to significantly address child poverty and to increase primary school enrolment. This includes key actions as:

- Develop community based child protection measures in particular in the countryside in collaboration with local governments
- Rationalise child benefits and improve effectiveness of assistance to families in need
- Remove factors limiting access to education for poor families' children and improve their access to primary and secondary education, in particular in the country side.

Also the Moldovan Government programme released in April 2005 clearly shows the will to address the poverty problems and mentions the intention to improve the children and family protection by means of increasing the state allocation for children and granting support for creating a family. Furthermore it indicates that youth policy will be oriented towards, *inter alia*, promoting the youth as equal and active partners in the political, economic and social life of the country.

Finally the Government of Moldova adopted a National Strategy for Family and Child Protection (2003-2008), which is extremely detailed, involves various Ministries in a co-ordinated effort and is supported by the most important donors.

3. Description

3.1 Objective

NIP 2005-6 foresees “Actions in support of activities by the government and the civil society for the poor, and in particular children”.

Wider Objective:

- Support development of social security policy and system in Moldova and thus help to reduce social inequality

Specific Objectives:

- Help support the development of an effective social security/social insurance system, ie improve the efficiency of the social benefit system by rationalising the types, forms and duration of benefits provision and ensuring better targeting of social assistance.
- Support the development of social services (working also with NGOs)
- Provide further support to family and child protection

3.2 Expected results

Component I “Help support the development of an effective social security/social insurance system”

- Building further on the work already undertaken to improve the efficiency of the social benefit system by rationalizing the types, forms and duration of benefits provision and ensuring better targeting of social assistance.

Component II “Support the development of social services (working also with NGOs)”

- Needs Assessment
- Capacity building of social service providers (social workers and also NGOs) at local level
- Piloting of activities

Component III “Provide further support to family and child protection”

Continue work being carried out by WB, SIDA, DFID, UNICEF and TACIS. Focus on providing support to:

- Fight violence against children
- Children with disabilities
- HIV/AIDS affected (as opposed to infected) children

3.3 Main Activities

The project will be carried out under four main components (see par. 3.2), which should also take into account the need to participate to the co-ordinated activities (presently under definition) of the main donors in this area.

The component on the development of social services will be designed upon the outcome and recommendations of the present TACIS project.

Analysing social benefits and social assistance forms will require strong Government co-ordination in order to maximise the results of public and donors’ funds on most vulnerable families. Activities will focus on: a) Analysis of efficiency and social justice of existing system for granting benefits and privileges; b) Development of social assistance new funding methods and mechanisms in order to switch to cash form of benefits and privileges. c) Identification of the level of “social sensitivity” of various benefits and privileges for the new funding method (cash payment). d) Development of possible social scenarios pertinent to the abolishment or transformation of certain benefits.

The problem of assisting the Chernobyl-affected people will include both the issues of radiation and will target increase medical protection and solution of the related social and psychological problems.

3.4 Stakeholders

Vulnerable families, children, youth and population affected by Chernobyl catastrophe will be the main stakeholders of this project.

Direct beneficiaries will be the Ministries of Health and Social Protection, Economy, Education, Youth and Sport; and the other relevant Ministries involved in social issues.

3.5 Risks and assumptions

One of the main risks that may hinder the implementation of the project resides on the current inconsistency of the legislative framework in the field of social assistance. It is necessary to mention that various benefits and allowances are regulated by numerous laws and regulations, with insufficient consistency between them. There are also a large number of stakeholders and governmental bodies which have various responsibilities in this area. In this particular project there will be a necessity to provide good coordination of activities primarily between the Ministry of Labour and Social Protection and the Ministry of Economy. Since the Ministry of Labour and Social Protection will be managing the unified data base, it is necessary to ensure that the Ministry of Economy has access to it in order to implement its component of the project, that is to develop and implement the mechanism of targeted social assistance to the most vulnerable and needy categories of population.

Another risk consists in ensuring the success of the implementation of the new financing mechanism, which would redirect the allocation and use of budgetary means in the field of social protection. Currently, resources from the state budget intended for the use in social assistance are directed to social insurance budget and are managed by NSIH. Thus, some difficulties are expected while launching the new budget line.

Other difficulties include: potential inconsistencies in the format of data on socially vulnerable people that is stored currently in various databases; barriers in the collection of information to be inputted in the single database; lack of the skills and experience both in administering the data base and adoption of a new (non-category approach) in the provision of the social assistance.

3.6 Conditionalities

- Co-operation of all donors is needed for the success of the project.
- Beneficiary and local authorities should provide clear commitment to allocate available financial resources for the development of such strategy.

3.7 Cross-cutting development issues

Special attention will be paid to gender equality and on the social consequences born by women in the areas related to childcare and youth inclusion.

In all areas of intervention the project will try to boost a modern concept of good governance, which would overcome the “command-administrative” tradition of governance in Moldova.

4 Implementation issues

4.1. Implementation method

Centralised Management by EC Delegation.

Service contracts and where appropriate grants will be offered. Co-ordination with World Bank , SIDA, DFID (presently setting up a sector-wide approach in this area) and possibly with other donors will be sought. Twinning may be used as an implementation modality.

4.2. Budget and calendar

The overall budget is €6 million.

The operational duration of the project is estimated to 36 months.

4.3. Procurement and award of grants procedures

All contracts implementing the financing agreement must be awarded and implemented in accordance with the procedures and standard documents laid down and published by the Commission for the implementation of external operations, in force at the time of the launch of the procedure in question.

All programme estimates must respect the procedures and standard documents laid down by the Commission, in force at the time of the adoption of the programme estimates in question.

4.4. Performance monitoring

The project will be monitored according to standard procedures.

Project monitoring and evaluation will be based on periodic assessment of progress on delivery of specified project results and towards achievement of project objectives.