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CAPMU

Consolidated Agricultural Projects Management Unit
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REPORT ON THE IMPLEMENTATION PROGRESS OF PROJECTS MANAGED BY CAPMU

Developed by CAPMU management

ACRONYMS AND ABBREVIATIONS

ACA	Alliance for Cooperation in Agriculture
ACSA	National Agency for Rural Development
CAPMU	Consolidated Agricultural Projects management Unit
CCA	Center for Business Consultancy
CIS	Commonwealth of Independent States
DA	Development Agency
DO	Development Officer
EIA	Environmental Impact Assessment
FAO	Food and Agriculture Organization of the United Nations
GOM	Government of Moldova
LFA	Logical Framework Approach
MAFI	Ministry of Agriculture and Food Industry
MEGA	Mobile Expert Group
NGO	Non Governmental Organization
PFI	Participating Financial Institution
PM	Project Manager
RDC	Rural Development Centre
RFC	Rural Finance Corporation
RISPII	Rural Investment and Services Project II
SCA	Savings and credit association of citizens
SDC	Swiss Agency for Development and Cooperation
SIDA	Swedish Development Agency
TL	Team Leader
USAID	US Agency for International Development
WB	World Bank

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RURAL INVESTMENT AND SERVICES PROJECT

PROJECT OBJECTIVES

The Program objective, which remains unchanged, is to provide long-term support to accelerate agricultural recovery and growth so that Moldova's agricultural and rural sectors can play their full role in providing the underpinnings for future income growth and poverty reduction.

Within this program objective, the project's second phase objective is to continue to foster post-privatization growth in the agricultural sector by improving access of new private farmers and rural businesses to what they need to succeed – legal ownership status, knowledge, know-how and finance, while building capacity of public and private institutions to ensure sustainability of activities. The Phase II will build on success achieved under the Phase I, by: (i) strengthening and expanding the rural advisory services; (ii) improving business skills of the to-be entrepreneurs and assisting with the legal registration of the new businesses; (iii) upgrading the financial sector environment through a range of risk management measures, such as supervision capacity building, and introduction of new lending instruments such as leasing; (iv) increase the commercial banking sector outreach into rural areas; and (v) developing a practical approach to reducing transaction costs in land markets.

PROJECT COMPONENTS

The project consists of four components and the necessary financing for project management:

- (a) Rural Consulting Services;
 - Draught adaptation services
- (b) Rural Business Development Services;
- (c) Rural Finance
 - Credit Line
 - Strengthening the SCA industry
- (d) Agricultural Land Re-parceling Pilot Projects;
- (e) Project Management.

The first two components provide predominantly technical assistance, while the third component provides investment support along with the necessary technical assistance to participating financial institutions, and technical assistance for strengthening SCAs system and their supervision. The first three components are closely linked, operating basing on synergy principles, with each dependent on the others for successful outcomes.

PROJECT IMPLEMENTATION PROGRESS AS OF JUNE 30, 2009

RURAL EXTENSION COMPONENT

ACSA NETWORK OF SERVICE PROVIDERS

The ACSA advisory network was created based on the public contest for the selection of consultancy Service Providers organized and held by a Selection Committee in the period of 21 November – 11 December 2008. The minutes of the Selection Committee final session (nr. 24 of January 23, 2009) have been approved by the Observers Council meeting held on 30th of January 2009.

With the purpose of implementing the “Rural Consultancy Services” component of the RISP II Project, ACSA signed the Rural Advisory Service Agreement with the Ministry of Agriculture and Food Industry. Eventually, ACSA signed consultancy service contracts for 2009 with 23 Service Providers and extended the existent contracts with 12 Service Providers.

Starting with February 7, 2009, the ACSA network consists of 35 Service Providers. The total number of ACSA network consultants is 425 people, of which 350 local consultants and 70 regional consultants. Additionally, 5 regional ACSA consultants operate in the agricultural marketing (PS Soldanesti, PS Edinet, PS Criuleni, PS Hincesti AND PS Calarasi).

During the first half of 2009 a moderate staff flow was recorded outside the network. About 24 local and 4 regional ACSA consultants have quitted due to different reasons, such as moving to a different job, leaving abroad, personal reasons etc. The Service providers organized consultant's selection competitions and completed the vacant positions in a quite short period of time.

TRAINING PROGRAM

The professional training of the regional and local consultants in 2009 remains a priority of ACSA executive department. The beneficiaries of the rural extension services in agricultural activities development and implementation of new businesses require more complex services and facilitation of continuous assistance from ACSA network for the increase of incomes from the practiced activities and sustainability of their business. To respond more promptly to these challenges, ACSA executive department implements different training programs aiming at improving the quality of advisory services and of the professionalism of regional and local advisors.

During the first half of the year the following training programs were organized:

The Module „ACSA Concept and Contract Arrangements for 2009”

After the signing of contracts with ACSA service providers' network, the Executive Department organized a one day seminar for all regional project coordinators. Within this

seminar, the project coordinators have been explained the ACSA concept, the consultancy



network structure, the activities to be implemented, the modality of reporting and planning activities, monitoring local consultants and other details necessary according to the contract for an adequate activity of a SP in 2009. The seminar was preceded by the signing of service provision contracts between 35 Service Providers and the Executive Department of ACSA in both Romanian and English.

Representatives of CAPMU and USER/MAFI participated in the seminar.

Training module „Computer use”

This module was designed for local consultants who had not participated in trainings and do not have adequate knowledge for work with computers. The training started on 20.01.09 and ended on 13.04.2009. About 249 local consultants, divided into 23 groups, have been trained in



the field of computer use through the use of different software. The training sessions were organized at DAAC System Integrator training center and at the Jewish culture center KEDAM.

The duration of the training module is 4 days. The training plan comprises six parts.

Part 1. Computer structure. Parts of the computer. The roles and the parts

of the system block. The role of the basic devices. Notions of physical and logical modules. Duration of this training part – 1 hour.

Part 2. Operational System Windows Vista. Operational systems and software. Windows operational systems. Graphical interface. Standard software. Storage of information. Creation of and work with files and folders. Copying, moving, deleting of files. Work with CDs. Icons. Duration of training session – 8 hours.

Part 3. Text editor Word 2007. Word particularities. Graphical interface. Opening, creation, saving of documents. Text introduction, editing and formatting. Formatting of paragraphs. Text

fragments copying and moving. Work with tables. Spell check. Page parameters. Printing documents. Duration of training session – 10 hours.

Part 4. Tables' editor Excel 2007. Excel particularities. Graphical interface. Opening, creation, saving electronic table. Work with cells, rows, columns, sheets. Formulas and use of most simple functions. Sorting. Duration of training session – 5 hours.

Part 5 Internet use. Notions of local and global network. Web-browser. Internet surfing and search of information. Saving addresses „Favorites“. Creation of personal mailbox. Composing and sending mail. Duration of training session – 5 hours.

Part 6. Antivirus

Duration of this part of training is 1 hour, during which the advisors are informed about the methods of computer and information protection, scanning of documents etc.

At the end of each training programme, the participants filled in a questionnaire for the purpose of improving the teaching process in the future. An express analysis of the results of evaluation shows that the great majority of participants mentioned that the duration of the training programme of 30 hours is insufficient for the beginners to assimilate such a big amount of information.

ACSA plans to organize specialized trainings for ACSA consultants in the field of *plants protection* (July) and rural tourism (September). For this purpose, ACSA started in the first half of 2009 activities related to elaboration of 2 training modules in the fields mentioned above.

SERVICES PROVIDED AND BENEFICIARIES

The consultancy services are provided by the regional and local consultants according to the minimal set of services stipulated in the standard agreement signed between ACSA and service providers. The purpose of consulting services provided by ACSA consultants is to meet the needs of agricultural producers and rural entrepreneurs in ensuring them with quality advisory services allowing them to solve the existing needs and problems, as well as to facilitate the sustainable development of agricultural activities and to increase the incomes generated by the practiced activity. The detailed information on the provided services and on the number of beneficiaries is presented in Annexes RAS 1 and RAS 2.



During the first half of the year the ACSA network consultants provided over 100 000 consultancy services, of which: about 1730 seminars, over 1000 written consultancies, over 1600 round tables, 3800 meetings and discussions, about 12000 field trips and over 80 000 oral consultancies. A Service Provider offered 2900 advisory services in average. During the reporting period about 192 000 people benefited from ACSA services. A Service Provider assisted in average over 5400 beneficiaries of consultancy services in the report period.

During the report period, the range of services provided by ACSA network was dominated by verbal consultancies with a share of 80 per cent. In most cases these consultancies are provided individually. Oral consultancies are followed by field trips, with 12%, preceded by discussions and meetings, with 4%, round tables and seminars with 2% each and written consultancies – 1%.

According to the field, the structure of consultancy services is dominated by technological services - 56% (56770 services), followed by agricultural marketing – 17% (17600 services), economic services – 14% (13800 services) and legal services – 13% (13000 services). The number of beneficiaries and provided services varies from one service provider to another depending on the number of consultants in the team, their experience and training level and methods used in provision of services.

MONITORING AND EVALUATION

The monitoring and evaluation of the Service Providers is performed continuously and randomly with the participation of the staff of ACSA executive unit, the staff of the Rural Extension Service Unit of the Ministry of Agriculture and Food Industry and the Selection Committee of ACSA Service Providers. The purpose of monitoring and assessment is to verify the activity of the regional and local ACSA consultants, to assess the progress of project implementation and to provide necessary assistance in order to improve the consultancy process provided by project beneficiaries.

In January-June 2009 the ACSA Executive Unit, the Rural Extension Service Unit of MAFI and the members of the Selection Committee of ACSA monitored 28 SP from the following regions: Cimișlia, Comrat,



Ciadîr Lunga, Basarabeasca, Ialoveni, Sîngerei, Criuleni, Anenii Noi, Bălți, Călărași, Căușeni, Fălești, Florești, Orhei, Ștefan Vodă, Strășeni, Telenești, Ungheni, Leova, Cahul, Glodeni, Hîncești, Cantemir, Căinari, Nisporeni, Rîșcani, Soldanesti and Taraclia. Besides, the monitoring groups visited over 100 consultancy services at the level of village. As result of the monitoring

visits certain objections regarding the activity of the local and regional advisory centers, as well as recommendations and terms for their improvement have been defined.

During these monitoring visits discussions regarding the implemented activities and the provided services have been held with regional and local consultants, representatives of the local public administration and other town halls employees, as well as directly with the beneficiaries. At the same time, the condition of the offices, the transparency, the planning and the methods of activities performance, as well as the state of documentation in general, implementation of special contracts and demonstration plots have been examined.

At the beginning of 2009 based on the decision of PS Selection commission and of the Observers Council, a contest for the selection of a new consultant in Micleușeni village (PS Strășeni) and to solve the problem of LC Cruglic (PS Criuleni) office within 15 days by SP was organized, with the monitoring of the execution of decision of Selection Commission by ACSA Executive Unit. In both villages two new consultants, who already work for ACSA network have been selected, and after discussions with local authorities the settlement of problems regarding the placement of local consultants was possible.

The monitoring of 28 centers during the report period showed that all the consultants meet the contract requirements regarding the consultancy activity, the registration of provided services, provision of information materials and transparency of the activity itself. The monitoring has also shown that some agricultural producers' beneficiaries of rural extension services cannot access the credit line within RISP II project.

SPECIAL CONTRACTS

To apply the demonstration method in training and information activities of the beneficiaries of ACSA extension services network, the consultant, in cooperation with researchers and representatives of agricultural education institutions, MAFI departments, subdivisions and inspections, companies providing goods and services for the agro-industrial complex developed and submitted 147 mini-project proposals regarding different agricultural and non-agricultural activities specific for rural regions.

The majority of Service Providers (SP) submitted 3-5 project proposals in average, while SP Basarabasca, SP Călărași, SP Leova, SP Orhei, SP Ștefan Vodă, SP Telenești submitted 6 – 7 project proposals. Three service providers submitted 1 – 2 proposals only.

Of the total of project proposals, 51 were approved by the evaluation commission with the beneficiaries of which special services contracts have been signed. Of them, 26 units are related to growing of vegetables, 20 – to growing of animals, 4 – non-agricultural business in rural areas, while one was for the evaluation of data on the costs and incomes in agricultural activities. In the vegetables growing sector, 18 demonstration plots are for the promotion of advanced elements and technologies in growing of vegetables, berries, grapes and 3 and 5 units respectively

demonstrate the growing of flowers and mushrooms. The demonstration plots in the growing of animals sector are used for the demonstration of breeding, keeping and reproduction technologies of cattle (4 contracts), swine (3 contracts), doves and peacocks (2 contracts), rabbits (2 contracts), fish (4 contracts) and bees (5 contracts). The projects focused on non-agricultural activities (3 contracts) are related to rural tourism development and one contract to handicraft development.

During the IInd trimester modifications to the list of contracts under implementation have been made from different reasons. The beneficiary of Contract No. 6, Mircea Svetlana from Medveja village Briceni rayon gave up the implementation of this project because she was not satisfied with the prices to corn and wheat stored in the places planned for mushrooms growing activities. According to the proposal of SP Briceni this beneficiary was replaced by the beneficiary Proțiu Regina from Șirăuți village, the same rayon, the object of the contract remaining unchanged.

Because of the lack of responsibility from the beneficiary of Contract No. 7 from Crihana Veche village in his relations with the SP Cahul, Olteanu Alexei withdrew from the project and was replaced by Iovcev Sergiu from Taraclia de Salcie in the same rayon, maintaining the object of the contract. The beneficiary Caminschii Serghei from Chircăești Noi village, Căușeni rayon, renounced to the contract because of the lack of financial sources for personal contribution and as result of non-observance of contract provisions related to tomatoes cultivation technology with drip irrigation. He was replaced by Cosovțchi Mihail, resident of the same village, who implements the same object of the contract.

ACSA executive unit in collaboration with the project coordinators from the rayon extension centers and local consultants undertook these measures in order to ensure the successful implementation of the approved contracts. On the basis of field trips with participation of external consultants the plan of activity for each sector separately was approved. The workload, the needs in materials, goods, services and responsibilities for the corresponding activities have been defined. Relations with potential suppliers of genetic material, equipment and other means to be procured from contract sources and the contribution of project beneficiaries have been established. For a significant part of contracts the corresponding goods have already been procured (only genetic material for swine, cattle and goats breeding sectors still have to be procured).



The performed activities allowed the objects planned for demonstration to be applied within training and information activities which, according to the special contracts are planned to be organized on their basis.

As of the report day, the SC No. 51 has been implemented completely. Agrex NGO and the National Agency for Rural Development (ACSA) verified and analyzed 2900 questionnaires collected on the basis of the study performed by ACSA Service Providers. The final materials were published in the guide „Situation of incomes and expenses in agricultural activities in 2008”.

This publication describes the gross margin for 12 production sectors practiced in the Republic of Moldova and was designed for agricultural activities owners for the purpose of:

- Analyzing the results achieved during the agricultural year 2007-2008;
- Planning the activities both in production sectors and in all agricultural undertakings.

This edition is different from the previous ones as the gross margin for the 12 production sectors is not presented by geographical regions, it is presented by two agricultural activities categories: a) households the total area of which does not exceed 10 ha; b) households with a total area of over 10 ha.



The guide was distributed to ACSA network consultants who advised the farmers in the improvement of decision-making process regarding production sectors planning. The use of data on costs and incomes and of the gross margin allowed planning and managing correctly the activities within an agricultural undertaking. The information included in the publication is very useful for the rural entrepreneurs and serves as a guide for the re-launching of traditional or new profitable businesses in agriculture.



The information contained in this edition is also interesting for the employees of the rural consultancy centers, micro-financing institutions, farmers

associations, agricultural education and scientific research institutions, public and governmental institutions, international assistance projects etc.

It must also be mentioned that, on the date of the report, of 51 of the special contracts approved for financing, 3 have been finalized, 39 have been executed at 50%, while 9 SC are at the stage of

preparation of information and training activities. The current state and the expected terms for the execution of SC give us confidence that the planned activities will be carried out in the nearest future. 1300 farmers, rural entrepreneurs, consultants and other interested people participated in 44 seminars. The implementation of SC was reflected in 6 TV programmes, 11 radio programmes and 16 newspaper articles.

ELABORATING AND PUBLISHING INFORMATION MATERIALS

The information materials prepared by ACSA provide informational and advisory support to agricultural producers and entrepreneurs and aim at facilitating the access of information, advanced experience and new knowledge for the rural areas. These materials are very demanded by the beneficiaries of the extension service, the published information materials allow them to know better the specifics and the methods of implementation and management of production sector or personal business.

During the report period, ACSA published the information booklet „Forms of support and facilities granted to agricultural producers in 2009” (4000 copies in Romanian and 1000 copies in Russian languages) and a practical guide “Breeding of rabbits and fur animals (IInd edition)” (2000 copies).

These booklets were published in cooperation with MAFI departments, the state Agencies „Moldova Vin” and „Apele Moldovei” for the purpose of informing the agricultural producers and the rural entrepreneurs from the Republic of Moldova with the regulations of subsidizing priority agricultural sectors, including granting of state compensations for the creation of vineyards plantations and energy costs in irrigation, as well as possible ways of obtaining financial means planned in the State budget for 2009, the tax facilities for this year, the tendencies in agriculture support.

Both information materials have been distributed to ACSA consultants, to the Ministry of Agriculture and Food Industry and its subordinated institutions, as well as to Rayonal Agricultural Directorates, agricultural producers and rural entrepreneurs for free.

“Rabbits and fur animals growing business (IInd edition)” is a revised and completed edition describing new concepts of rabbits and fur animals reproduction and growing systems, as well as the updating of capital investments and of production costs in these sectors. This guide was published after multiple requests from agricultural producers and rural entrepreneurs. According to the publishing and distribution regulation 1500 copies will be distributed through ACSA network for the equipment of the regional and local consultancy centers as well as for the promotion activities.

In the IInd trimester, ACSA will finalize the preparation and publishing of a new guide „Viticulture business (IInd edition)” – which is prepared also due to requests from agricultural producers and ACSA consultants.

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Distribution of information materials printed in 2008 and at the beginning of 2009

During the Ist semester 1500 information materials (500 copies of „Businesses in vegetable growing on protected land” and “Forms of support and facilities granted to agricultural producers in 2009”, 800 in the state language and 200 in Russian) have been distributed for free to 35 Service Providers for promotion activities. .

Due to donations provided by the Consolidated Agricultural Projects Monitoring Unit (CAPMU) and Tacis project „Complex Use of Eurasian Steppes”, the service providers received for free 500 copies of information materials „RISP success stories (IInd book) (CAMU) and 500 booklets „Ecological Agriculture – fashion or necessity” (TACIS).

SP have also received for sale 1250 copies of „Businesses in vegetable growing on protected land”, published at the end of 2008. Incomes from the sale of information materials will be used for the formation of the renewable ACSA fund – the financial source used exclusively for the preparation and publishing of new information materials and execution of ACSA promotion activities.

The access of ACSA consultants to new achievements in science and agriculture

For information about new achievements in science and agriculture information notes on new species and recently developed hybrids for production in the Republic of Moldova; multiplication of mushrooms biological material, access to guarantees and investments funds, obtaining of financial resources from potential financiers, national and international projects active in the country etc. have been prepared and transmitted to Regional Centers (by e-mail).

For information and promotion purposes ACSA SP and beneficiaries have received the information material „Successful stories (Book II), in 500 copies.

For the purpose of information and facilitation of access to new achievements in the improvement and genetics of agricultural crops, new species and hybrids, ACSA consultants received for free 450 copies of „Plants species Registry of the Republic of Moldova”, information material provided by the State Commission for Plants Species Testing. To equip the regional ACSA centers and the consultants specialized in agricultural marketing, 70 copies of „Agricultural products marketing” have been purchased and distributed.

PROMOTION ACTIVITIES

A special attention in the daily activities of ACSA Regional and Local Centers is paid to promotion of the image of rural extension service among beneficiaries and other rural dwellers. The measures undertaken by rural extension consultants contribute to the

improvement of transparency and efficiency of the performed activities, increase the credibility and the accessibility to the provided services.

During the report period, the popularization and dissemination of ACSA services and activities was performed through the following promotion activities:

At the local level 42 articles were published in local newspapers, 14 feature reports were broadcasted on local radio and 10 programs on local TV. SP (Cahul, Șoldănești, Rîșcani, Căușeni, Cantemir, Sîngerei, Glodeni, Criuleni) prepared booklets and flyers about the services and activities, about the structure of the teams etc.

At the national level ACSA organized 68 promotion activities, among which: 6 articles in daily national newspapers (Curierul Agricol, Timpul, Moldova Suverană), 14 TV spots within the programs „Curierul agricol”, „Mesager”, „Bastina”, 28 reports on the National Radio.

Information and news are placed regularly on the web page of ACSA, offers, requests and market studies are transmitted daily to the web page “Agricultural production” for the beneficiaries of this online information source.

The ACSA Service Providers (Călărași, Căușeni, Orhei and Balți) and their beneficiaries participated with specialized stands in the specialized national and international exhibitions „Small business Moldova” (May 05-07) and „Food and Drinks” (May 13-17).

AGRICULTURAL MARKETING

ACSA support in the implementation of activities in agricultural marketing, as well as the updating of the web page „Agricultural production” in the report period was ensured by 5 regional consultants from SP Causeni, Hîncești Călărași, Șoldănești, Edineț and the coordinator within ACSA office.

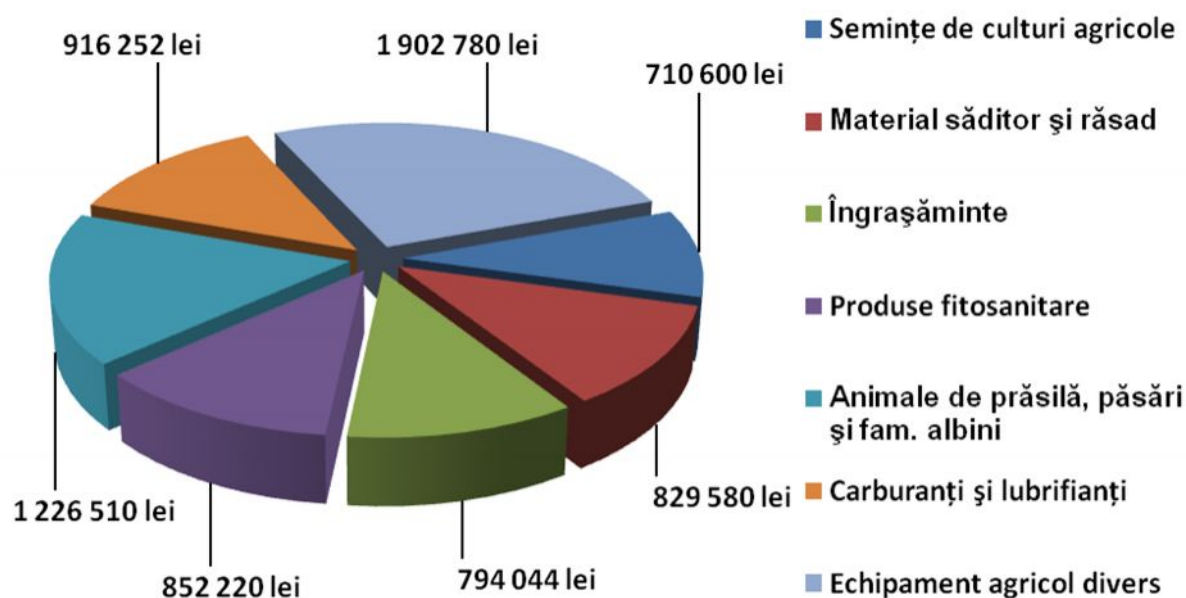
During the first half of the year, the consultancy services in agricultural marketing had about 3750 beneficiaries, while operative information has been provided to 420 ACSA network consultants, as well as about 18200 rural producers and entrepreneurs, companies, state and private companies connected to the Agricultural Marketing Information System. In cooperation with regional and local consultants 68 seminars, 35 meeting and discussions with informal and formal marketing group, 76 field trips have been organized, 1087 oral and 111 written consultancies and agricultural market studies have been provided.

The subject of consultancy services was related to: offers (suppliers and distributors) and requests (agricultural producers and rural entrepreneurs) for procurement of production means and sale of agricultural products (retail and wholesale markets, as well as processing markets), requirements towards the seeding materials, markets, prices on the agricultural markets in the country (including for processing) and ways of promoting agricultural products in distribution and consumption networks.

The impact of agricultural marketing on ACSA clients

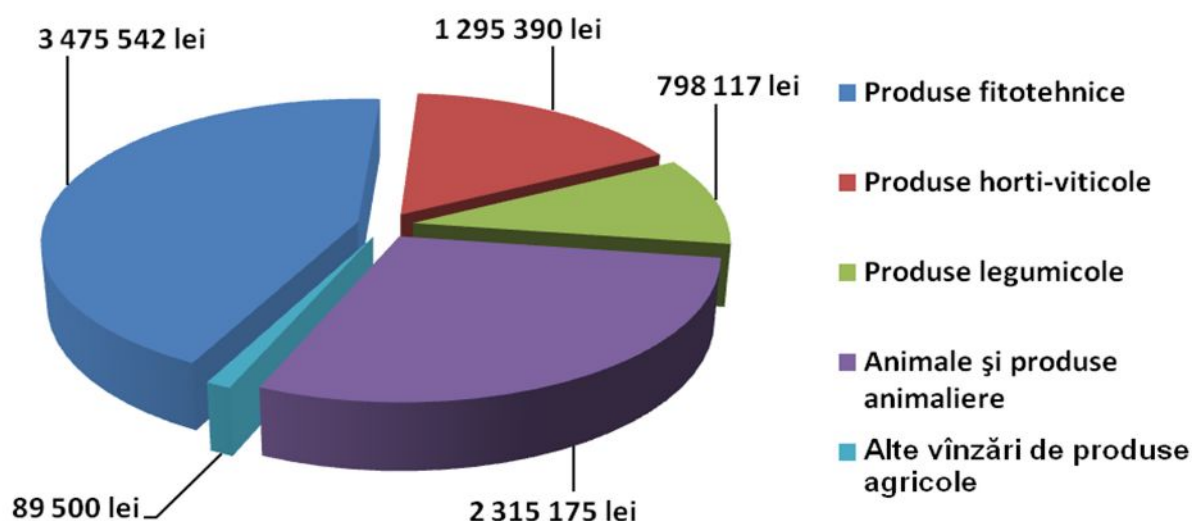
On the basis of the activity performed by Agricultural Market Compartment during the period January – June the following activities have been performed:

The structure of agricultural inputs procurement mediation performed by ACSA agricultural marketing department January – June 2009



- ✓ 47 informal agricultural marketing groups and one agricultural marketing cooperative have been created (seasonal groups related to joint acquisition of inputs and joint sale of fruits and vegetables for processing and wholesale markets);

The Structure of mediated agricultural products sale by ACSA agricultural marketing compartment January – June 2009



- ✓ Agricultural production sale contracts with the value of 7974 thousand lei (including primary production of plants – 3475,5 thousand lei, horticulture – 1295,4 thousand lei, vegetables – 798,1 thousand lei, animals and products of animal origin – 2315,2 thousand lei, other sales – 89,5 thousand lei) have been mediated;
- ✓ Contracts for procurement of production means in the total value of about 7232 thousand lei (including seeds – 710,6 thousand lei, seeding material and seedlings – 829,6 thousand lei, fertilizers – 794 thousand lei, phyto-sanitary products – 852, 2 thousand lei, animals and birds – 1226,5 thousand lei, agricultural equipment – 1902,8 thousand lei, fuel and lubricants – 916,3 thousand lei) have been mediated;
- ✓ 315 proposals and 51 requests for the sale or purchase of agricultural equipment and agricultural products have been placed, viewed and sent to ACSA network by the rural area beneficiaries and Agricultural Marketing Information System users;
- ✓ 13 market studies for about 128 agricultural products (6 reference agricultural markets from the Republic of Moldova - Chişinău, Căuşeni, Hînceşti, Calaraşi, Şoldăneşti and Edineţ) have been performed, the information was placed and viewed online in the Agricultural Marketing Information system and sent by e-mail to approx. 850 subscribers.

The subject of consultancy services and operational information in agricultural marketing was related to: offers and requests for procurement of production means and sale of agricultural goods, requirements towards the seeding materials, markets, access to investment funds, the dynamics and the fluctuation of retail and wholesale prices.

At the beginning and during the harvesting campaign the consultants specialized in agricultural marketing develop different activities (seminars, round tables, meetings and discussions etc.) aiming at guiding agricultural producers in the signing of long term contracts with processors and wholesalers for the purpose of meeting their requirements in the sale of production, as well as diversification of markets.

DROUGHT ADAPTATION ADVISORY SERVICES

„Drought Adaptation Consultancy Services” Project is an integral part of the Drought Adaptation Component, which is an additional financing within Rural Investments and Services Project (RISP II).

The purpose of the „Drought Adaptation Consultancy Services” Project is to promote different drought risks mitigation measures in the activity of local agricultural producers. The general objectives of the sub-component are:

1. To increase the understanding and the practical skills of the farmers as well as their confidence in adopting drought risks mitigation measures;
2. To promote the concept of community implication in drought risks mitigation;
3. To promote the crediting mechanism designed for investments in small scale irrigation rehabilitation and/or development;
4. To improve the knowledge and the skills of rural extension consultants in the field of drought risks mitigation measures.

The activities of the project are performed by the National Rural Development Agency (ACSA) and by the rural extension network with extensive implication of national experts from specialized education and research institutions.

During the report period, ACSA and the rural extension network implemented activities according to the plan.

The Drought Adaptation Services sub-component implies carrying out several activities such as: training of rural extension consultants; development of training modules and training of beneficiaries; preparation of handbooks, posters, leaflets and other information materials; agricultural producers information campaign; identification of potential project beneficiaries; development of mini-project proposals and their assessment; creation of demonstration plots; provision of specialized services; promotion campaign in media and organization of field days; monitoring and evaluation of implemented activities etc.

1. Development of Training Programmes

According to the plan of activities, ACSA developed 7 training modules for demonstration plots beneficiaries and rural extension services consultants. These modules have been developed by a group of national experts selected on competition basis. The modules are focused on the description of drought risks mitigation measures, these modules have elements of comparison between traditional production measures and those involving drought mitigation, as well as costs planning and forecasting techniques, legal aspects of

drought mitigation measures, types of agricultural tools and equipments, types of low pressure and energy consumption irrigation equipments etc.

Module 1. Agro-technical measures

The „Agro-technical measures” module for drought impact mitigation comprises information on the use of crop rotation, soil processing system, fertilization system and vegetation protection system, as well as weed control as drought impact mitigation measure. All these measures aim at facilitating soil supplying with rain/snowfalls waters and reducing the direct surface vaporization of these waters. The module includes scientific and practical explanations of the so-called agro-technical measures as surface ploughing and conservation tillage, seeding at bigger depths and smaller crops density, water catching using special measures, reduction of vaporization surface through plough-land flattening, soil protection covering, crop rotation, use of organic fertilizers for retention of water in the soil, weed control using water provided for crops, use of green fertilizers etc.

Module 2. Protection belts.

Protection belts are belts of trees and shrubs of different lengths and quite narrow widths, placed at a certain distance from an object for the purpose of protecting it against different harmful agents.

The module „Protection belts” explains the role and the importance of protection belts in drought risks mitigation, through the reduction of the speed of dominant winds, reduction of vaporization and plants sweating, increase of relative soil humidity, which result in yields increase compared to non-protected crops.

Figure 1

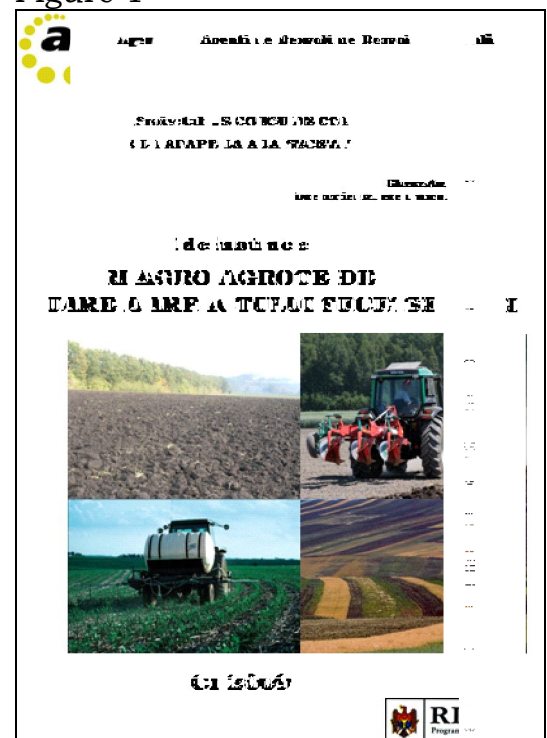
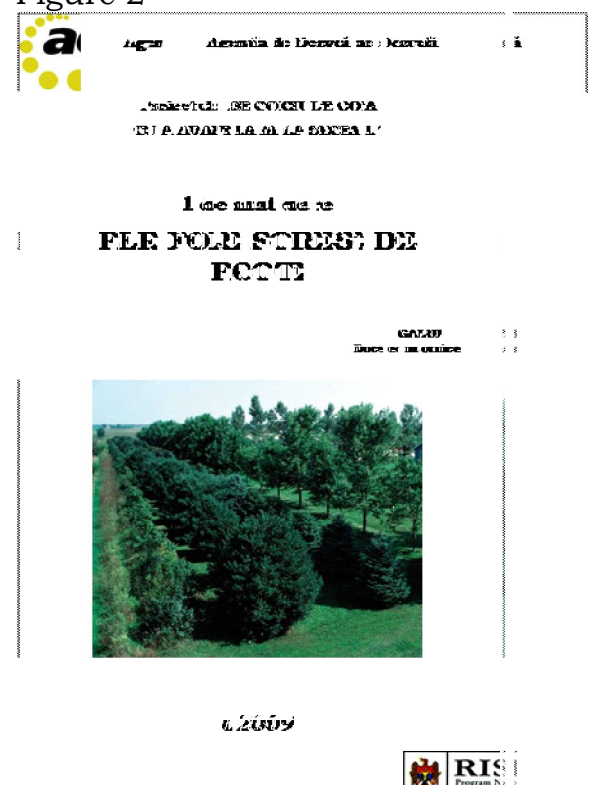


Figure 2



Also, the module explains the techniques of protection belts creation and maintenance, species of trees that can be used for protection belts, costs for their creation and maintenance, direct and indirect costs forecast etc.

Module 3. Introduction of drought resistant varieties, species and hybrids.

The module contains information and explanations on the role and importance of drought resistant soils and hybrids, cultivation techniques, production potential of varieties, species and hybrids in drought conditions, incomes and expenses compared to soils and hybrids with increased requirements towards soil and air humidity, characteristics of soils and hybrids of technical crops and drought resistant vegetables etc.

A special attention is paid to methods and ways of compensation of negative consequences of the drought, influence of deviation from optimal soil and climate regimes on the yields, use of production of potential of agricultural drought resistant species and hybrids with low requirements towards soil fertility in combination with other agro-technical measures in conditions of drought.

Module 4. Community involvement in drought combating.

This module describes possible measures of preparation for, prevention and mitigation of drought in rural areas, methods and ways of drought prevention through the implementation of early prevention and community mobilization

Figure 3



Figure 4



measures, as well as identification of needs and risks faced by the community regarding the drought. This module explains the role and the importance of rural communities and of each particular citizen in drought combating, as part of disasters risks management at community level. The module underlines the importance of identification, evaluation, development and strengthening of communities' capacities to face the drought. In line with agricultural and socio-economic measures, a special attention is paid to structural measures, such as creation of fodder and seeding material stocks, access to risk funds and micro-credits etc. The module also contains information on the development of cooperation relations and mutual help between all community actors.

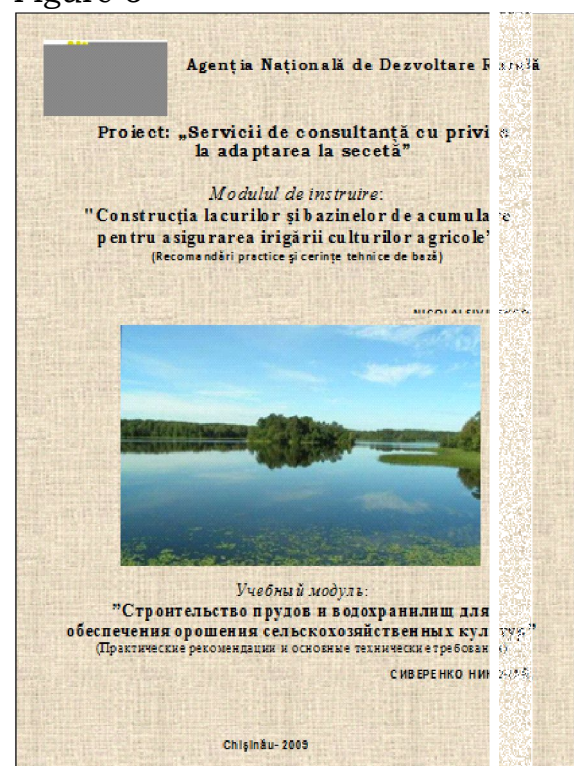
Figure 5



Module 5. Creation of Water Users Associations

The Module „Creation of Water Users Associations” defines the notion, the goals, the advantages and the need of creating water users associations. The Water Users Association is an institutional measure facilitating the protection, the rational use of water and access to water of more agricultural producers and, as a consequence, leads to reduction of negative impact of the drought. The module contains information and explanations on the ways of WUA creation, its registration form and necessary documents for registration, the business

Figure 6



plan of WUA, bookkeeping, financial reporting, tax payment, as well as information on penalties applied in case of violation of legislation.

Module 6. Construction of rainfall waters accumulation lakes.

This module refers to the importance of rainfall waters accumulation lakes for agricultural crops irrigation, animals watering and soil protection. In addition to that, the module includes general issues related to lakes and water accumulation lakes, their design, as well as more detailed information about necessary activities in the process of design, planning and construction of water accumulation lakes for agricultural fields' irrigation. It also contains technical aspects of accumulation lakes planning and construction, the ways the accumulated irrigation water can be used, the ways the lakes can be used, principles of cooperation between farmers whose plots are afferent to rainfall waters accumulation lakes etc.

Module 7. Low pressure and energy irrigation systems

The module describes the factors affecting the needs related to irrigation, the importance of soil irrigation and environment protection, irrigation methods and equipments. The module includes practical information and explanations about the characteristics of low pressure irrigations systems with reduced energy and water consumption, their construction and principle of work, instructions on their installation and use, planning of investments, variable costs and incomes related to irrigation systems use. It also explains the specifics of plants growing technologies with application of irrigation of this type. A special attention is paid to alternative energy sources used for irrigation systems, such as sun, wind etc.

Figure 7



a. Training of extension service consultants

As continuation of rural extension consultants training, which is an important element of sub-component sustainability, ACSA organized a three days training session at national level for regional ACSA consultants in „Drought risks mitigation measures”. Following the training of trainers' principle, the purpose of the training system was to strengthen the capacities and the knowledge of the regional project coordinators to ensure a successful implementation of

„Drought mitigation consultancy services” subcomponent. For the purpose of making the training process more efficient, the regional project consultants were divided into two groups of 17 and 18 people. The training was organized in the period 23-25 and 26 – 28 March 2009.

The training programme was offered by the same national experts who developed the training modules mentioned above. The selected experts have both theoretical knowledge and practical abilities in the field, as well as practical work experience and specialized studies. ACSA together with these experts developed the training agenda, which comprises seven modules and a totalizing conference for the purpose of offering the participants the possibility to express their opinion about the training and about their individual experience in the field.

Module 1. Introduction of drought resistant species, types and hybrids

This module was presented by Mikhail Vronschih, PhD, correspondent member of the Academy of Science of the RM. This module was divided in two modules.

a) *Drought, its particularities and influence of the drought on agricultural crops*

- General features of the drought;
- Determination of the frequency of annual and seasonal droughts based on the hydro-thermal coefficient;
- Influence of the deviation of soil-climate conditions on plants productivity;
- Seasonal aspects of the hydro and thermal regime;

b) *Implementation of different species, types and hybrids depending on the thermal and hydrological regime of the vegetation environment*

- Methods and ways of compensation of the negative effects of the drought;
- Use of drought resistant species, hybrids and types;
- Results of species, types and hybrids resistance to the drought under the conditions existing in the Republic of Moldova.

Figure 8



Module 2. Agro technical measures for drought impact mitigation

The module was presented by Gheorghe Cainarean, lecturer, ACSA coordinator. The module was divided into three sub-modules.

a) *The soil as the space for plants growing and development*

- Notions about the soil, solification and soil fertility;
- Physical particularities of the soil and their use in hydrological regime regulation;
- Soil resources and their rational use depending on soil fertility.

b) *Water resources and hydrological regime of the soil*

- Water resources of the soil;
- Soil humidity dynamics during the year;
- Hydro-physical indicators and their use in the agricultural practice. Basic water reserves in the soil;
- Critical phases in plants development depending on soil humidity.

c) *Drought mitigation agro-technical measures*

- Crops rotation as hydrological regime regulation measure;
- Soil processing systems as hydrological regime regulation method. Conventional and conservative soil processing systems. Advantages and disadvantages;
- Soil fertilization system as a method of efficient use of water from the soil;
- Weed control as a method of efficient use of water from the soil.

Figure 9



Module 3. Protection belts as a measure and object of drought mitigation

The module was presented by Dumitru Galupa, PhD Economy. This module included the following questions:

- General characteristics and classification of protection belts;
- Influence of protection belts on air and soil temperature and humidity and other components of the environment;
- Soil preparation, planting and maintenance of protection belts.

Module 4. Low pressure irrigation systems with low energy consumption

The module was presented by Ilie Gherciuc, doctor, lecturer, Chief of Department at the Academy of Science. The module was divided into two sub-modules.

a) Irrigation as a factor of losses reduction in plant growing: methods and principles

- Agro-ecologic aspects of agricultural crops irrigation;
- Technical methods and means for irrigation;
- Pumping equipment.

b) Low pressure irrigation systems using reduced amount of energy

- Construction and principles of functioning of low energy irrigation systems;
- Metrological – informational systems used in irrigation;
- Use of drip irrigation systems.

Module 5. Construction of rainfall waters accumulation lakes

The module was presented by Nicolai Sivirencu, hydro-technician - engineer. This module contained the following questions:

- Notions about water ponds,

Figure 10



lakes and other water bodies;

- Investigation of land and water sources for the evaluation of possibilities of water bodies construction;
- Water bodies design and construction; technological principles and requirements;
- Ensuring efficient use of lakes, ponds and other water bodies;
- Legitimizing of water bodies use and of the right of their ownership.

Module 6. Creation of Water Users Associations

This module was presented by Alexandru Omelciuc, agronom, agriculture consultant. This module included the following questions:

- Advantages, goals and objectives of Water Users Associations for Irrigation (WUA);
- WUA impact on a more efficient use of irrigation sources;
- Legal aspects of water protection, authorization of the rational use of water sources, as well as creation of water users associations for irrigation purposes.

Module 7. Community involvement in drought mitigation

This module was presented by Anatolie Fala, doctor in biology, MA in Agro-business and rural development. The module included the following questions:

- Identification of community risks and needs regarding drought mitigation;
- Timely information and preparation of population and agricultural plantations on the possible impact of the drought;
- Possible mechanisms and measures of drought preparation, prevention and mitigation at community level;
- Drought prevention through the implementation of Early Prevention Systems and community mobilization.

Within the training programme, complementary to the training session organized in March, ACSA organized a seminar with the subject „Agro-technical drought mitigation measures”, which included a visit to the Field Crops Research Institute „Selecția” („Selection”) in Balti, with the participation of two groups of 20 people, formed of ACSA coordinators and regional consultants. The seminar was organized in two training sessions on June 24 and 27 and aimed at informing the project beneficiaries about the agro-technical measures of drought mitigation and agricultural tools used in the implementation of these methods.

2. Information materials preparation and multiplication

During the implementation period, ACSA developed a specialized guide as informational support with a detailed description of all drought mitigation techniques and measures. This guide is the result of compilation and editing of seven training modules developed by ACSA with the support of the group of national experts, for the purpose of promoting drought mitigation measures and techniques. This guide will be disseminated through regional and local offices in order to be used as a guide in consulting demonstration plots beneficiaries, participants in field days, potential credit applicants for the procurement of irrigation systems and other agricultural equipment for the purpose of reducing the effects of the drought. At this moment the specialized guide is finalized and ready for printing.

ACSA is also finalizing the preparation of eight posters and a leaflet describing in texts and images in an accessible manner the measures and techniques of mitigation of the negative effects caused by the drought. At the same time these information materials aim at promoting and informing the agricultural producers about the need of using and implementing drought mitigation measures both at the level of agricultural usage and at the community level.

Figura 11



3. Agricultural producers information campaign

In addition to the information campaign on the promotion of drought mitigation measures, activities within which will be performed to a great extent during the implementation of demonstration plots, a special attention is paid to the information campaign on the opportunities of crediting investments in the rehabilitation and/or procurement of irrigation or other agricultural equipments provided within the Financial Services sub-component. For this purpose the regional and local consultants organized community level meetings with local producers. As result over ten thousand agricultural producers have been informed about the opportunities offered by the Financing Services sub-component.

4. Selection of beneficiaries

The process of selection of demonstration plots beneficiaries comprised the following steps:

a. Identification of potential beneficiaries of demonstration plots

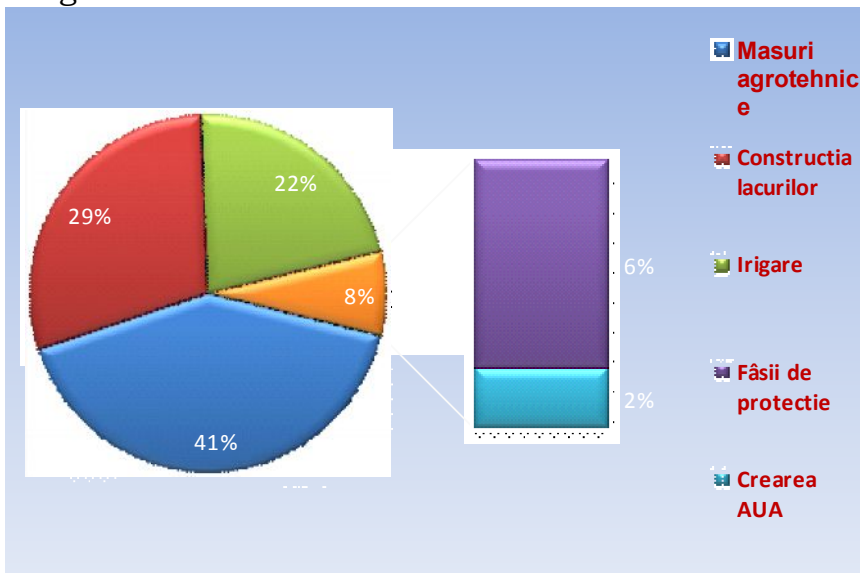
As soon as the information campaign for identification of potential beneficiaries ended, the rural extension service consultants on the basis of about 435 participation requests from local agricultural producers selected 120 participation requests for the further development of project proposals. These requests have been selected based on conditions of eligibility and technical, ecologic and economic feasibility, so that the regional ACSA consultants can later assist the potential beneficiaries in the process of mini-project proposals development.

b. Mini-project proposals development and presentation

During the reporting period ACSA consulting network provided consulting and logistical support in the development of mini-project proposals for 120 eligible potential beneficiaries, assessed on the basis of participation requests, which were later proposed for final selection.

In average each regional centre submitted more than three mini-project proposals, the highest number in Balti – with six proposals, while the lowest number of proposals – one – was submitted by Telenesti center.

Diagram 1



The project proposals were not focused on a single drought mitigation measure; the big majority had a complex approach to implementation of mixed measures promoted within this project. Thus, the classification of project proposals after drought mitigation measures proposed for

implementation has a conventional nature.

The analysis of project proposals submitted for selection shows the structure of these proposals regarding the field and drought mitigation measures planned for implementation. Thus, of 120 project proposals, about 41 per cent (49 producers) intend to apply agro-

technical measures in growing of drought resistant species and hybrids, while other 35 potential beneficiaries, or 29 per cent of the total number of applicants, plan to use the financial support provided by the project in the construction and reconstruction of lakes and rainfall accumulation ponds. Also, 22 per cent of the project proposals included as basic drought mitigation measures the procurement and use of low pressure irrigation systems of low energy consumption, two of which will use wind energy as the main source of energy and a project proposal provides for use of hydraulic energy at the pumping of water in the irrigation system. At the same time only 6% and 2% planned to use financial sources provided by the project for creation of protection belts and strengthening of Water Users Associations correspondingly.

All project proposals have been developed according to ACSA special contract requirements designed within RISP project.

The project proposals contain the project title, argumentation, place and duration, purpose and objectives, direct and indirect beneficiaries, expected results, activities, terms of implementation and responsible people, expected costs, management and responsibilities regarding the use of resources, declaration of the beneficiary and of project participants.

The project proposals have been submitted by the regional centres to the executive department of ACSA in writing (in Romanian or Russian language) immediately after having been finalized.

Evaluation of mini-project proposals

A selection and evaluation commission has been created for the evaluation of mini-project proposals. Thus, the mini-project proposals received by ACSA executive department have been assessed by this commission consisting of ACSA executive director as Chairman, four ACSA representatives, one CAPMU representative, one representative from the Ministry of Agriculture and Food Industry (MAFI) and one from the Ministry of Finance (MoF). The structure of the evaluation commission was approved by the Observers Council, the meeting of which took place on March 10, 2009. The representatives of CAPMU, MAFI and MoF are appointed by the CAPMU director, MAFI vice-minister and MoF minister correspondingly.

Each member of the selection commission analyzed and assessed each of 120 mini-project proposals separately, according to the procedure described below, regardless the requested region, subject or value, on the basis of the following selection and evaluation criteria:

1. *Conformity of the proposal with the objectives of drought adaptation sub-component (project argumentation, purpose and objectives, expected benefits);*
2. *Applicant's contribution to the implementation of the mini-project;*
3. *Rural community benefits from the implementation of the mini-project;*

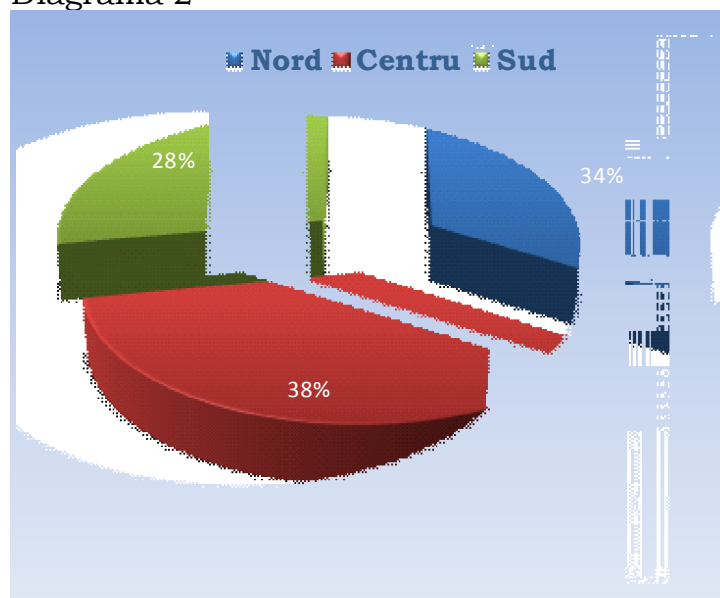
4. *Degree of mini-project proposal feasibility;*
5. *Mini-project budget realistic planning;*
6. *Plan quality and terms of performance;*
7. *The potential of the mini-project to generate increased income;*
8. *Degree of information and education about the mini-project;*
9. *Mini-project sustainability after financing etc.*

Each member of the selection commission filled in an assessment form, in which it graded each project for each of the mentioned criteria from 1 to 10. Afterwards the total cumulated grade was calculated for each mini-project proposal. The results obtained in mini-project assessment forms were then introduced in a totalizing table for the purpose of calculating the average grade of each project proposal granted by the members of the evaluation and selection commission.

After the evaluation, its results were introduced into an excel sheet, where the information regarding the evaluation of mini-project proposals was arranged systematically in tables according to the principle of accumulation of maximum number of grades and according to the origin of the project proposals. According to the budget planned for the

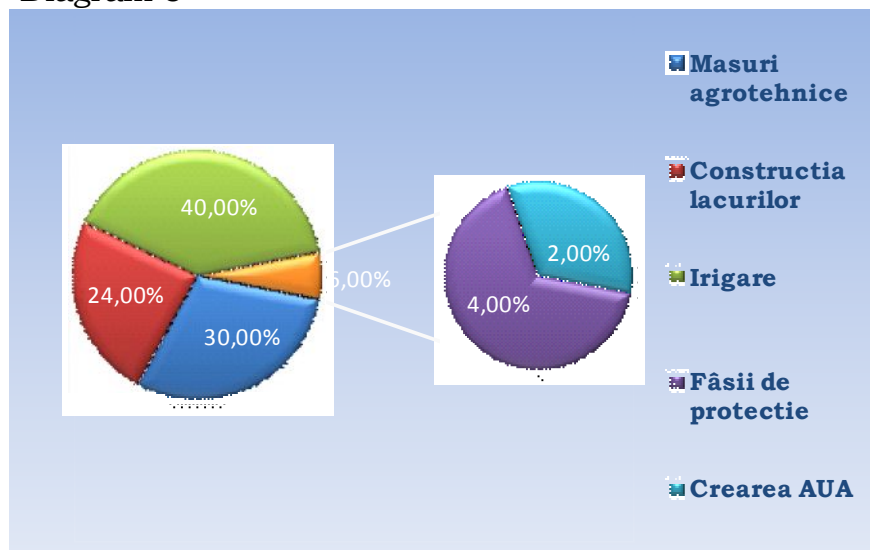
implementation of demonstration plots, the evaluation commission selected 50 mini-project proposals that cumulated the maximal number of points in order to be accepted for co-financing. Other 20 mini-project proposals following the first 50 formed the waiting list for completion of the list of accepted mini-project proposals, in case some of the beneficiaries selected for implementation refuse for any reason or do not have the possibility to participate. Other mini-project proposals that accumulated the minimal number of grades have been rejected. (See Annex RAS 4).

Diagrama 2



In order to have a uniform geographical position of projects accepted for implementation, a maximum of three mini-project proposals from the region of service providers activity have been granted and attempts were made to have at least one project per rayon. With regard to observance of the maximal number of projects, this index did not exceed the provided 3,

Diagram 3



regarding the minimal number of mini-projects by each rayon, for such centres like Basarabeasca, Florești, Căinari and Dondușeni none of the submitted mini-project proposals has been accepted.

Thus, of the total of accepted mini-project proposals, 34% are

placed in Northern rayons, 38% will be implemented in the centre region and 28% in the South of the republic (see Diagram 2).

Analyzing the structure of mini-project proposals with regard to drought mitigation measures that we suggest for application within the project, the low pressure and energy consumption irrigation holds the largest share – about 40 per cent of the total number of accepted proposals. The agro-technical measures in growing of drought resistant types and hybrids hold 30 per cent, followed by construction of lakes and rainfall accumulation lakes with 24 per cent, while the protection belts account for 4 per cent, followed by the Water Users Association as a drought mitigation measure. (See diagram 3)

5. Creation of demonstration plots

As soon as the list of beneficiaries has been created and approved by the Evaluation Commission, ACSA developed and signed contracts with regional service providers, who at their turn will sign contracts with project beneficiaries. These contracts stipulate the relations, the obligations and the rights of the parties involved in the project. The contracts also describe the procedure of procurement of goods financed by the project, according to CAPMU procurement procedures applied within RISP project. Thus, according to the provisions of the implementation contract concluded between the regional service provider,

the beneficiary assisted by the regional service provider submits to the selection commission 3 offers from goods suppliers suggested for selection.

During the collection and selection of offers 3 beneficiaries of the total of 50 informed ACSA executive department that from different reasons they would not be available for project implementation. Thus, the first beneficiaries on the waiting list have been asked to inform ACSA about their availability to be selected for implementation.

Figure 12



As of today 40 beneficiaries, that account for 85% of the accepted beneficiaries, according to the procedure of selection and approval of goods procurement have presented offers to suppliers. Thus the selection and goods procurement commission approved the procurement on the basis of submitted offers for 14 beneficiaries. Currently the selection and approval commission works on the approval of procurement for other 26 beneficiaries, who later submitted offers for goods to be procured within the project.

According to the conditions of goods procurement financing, in order to obtain financial resources offered within the project, the beneficiaries must present documents certifying personal contribution. Thus, 23 beneficiaries have submitted documents certifying their personal contribution and are eligible to receive financing within the project.

6. Specialized consultancy

The beneficiaries of the project have the possibility in case of need to benefit of specialized consultancy during the creation of demonstration plots. Thus, the beneficiary FH „Ion Lungu”, Hincești rayon, Mereșeni village, which is a part of the project „Drought mitigation consulting services”, through the regional ACSA/Hîncești center, used the services of the Field Crops Research institute „Selecția” (selection) in Balți. The activity of FH „Ion Lungu” is the production of milk

Figure 13



at his own farm, for which an adequate fodder basis is necessary. The purpose of requesting specialized consultancy is elaboration and implementation of fodder rotation, which would allow the maintenance of the livestock of 30 cattle on an area of 18 ha he currently holds.

7. Promotion of drought risk mitigation measures

The activities of drought risks mitigation measures promotion will intensify to a great extent in the period of organization of seminars and practical sessions on the basis of demonstration plots. But even at the initial stage of the organization of demonstration plots, which includes training and practical seminars on the basis of training modules in drought effects mitigation have a major importance in the promotion campaign. Thus, the practical training of the regional project coordinators organized at the Field Crops Research Institute „Selecția” (Selection) in Balti and namely on the demonstration plots, raised an increased interest even for many ACSA consultants who are much better trained compared to the beneficiaries within the „Drought mitigation consulting services”.

8. Activities monitoring and evaluation

ACSA maintains an efficient system of monitoring and evaluation of implemented activities aiming at detecting and correcting the existing gaps and improving the work of the beneficiaries. In this context, the monitoring team at ACSA central office, during the report period, performed random and intended trip visits in order to verify and evaluate the progress of project beneficiaries. At the same time the monitoring team aimed at controlling the accuracy and conformity of the beneficiaries with the information and contents of mini-project proposals submitted by the beneficiaries. Thus, during the period March – June 2009, ACSA monitoring team visited 20 beneficiaries from different regions of the country, of the total of 50 in the list of those accepted for project implementation. All these visits are documented in the regional centres by regional project coordinators. Moreover, after each field trip, the monitoring trip issues a report containing the results of the additional visit with photos made in the field.

Figura 14



Regarding the monitoring at the regional level, the regional project coordinators supervise through local consultants or directly the process of implementation of mini-project proposals, about which they inform the executive ACSA department, both in writing and verbally, outlining the registered progresses and the identified problems.

The regional consultants also monitor through visits the use of goods received from beneficiaries within the projects, the observance of obligations provided in the contract, the correctitude of the implementation of activities as well as the level of involvement of local consultants in the successful implementation of mini-projects.

In addition to that, CAPMU monitored and evaluated, during the report period, the activities implemented at all levels through field trips and through questioning of beneficiaries and regional and local consultants.

Detailed information and justifying documents (narrative and financial reports of the regional ACSA centers) on the consulting services provided by the National Rural Development Agency (ACSA) are available at the central ACSA office and its regional centers.

RURAL BUISNESS DEVELOPMENT COMPONENT

The activities of the Rural Business Development Component (RBDC) are implemented by the four DAs that implemented RISP I: Alliance for Cooperation in Agriculture (ACA), Business Consulting Center (CCA), Rural Development Center (RDC) and Mobile Expert Group in Agriculture (MEGA) which signed contracts with the Ministry of Agriculture and Food Industry (MAFI). The contracts contain detailed terms of reference for activities planned under this component, including budget and financing offered for the period September 2006 – June 2010. According to the Project Document, MAFI is responsible for the implementation of this component while CAPMU is fully responsible for the coordination of the activities. The DAs are funded within RISP 2 according to a financial mechanism based on the results delivered. This mechanism is different from the first phase of RISP based on fixed payments. Thus DAs are stimulated to a greater extent to establish viable businesses since a part of their financing is provided for post-creation support.

General information on outcomes of DAs activities for the reporting period is presented in the table below, while more detailed information on DA activities is presented in Annexes RBD 1-23.

Table RBD 1. General Information

<i>Indicator</i>	<i>Value</i>
<i>Development Agencies</i>	<i>4</i>
<i>Number of villages where promotion took place</i>	<i>754</i>
<i>Number of participants to promotional meetings</i>	<i>14 743</i>
<i>Number of project participation applications</i>	<i>878</i>
<i>Service provision contracts, active</i>	<i>798</i>
<i>Number of business plans developed</i>	<i>739</i>
<i>Businesses starting implementation of investment plan</i>	<i>549</i>
<i>From them:</i>	
<i>Agricultural</i>	<i>(43%) 237</i>
<i>Non-agricultural</i>	<i>(57%) 312</i>
<i>Businesses registered with the support of DAs Loan</i>	<i>45</i>
<i>Loan applications submitted</i>	<i>688</i>
<i>Loans disbursed for rural businesses disbursed for rural</i>	<i>546</i>
<i>Loans approved, but not disbursed</i>	<i>23</i>
<i>Loan applications in processing by PFIs applications</i>	<i>57</i>
<i>Number of businesses benefiting from post-creation support</i>	<i>492</i>
<i>New jobs at start-up</i>	<i>1 551</i>

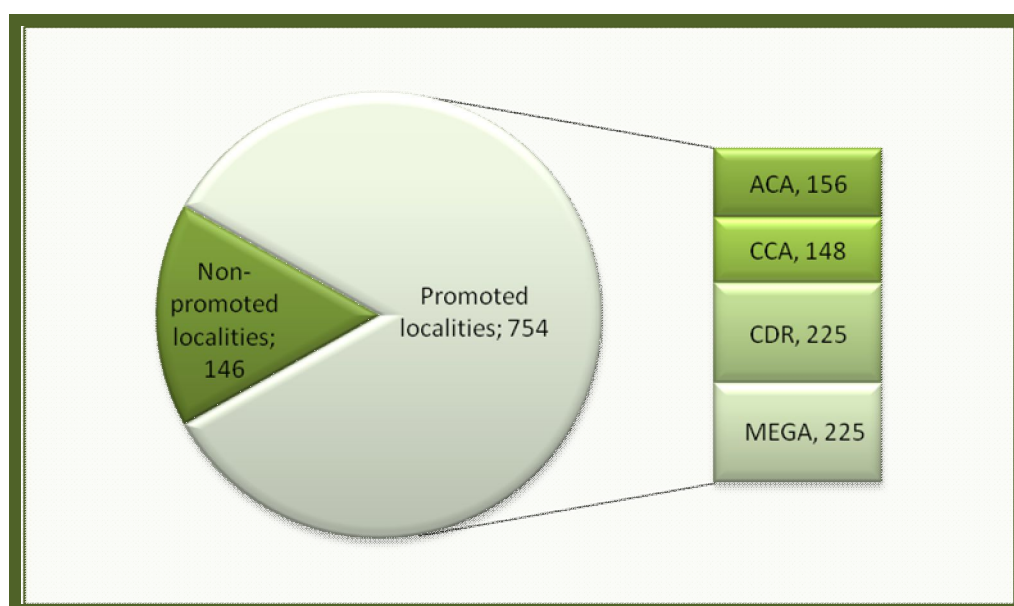
PROMOTION CAPMAIGN

In the second quarter of 2009 promotion activities were organized in only 21 villages and attended by 257 persons (Chart RBD 2). Compared with the previous reporting periods, the number of promotions is smaller. This is primarily because the targest for the information campaign have been set so as to have an more intensive campaign at the beginning of the project. Hence, two out of four DAs have already finished their resources for promotion campaign, having organized 225 information meetings each.

Thus, the cumulative figures are showing that over 14700 persons from ore than 750 villages participated in the promotion meetings organized within RISP 2 and have been informed about the RISP second phase opportunities so far.

ACA and CCA organised 156 and 148 informational meetings respectively (Chart RBD 1).

Chart RBD 1. Number of promotion activities by DAs

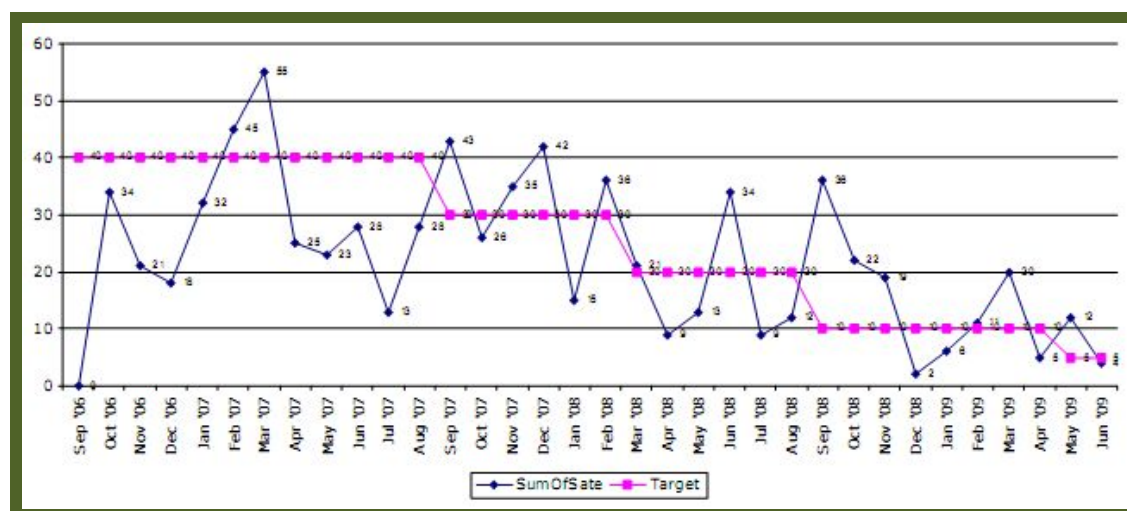


As project foresees that the promotion campaign will be held in a total of 900 villages of Moldova, 84% of the villages have already been involved in this campaign by 30th of June 2009.

Most promotions were carried out in partnership with local public authorities, ACSA national extension network consultants and savings and credit associations. These promotions introduce the goal and objectives of the project, conditions of participation, DAs' role in creating and supporting new businesses, funding opportunities of investment projects, etc. All

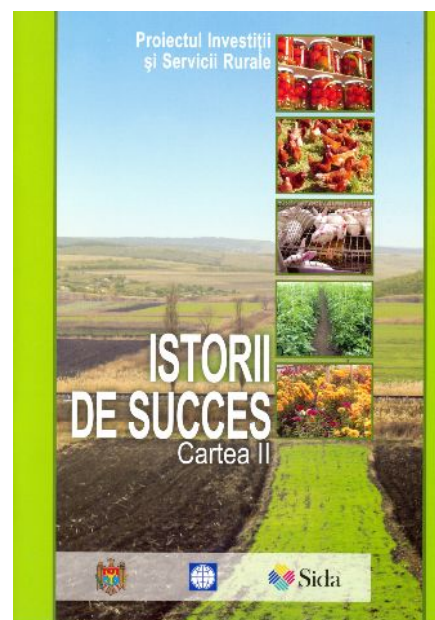
promotion meetings are accompanied by distribution of information materials, including RISP II leaflets containing general information on the project, the list of DAs and their contact information, the list of project participating financial institutions (PFIs).

RBD Chart 2. Number of promotion activities in dynamics



In the first quarter of 2009 CAPMU has developed an issued a brochure about successful stories within RISP. This brochure is intended to serve as additional informative support during the information meetings for the promotion of project activities. The practice of the first phase demonstrates that the presentation of successful stories to information campaign participants offers a better understanding both of the support offered by the DAs and the development opportunities in the rural sector of the Republic of Moldova .

The total edition of the “Success stories. Book II” is 1000. These have been distributed free of charge for the promotion campaign to the development agencies, ACSA network of consultants, as well as MAFI.



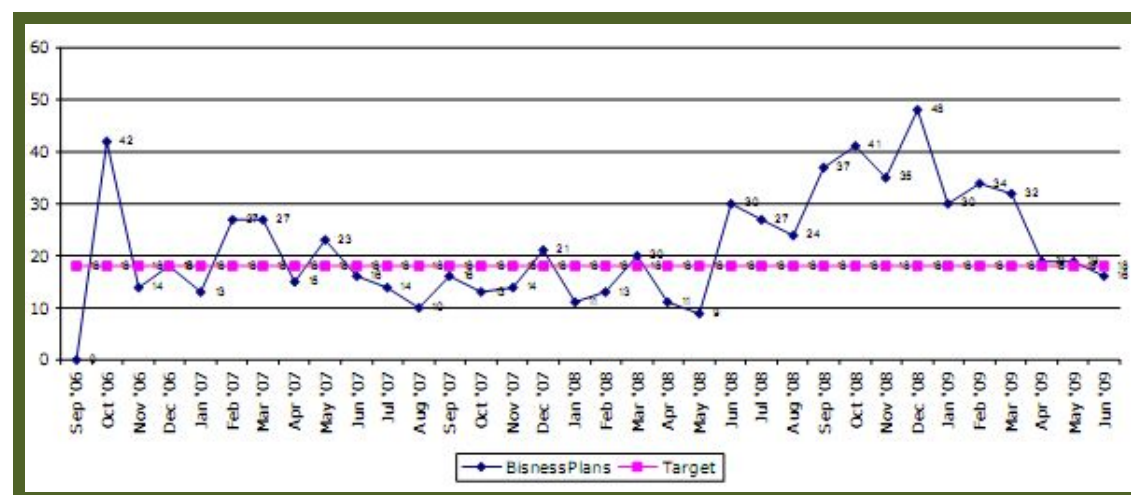
BUSIENSS CREATION

During the second quarter of 2009, the four DAs have managed to assist 54 RBs in developing their business plans, this totaling to 739 with their final business plans with DA assistance.

549 businesses established with the support of DAs have started their operational activity/implementation of investment plan as of 30 June 2009.

Out of them, 537 have received loans from PFIs and 12 started operating only with their own resources. Overall, 546 RB have received credits from the PFIs of the Republic of Moldova and 9 of them are still implementing the investment plan, with operational activity to be started subsequently.

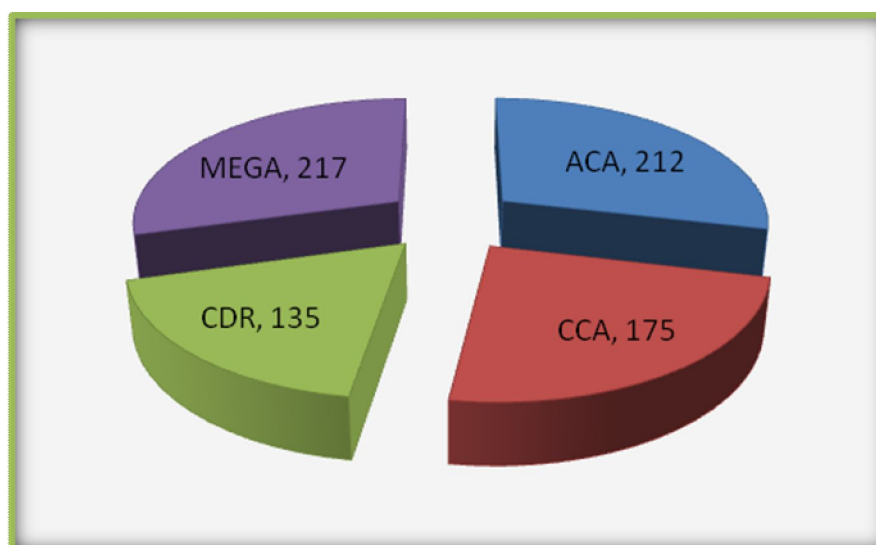
Chart RBD 3. Number of businesses with final business plans with DA assistance



The total business investments of these 549 operational businesses amount about 15,6 mil. US dollars. Thus, the average investment made by operational businesses by June 30, 2009 is approximately 28 thousand US dollars.

At the same time, if we refer to the total number of credits, which is 546, then they represent 9,6 million US dollars, which have been supplemented by the beneficiaries contribution in amount of approximately 5,9 million US dollars. Thus, the average loan disbursed to RB is 17 600 dollars. This is confirming somehow the status of small business of the RB created with the support of the RISP, the target group of the project being identified and selected for participation.

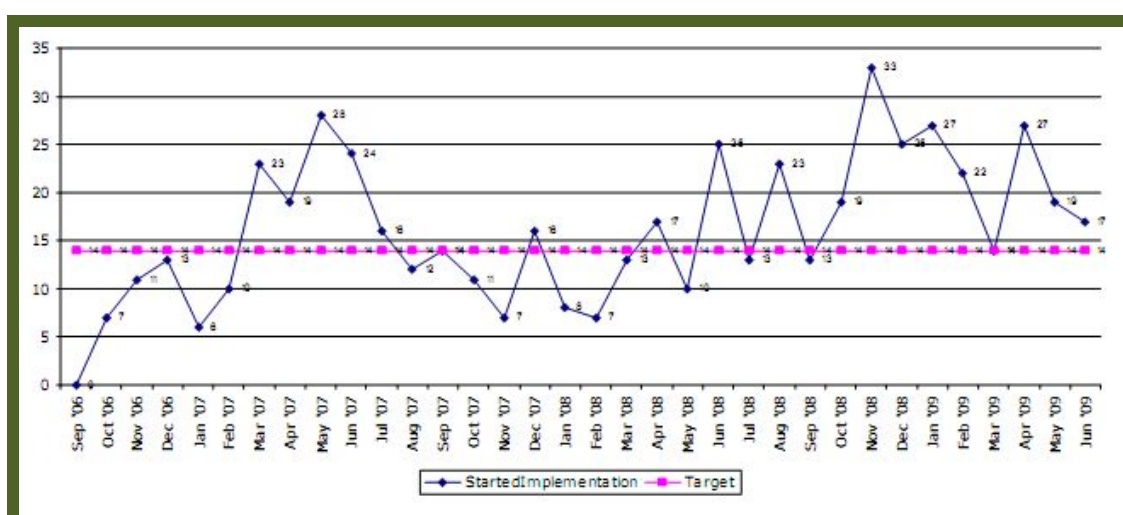
Chart RBD 4. Number of RB with final business plans by DA assistance



MEGA has assisted in the creation of most of the business plans so far (217), followed by ACA (212), CCA (175) and CDR (135).

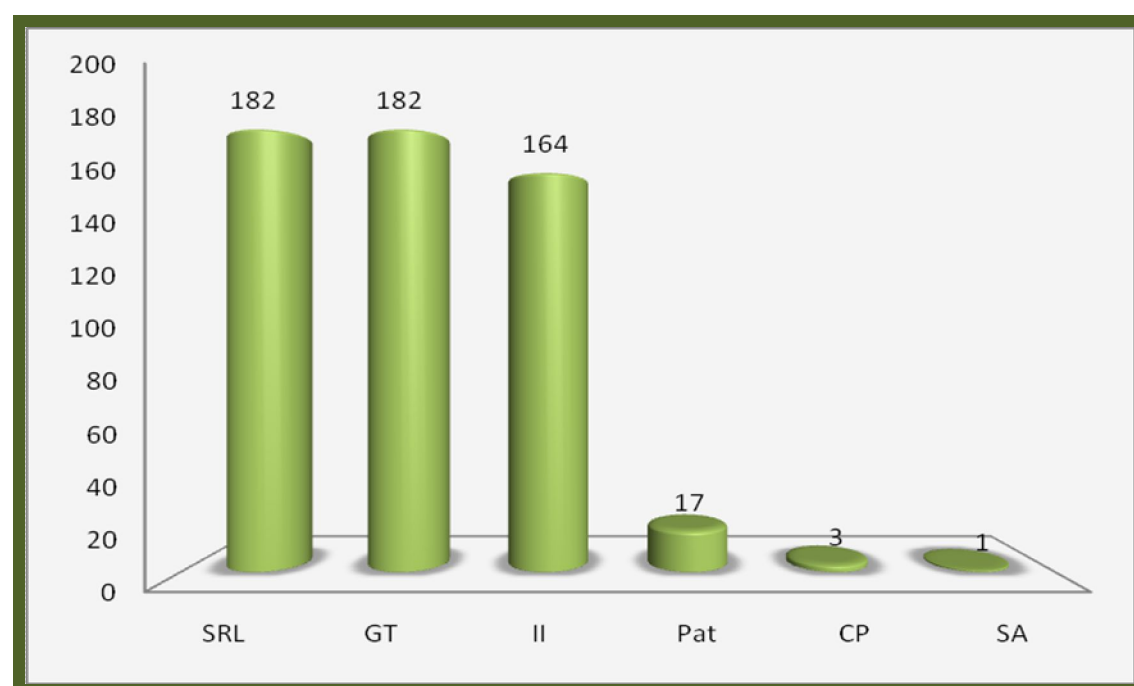
Out of 549 businesses created, 530 are individual businesses, which represents approximately 97% and only 19 RB are group businesses. To this end, group businesses were considered businesses with 3 and more founders.

Charter RBD 5. The number of operational businesses



The legal form of the businesses that commenced implementation of their business plan is mostly Limited Liability Company or Peasant Farms (182 RBs each), and Sole Proprietorship (164 RBs) which cumulatively account for 96 per cent from the total number of operational RBs. They are followed by Patnet holders (17 RBs) or about 3% from the total. There is one single stock company, and three production cooperatives.

Chart RBD 6. Number of operational businesses by organizational structure



The structure by the type of business is shown in table RBD 2, which reflects a high share of non-agricultural businesses (57 per cent), meeting thus one of the project objectives - at least one third of the businesses created have non-agricultural activities. Thus, from the total number of 237 agricultural businesses, the biggest share is with the crop production, representing 177 RBs.

Thus, the businesses created during the second quarter of 2009 are mostly related to food industry (+6 RB), wood processing (+ 3 RB), transportation (+2 RB), processing of metal products (+ 2 RB), etc.

Table RBD 2. RB Structure by the field of activity

<i>Type of business</i>	<i>Number of operational</i>	
	<i>No.</i>	<i>%</i>
Agriculture		
<i>Agricultural service activities</i>	24	4.4
<i>Crops production</i>	177	32.2
<i>Livestock production</i>	36	6.6
Sub-total Agriculture	237	43.2
Non-Agriculture		
<i>Fishing</i>	3	0.5
<i>Manufacture of food products and beverages</i>	36	6.6
<i>Manufacture of textiles</i>	1	0.2
<i>Manufacture of wearing apparel</i>	4	0.7
<i>Manufacture of wood and wood products</i>	22	4.0
<i>Publishing, printing and reproduction of recorded media</i>	1	0.2
<i>Manufacture of coke, etc.</i>	1	0.2
<i>Manufacture of rubber and plastic products</i>	5	0.9
<i>Manufacture of other non-metallic mineral</i>	15	2.7
<i>Manufacture of fabricated metal products</i>	7	1.3
<i>Manufacture of electrical machinery and apparatus</i>	1	0.2
<i>Waste recycling</i>	1	0.2
<i>Manufacture of furniture</i>	11	2.0
<i>Construction</i>	2	0.4
<i>Repair of home appliances</i>	1	0.2
<i>Retail trade</i>	54	9.8
<i>Sale, maintenance and repair of motor vehicles</i>	24	4.4
<i>Wholesale trade and commission trade</i>	11	2.0
<i>Hotels and restaurants</i>	22	4.0
<i>Land transport</i>	53	9.7
<i>Post and telecommunications</i>	5	0.9
<i>Supporting and auxiliary transport activities</i>	1	0.2
<i>Other service activities</i>	3	0.5
<i>Real estate</i>	1	0.2
<i>Health and social work</i>	2	0.4
<i>Other services</i>	17	3.3
<i>Recreational, cultural and sporting activities</i>	7	1.3
Sub-total Non-agriculture	312	56.8
Total	549	100.0

FINANCING OF RURAL BUSINESSES

In the second quarter of 2009, the DAs have signed 61 Service Agreements with the beneficiaries. So far 688 credit applications were submitted to Financial Institutions and 546 credits have already been disbursed. 239 out of the credits disbursed are provided from the RISP funds, while 307 projects have been financed from other sources.

As it was mentioned above, 549 beneficiaries from the total number of contracts signed with DAs have started the implementation of their Business Plans, elaborated in a joint effort with the DOs. In 12 cases out of 549 the beneficiaries are starting the implementation of their projects from their own sources.

An important aspect of the activities of the component under the second phase of RISP are the remittances invested in the activities initiated with DAs support. Thus, according to the information collected by development officers during the monitoring visits performed to the RB created with their support, 139 RB or 25% of those created so far, besides the credits obtained from the financial institutions invested the money they received from abroad. The value of these remittances is today of over 7 million Moldovan lei, or it accounts for 7% per cent of the total value of investments in the activities initiated by project beneficiaries.

All the 549 businesses are located in all rayons of the Republic. The biggest number of businesses are located in UTAG (63 AR), followed by Riscani (49), Soldanesti (46), Cahul (39), Hincești (26), etc. If comparing regions by value of disbursed credits, then, as of 30 June 2009, the highest cumulative investment made by RISP was in Soldanesti with over 13.5 million lei, followed by Riscani with over 12.8 million lei. UTAG, which leads the list by the number of businesses created, is on the third place by the volume of credits (11.4 million lei).

It should be mentioned that 495 out of 549 operational businesses have already started to generate revenues, creating thus over 1550 new jobs, which results in an average of 3 jobs per RB.

The following table is showing the breakdown of the service agreements signed by the beneficiaries and RB by the level of access to the financial resources:

Signed cooperation agreements	798
Submitted credit applications	688
Disbursed loans	546
RISP loans	237
Loans from other sources	312
Credit applications still being assessed by PRI	57
Rejected or withdrawn applications	62
Loans approved, but not disbursed	23

It is also to be mentioned that the RISP credit line, that accounted for approximately 12 mln US dollars has been fully disbursed at the time of reporting. Thus, at the end of 2008, CAPMU, that is playing a fiduciary role in implementing the Rural Investment and Services Project has informed its Steering Committee and the World Bank Team about the need to additionally finance the credit line. As a result, on March 30, 2009, negotiations have been held at the World Bank Office from Chisinau between the Republic of Moldova and World Bank/IDA concerning a n additional financing for RISP 2 in an amount of 10 mln US dollars.

Until a new financing agreement will be signed, the DAs will continue to work on developing and supporting the start up of small and medium enterprises either from beneficiaries own resources, or from other microfinance funds. Also, the irrigation credit line is available for the beneficiaries.

INFORMATION SYSTEM MANAGEMENT AND M&E

The analysis of the progress in the implementation of the RBD Component is managed by means of the database application. The DAs were provided with the application files from the beginning of their assignment.

On a monthly basis CAPMU is receiving the updated database files from the DAs and the information regarding the credits disbursed within the Rural Finance Component from the Credit Line Directorate (CLD). The functionality of the data basis comprises a system of validation of information accuracy and generation of progress reports.

Rural businesses established with the assistance of the project are monitored both by DAs and CAPMU. Development Agencies are in charge of carrying out monitoring visits to verify the performance of businesses created as compared to a set of indicators, which proved to be very useful during the first phase of the RISP project and which proved to be efficient. Thus, the frequency of monitoring visits depends on the risk category assigned by DAs to

each business as a result of the last monitoring visit. Therefore, businesses in the low risk category are monitored after 6 months from the last visit, those in the high risk category – in two weeks from the last visit, etc. In the annex RBD 4a./2. Business sustainability shows the structure of businesses by the risk assessed by the DA. As a rule, during the monitoring visits paid to the development officers, the necessary post-creation assistance is estimated to be rendered based on specific issues of the beneficiaries.

The set of indicators collected by the DAs comprises data on the number of employees, the average salary per gender, age group, employer or founder, average salary before the project etc. (Annex RBD 4a/1.Employees). In case of rural businesses which started profit generation, DA consultants collect the following financial indicators: Sales, Gross profit, Sales value, Own capital and Total Assets, as well as indicators of paid taxes: VAT, income taxes, social fund etc (Annex RBD 4a/3.Taxes).

To provide a more complete image of business development, CAPMU started collecting some additional indicators: beneficiaries income growth after the project launch (beneficiaries estimation) and foreign remittances invested in business (Annex RBD 4b).

CAPMU is monitoring DAs by regularly and randomly organizing monitoring visits to RBs created with the support of all DA consultants, so that all businesses created with DAs support could be covered. In addition to assessing created businesses, the goal of these visits is to estimate the quality of assistance provided by DA consultants, especially, post-creation assistance, but also the accuracy of eligibility criteria for project participation. The beneficiaries expressed their satisfaction with the services rendered by the development officers both during the process of business launch and at the post-creation stage.

RB POST - CREATION SUPPORT

All the 4 DA provide post-creation support to the created businesses. The total number of RB involved in post-creation support since the beginning of RISP second phase is 492 of the total of 549 RB created, each receiving 1 to 5 days of support depending on the needs. Thus, about 90% of the Rural Businesses that commenced their operational activity have already asked for the DA assistance. Most of the support has been provided by MEGA with 724 days of post-creation so far, followed by CDR with 421 days. CCA have provided 326 days and ACA 137 days pf post-creation assistance.

The breakdown of the post-creation support delivered to RBs by category as of 30 June 2009 is as follows:

Category of provided support	No. days				
	ACA	CCA	CDR	MEGA	TOTAL
<i>Legal aspects</i>	27	147	90	158	422
<i>Finance/accounting</i>	55	76	128	193	452
<i>Management</i>	16	48	102	148	314
<i>Marketing/sales</i>	30	47	44	193	314
<i>Technologies</i>	9	8	57	32	106
Total	137	326	421	724	1608

ENVIRONMENTAL RELATED ACTIVITIES

To ensure compliance of RISP II financed sub-projects with existing environmental regulations, CAPMU has hired in september 2008 an environmental specialist to provide guidance on initial project screening and review, review environmental management and monitoring plans submitted as part of the sub-project appraisal process, and periodically determine that monitoring is being carried out to appropriate standards.

The objective of the environmental specialist's assignment is to increase the awareness of environmental issues and strengthen the capacity of project stakeholders to ensure that potential environmental impacts could be recognized, avoided or at least minimized through mitigation.

Main activities performed and results achieved:

- Review of applications for sub-project financing: 71 business plans elaborated by the Development Agencies in the second quarter of 2009 were reviewed to determine if the proposed sub-projects fall within one of the Bank categories: A, B or C. Starting with September 2008, all subprojects prepared with the assistance of development officers are subject to environmental screening and are assigned a category. For Category B projects a mandatory environmental chapter is currently included in the business plans containing a simple environmental assessment with proposed mitigation measures and a succinct monitoring plan.
- Regular and timely feedback was provided to DAs concerning environmental assessment issues, in the form of detailed written comments on business plans. An agreement between DAs and the ES was reached concerning the involvement of the latter in environmental screening and assessment of sub-projects at earlier stage (early draft of business plans). Since autumn 2008, a positive trend is to be noted as regards the quality and consistency of the environmental chapters of the business

plans.

- Field trips to monitor financed projects: a number of monitoring visits of RISP financed projects were undertaken during the reporting period, to check compliance with the environmental requirements and mitigation plans. A few monitoring missions were undertaken to the central and southern regions of Moldova and several B category sub-projects were checked, mostly in the livestock and poultry sector, which is one of the potentially most damaging activities in the RISP-II project portfolio. The sector also has a significant nuisance potential that is important in terms of acceptance of RISP-financed projects by the population. Memos on those monitoring visits are provided in the Annex to this report. In short, the main conclusion that can be drawn from the monitoring visits is that the environmental impact (if any) of most livestock businesses is minor. The small scale of most farms prevents significant environmental damage since their organic waste is mineralized within the natural material cycle, without provoking much harm. However, one must recognize that, in many cases, the impact is small not necessarily due to good on-farm environmental management practices. If those practices do not change the raising number and/or scale of businesses in the future could make the (cumulative) negative effects of animal production much more visible. For the time being, one of the factors alleviating environmental damage is the use by many private entrepreneurs of premises of the former big state farms that inherited part of the old infrastructure including animal waste storage capacities and even some primary treatment facilities. Another point is that the State Ecological Inspectorate is aware of most monitored economic activities; however, this does not necessarily lead to environmental improvements (e.g. the Colța case)
- Support to CLD on environmental assessment of projects: The environmental specialist established working contacts with CLD and provided them expert backing on environmental assessment of projects (including irrigation and animal husbandry projects) that did not seek support from the Development Agencies at the preparation stage.
- Cooperation with the State Environmental Inspectorate (SEI): establishing an efficient cooperation between RISP II and SEI is crucial for ensuring implementation of environmental requirements and mitigation measures. Contacts were established with environmental inspectors in the Orhei, Hincesti, Stefan Voda, Leova and Cahul rayons as regards RISP financed subprojects implementation. As a rule, the inspectors were aware of ongoing businesses and related environmental problems. It is worth mentioning that the PFI cannot provide financing to credit seekers without an

environmental permit being issued to them by SEI. This is part of the PFI internal procedures and is based on the requirements from the RIG. Thus, all information on RISP financed subprojects is normally available to the national environmental enforcement authority.

Outline of further activities and proposals for improving the work

The following activities are to be further implemented during the next months in order to best serve the project purposes:

- Reviewing environmental documentation required from the specific sub-projects, i.e. environmental assessments, environmental management plans and monitoring plans.
- Provide guidance to sub-project proponents (beneficiaries) on environmental mitigation measures that can be incorporated into project implementation.
- Undertake the environmental supervision of all subprojects assigned with the Category B.
- Create a platform for regular contacts and coordination of activities with PFIs and CLD and agree with them on preparing environmental monitoring progress reports.
- Strengthen cooperation with local environmental inspectors and provide them with information of category B projects, organizing during the operation phase joint subprojects supervision.
- Provide guidance and backstopping to PFI loan officers on the application of project environmental screening procedures to sub-project proposals.
- Provide contribution to the preparation and delivery of trainings for project stakeholders on irrigation techniques and pest management; coordinate the training process, including participation, training materials, and follow-up activities.
- Selectively undertake field visits to sub-projects for which environmental clearance permits were required, to monitor compliance.
- Develop indicators of environmental impacts generated by sub-projects.

In ES' view, besides bolstering the monitoring of B category projects and enhancing cooperation with SEI, there is one more factor that could improve the environmental sustainability of the projects in post-financing period. It consists in extending the current role

of Development Agencies during the project implementation phase (i.e. consulting the credit beneficiaries on business issues) by adding a 'green' element, namely environmental compliance promotion based on Environmental Management Plans. Lately the DAs improved their environmental performance in the preparation phase; their role in environmental management of projects could be further extended in the post-financing period by providing general advice on implementation of measures foreseen in EMP. In the same time, DAs are not supposed to substitute ACSA (still providing technical advice on good practices etc) or IES (who will remain the enforcing entity).

Second, currently there are no (financial) levers to sanction the RISP beneficiaries for non-compliance (e.g. credits are provided in one tranche thus making difficult, if not impossible, any non-compliance response from the PFI). For the additional irrigation financing line the provision of the 20% grant portion could become such an incentive: thus, only the beneficiaries fully compliant with environmental requirements assumed in the project documentation could be granted (however, the DCL showed a great deal of reticence towards this proposal made by the ES). The alternative is to count on cooperation with the SEI and to leave non-compliance response to the enforcement agency, exclusively.

RURAL FINANCE COMPONENT

CREDIT LINE IMPLEMENTATION PROGRESS

Cumulative beginning August 2006 from the Credit Line were refinanced and disbursed subsidiary loans amounting to **114.99** millions lei and **2.00** thousands US Dollars. These funds were allocated to finance 286 eligible sub-loans approved in the total amount of **143.74** millions lei and **2.54** thousands US Dollars.

According to the PFI's information, the contribution of the beneficiaries for the implementation of the sub-loans constitutes about 186.36 millions lei or 46.73% to the total amount of the sub-loans minimum requirement being up to 20%. The total estimative cost of the approved sub-loans that includes the beneficiary's contribution, co-financing of the PFI and the loan from CLD from the LC resources constitutes 399.21 millions lei.

The total principal amount reimbursed as advanced payment by PFIs constitutes 4244.13 thousands lei and 120.72 thousands US Dollars that constitutes 3.69% and 6.03% of the disbursed amount respectively, which are directed for creation of the working capital of the revolving funds.

One of the project objectives is to increase access to finance rural areas, thus, it is required that minimum 30% of the Credit Line resources are provided to the first-time borrowers that didn't benefit from the formal financial sector. According to the information of the PFIs presented so far, **42.56%** of the credit line recourses are provided to the first-time borrowers, which have no previous experience of borrowing from the formal financial sector.

Thanks to financing offered within the Project, at the moment about **1875** new working places will be created with the help of the disbursed funds. It is important to mention that the participation of women in the establishment of the business in the rural area remains to be essential; therefore, **28.03%** of the managers of sub-loans financed are women.

Interest rates for financing. The CLD interest rates for the Credit Line's resources for PFIs for the interest rate periods described below include MF margins for administrative and operating costs and cover the exchange rate risks. These interest rates for Subsidiary Loan denominated in lei will be a variable (i.e., floating) interest rate based on the reference rate which shall be equal to (i) for the revision at the beginning of each calendar year, the average between the annual inflation rate projected by NBM for the current year and the actual inflation rate of the preceding year; (ii) for the revision at the second half of the year, the actual inflation during the first six months of the calendar year, plus the revised projection for the remaining six months of the calendar year; for the loans denominated in US Dollars the

interest will be floating, equal to the reference rate of 6-month LIBOR US Dollar rate and MF's margins. Thus, the interest rates are the following:

Interest period	MDL	USD
01.02.06 – 30.07.06	12,45 %	
01.08.06 – 31.01.07	11,00 %	6,55 %
01.02.07 – 31.07.07	14,05 %	6,37 %
01.08.07 – 31.01.08	11,77 %	6,38 %
01.02.08 – 31.07.08	13,55 %	4,15 %
01.08.08 – 31.01.09	11,80 %	4,12 %
01.02.09 – 31.07.09	10,65 %	2,69 %

The average commercial interest rate for financing the final beneficiaries applied by PFIs to the sub-loans in lei including the banks commercial margin for credit risks constitutes 17.70% having a range from 15% to 22%, and for the USD - 10.95% having a range between 10.5% and 13.0% respectively.

Participating Financial Institutions. The following 7 local intermediary banks activate within the Project, which are assuming all the credit risk regarding the on-lending of the funds to the private beneficiaries:

1. MoldovaAgroindbank,
2. Fincombank,
3. Moldindconbank,
4. Victoriabank,
5. Mobiasbanca,
6. Banca Socială,
7. Banca de Economii.

The banks mentioned above are Participating Financial Institutions for the revolving resources; as well, Energbank was selected and added to the list.

Information regarding the sub-loans approved, disbursements and the share of the amount disbursed from the Credit Line – in the schedule:

PFI	Number of the approved loans	Disbursed in million lei	The share of the amount disbursed, %
MoldovaAgroindbank	116	40.29	29.30
Fincombank	81	46.64	33.92
Moldindconbank	40	23.69	17.23
Victoriabank	26	13.12	9.54
Mobiasbancă	18	9.89	7.19
Banca Socială	8	3.88	2.82
Banca de Economii	0	0.00	0
Total	289	137.51*	100

*the amount includes the equivalent of the sub-loans disbursed in US Dollars

MoldovaAgroindbank (MAIB) is the most active bank that approved 116 sub-loans and disbursed, being followed by Fincombank (FCB) with 81 sub-loans approved and disbursed. Victoriabank (VB) approved and disbursed 26 sub-loans, Moldindconbank (MICB) – 40 sub-loans approved and disbursed, Mobiasbancă - 18 sub-loans approved and disbursed, Banca Socială - 8 sub-loans approved and disbursed.

Fincombank has the largest share of the disbursed resources in the total amount of 46.64 millions lei (equivalent of the 4.15¹ millions US Dollars), followed by MoldovaAgroindbank in the total amount of 40.29 millions lei (3.58 millions US Dollars). In turn, Moldindconbank disbursed 23.69 millions lei (2.11 millions US Dollars), Mobiasbancă - 9.89 millions lei (0.88 million US Dollars), Victoriabank – 13.12 millions lei (1.17 million US Dollars) and Banca Socială – 3.88 millions lei (0.35 million US Dollars). The exchange rate US\$/ MDL is 11,2435.

Out of the total number of 289 sub-loans approved, 263 sub-loans were approved in lei and just 26 sub-loans in US Dollars; this fact denotes a prudent approach of the foreign exchange rate risk by the beneficiaries, who, as a rule, does not have incomes in foreign currency from the export of products.

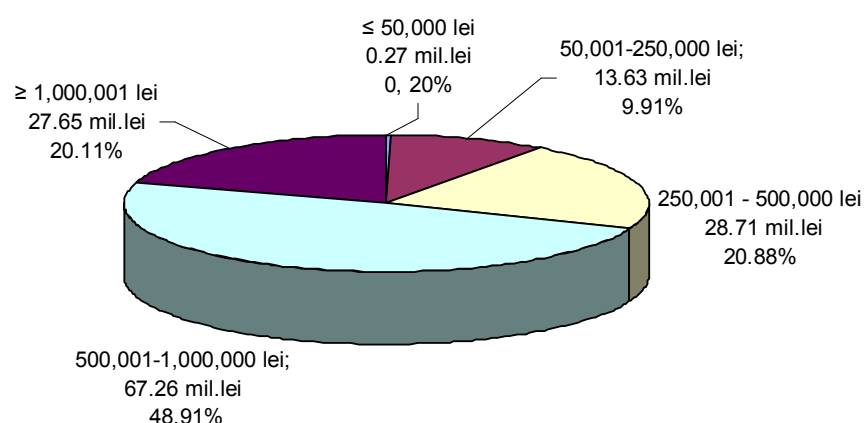
¹ Exchange rate US\$ / MDL 11,2435

The structure of PFIs disbursed sub-loans by size:

Value	Nr. of loans	Amount disbursed (mil. lei)
< 50,000 lei	7	0.27
50,001 – 250,000 lei	93	13.63
250,001 – 500,000 lei	77	28.71
500,001 – 1,000,000 lei	87	67.26
> 1,000,000 lei	23	27.65

The average sub-loan size approved constitutes about 594,5 thousands lei (or equivalent of 52.9 thousands US Dollars), but the average sub-loan size disbursed constitutes about 471.9 thousands lei (equivalent of 42 thousands US Dollars).

The structure of subloans disbursed by size



The average loan size provided by MoldovaAgroindbank constitutes 335,8 thousands lei (29.87 thousands US Dollars), which is the lowest one as compared to the average loans size of other participating banks, demonstrating the bank's efforts in reaching the Project's target to finance small beneficiaries. Fincombank shows an average of 570,25 thousands MDL that constitutes (50,72 thousands US Dollars), Victoriabank – 453 thousands lei (40,29 thousands US Dollars), Mobiasbancă – 549,6 thousands lei (48,88 thousands US Dollars), Moldindconbank – 634 thousands lei (56.4 thousands US Dollars), Banca Socială – 535,6 thousands lei (47,6 thousands US Dollars).

The distribution by the branches of national economy:

Branches of the national economy	Number of sub-loans	Amount disbursed (mil. lei)	The share of the amount disbursed %
Trade	61	25.11	18.26
Services	89	47.86	34.81
Agriculture	62	27.83	20.24
Food processing	25	10.82	7.87
Trade and services	9	4.89	3.56
Production of construction materials	13	6.29	4.57
Production and processing of wood	15	6.31	4.59
Other	15	8.40	6.11
Total	289	137.51	100

The maturity of sub-loans granted to beneficiaries:

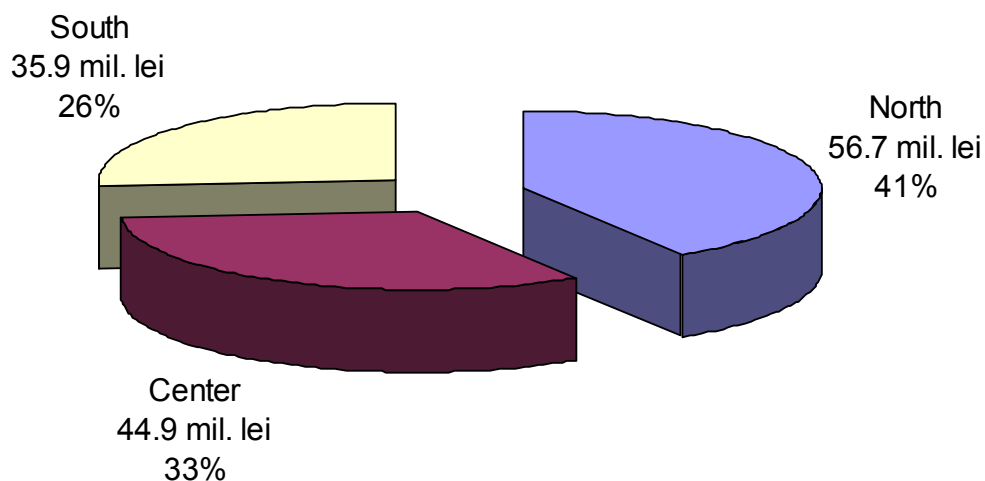
Maturity of sub-loans	Number of sub-loans approved	Amount disbursed (mil. lei)	The share of the amount disbursed %
≤ 1 year	0	0.00	0
1 – 3 years	39	7.95	5.78
3 – 5 years	179	80.92	58.84
5 – 7 years	49	36.20	26.33
≥ 7 years	22	12.44	9.05

The biggest share of sub-loans – 58.84% are provided by PFIs for medium term (MT) of 3 - 5 years, 26.33% of sub-loans - for long term (LT) having maturity between 5 - 7 years, 9.05% of sub-loans - for long term (LT) with maturity higher than 7 years (i.e., from 7 to 15 years). Just 5.78% of sub-loans granted for short term (ST) from 1 to 3 years, the fact that shows the availability of PFIs own credit resources for short term.

The distribution of sub-loans by the country region². Owing to the large network of branches of PFIs the sub-loans financed cover all the country regions, with a relatively uniform distribution by number of sub-loans financed. The most active is the northern region of the country having a share of 41% (56.7 millions lei) out of the total number of sub-loans. The central part of the country covers 33% out of the total number of sub-loans (44.9 millions lei), and 26% of sub-loans are financed in the southern region of the country (35.9 millions lei).

² Distribution of rayons by region is as follows: **North:** Riscani, Rezina, Drochia, Donduseni, Edinet, Soroca, Glodeni, Telenesti, Briceni, Balti, Singerei, Soldanesti, Floresti; **Center:** Orhei, Ungheni, Nisporeni, Anenii-Noi, Dubasari, Criuleni; **South:** Cahul, Vulcanesti, Taraclia, Comrat, Ceadir-Lunga, Hincesti, Leova, Causeni, Stefan-Voda, Cantemir, Cimislia.

**The structure of sub-loans disbursed by the country regions
in mil lei and %**



Distribution of sub-loans by rayons:

Nr.	Name of rayon	Number of sub-loans	Amount of sub-loans disbursed (thousand lei)
1	Anenii-Noi	7	2,326.46
2	Basarabasca	-	-
3	Briceni	5	4,301.92
4	Cahul	8	4,215.48
5	Cantemir	2	828.80
6	Călăraș	5	2,852.00
7	Caușeni	3	2,112.80
8	Cimișlia	4	1,516.00
9	Criuleni	2	1,728.00
10	Dondușeni	5	3,667.48
11	Drochia	14	7,245.55
12	Dubăsari	2	345
13	Edineț	11	5,609.79
14	Fălești	8	3,860.41
15	Florești	5	1,996.27
16	Glodeni	4	1,123.30
17	Hâncești	3	1,512.00
18	Ialoveni	15	9,135.20
19	Leova	5	2,420.00
20	Nisporeni	4	954

21	Ocnita	9	6,502.25
22	Orhei	7	2,508.64
23	Rezina	10	3,338.10
24	Riscani	25	8,569.40
25	Sangerei	11	4,636.82
26	Soroca	2	1,669.22
27	Straseni	10	4,613.36
28	Soldanesti	12	3,797.43
29	Stefan Vodă	1	132
30	Taraclia	18	4,450.15
31	Telenești	3	760
32	Ungheni	26	15,979.70
33	Mun. Chișinău	4	2,509.64
34	UTA Gagauzia	39	20,297.10
	Total	289	137,514.65*

* the amount includes the equivalent of the sub-loans disbursed in US Dollars

Loan records and reports elaboration. With a view of ensuring the fulfillment of the requirements stipulated by the Law of the Republic of Moldova nr. 419-XVI dated 22.12.2006 „On the public debt, guarantees and public on-lending”, for maintenance of the State Register on the public on-lending ensuring monitoring and control of the participating parties in on-lending from the public loan funds, likewise the organization of the evidence of reflow loans granted to the financial intermediaries, CLD makes accounting in separate analytical accounts opened in accordance with our Accounting Policies for the year 2008. In order to avoid the risks and servicing costs, CLD accounts are maintained in the National Bank of Moldova.

Daily records are made for all the entrances and withdrawals in and out of the analytical accounts (with the distribution by loan currency); also monitoring of the availability of MDL and foreign currencies amounts in CLD's accounts. At the end of each quarter the generalization of all the economical-financial operations is made by CLD for all the operations that were made during the quarter in the synthetic accounts by creating all the reports related to the CLD's activity (including the balance sheet) in accordance with the National Accounting Standards.

The reports on the on-lending resources of the CL and the balance of the PFIs debt are presented quarterly to the Ministry of Finance, as well as other necessary information to infill the “State Register on the state on-lending”.

**Information regarding the disbursements and balance of PFIs within the RISP II
cumulative balance as of 31.03.09**

Name of PFI	Currency	Amount approved	Amount disbursed	Amount reimbursed	% reimb.	Balance (debt)
MoldovaAgroindbank	MDL	50,368,529.00	40,294,823.00	0.00	0.00	40,294,823.00
Fincombank	MDL	45,361,389.00	36,289,111.00	555,997.83	1.53	35,733,113.17
	\$	1,151,075.00	920,860.00	56,719.67	6.16	864,140.33
Victoriabank	MDL	11,335,000.00	9,068,000.00	1,863,176.00	20.55	7,204,824.00
	\$	450,000.00	360,000.00	0.00	0.00	360,000.00
Banca Sociala	MDL	3,220,800.00	2,576,640.00	222,800.00	8.65	2,353,840.00
	\$	145,000.00	116,000.00	0.00	0.00	116,000.00
Moldindconbank	MDL	21,986,500.00	17,589,000.00	0.00	0.00	17,589,000.00
	\$	678,000.00	542,400.00	0.00	0.00	542,400.00
Mobiasbanca	MDL	11,466,773.00	9,173,418.00	1,602,160.00	17.47	7,571,258.00
	\$	80,000.00	64,000.00	64,000.00	100.00	0.00
Banca de Economii	MDL	0.00	0.00	0.00	0.00	0.00
		143,738,991.00	114,990,992.00	4,244,133.83	3.69	110,746,858.17
30.06.2009		2,504,075.00	2,003,260.00	120,719.67	6.03	1,882,540.33

In accordance with the conditions of the Rural Investments Guidelines, PFIs present to the CLD quarterly progress reports: (i) Report regarding the Quality of the sub-loans Portfolio, (ii) Report regarding the Entrance and Use of the funds from the roll-over account, (iii) Report regarding the financing of new eligible sub-loans from the roll-over account in accordance with the reporting forms established by CLD and approved by the World Bank.

Furthermore, CLD elaborated a number of analytical reports regarding the use of funds within the Project.

Drought Adaptation Component

According to the Credit No. 4416 MD dated June 2, 2008, the Drought Adaptation Component within the Rural Investment and Services Project II entered into force. Corresponding to the Additional Financing Credit Line, the International Development Association (IDA) allocated an additional financing in the amount of 3.2 millions SDR equivalent of 52.26 millions lei financing about 48 sub-loans as targeted investments for small-scale on-farm irrigation rehabilitation and modernization and the provision of technical assistance to farmers on drought adaptation, having its closing date on 30.06.2010. On 31.07.2008 the Addendums to the Subsidiary Loan Agreements were signed by PFIs within the RISP II with regard to the Draught Adaptation Component.

Beginning February 27, 2009 under the Draught Adaptation Component by MoldovaAgroindbank was approved 1 loan in the total amount of 450 thousands lei and disbursed 288 thousands lei sub-loan and 72 thousands lei grant. The maturity of the loan is 59 month; the interest rate applied by the PFIs to the final beneficiaries constitutes 16.80%.

including MF exchange and operating costs and the bank's commercial margin. The loan is financed in the northern region of the country – Falesti region.

Financing of revolving funds accumulated from the principal amount and interest reimbursement.

In the condition of the lack of internal funds for co-financing loans for long term at the intermediary banks, and with a view to ensure the continuity of the durable realizations of the Project, following the accumulation of the interest and the reimbursement of the principal amount by PFIs, after deduction of the necessary amounts for the Ministry of Finance, the revolving funds were formed and accumulated at the CLD accounts in the NBM. Refinancing of the accumulated funds is done at similar conditions of the Project's CL. Exception being the financing share of a sub-loan is 100% of the eligible expenses (direct resources 80%), the maximum amount to one beneficiary shall not exceed 250 000 US Dollars (direct resources up to 100 000 US Dollars), and the Ministry of Finance margin was reduced from 1.5% to 1.4% (the margin for direct Loan resources constitutes 2%) due to decrease of the CLD margin from 0.5% to 0.4%. Beginning October 26, 2007 from the revolving funds were financed 24 sub-loans amounting to **19 525.9** thousands lei and **85.1** thousands US Dollars out of which Moldindconbank financed 7 sub-loans amounting to 10375 thousands lei and 46.3 thousands US Dollars, Fincombank - 5 sub-loans in the total amount of 1903 thousands lei and 38.8 thousands US Dollars, Mobiasbanca financed 3 sub-loans amounting to 871.1 thousands lei, MoldovaAgroindbank - 7 sub-loans amounting to 3897.2 thousands lei, and Banca de Economii – 2 sub-loans amounting to 2569.6 thousands lei.

The average maturity of the granted loans is 71 month. The average interest rate applied by the PFIs to the final beneficiaries constitutes 16.24% including MF exchange and operating costs and the bank's commercial margin.

The distribution by the branches of national economy:

Branches of the national economy	Number of sub-loans	Amount disbursed (mil. lei)	The share of the amount disbursed, %
Trade	3	1,494.13	7.29
Services	12	9,400.22	45.89
Agriculture	4	3,387.98	16.54
Food processing	2	1,600.00	7.81
Trade and services			0.00
Production of construction materials	1	1,000.00	4.88
Production and processing of wood			0.00
Other	2	3,600.00	17.58
Total	24	20,482.33*	100

Out of 24 sub-loans, 10 sub-loans financed from the revolving funds are situated in the southern part of the country amounting to 10.02 millions lei (48.93%), 6 sub-loans are financed in the northern part of the country amounting to 7.01 million lei (34.22%) and 6 sub-loans in the central part of the country amounting to 3.45 million lei (16.85%). Out of 24 sub-loans, 7 are disbursed to first time borrowers. Due to the implementation of the refinancing of revolving funds **182** new working places will be created. The participation of women-managers in the establishment of the business in the rural area from the revolving resources constitutes **20.84%**.

Youth Socio-Economic Empowerment Project II (YSEEP II)

With the view to support the implementation of the second phase of the YSEEP II financed by USAID, UNICEF and World Bank (Grant No. 121-G-00-08-00701-00 dated May 7, 2008), CLD will organize allocation of the funds through the intermediary banks that activate within RISP II by using the RISP II direct resources to finance the loan portion. YSEEP II will be provided to young adults being 18-30 years old. The grant portion financed by UNICEF constitutes 50% from the total loan amount. The loan portion in the value of 40% of the loan will be financed by CLD from the RISP 2 revolving resources and 10 % will represent the beneficiary's contribution. There is forecasted the creation of at least 61 new micro-enterprises within the project in rural areas. The economic activities that will be financed are the following: increase in agricultural production, processing, storage, packing, trading and other activities related to agriculture, as well as other non-agricultural activities in the rural area, including trade, tourism, handicraft, etc. The potential beneficiaries are helped by the Development Agencies (DA) in preparing the loan files. According to the UNICEF Grant loan, the grant portion constitutes 340 thousands US Dollars. The closing date on 31.12.2009.

Within the project , beginning February 18, 2009, **1 856.9** thousands lei were allocated out of which the loan amount disbursed constitutes 826.16 thousands lei and 1 030.7 thousands lei constitutes the amount of the UNICEF grant. These resources were allocated for 20 subloans, out of which 15 were disbursed by MoldovaAgroindbank in the total amount of 1 404.9 thousands lei out of which 625.3 thousands lei constitutes the amount of the disbursed loan and 779.6 thousands lei the grant amount, Fincombank disbursed 4 sub-loans in the total amount of 362 thousands lei out of which 160.9 thousands constitutes the amount of the disbursed loan and 201.1 thousands lei the amount of the grant, Moldindconbank disbursed 1 loan in the total amount of 90 thousands lei out of which the loan portion constitutes 40 thousands lei and the grant portion 50 thousands lei. The average maturity of the financed loans is 40.25 months. The average interest rate applied by the PFIs to the final

beneficiaries constitutes 14.55% including MF exchange and operating costs and the bank's commercial margin.

The distribution by the branches of national economy:

Branches of the national economy	Number of sub-loans	Amount disbursed (mil. lei)	The share of the amount disbursed, %
Trade	1	94.67	5.10
Services	7	648.42	34.92
Agriculture and food processing	6	551.59	29.71
Industry	6	562.22	30.28
Other	0	0.00	0
Total	20	1,856.89	100.00

Out of 20 sub-loans, 12 sub-loans financed situated in the central part of the country amounting to 1 133 thousands lei (61%), 6 sub-loans are financed in the northern part of the country amounting to 546.5 thousands lei (29.4%) and 2 sub-loans in the southern part of the country amounting to 117.5 thousands lei (9.6%).

Information regarding the refinancing of the funds within RISP1 project.

With a view to ensure the continuity and further management of the Project RISP 1, CLD took over from the CAPMU the balances of the sub-loans in the total amount of 179.87 millions lei and 50 thousands US Dollars, granted at the initial phase of the Project implementation. From the direct resources of the project 1388 beneficiaries were financed. The sub-loans financed initially through CAPMU were partially disbursed with 20 % grant portion. The information regarding the allocated and accepted grants is in the table below.

Nr.	PFI	Allocated Grant by PFI	Accepted Grant to beneficiaries	Reimbursed grant	Grant balance
1	CFR	11,624,385	10,374,603		1,249,782
2	Victoriabank	743,600	743,600		0
3	Banca Sociala	638,652	499,460	87,192	52,000
4	Fincombank	465,074	381,074		84,000
5	Moldindconbank	770,236	710,236		60,000
6	MoldovaAgroindbank	1,770,414	1,519,861		250,553
	Total	16,012,361	14,316,026	87,192	1,696,335

In total, from credit resources within the RISP 1 project (direct and revolving resources) were allocated through the PFIs 337.94 millions lei and 50 thousands US Dollars, including the revolving funds amounting to 158.07 millions lei (319 sub-loans were financed by CLD from

the revolving funds available after deductions and transfers of the debt service payments needed for the Loan in favor of MF).

On 30.06.09 the principal amount reimbursed by the PFIs constitutes 59.90 millions lei and 50.00 thousands US Dollars that constitutes 17.73% and 100.00% of the disbursed amounts respectively. The balance of the PFIs principal amount on 30.06.09 constitutes 278.06 millions lei, the repayment period being extended respectively to the repayment schedule and payment dates until the year 2022 (that includes the sub-loans disbursed from direct and revolving resources of CLD).

Information regarding the amounts disbursed and reimbursed within the RISP 1 and RISP 2 projects

Project	Currency of the sub-loans	The total amount of sub-loans approved	The total amount of sub-loans disbursed	Allocated grant	The total amount of sub-loans reimbursed by PFIs, principal	The PFIs balance, principal	Grant Balance	The number of sub-loans financed
RISP 1 direct resources	lei	179,874,954.0	179,874,954.0	16,012,361.0	49,050,733.6	130,824,221.1	1,696,335.0	1387
	\$	50,000.0	50,000.0		50,000.00	0.00		1
RISP 1 revolving	lei	158,323,187.0	158,066,962.0		10,831,554.09	147,235,407.9		319
RISP 2 direct resources	lei	143,738,991.0	114,990,992.0		4,244,133.83	110,746,858.2		263
	\$	2,504,075.0	2,003,260.0		120,719.67	1,882,540.33		26
RISP 2 revolving	lei	20,132,889.0	19,525,889.0		160,915.52	19,364,973.48		22
	\$	85,066.0	85,066.0		807.63	84,258.37		2
RISP 2 irrigation	lei	288,000.0	288,000.0	72,000.0	0.00	288,000.0	72,000.0	1
YSEEP 2	lei	826,162.0	826,162.0	1,030,727.0	0.00	826,162.0	1,030,727.0	20

In spite of the fact that the project's closing date is June 30, 2010 the resources were fully disbursed in April, 2009. Following the discussions with the PFIs, DLC ascertained the beneficiaries' high necessity in additional funds within the RISP II, which could ameliorate the banks competitiveness regarding the long term investments in national economy.

STRENGTHNING THE SAVINGS AND CREDIT ASSOCIATIONS INDUSTRY

The National Commission on Financial Market (NCFM) has continuously benefited from the technical assistance provided by international (Mss Diane Martel, Development International Desjardins and Mr Alan Curd, Canada) and local consultants (Mr Sergiu Luchița) on regulation legislation, on-site and off-site supervision, management information system (MIS), accounting and reporting, Central Association's (CA) activity and other fields.

Legislation. Draft regulations and specific procedures on SCA Stabilization Fund and Liquidity Fund have been improved and finalized (within the actual wording of the SCA Law), draft amendments to the SCA Law relating to a unique CA's activity (draft by-laws, recommendations to establishment of the CA), draft agreement between NCFM and CA. Also, draft National Accounting Standard 63 and draft Instruction on SCA reporting (including development of the new Income statement report) are in progress, an intention related to which is to make them in-line with International Financial Reporting Standards. The draft Regulation on reorganization of SCAs was finalized and approved by the NCFM. The draft is following a legal expertise of the Ministry of Justice, with whom it's been working together towards finalization and state registration. A large pool of issues has been discussed, amongst which are institutional capital, branches and representative offices, establishment and licensing of the CA.

Management Information System (MIS). Recommendations, financial ratios and procedures have been developed towards for the MIS (which will be developed under the EBRD financed project), which is vitally necessary for an efficient off-site supervision of SCAs.

Off-site (monitoring) and on-site (inspections) supervision. Recommendations towards off-site supervision based on financial ratios, calculated from the quarterly / monthly reports submitted by SCAs were developed. Monthly reporting was initiated for the B licensed SCAs, starting with April 2009. Monitoring of financial position of the whole system is being carried out quarterly and monthly of the B licensed SCAs. Special attention is given to monitoring of B SCAs' loan portfolio, which similarly to A SCAs were affected at some extent by the global and local economic crisis (lower remittances and agricultural income (fallen prices and lower sales) and other causes). NCFM and World Bank (WB) representatives were informed about the monitoring findings. Investigations of non-performing loan portfolios of B SCAs with the largest delinquency in April have been initiated, as well as complex on-site inspections of SCA, according to the NCFM approved Inspection Plan.

SCA Licensing. Recommendations on improvement of business-plan evaluation procedures and licensing were developed. 67 B type and 266 A type licenses were issued by June 30.

The licensing procedure is under continuous monitoring. Weekly monitoring results were submitted to the WB representatives.

Training of NCFM staff. Consultants offered training and consultations to NCFM's MCPD (Microfinance and Collective Placements Department) related to provisions of Regulation on requirements towards SCA administrators, Financial Prudential Norms (classification of loans and creation of loan loss provisions, member shares, loan prolongation documentation etc.), as well monitoring of financial ratios, reported by SCAs as tools for off-site supervision. Also, advices were given to inspection teams on procedures and documentation of inspections and practical implementation of the SCA Law and regulations.

Improvement of SCA regulation and supervision mechanism. NCFM was informed about all activities mentioned above. Proposals on evaluation of situations and/or improvement of continuous supervision were made when relevant. Special attention was given to proposals resulted from analysis of the actual situation of domestic economy in order to control financial risks of SCAs.

Miscellaneous. Information visits were performed on 2 merger processes of 2 and respectively 3 SCAs, which are waiting for the Regulation on SCA reorganization to come in force. Also, consultants met with representatives of SCA creditors (RFC, Microinvest and Moldova Agroindbank) for information purposes on the current situation within the sector and especially, on the loan portfolio quality.

While performing contractual terms of references, both international consultants benefited of continuous assistance from the local consultant.

LAND RE-PARCELING PILOT PROJECT IN 40 VILLAGES

On 7 May 2009 the Ministry of Agriculture and Food Industry and the National Agency for Rural Development (ACSA) signed a contract on implementation of Land re-parceling project in 40 villages. The project has duration of 14 months and will finalize by 1 July 2010.

Concept and methodology of the project are similar to Land re-parceling pilot project implemented in 6 villages during August 2007 - February 2010.

Unlike the pilot project, where the selection of participating communities was conducted within the project, the 40 communities have been selected through a separate exercise. Selection of villages was conducted by MAIA with support from International consultant Mr. Morten Hartvigsen from Danish company Orbicon A/S.

Land re-parceling project in 40 villages was officially launched on 30 June 2009 during the Inception seminar which took place in Chisinau. The purpose of the inception seminar was to present the concept of the project, to familiarize audience with expected results as well as to officially launch the project. Amongst the participants at the seminar were representatives of the Ministry of Agriculture and Food Industry, Ministry of Justice, Agency for Land Relations and Cadastre, representatives of other government institutions, heads of 21 Raional Agricultural Directorates participating in the project, regional ACSA consultants, regional specialists in land planning (regional project coordinators) and members of central project team. The seminar had about 130 participants including representatives of mass- media.

During the Inception seminar have been signed Agreements on cooperation between the Project and participating mayoralities. By signing Agreements on cooperation local public authorities have assumed the following obligations: to provide local team of the project with separate office and telephone number, to delegate cadastral engineer in the local re-parceling team, to participate in the awareness campaign in accordance with project requirements, to ensure that Local council's secretary will authenticate alienation contracts (buying - selling, exchange and donation) with reduced price, to present authenticated contracts to Territorial Cadastral Office's for registration of new property rights.

ACSA in its turn assumed obligation to provide comprehensive assistance within implementation of the Land re-parceling project, to assist local public authorities in preparing and conducting awareness campaign, to participate in developing and conducting training seminars for local teams and other stakeholders; to elaborate model contracts and make them available to Secretary of the local council, to provide local offices with equipment and

necessary consumables, to assist land owners and project team to sign land re-parceling agreements, to bear the costs of land transactions including contract authentication, state tax, cost of land registry extract and costs of registration of new property rights in the land registry.

Order of Minister of Agriculture and Food Industry approved structure of Technical Committee, which main objective is to facilitate project implementation in fair and transparent way and resolve problems that might occur within the Land re-parceling project implementation. Among the members of Technical Committee are 3 representatives of the Ministry of Agriculture, 2 representatives of the Contractor, 2 CAPMU representatives, 1 representative of the SI "Cadastre", 1 representative of the Ministry of Justice and International expert.

In the reporting period members of Technical Committee had several meetings in order to coordinate and supervise the project implementation. The following topics were discussed: selection of specialists for the project, organizational structure of the project, procedure of substitution of the participating communities, changes in the initial list of participating communities, training program and first training seminar, etc.

Considering the terms of reference of the project, list of participating communities and their geographical location, as well as costs of project implementation there have been created 5 regional offices in Balti, Cantemir, Nisporeni, Orhei and Chisinau. Central project office was open in Chisinau. Each regional center will manage and monitor project implementation in about 8 communities. Proposal concerning organizational structure of the project was approved by the Technical Committee and documented in the minute's no. 1 from 11 June 2009.

To ensure project team with most qualified personnel, the Contractor announced a public tender for employment of Land re-parceling planners at national and regional levels. On 20 May 2009 in the newspaper "Moldova Suverana" advertisement concerning employment possibility was posted. Deadline for the applications was set on 27 May 2009. After the deadline, Selection Committee constituted by the Contractor examined all submitted CV's and selected those persons who best satisfy the selection criteria.

At village level selection of land planners began in second half of June 2009. Regional project coordinators visited all participating villages in order to inform Mayors about selection procedure and criteria, and place advertisement concerning employment opportunity. Land planners have been selected by the Selection Committees, created for this purpose within

regional project offices. The committees were composed of three members and headed by the Regional project coordinator. Decisions on the selection of specialists have been documented in minutes which were sent to Central project office in order to confirm correctness of selection made.

The Contractor has provided all the methodological support and consultation to create 40 local and 5 regional project offices. Most regional offices have been created on the basis of existing ACSA offices. Regional centers have been outfitted with computer, printer, telephone, fax, etc. and a car which was foreseen in the contract.

In the reference period in all 40 communities have begun activities related to creation of local project teams. All 40 local offices will be created by the mid-July, 2009.

Members of local project teams are:

- Land planner engaged by ACSA;
- Land specialist from Raional Agricultural Directorates;
- Cadastral engineer of Mayoralty as a contribution to the project.

Agricultural Directorates from raions participating in the project have to appoint Land specialists into the local teams and decision to be approved by an order of Minister of Agriculture and Food Industry.

ACSA will provide local offices with necessary equipment (computer, printer, phone / fax) and will provide local teams' with specialized software and cadastral information (the graphics and legal part) so that each villager, farmer or owner can obtain necessary information from the local project team.

Local teams in their work will be supported and coordinated by regional coordinators, central team, as well as specialists from the Ministry of Agriculture and Food Industry.

Since July 13 a training of local re-parceling teams will begin. Because of big number of participants, it was decided to conduct training seminar for each regional center apart. Thus, the first training seminar will last five days - one day for local teams under the responsibility of each regional center. Within the project there are envisaged 5 training seminars.

Also on 20 July 2009 a course on computer basis is planned, having an expected duration of 5 days. The course will be hold at ASEM.

AVIAN INFLUENZA CONTROL AND HUMAN PANDEMIC PREPAREDNESS AND RESPONSE (AIHP)

ANIMAL HEALTH COMPONENT

Outbreaks of Highly Pathogenic Avian Influenza (HPAI) began in several Southeast Asian countries in 2003 and spread to Europe in 2005. Significantly for Moldova, outbreaks in the neighboring Danube delta region of Romania and in the Crimea peninsula of the Ukraine in 2005 obliged governments to cull poultry.

In November 2005, concerned governments, technical agencies, and donors met in Geneva to plan an international response to the risks that Avian Influenza will harm human health and cause large-scale economic losses. In January 12, 2006, the World Bank's Board of Directors approved up to \$US 500 million in financing for the Global Program for Avian Influenza (GPAI) that will assist eligible countries. The GPAI is an Adapted Program Loan (APL) that operates horizontally, across countries. Also in January, governments and donors met in Beijing, China and pledged \$US 1.9 billion to the fight against Avian Influenza.

From this sum, Republic of Moldova benefits of \$US 10.6 mln (\$US 3.6 mln for Animal Health Component).

All activities during April-June 2009 are divided in accordance with the Operational Book and Procurement Plan as follows:

b1i: In-house computer training for DVM

The tender for IT consultant selection took place and there were received three offers. Selected IT specialist is Tutunaru Sergiu, director of Microsoft IT Academy of Moldova and associate professor of the Academy of Economic Studies of the Republic of Moldova.

On June 11 – July 02, it was organized the computer training for central veterinary staff. It took place at the State Agrarian University of Moldova, Veterinary Faculty.

It was selected the logistical company ("TATRA bis") for the organization of Excel training course and Applied Epidemiology course.

3d1: Equipment for Central and Regional Laboratories (separate lots)

The offers received at the tender organized on March, 31st were not complete and it was necessary to repeat the tender. The second activity was planned for May, 4th. The winning company is "Balnis Grup" (contract amount: **14 055 EUR**). There were purchased:

- 3 microwave ovens,
- 3 electric hermetic containers,
- 50 hermetic containers ,
- 5 gas stoves,
- 3 electric stoves,
- 10 refrigerators / freezers

3b: North regional lab rehabilitation

North regional laboratory is in the process of construction.

1o: Consumables

There were elaborated Technical Specifications for Consumables and the tender was launched, but because there were not received any offers it was canceled. Technical Specifications will be revised and a new tender will be re-launched.

1d: Disinfection installations at border crossings

It was finished the work on the disinfection installations at the border crossing points. All the disinfection installations were installed and officially opened.

A2a: Capacity building, veterinary epidemiology, law & decision making support tools

It was established the period for the second visit of the international veterinary specialist in applied epidemiology, Carsten J. Potzsch (July 6-17, 2009).

1f: IT and office equipment for Central and Regional laboratories

There were purchased and delivered 12 computers at Veterinary Medicine Faculty of the State Agrarian University (8 computers) and Central Laboratory (4 computers); these computers were also used for IT training of the public veterinary specialists;

B1k: International seminars

On April 21-24, Vsevolod Stamati, Head of the Veterinary Medicine Department and Eugen Voinitchi, Animal Health Component Coordinator of AIHP Project had a working visit to Moscow, at **the 5th International Poultry Congress**, one of the largest forums in the field of veterinary medicine.

On May 25-26, Sergiu Cebotari, Head of the Virusological Diagnostic Disease Department, Republican Center of Veterinary Diagnosis and Eugen Voinitchi, Animal Health Component Coordinator of AIH Project participated at the **International Training Courses on “Shipping Guidelines for Infectious Substances”**, in Ankara, TURKEY. The participants were trained in labeling, documentation, handling and emergency procedures for Infectious Substances.

Additional activities

On June 15-19, in collaboration with the United States Agency for International Development (USAID), Avian Influenza Control and human pandemic Preparedness and Response Project, the USAID Stamping Out Pandemic and Avian Influenza (STOP AI) Project organised a training course on **Biosecurity and Outbreak Response for Avian Influenza** for veterinary personnel from Transnistria. The event was held at the Odiseu Conference Center in Vadul lui Voda.

HUMAN HEALTH COMPONENT

GENERAL CONTEXT

For successful implementation of the project, taking into consideration its complexity, the World Bank mission took place on 17-20 March 2009. The objectives of this mission were the following: to carry out project supervision and to assist the project management and implementing institutions in moving the implementation agenda forward. Nedim Jaganjac, Public Health Specialist met with Oleg Lozan, Deputy-minister, representatives of UNICEF and all national counterparts.

Detailed technical notes was prepared by the mission and provided to the Ministry of Health, the project managing and implementing institutions.

HUMAN HEALTH CAPACITY BUILDING SUB-COMPONENT

REVIEW OF REGULATORY SYSTEM

All documents for adequate response of the health care system to the threat of HPAI elaborated by the national counterparts and revised, and updated by the international consultant Simon Mardel were approved by the Ministry of Health. They are going to be printed with the support of UNICEF and distributed in all rayons. Before that, the national counterparts are updating the documents with the latest data provided by WHO regarding the incidence and prevalence of human cases of avian influenza etc.

During the reporting period 2 training courses for clinicians were conducted in Chisinau: one for central region and the second for Transnistria region. The main objective of this training course was to strengthen the health care workers capacity in clinical management of avian influenza and infection control in medical facilities.

In general, about 280 persons were trained within 4 training courses for rayon's rapid response teams in case of avian influenza in human population and 4 training courses for medical staff in clinical management of possible human cases of H5N1 and infection control practices.

Simon Mardel, the international consultant for reviewing the draft form of standard operating procedures for adequate response of the health care system to the threat of HPAI with focus on clinical management and infection control practices in healthcare facilities didn't submit the third visit report.

INFORMATION TECHNOLOGY SYSTEM FOR SURVEILLANCE

For the successful achievement of interaction between the Information System for Improved Surveillance of Avian Influenza and other Infectious Diseases and the information system SITA, the representatives of Ministry of Agriculture and Food Industry and MoH had a meeting on 28 January. During the meeting they identified the issues which must to be solved in order to move the implementation agenda forward. The meeting regarding the progress made in the "Information technology system for surveillance" component (training sub-component) took place in February 5.

The list of health care workers and IT operators who should be trained in using of new Software was elaborated and approved by the Ministry of Health. After detailed reviewing of conditions specified in the contract signed between CAPMU and "DAAC SYSTEM Integrator SRL" regarding the conducting of these trainings (number of participants and the amount of money budgeted), Dr.O.Benes, General Director of NCPM suggested to explore the possibility to increase: 1) the number of participants who would attend them: a) the Basic OS and office tools training - from 50 to 126; b) the System Usage Training - from 101 to 161. He explained, that initially it was agreed to train only the rayon epidemiologist and infectious diseases specialist, but later in accordance with the order issued by the MoH, it was emphasized the necessity to train the IT operators from each rayon as well; 2) the budget for these activities (transportation cost, lodging, per diem, coffee-breaks). The expenses for participant's accommodation, transport and per diem were not budgeted in the contract with "DAAC SYSTEM Integrator SRL". The approximate amount needed to cover these expanses - 16000 \$ USA. The National counterparts approached Mr. L. Gumovschi, Executiv Director of CAPMU with an official request to explore the possibility to increase this amount. Following this request to the contractor, "DAAC System Integrator" has prepared change proposal for additional services under training component of Improved Surveillance System (meal, housing, per diem, transportation costs) as well as for increase the number of people to be trained. According to the change proposal obtained, the contractor accepted to provide all additional services requested.

The "Basic OS and office tools series of training courses" took place during the February-March 2009 period. In general, 120 persons were trained within these series of training courses. The second series of training courses started in June 2009. The national counterparts together with the "DAAC System Integrator" started to test the new Software in March 2009.

In accordance with the order of the MoH nr.308-d from 18.05.2009 the following medical institutions: the hospitals and centers of preventive medicine from Hincesty, Strasenya,

Ungheni, and Republican Hospital for Infectious diseases “T. Ciorba” and Children Hospital for Infectious Diseases from Chisinau were selected as pilot institutions to test the new Software.

Because the “Information technology system for surveillance” sub-component is financed from the European Grant which expires 31 July, the Ministry of Health (MoH) approached the Ministry of Finance to explore the possibility to prolong this grant till 31 December 2009.

HUMAN HPAI TESTING SUB-COMPONENT

For upgrading the institutional and staff capacity of the National Viral Laboratory the component coordinator together with the national counterparts updated the ToRs for an international laboratory consultant. The ToRs were sent to Nedim Jaganjac, Public Health Specialist, WB, for reviewing. The CAPMU organized the selection process. The dead line for submitting the expressions of interest was March 5, 2009. Four candidates applied for this position. The selection committee evaluated the files and after a detailed review the consideration has been given to Travis Taylor who according to the documentation presented was the most experienced applicant. The CAPMU initiated the negotiations for engaging.

The construction company Oztor S.R.L. deviated the high voltage lines which were specified in the map. Besides these lines one heating system line, one canalization line and one high voltage line were discovered during the digging. The construction company finished to build the base, walls and roof. The company is building the interior walls. In parallel the company is renovating the National Viral Laboratory for seasonal influenza. During the refurbishment works of the National Viral Laboratory some electric lines were damaged. The national counterparts met with Mr. I. Raileanu and construction company representatives and discussed the created situation. They agreed that the best solution would be to change this old electric system in order to be in compliance with the technological and antifire safety requirements. In addition, the possibility of installing a new ventilation system and an anti-fire system was discussed with Nedim Jaganjac, Public Health Specialist during the WB mission. The national counterparts approached the WB and CAPMU with an official request to explore the possibility to find some financial resources to cover these expenses.

The CAPMU re-announced the bidding process for procurement of laboratory consumables and reagents in January. The dead line for submitting proposals was 19 February 2009. Unfortunately, only two companies presented the files in accordance with the TSs for consumables and reagents. The next step and options to solve this situation were discussed during the WB mission in March 2009. The national counterparts is revising the list and elaborating new TSs for consumables and reagents.

Taking into consideration MB mission recommendation to strengthen the laboratory capacity Dr. Radu Cojocaru, Head of the laboratory of highly pathogenic infectious diseases and control of bioterrorism made a study visit at the National Research Institute for Epidemiology from Russian Federation, Moscow. The dates of the visit have been coordinated and agreed upon by the General Director of the National Centre of Preventive Medicine, Dr. Oleg Benes and the Vice-director of the National Research Institute for Epidemiology from Russian Federation Dr. Gherman Chipulin. Dr. Cojocaru participated in a comprehensive briefing organized by the National Research Institute for Epidemiology on the following topics: 1) Staged approach for the external quality assessment project (EQAP) for the detection of influenza virus subtype A by RT-PCR; 2) Laboratory Quality Assurance Plan; 3) Implementation of national EQAP and inter-laboratories comparing of the results; performed the diagnostic of influenza virus subtype A by RT-PCR; got acquainted with the Standard Operation Procedures of the Laboratory and techniques in use for molecular typing of H5N1 virus. The National Research Institute for Epidemiology from Russian Federation provided the diagnostic RT-PCR kit for Influenza A virus produced by institute. This allowed Moldova to participate in the WHO external quality assessment project (EQAP) for the detection of influenza virus subtype A by testing the simulated samples of RNA including H1, H3 and H5 in parallel with Russian ones using the diagnostic RT-PCR kit for Influenza A virus. The National Laboratory tested the simulated samples. WHO confirmed the accuracy of the obtained results.

Taking into considerations the WB mission recommendations to strengthen the national laboratory capacity, the NCPM issued an order with regard to laboratory testing using classical and molecular techniques. In accordance with this order, a working group was established, that is responsible for virus isolation and virus identification and typing by mean of classical and molecular techniques. It comprises:

1. Dr. Petru Scoferta, MD, Head of the National Viral Laboratory for seasonal influenza;
2. Dr. Elena Romancenco, Scientific Researcher, National Viral Laboratory for seasonal influenza
3. Dr. Radu Cojocaru, MD, Head of the laboratory of highly pathogenic infectious diseases and control of bioterrorism;
4. Dr. Igor Spinu, Scientific Researcher, National Viral Laboratory;
5. Dr. Ala Halacu, Head of the Reference Laboratory for HIV/AIDS and viral hepatitis;
6. Dr. Mariana Apostol, virologist, National Reference Laboratory for Poliomyelitis and Entero-viruses.

Until the module for avian influenza diagnosis is ready, the testing is performed in the National Reference Laboratory for Poliomyelitis and Enteroviruses and Reference Laboratory for HIV/AIDS and viral hepatitis.

The working group managed to isolate a virus and to identify its type using PCR technique. The virus isolated was H3N2. The National Viral Laboratory conducted the shipment of the samples to the WHO Reference Laboratory in order to pilot again the possible Avian Influenza Shipment, confirmation and for quality control assurance of laboratory testing. The WHO Reference Laboratory confirmed the accuracy of the results obtained by the national counterparts.

As a result of WB mission recommendations aimed at enhancing the national capacity in international shipment of Infectious Substances in accordance with IATA Dangerous Goods Regulation, the following 3 participants: Dr. Cojocaru Radu, Director of the laboratory, Division for Surveillance of special dangerous infections and bioterrorism response, NCPM; Dr. Romancenco Elena, Scientific Researcher, National Viral Laboratory, NCPM; Dr. Vranceanu-Benes Angela, Scientific Researcher, National Reference Laboratory for Viral Hepatitis Diseases, NCPM attended the International Training Courses on “Shipping Guidelines for Infectious Substances”, which took place in May, 25-26 2009, Ankara, TURKEY. The training course has been developed by departments of “International Air Transport Association (IATA) Training and Development Institute”. The course was delivered by the collaboration of “Turkish Institute of Health” as a host institution and “International Air Transport Association (IATA) Training and Development Institute”. The participants were trained in labeling, documentation, handling and emergency procedures for Infectious Substances. They are able to complete the “Shipper’s Declaration for Infectious Substances to ensure shipment compliance with Dangerous Goods Legislation” and “Application of the current edition of the Infectious Substances Shipping Guidelines manual”.

The national counterparts begin to elaborate the TSs for laboratory furniture.

HUMAN HEALTH SYSTEM RESPONSE SUB-COMPONENT

REPUBLICAN HOSPITAL FOR INFECTIOUS DISEASES

The construction company Oztor S.R.L. consolidated the base and walls of the building, which was one of the most complicated tasks and built the roof and interior walls.

The national counterparts together with the component coordinator elaborated the TSs of equipment for ICU. The CAPMU initiated the procurement process. Four companies presented their offers. The selection committee is evaluating the offers.

PUBLIC INFORMATION AND AWARENESS COMPONENT

STATEMENT OF PROBLEM

The rapidly spreading outbreaks of Avian Influenza among wild and domestic birds and the increasing cases of bird flu among people at global level are alarming. Since 2003 there are globally 436 confirmed human cases of avian influenza with 262 deaths.

Geographically situated in the path of migratory birds, the Republic of Moldova is at high risk for an outbreak of avian influenza (AI). This situation is aggravated by the importance of domestic fowl in the country, a lack of knowledge of safe breeding techniques, widespread consuming and selling of poultry and poor general hygiene. To date, Moldova has not suffered an outbreak of Avian Influenza, though it is at significant risk, since two nations on its borders, Ukraine and Romania, suffered outbreaks.

In 2007 the World Bank started together with the Government of Moldova a project on Avian Influenza Control and Human Pandemic Preparedness and Response. The overall objective of the Project is to minimize the threat posed to humans by Human Pandemic Avian Influenza (HPAI). The project has three main components:

- Component 1. Animal Health
- Component 2. Human Health
- Component 3. Public Information and Awareness.

The Public awareness and information component of the Project is implemented by the Ministry of Health and UNICEF, based on the National Strategy and Communication Plan on Prevention of Avian and Human Influenza in the Republic of Moldova. The plan was approved by the Ministry of Health on July 4, 2006, and focuses on communication and other supportive measures that inform, educate and enable families and communities to protect themselves from illness and death caused by avian and pandemic influenza or its consequences.

Since the start of this project, a new type of influenza has emerged. Influenza A (H1N1) is spreading rapidly, with over 130,000 cases and 816 deaths to date. Moldova's first case was confirmed in late July 2009.

PROJECT OBJECTIVES

The objective of this Project is to implement the ***Component 3: Public Information and Awareness***, of the Avian Influenza Control and Human Pandemic Preparedness and Response (AIHP) Project.

The overall objective of this component is to minimize the risk of avian influenza spreading throughout the Republic of Moldova by ensuring that citizens are aware of the symptoms, understand the threat and are willing and able to engage in behaviours that will protect themselves and their communities.

COMMUNICATION STRATEGY

The communication response has three planned stages:

- I. A pre-outbreak campaign to promote safe and responsible behaviour to reduce risks to children, families, households and communities; and to promote responsible media reporting to avoid panic and misinformation.
- II. An intensive communication campaign during a pandemic, to begin immediately if and when human infection is confirmed.
- III. Post pandemic communication support to promote recovery and help those who need it.

The present Project addresses the first and second stage at the time of reporting.

The pre-outbreak campaign in 2009 was focused on activities to counteract social denial in case of an outbreak and increasing trust in the capacity of the health authorities to respond to an eventual pandemic.

The second stage was initiated in June with the H1N1 pandemic becoming a threat worldwide. Even though the first case of H1N1 was confirmed on the 29th of July, UNICEF has provided already in April full support to the Ministry of Health to develop a communication strategy and plan to enable specialists and general public correctly respond to the pandemic situation. The communication strategy and plan was presented and approved by the Prime-minister on April 30, 2009.

The strategy and plan foresees two intervention phases:

1. communication / information activities when there are no confirmed cases in the country
2. communication / information activities starting with the first confirmed case

As a result of this effort UNICEF together with the experts from the Ministry of Health and National Centre for Preventive Medicine has developed and approved within the working group the communication materials addressed to general population distributed to every household followed by communication interventions through mass media.

PLANNED ACTIVITIES AND ACHIEVED RESULTS

The project activities undertaken were developed to ensure:

- capacity building in communications in the priority ministries (MOH and MAFI);
- mobilization of community resources, with particular reference to grassroots support for control and containment actions;
- a communication mechanism to assist the Government in building trust and credibility around HPAI issues, as well as facilitate reporting and feedback mechanisms using information and communication technologies exists;
- the media is trained in professional reporting on HPAI and ensuring that HPAI issues remain on the public's agenda.

The current activities of the project reflect the recommendations listed in the Aide Memoir of the September 2008 World Bank Mission which undertook a mid-term review of the project. This included further emphasis on using communication activities to (a) facilitate behavioural change in target audiences, (b) create demand for products and services needed to prevent or control transmission and (c) ensure rapid reporting of suspected cases of HPAI, and community support for containment and control activities.

The main achievements during the reporting period are described below.

Target 1.1: MOH and MAFI have the capacity to communicate effectively in times of emergencies related to Avian Influenza and Human Pandemic

Building communication skills of Governmental decision makers: To prevent social denial in case of an outbreak, it is important to select and train spokespersons from the health sector in behaviour change communication (BCC) and risk communications (RC). It is also important that all the actors involved in a potential risk communication will speak with one voice and in a timely and professional manner about standard operational procedures to be implemented by clearly identified actors. All the communication activities undertaken in case of outbreaks should be backed by firm political support.

Implementing partner: State University of Medicine and Pharmacy

Capacity building of family doctors at community level: Family doctors are one of the most important and most credible sources of information on health matters. KAP studies reveal that over 40 % of the population trust the health workers in matters related to avian

and pandemic flu. Given the low coverage of the mainstream printed media in the rural areas, the health workers remain an extremely valuable and credible information channel.

Implementing partner: National Centre for Preventive Medicine

Achievements:

- BCC and RC module integrated in the Medical University curricula to ensure sustainability and government ownership
- 1,919 family doctors (100 %) have increased their knowledge and skills in interpersonal communication techniques for behavioural change and communication in health emergencies related to influenza
- 105 training sessions provided in all medical settings of the country

Target 1.2: Population has trust in the authorities preparedness and response capacity related to AI and HP epidemics

Community events with children and youth: Children and youth are the most open minded and mobile population groups; they do usually report to adults various incidents, including the ones related to dead and sick birds, and they are important for ensuring the rapid reporting of suspected cases of HPAI. Through peer-to-peer networks trained children can empower others and mobilize the communities.

Implementing partner: The Association of Medical Students and Residents

Improvement of communication capacities of local veterinarians from 70 communities in Moldova: Creating a demand for products and animal health services is essential for enforcing control and containment activities. Veterinarians in 70 communities will provide free of charge consultations to birds and animal breeders; monitoring at the same time the epizootological situation in the selected communities through keeping a bird registry.

Implementing partner: National Agency for Rural Development (ACSA)

Achievements:

- 600 young people from 20 communities learned about prevention, protection and threat regarding the influenza (seasonal, new type, avian, swine flu)

- 90 most active youth identified and selected to organise peer-to-peer activities in their own communities
- 20 training sessions for youth organised in the selected communities
- 110 veterinarians and 24 ACSA consultants trained in interpersonal communication techniques
- A birds' registry developed and approved by MAFI.

See a human interest story about community events with children and youth in Annex AIHP 1.

Target 1.4: Media trained in professional reporting on AI and HP and ensuring that HPAI issues remain on public agenda

Building media skills in emergency reporting, especially related to avian influenza (AI) epidemics: Since crisis situations became top subjects, the need has emerged to train the journalists from printed and electronic press about how to report in emergencies, including pandemic. UNICEF worked with the faculty of journalism at the State University of Moldova to introduce a module on pandemic emergencies communication in the university curriculum.

Implementing partner: Moldova State University

Young journalists promoting healthy lifestyle: Youth is learning about the importance of reporting of suspect sickness or death cases of birds and adopting a responsible behaviour in pandemic situations by producing a “Live healthy” program at the national TV and radio. The TV programme is broadcasted on a monthly basis and the Radio programme -on a weekly basis. Both programs have national coverage and are produced entirely by youth, aged 16-18.

Implementing partner: National public company “Teleradio Moldova”

Development and update of www.gripa.md website: Inconsistent messages have led to a widespread sense among the general public that there is no HPAI threat. The website on pandemic and avian flu is a focal point of credible and consistent information to the general public, but also journalists, doctors and veterinarians. The website www.gripa.md will also serve as a knowledge management tool and a point of reference for the most up to date information in all matters related to pandemic and avian flu. The website is regularly updated

with news and relevant press releases, interviews, Q&A, guidelines for population and specialists.

Work with the media: Society at large needs to know that the Government is implementing preparedness plans and modernizing its human and animal health management capabilities. Media coverage has been given information about the upgrading of medical and veterinary facilities, including service capabilities, the availability of medicines, ambulances and trained staff to deal with possible outbreaks.

Video, animation, and audio spots to encourage reporting in case of outbreaks: Video and audio spots are an important behaviour change communication tool, as the TV is the main source of information for over 2/3 of the population, followed by radio. The broadcasting of video and audio spots in prime time is an important communication channel for the rural population, having no access to alternative sources of information.

Achievements:

- Communicating/reporting in pandemic emergencies integrated in the curriculum of the Journalism and Communication Sciences Department of the State University of Moldova:
- 160 young journalists trained at the TV and Radio in May and June on producing videos on emergency preparedness in pandemic situation.
- Since its launch in April, the web-page had over 44 thousand clicks, with over 13 thousand unique visitors: <http://www.gripa.md/statistika/>
- 4 (four) TV programs and 13 radio programs broadcasted from April to June
- 25 articles, programs, interviews etc were produced based as a result of the events organised by the project.
- 2 new spots “Avian Influenza symptoms in birds” and “Reporting sick or dead birds to local authorities and veterinarians” to encourage reporting produced.

See the complete list of media coverage in Annex AIHP 2. The press cuttings and records of the programs are available at UNICEF office.

Target 1.5: The stakeholders are able to draw lessons and make adjustments to their future emergency preparedness and response plans

Evaluate the project by measuring knowledge, attitudes and practices regarding AI prevention and response: Evaluating the impact of the communication interventions and understanding the trends is essential for the project. UNICEF is in process of conducting a KAP study to assess changes in public awareness including the level of trust the population has in the public spokespersons.

Monitor the activities of the project: UNICEF team is continuously monitoring the activities of the project. Regular visits are organised to check the progress and provide guidance and advise on as needed basis.

Communication emergency response in A(H1N1) pandemic: On June 11, 2009 the WHO has decided to raise the level of influenza pandemic alert to phase 6. As of July 28, 2009 there are over 150 thousand of confirmed cases and over 1,000 deaths. At the time of writing the present report, the first case of H1N1 was confirmed in Moldova. UNICEF used the opportunity to support the Ministry of Health to make adjustments to its emergency communication plans and produce some related communication materials.

Achievements:

- A communication strategy developed to support the H1N1 response activities of the Ministry of Health approved by the National Antiepidemic Commission chaired by the Prime-minister;
- A series of printed communication materials developed and distributed nation wide, other country offices have asked the permission to use them for their own H1N1 awareness raising campaigns.:
 - Info flyer for travellers (210,000 copies)
 - Info flyers for general population (1,500,000 copies)
 - Posters for general population (15,000 copies)
- Video and audio spots:
 - Four audio spots with specific messages of Symptoms of A (H1N1),
 - Video spot on personal hygiene and protection
- 10 monitoring visits organised

- Independent research company selected through a competitive process to conduct the KAP studies

Video spots produced in the previous years were adjusted to reflect the new pandemic situation.

See the Communication strategy and plan developed in Annex AIHP 3.

ACTIVITIES PLANNED FOR NEXT SEMESTER

Building communication skills of Governmental decision makers and family doctors will continue in the second semester of 2009. As the BCC and RC modules were integrated in the Medical University curricula, 160 residents in family medicine and family doctors will be trained in BCC and RC in 2009-2010. Also, 23 civil servants and health specialists to be trained in risk communication techniques, and 8 high level officials will be trained individually in risk communication.

Support the quarterly meetings of the Intersectoral Working Group: The effective coordination between the various actors in the area of health is crucial for the success of the project. An Intersectoral Working Group in Communication was established through an internal decision of the Minister of Health and Social Protection in 2006 and stopped functioning after a number of resignations and new appointments of key decision makers in the Ministry of Health. The group members met on an ad hoc basis in 2009. After the new round of elections in July 2009 the political situation will allow the Regular meetings of the Intersectoral Working Group in Communication, which will be supported in the second half of 2009.

Mobilization of community groups to ensure grassroots support for control and containment surveillance activities could be achieved by equipping various groups with knowledge and skills. Following the trainings for children and youth in 70 selected communities, the identified most active 90 young people from 20 communities will organise peer-to-peer activities in their own communities. Additionally, 200 scouts from two summer camps will learn about prevention, protection and threat regarding the influenza

Creating a demand for products and animal health services is essential for enforcing control and containment activities. Public meetings with human and animal health specialists organised will take place in selected 70 communities. The church leaders are powerful opinion leaders in the rural areas: according to BOP, the church enjoys the trust of nearly 80

per cent of the population. 300 church leaders will be trained to disseminate to the general population information about avian and pandemic flu

The development of information and response system of the Ministry of Health is essential to secure the social response to manage, control and contain an epidemic, through a feedback-hot-line mechanism that promotes and encourages rapid reporting, facilitates community-based surveillance. The Ministry acknowledges the need of having an early warning early action system (hot line) that will serve as a communication and response channel between the various public authorities, at different levels. Hot line for general public and early warning system and response to prevent and control hazards to public health according to the international standards will be established and functional in the second half of 2009. The National Strategy in health promotion and diseases prevention for 2010-2015 will be developed and the National Program on promotion of healthy lifestyle will be revised and submitted to Government for approval.

Building media skills in pandemic emergency will gain importance as the outbreak of the H1N1 became top subjects. 100 future journalists and 35 future communicators will benefit from training at the University in 2009-2010. At least 10 students have their BA and MA course projects in emergency communication each year. Four TV and 23 Radio shows will be produced and broadcasted during July to December, and at least 20 more articles, programs, interviews will highlight the health sector response preparedness and capability.

The H1N1 influenza outbreak is a constraint for the regular project activities but also an opportunity to keep the pandemic preparedness and response high on the public agenda. The broadcasting of the new spots will begin in the autumn of 2009. There is much interest and commitment from the government to have a communication strategy, related materials and support to address the issue. *For the first time UNICEF managed to get the free of charge distribution of printed materials and broadcasting of video and audio spots. It saved up to 100 thousand USD, which will be used for other activities.*

Measuring the continuously changing public perception and awareness, including the perception of “institutional readiness” to respond to an emergency is important for a successful communication campaign. An independent evaluation company will carry out a KAP study, to assess any changes, but also give a baseline about public awareness related to H1N1. The monitoring activities and field visits will take place on a regular basis, and contact with partners to ensure progress and delivery of quality results will be maintained. Meetings with project managers of the human and animal health coordinate activities requiring visibility will be organised.

CONSTRAINTS

1. Elections and following political crisis

The activities related directly to the Ministry of Health and National Centre for Preventive Medicine suffered long implementation delays, related to the change of the key people in the ministries, followed by electoral campaign and the political crisis that occurred after the April 2009 parliamentary elections.

Frequent changes in the Ministry of Health and the Centre for Preventive Medicine in the period preceding the elections have also caused delays in implementation. The institutional memory of the Ministry of Health is low, and the resignation of the key decision makers of the Ministry of Health and the Centre for Preventive Medicine, including the ones directly involved in the project, slowed down most of the project activities.

2. Low reach of the media

TV is the main source of information for over 2/3 of the population, according to the Barometer of Public Opinion. Printed media, both regional and national, has very limited circulation and rarely reaches the rural area. There are up to 10 mainstream newspapers in Moldova and 3 TV station with national coverage. Rural population especially has little or no access to information channels, alternative to Moldova 1 public TV.

Media has very little understanding about the need to communicate about pandemic preparedness and response, as well as about health issues in general. It has as well very little capacity to respond to the needs of the emerging pandemic threats.

3. Emergency situation caused by new pandemic flu

Another delay of some initially planned activities was caused by the emergency situation related to H1N1 pandemic. A lot of time and effort was invested, at the request of the Ministry of Health, in emergency communication. *At the same time, the H1N1 pandemic is an opportunity to work with our counterparts on their further systematic efforts to communicate about health issues, including threats related to avian and pandemic flu.*

AGRICULTURAL POLLUTION CONTROL PROJECT

STRATEGIC PROJECT DEVELOPMENT CONTEXT

SECTOR-RELATED COUNTRY ASSISTANCE STRATEGY (CAS) GOAL SUPPORTED BY THE PROJECT

Document number: 18896-MD **Date of latest CAS discussion:** 04/07/99

The proposed project is consistent with the Bank's Country Assistance Strategy (CAS), as set forth in the IBRD, IDA and IFC joint memorandum dated April 17, 1999. The CAS identifies three priorities for assistance in order to improve economic growth and thereby improve prospects for reducing poverty and social hardship in Moldova: *macroeconomic stability and growth; private sector development; and public sector reform*. Towards this, the CAS envisages "support for reforms in agriculture and enterprise to stimulate a supply response and promote private sector-led growth" (CAS Progress Report, May 3, 2002). The proposed GEF-funded APCP supports the agriculture and private sector development objective of the CAS by directly addressing the major development challenge of protecting and enhancing the environment as privatization of the agricultural sector proceeds in the country. The project will seek to promote low-cost, high-yielding agricultural technologies, enforcement of existing legislation covering agro-industry and environment, development of the legal framework to address the EU Nitrates Directive as well as assistance to prepare a Code of Good Agricultural Practices. The mitigating measures to reduce nutrient loads in water bodies will also include investment and policy/institutional support for organic farming, thereby promoting the production of ecologically sound agricultural products which will help boost the country's volume of agricultural exports, regain traditional export markets and tap lucrative new markets in western Europe.

Moreover, as articulated in Government's Interim Poverty Reduction Strategy Paper (I-PRSP) of April 2002, one of the three pillars of the government's poverty reduction strategy is "sustainable and inclusive economic growth that will provide the population with productive employment". In Moldova, poverty is especially prevalent in rural areas where agriculture is the dominant means of livelihood. The political and economic upheavals of the transitional years impacted the agricultural sector resulting in decreased productivity and loss of traditional markets. Since agriculture is the most important revenue source for the rural poor population, the I-PRSP accords high priority to agricultural and rural development. The proposed project will promote sustainable growth in agriculture by encouraging the adoption of environmentally friendly practices (in both agricultural production and agro-processing)

which will help increase rural incomes and living standards by promoting rural entrepreneurship, agricultural production, economic diversification, and trade, especially in rural areas.

GLOBAL OPERATIONAL STRATEGY/PROGRAM OBJECTIVE ADDRESSED BY THE PROJECT

The Project will implement priority actions identified in the Black Sea/Danube Strategic Partnership - Nutrient Reduction Investment Fund, Black Sea Strategic Action Plan, Danube River Strategic Action Plan and Danube River Basin Pollution Reduction Program supported by GEF. The Project's objective of reducing non-point source nutrient pollution from agriculture is consistent with GEF Operational Program Number 8, *Waterbody Based Operational Program*, which focuses "mainly on seriously threatened

water-bodies and the most important trans-boundary threats to their ecosystems." Under the Program, priority is accorded to projects that are aimed at "changing sectoral policies and activities responsible for the most serious root causes or needed to solve the top priority trans-boundary environmental concerns."

The project's approach of combining good agricultural practices with ecologically sustainable use of natural resources identified under the Danube River Pollution Reduction Program, also makes it consistent with several additional GEF Operational Programs, including program number 3 "*Forest Ecosystems*", program number 12 "*Integrated Ecosystem Management*" and program number 9 "*Integrated Land and*

Water Multiple Focal Areas Operational Program" which supports "more comprehensive approaches for restoring and protecting the international waters environment". Rehabilitation and improved management of degraded watersheds, in combination with improved nutrient and manure management will also reduce

threats to biodiversity and promote increased carbon sequestration.

The project will provide an opportunity for the GEF to be a catalyst for actions to bring about the successful integration of improved land and water resource management practices. GEF support will help reduce costs and barriers to farmers adopting improved and sustainable agricultural practices. It will help develop mechanisms to move from demonstration level activities to operational projects that reduce non-point nutrient pollution to the Danube River and Black Sea.

GOVERNMENT STRATEGY

Agricultural pollution control and wetland ecosystem protection are considered priorities by the Government of Moldova as documented in the following: (i) National Program of Strategic Actions for the Environmental Protection for 1995-2020 (1995); (ii) National Environmental Action Plan for 1996-1998 (1996), which included a program of activities to reduce or prevent pollution through better environmental management and sustainable use of natural resources; (iii) Governmental Strategy of Sustainable Development of the Republic of Moldova (2000) which emphasized sound agricultural practices, restoration and rational use of natural resources, elimination of pollution sources, water quality

control, and waste management as national priorities, and (iv) Biodiversity Conservation Strategy and Action Plan (2001).

In line with its strategy of reducing nutrient loads to the Danube River and Black Sea, the government of Moldova has signed the Convention on Co-operation for the Protection and Sustainable Use of the Danube River (Sofia, 1994) and is a member of the International Commission for the Protection of the Danube River (Danube Commission). Moldova is also party to the: (i) Statement on Lower Danube Green Corridor signed by Bulgaria, Romania, Ukraine and Moldova, on 5 June, 2000, in Bucharest, Romania; and (ii) Protocol on the Establishing of the Trans-boundary Biosphere Reserve of Danube Delta and Scientific Reserve "Prutul de Jos," signed on 27 July, 2000 between Romania and Moldova. The government has also signed a number of international conventions on environmental protection and biodiversity conservation, including the Convention on Protection and Use of Trans-boundary Water Courses and International Lakes (Helsinki, 1992), the Convention on Wetlands of International Importance

especially as a habitat of aquatic birds (Ramsar, 1971), the Convention on Biological Diversity (Rio de Janeiro, 1992), the Convention on the Conservation of Migratory Species of Wild Animals (CMS) (Bonn, 1979) and the Convention on Environmental Impact Assessment in Trans-boundary Context (Espoo, 1991), the Convention on Conservation of European Wildlife and Natural Habitats (Bern, 1997) and the Convention on International Trade in Endangered Species of wild Fauna and Flora (CITES), Washington, March 3, 1973.

A key element of the government's overall strategy for agriculture is the revitalization of the agricultural sector through accelerated recovery and growth which in turn will reduce rural poverty. It aims to promote post-privatization agricultural support services as well as on-farm environmental management to create an enabling environment to fully realize the sector's potential. The main objective of the Government's program is to implement a model of development based on private sector growth and the development of export industries in

areas in which Moldova has a comparative advantage. In the near term, the Government's main priorities are to: (a) overcome the general crisis in the agriculture and processing industry; (b) improve national food security; (c) increase the production of competitive high, value-added agricultural and food exports; and (d) promote rural area development as a natural, social and cultural

framework for the revitalization of the economy. In order to achieve this, the Government is committed, with support under SAC III and the RISP, to implementing reform oriented agricultural policies while correcting problems of the past decade. The Ministry of Ecology, Construction and Territorial Development (MECTD) and the Ministry of Agriculture and Food Industries (MAFI) support the APCP as strongly complementing the Rural Investment Services Project (RISP). The combined program of grants (APCP) & credits (RISP credit lines) will allow the Government of Moldova to mainstream environmental and public health considerations into its agricultural sector which has significant economic and social implications for the recovery of the economy.

PROJECT DESCRIPTION SUMMARY

PROJECT OBJECTIVES

The overall project development objective is to increase significantly the use of mitigation measures by agro-industry and farmers and thereby reduce nutrient (N&P) discharge from agricultural sources in Moldova to the Danube River and Black Sea. In support of this objective, the project has assisted the Government of Moldova to: (i) promote the adoption of mitigating measures by farmers and agro-industry for reducing the nutrient loads entering the water bodies – these measures would include better management of household and livestock wastes in the villages, crop nutrient management, planting of buffer strips and conservation tillage, as well as dealing with wastewaters from agro-processing units; (ii) strengthen national policy, regulatory enforcement and institutional capacity for agricultural nutrient pollution control and organic farming; and (iii) promote a broad public awareness campaign and replication strategy.

The APCP has provided a mix of investments and policy related activities to mainstream environmental concerns in the agriculture sector. The Project has been implemented in close association with the US\$40 million IDA-funded Rural Investment and Services Project

(RISP)³, assisting farmer and agro-industry beneficiaries of RISP to put in place the mitigating measures necessary to reduce nutrient discharge.

Project Global Environmental Objectives: The ultimate goal is to reduce the discharge of nutrients into the Danube River and Black Sea through integrated land and water management. Project activities have been directly linked to the “Strategic Action Plan for the Protection and Rehabilitation of the Black Sea” (BSSAP), formulated with the assistance of the Global Environment Facility (GEF). BSSAP has identified nutrient discharge from agricultural sources as the most serious problem facing the Black Sea. The Project's objective of reducing non-point source pollution is consistent with OP No. 8, *Water-body based Operational Program*, which focuses mainly on threatened water bodies and the most important trans-boundary threats to their ecosystems.

The project has assisted Moldova in meeting its international commitments to reduce nutrient loads to the Danube River and the Black Sea from its territory. It is a signatory to the Convention on Co-operation for the Protection and Sustainable Use of the Danube River (Sofia, 1994) and a member of the International Commission for the Protection of the Danube River (Danube Commission). Moldova has also signed a number of international conventions on environmental protection and biodiversity conservation, including the Convention on Protection and Use of Trans-boundary Water Courses and International Lakes (Helsinki, 1992), the Convention on Wetlands of International Importance especially as a habitat of aquatic birds (Ramsar, 1971), the Convention on Biological Diversity (Rio de Janeiro, 1992), the Convention on the Conservation of Migratory Species of Wild Animals (CMS) (Bonn, 1979) and the Convention on Environmental Impact Assessment in Trans-boundary Context (Espoo, 1991), the Convention on Conservation of European Wildlife and Natural Habitats (Bern, 1997) and the Convention on International Trade in Endangered Species of wild Fauna and Flora (CITES), Washington, March 3, 1973. In terms of regional agreements, Moldova is party to (i) Statement on Lower Danube Green Corridor signed by Bulgaria, Romania, Ukraine and Moldova, on 5 June, 2000, in Bucharest, Romania; (ii) Protocol on the Establishing of the Trans-boundary Biosphere Reserve of Danube Delta and Scientific Reserve “Prutul de Jos”, signed on 27 July, 2000 between Romania and Moldova.

The Project has developed priority actions identified in the Black Sea/Danube Strategic Partnership - Nutrient Reduction Investment Fund, Black Sea Strategic Action Plan, Danube River Strategic Action Plan and Danube River Basin Pollution Reduction Program supported by GEF. The Project's objective of reducing non-point source nutrient pollution from agriculture is consistent with GEF Operational Program Number 8, *Waterbody Based*

³ Negotiations between the Government of Moldova and the World Bank for an IDA credit of US\$25 million were completed May 3, 2002.

Operational Program, which focuses “mainly on seriously threatened water-bodies and the most important trans-boundary threats to their ecosystems.” Under the Program, priority is accorded to projects that are aimed at “changing sector policies and activities responsible for the most serious root causes or needed to solve the top priority trans-boundary environmental concerns.”

The Project has provided an opportunity for the GEF to be a catalyst for actions to bring about the successful integration of improved land and rational use of water resources. GEF support has contributed to the reduction of costs and barriers to farmers and agro-processors through promotion of improved and sustainable agricultural practices.

PROJECT COMPONENTS

The project comprised four components:

- (i) Promotion of mitigation measures for reducing nutrient loads in water bodies;
- (ii) Strengthening National Policy and Regulatory Enforcement and National Capacity;
- (iii) Public Awareness and Replication Strategy; and
- (iv) Project Management Unit.

The first component has supported activities at two levels:

(i). At country level, the program “Activities under RISP” was developed in close association with the IDA credit-financed Rural Investment and Services Project (RISP), which provides post privatization support to increase rural incomes and living standards by promoting rural entrepreneurship, agricultural production, economic diversification, and trade in the rural area. These objectives have been achieved by providing two credit lines: (a) General Commercial Credit Line opened to a broad range of rural entrepreneurs at commercial terms and conditions through commercial banks; and (b) a Special Credit Line with a matching grant targeted for newly formed farmer organizations and co-operatives, to support “new clients” without past credit history to access commercial credits and to be implemented through commercial banks.

The APCP has provided the entrepreneurs/enterprises (individual farmers, farmer associations, co-operatives and agricultural processors) who borrowed under RISP with a GEF-funded environmental addition to offset the incremental cost of mitigation measures for nutrient reduction. The eligibility criteria for the beneficiaries from GEF funds are specified in an Operational Manual for APCP/RISP synergy.

APCP has also supported the promotion of environment-friendly agricultural practices through developing of a countrywide public awareness and replication strategy that primarily included organization of national and regional workshops, field trips, visits, training, publication in international agriculture and environmental journals and other such activities as well as will assisted the Government of the Republic of Moldova in harmonizing its legislative framework with relevant European Union (EU) directives, in particular Nitrate Directive, and in honouring its international commitments to reduce nutrient loads to the Danube River and Black Sea

(ii) At a selected pilot watershed area in the Hincesti Raion and Leova Raion (County level)

APCP interventions included:

- (a) provision of grants on a cost-sharing basis for the installation of improved manure storage facilities and equipment for manure collection and application in communes Negrea, Carpineni and Lapusna from the Raion Hincesti;
- (b) testing/demonstration of environment-friendly agricultural practices;
- (c) shrub and tree planting program, including protective belts along the Lapusna River as well as shelterbelts, windbreaks, buffer strips, etc;
- (d) integrated management program for the Tochile Raducami wetland area from the Raion Leova;
- (e) the strengthening of capacity in Hincesti and Leova Rions for monitoring water and soil quality and environmental requirements.

KEY PERFORMANCE INDICATORS

Key indicators to measure project impact will include the following:

1. Increased awareness of environmental issues in agro-industry and among farmers.
2. Increased number of agro-processors adopting mitigation measures and increased area of agricultural land with resources conservative technologies and increased production of organically-certified products.
3. Demand for project interventions by farmers outside pilot watershed area and from other riparian countries.
4. Eight commune/village stores constructed together with 1 200 household stores.
5. Equipment provided for manure handling and field application.

6. Two embankments reinforced in wetland area; 3 concrete and 10 wooden bridges installed to provide access.
7. A monitoring system to determine the impact of project interventions on soil quality installed. Relevant laboratory staff trained.
8. Policy framework for non-source pollution meeting EU criteria in place.
9. Adoption of Code of Good Agricultural Practices.
10. Public and farmers aware of the potential to improve income while protecting the environment.

PROJECT ACHIEVEMENTS AND OUTPUTS

Agricultural Pollution Control Project includes four main components:

1. Promotion of mitigation measures for reducing nutrient loads in water bodies, including activities under RISP, including (a) Activities under RISP; (b) Promotion of improved watershed management practices; (c) Manure management practices; (d) Promotion of environmentally-friendly agricultural practices; (e) shrub and tree planting; (f) Wetland restoration and promotion of sustainable management practices; (g) monitoring of soil and water quality and environmental impacts.
2. Strengthening of the National Policy and Regulatory Capacity which has supported the Government in two main areas: (a) strengthening the institutional and regulatory capacity for agricultural nutrient pollution control promotion in the line with EU Nitrates Directive; and (b) development of the Code of Good Agricultural Practices
3. Public Awareness and Replication Strategy, including activities developed at the national and project pilot area level.
4. Project Management.

Component 1 – Promotion of mitigation measures for reducing nutrient loads in water bodies

Component 1(a): Activities under RISP.

This sub-component has been implemented accordingly with the Program Guidelines “Environmental Mitigation Grant” approved in 2003, within the project preparation stage. The Program was prepared by a mix team comprised by Mr. Ion Raileanu, local civil engineer and

Ph. Dr. Adel Shirmohammadi and Ph. Dr. Robert L. Hill, University of Maryland, USA. This document lays down a set of criteria and indicators which served as main guidance for grant approval and its subsequent implementation. The major changes of the program are documented and registered, amendments

Accordingly with the Program Guidelines, five categories of agro-business developed in rural area were eligible for APCP Grant: (i) livestock farming; (ii) crop production, including individual farms as well as farm associations; (iii) agro-processing industry; (iv) irrigation systems; and (v) green house farming.

Since the project started, 100 RISP borrowers have benefited from APCP Grants, including: (a) 59 livestock farms for installing manure storage facilities; (b) 7 agro-processing enterprises for water waste treatment facilities; (c) 25 crop farms for irrigation and soil protection; and (d) 9 crop farms for mitigation measures to reduce soil erosion and water pollution. The total invested APCP fund under this sub-component is of 31,025,112 MDL (\$US 2,540,490 equivalent).

Table 1

Investment by Category

Category	Committed Grant (MDL)	Disbursed Grant (MDL)	Beneficiary's Contribution (MDL)	Total Project Cost (MDL)
Livestock farms	20,676,429	20,676,429	2,667,067	23,343,496
Crop production (tree/grass planting)	299,038	299,038	56,6	355,638
Irrigation	6,583,217	6,583,217	3,023,477	9,606,694
Agro-industry	3,466,428	3,466,428	3,082,678	6,549,106
Total:	31,025,112	31,025,112	8,829,822	39,854,934

Up to 67 % of APCP fund was granted for the mitigation facilities developed at the livestock farms which consist in construction of 57 surface concrete storage platforms for the solid manure (the capacity ranges from 84 m3 to 1,750 m3) and two in ground concrete basins for the farms with manure washing system in place. The APCP/RISP beneficiaries contributed with 9 mln MDL (or 22%) to the total investment cost of the facilities installed. That mostly included power and water supply, labor, road access to the platform as well as price increase with construction materials and services since the date of grant commitment and works completion. The cost per m3 of the platforms constructed increased with 70 % (from 540 Lei in 2004 to 801 Lei in 2008) while the cost of construction materials like cement, steel, isolation as well as services provided by the construction companies increased in overage with 100 % in overage. According to the Grant Agreement there was no change of bill of quantities,

consequently the grant initially committed therefore the beneficiary was to cover both the price fluctuation and other kind of additional cost.

The largest share of beneficiary's contribution 47 % belongs to the waste water treatment stations and 31 % to the irrigation systems respectively. This is explained by the high cost of certain facilities and fixed threshold of the grant provided (not exceeding \$US 50,000). As an example, the total investment cost of the drip irrigation system for 100 ha of orchards procured by the Ltd. "Terra Tiana" in 2007 was 1,474,897 MDL. The APCP grant was 6032,765 MDL (41%) and the beneficiary's contribution 871,132 MDL (59%) respectively.

Table 2

Committed Fund by Year

Category	APCP Grant (MDL)					
	2004	2005	2006	2007	2008	Total
Livestock farms	2,474,517	4,704,688	10,818,499	2,680,725	-	20,678,429
Crop production (tree/grass planting)	-	299,038	-	-	-	299,038
Irrigation	-	-	1,648,618	4,044,388	890,211	6,583,217
Agro-industry	-	-	3,466,428	-	-	3,466,428
Total:	2,474,517	5,003,726	15,933,545	6,725,113	890,211	31,027,112

The activities under RISP were launched in 2004 starting with first nine livestock farms (See Attachment 4). The capacity of platform ranges from 84 m3 installed at a sheep individual farm, "Dumitru Axenti" in Rion Falesti and 1,750 m3 at the dairy cattle farm "Vitagroteh" in Rion Telenesti. The number of grants approved increased to 15 farms in 2005 and to 28 in 2007, mainly due to the large transparency of grant approval and its management as well as replication activities carried out by the PMU and public awareness campaign at the whole. The deadline use of the APCP funds for the activities under RISP was envisaged for the year of 2006. Nevertheless, the a last set of the grantee was approved in the year of 2007 due to funds reallocated from the manure management system at commune level.

Table 3

Manure Stored

		Manure Stored (tn.)			
Livestock	Total Animals	2006	2007	2008	Total
<i>Cows, including:</i>	<i>1,654</i>	<i>11,715</i>	<i>12,145</i>	<i>19,579</i>	<i>43,439</i>
Dairy	454				
Beef	994				
Calf	202				
<i>Pigs, including:</i>	<i>6,197</i>	<i>3,145</i>	<i>6,777</i>	<i>6,595</i>	<i>16,517</i>
Sows	624				
Fattening	4033				
Piglet	1540				
<i>Poultry</i>	<i>1,001,483</i>	<i>4,870</i>	<i>4,530</i>	<i>6,340</i>	<i>15,740</i>
<i>Sheep</i>	<i>4,129</i>	<i>1,661</i>	<i>2,325</i>	<i>1,204</i>	<i>5,190</i>
<i>Horses</i>	<i>26</i>				
<i>Other</i>	<i>6,220</i>	<i>60</i>	<i>690</i>	<i>894</i>	<i>1,644</i>
Total:	1,019,709	21,451	26,467	34,612	82,530

The total quantity of manure stored at the platforms is of 82,530 tn which represent 794 tn of nutrients reduced. The highest share (53 %) belongs to the cattle farms mostly because they produce the largest quantity of the solid manure. However, the sheep and poultry manure have a higher nutrient content therefore it share of ____% from the total nutrient reduction.

Table 4

Use of Manure

		Manure Used (tn)			
Livestock	Total Animals	2006	2007	2008	Total
<i>Cows, including:</i>	<i>1,654</i>	<i>10,515</i>	<i>11,915</i>	<i>16,626</i>	<i>30,056</i>
Dairy	454				
Beef	994				
Calf	202				
<i>Pigs, including:</i>	<i>6,197</i>	<i>2,505</i>	<i>6,346</i>	<i>4,703</i>	<i>13,554</i>
Sows	624				
Fattening	4033				
Piglet	1540				
<i>Poultry</i>	<i>1,001,483</i>	<i>4,210</i>	<i>4,935</i>	<i>5,700</i>	<i>14,845</i>
<i>Sheep</i>	<i>4,129</i>	<i>1,396</i>	<i>2,125</i>	<i>768</i>	<i>4,289</i>
<i>Horses</i>	<i>26</i>				
<i>Other</i>	<i>6,220</i>	<i>20</i>	<i>700</i>	<i>670</i>	<i>1,390</i>
Total:	1,019,709	18,646	26,021	28,467	73,134

Up to 91% of the manure stored at the platforms was composted and applied as organic fertilizer on a total surface area of 2,718 ha cultivated land. The ratio between the quantity stored and used differs dependently by the type of manure: poultry – 89%; cattle-84%; and pigs-71%. This is explained by the storage (or composting) period as well as applying practices (consequently the applying equipment) for solids and liquids.

Table 5

Use of Manure by Crop

Crops	2006-2007		2008		Total	
	Area (ha)	Quantity (tn.)	Area (ha)	Quantity (tn.)	Area (ha)	Quantity (tn.)
<i>Technical/Industrial, including:</i>	409	12893	298	12088	884	24981
Corn	409	12893	298	12088	884	24981
Sunflower						
Sugar beet						
<i>Cereals, including:</i>	963	30259	353	13929	1727	44188
Wheat	753	23254	322	12539	1426	35793
Barley	210	7005	31	1390	301	8395
Pie	10	300			20	300
<i>Alfalfa</i>	15	295	30	1825	45	2120
<i>Vegetables</i>	19	695			22	695
<i>Orchard</i>	8	225	12	625	20	850
<i>Vineyard</i>						
<i>Other</i>						
Total:	1419	44667	693	28467	2718	73134

Most of the compost was applied under the cereals - 44,188 tn and corn - 24,981 tn. According to the Independent Project Impact Assessment, the Benefit/Cost Ratio (B/C Ratio) for the manure (nutrient) management practices without irrigation was 1.14-5.34 while internal rate of return (IRR) was 16-335%. The cost/benefit ratio for the manure management practices under irrigation was 1.57-4.08 while the internal rate of return was 52-124 %. The 25 irrigation systems procured with the APCP support allowed the irrigation of 718 ha. As example, the "Cibotari Feodor Farm: the B/C Ratio was 2.49 and IRR 73.39% respectively. These assumptions show a high efficiency of the interventions developed under the APCP/RISP synergy.

Component 1(b): Promotion of improved watershed management practices

This component was developed in the watershed project pilot area (Rion Hincesti and Leova), which comprises about 46,603 hectares of agricultural land and a population of about 43,238

inhabitants and 14,413 households. The APCP has provided investments in: (i) manure management practices; (ii) promotion of environmentally-friendly agricultural practices; (iii) shrub and tree planting; (iv) wetlands restoration and promotion of sustainable management practices; (v) monitoring of soil and water quality and environmental impacts.

(i) Manure Management Practices. This program provided funds for the installation of improved manure storage facilities and equipment for manure collection and handling in three communes of the Lapusnita project pilot area. The investment program for the commune /village level manure management consisted in construction of 3 platforms in the communes Negrea, Carpineni and Lapusna with a total capacity of 7,600 m³, including: 2,800 t - in Negrea; 2,400 t - in Carpineni; and 2,400 t – in Lapusna. Each village-level platform was equipped with a shredder, vacuum tank, tractor with a trailer and a spreader. The APCP has additionally supported the construction of 450 individual household platforms in the three villages. The investments provided under this program totals \$US 686,300.

Table 6

Investment by Commune Platform

Commune	Capacity, m³	Civil Works, MDL	Equipment, \$USA	Plastic Basket, MDL
Negrea	2,800	2,098,835	41,000	14,760
Carpineni	2,400	2,658,450	45,390	
Lapusna	2,400	1,878,534	45,390	
Total:	7,600	6,635,819	131,780	14,760

Civil works was carried out by the local construction firms tendered in compliance with the WB rule as well as national legislation in the area. Grants were provided on a cost-sharing basis, including the contribution of local authorities (commune Mayoralty) which consist in: electricity and water supply; operating costs (transport and fuel necessary for the collection, storage and handling of the manure; small house for the personal engaged and its remuneration; improved access to the platform; etc.).

The total quantity collected and stored on the village platforms is 18,000 t, 67% of which was partially sold (in commune Negrea) and applied as organic fertilizer on individual as well as farmer associations in the area. Around 50% from 6,700 t of manure stored on household platforms was transported to the village platforms the rest half being applied as organic fertilizer on the farmers own land.

(ii) Promotion of Environment-Friendly Agricultural Practices

The Soil Institute was contracted to implement the testing/demonstration of environment-friendly agricultural practices program which established and maintained during the project lifetime twelve

testing/demo sites on 146 ha of land in 2 communes of the Lapusnita watershed (8 in commune Negrea and 4 in commune Pascani). The demonstrated practices included nutrient management, conservation tillage, strip cropping, crop rotation, grassed waterways, anti-erosion measures in vineyards and orchards and buffer strips. To support the demonstrations, the project provided to the necessary planting materials and the specialized equipment for soil loss measurements.

In addition, under this program twelve training sessions and field visits were carried out nation-wide with the participation of about 291 local farmers and specialists. As a result up to 3,000 farmers have applied at least one environmentally-friendly agricultural practice on a total area of 6,600 ha. The Study, performed by "OPINIA" in December 2008 showed that the level of application of some environmentally friendly agricultural practices by farmers is high. The level of applied environmentally friendly agricultural practices in the pilot area is higher than in other communities of the country and has increased as compared to 2003. Farmers apply more organic fertilizers (by 13%), forest belts (10%), strip cropping (9%) and less mineral fertilizers (17%). The environmentally friendly agricultural practices are used on larger surfaces in LPA in comparison with other localities of the country. This clearly reflects project's impact.

Training and replication: In addition to the activities for promotion of environment –friendly agricultural practices implemented by the Soil Institute the Agency for Rural Development (ACSA) established three demonstration sites in three regions of Moldova (south, center and north). The objective of the training program was to organize seminars for farmers and leaders of farmers' associations who consequently would adopt and use good agricultural practices on their land. Around 2,700 people had participated in the training sessions with field visits included which resulted in 12,000 farmers adopting at least one environment-friendly agricultural practice. The total area on which these were applied amounts to 21,600 ha. According to the signed contracts, the two agencies will ensure continuity of project interventions using the training basis established with the APCP support during the 5 years of the project implementation.

(iii) Shrub and Tree Planting

Under the agro-forestry program a total of 680 hectares was planted, including: 156 ha of commune land; 26 ha in the wetland area; and 498 ha of degraded land in collaboration with the State Forestry Service "Moldsilva". The degraded lands were planted with acacia. Species of poplar and willows was used for planting forest belts along the Lapusnita river as well as for the ecological restoration of the wetland area. Walnut was planted in shelterbelts on arable land. The total area of reconstructed forest is 424 ha as opposed to 255 ha envisaged. The communes are extremely happy with these plantations, the farmers plant the wind breaks themselves, and the seedling nurseries provide the saplings.

(iv) Wetland restoration and promotion of sustainable management practices

The envisaged integrated management program for the wetland area was successfully implemented, including: (a) delineation of the zone by marks and landmarks; (b) ecological reconstruction of the forest on a total area of 26 ha, using high saplings; (b) two concrete bridges with outflow system; (b) ten wood bridges to improve public access to the area.

The wetland is administrated by the Leova Forestry Enterprise under terms established in the Forestry Code and Law on Natural Resources. However, the PIU has supported the forestry agency and local authorities in developing an integrated action plan in order to ensure biodiversity conservation and sustainable use of natural resources by the local population. In this context, the APCP played a decisive role in solving the conflict between land owners and the forestry agency emerged with the reconstruction of a drainage system on 200 ha of arable land close to the wetland. PIU has conducted frequent consultations with the Ministry of Ecology and Natural Resources (MENR), forestry agency, Mayorality of Sarata Razes, and villagers seeking a common solution to prevent the adverse impact of drainage works on the wetland area. The last two WB Missions were also actively involved in that process. Consequently the recommendation to reallocate \$US 40,000 from the APCP fund for hydro-technical works were commonly approved. These include: (a) partial redirection of water flow from Lopusna River through the wetland through an underground pipe system; and (b) consolidation of the dam which would control water regime inside the area. The certain works have prevented misbalancing of hydrological regime in the area, nevertheless, additional interventions to ensure proper wetland functioning, particularly in dry season are to be further developed.

(v) Monitoring of soil and water quality and environmental impacts.

The project strengthened the capacity of the State Hydrometeorological Center (SHC) and of the Soil Institute to monitor water and soil quality, as well as the impact on nutrient reduction of specific project actions (manure management, tree planting, application of the Code of Good Agricultural Practices, etc). Towards this, it supported the incremental costs for selecting and maintaining the monitoring sites and equipment upgrading.

The Hydrometeo selected the integrated *water quality monitoring program* which served as a tool for training of students, scientific people and local population. In this regard, the “paired watersheds” and “upstream-downstream” monitoring strategy was applied. As to the surface water, as many as 8 monitoring stations were installed, 6 along the river and 2 on the main tributaries. If referring to the underground water, 17 shallow wells were selected for the monitoring purpose. All samples were analyzed against 9 chemical parameters and 2 microbiological.

The analyses have proven that following project interventions ammonium concentrations have decreased at most of the monitoring sections in the last 2 years as well as nitrates concentrations. It is well known that ammonium pollution is due to random manure dumping which have been removed in the pilot area. Therefore ammonium pollution is decreasing. High ammonium and nitrates concentrations continue to be recorded at the Balceana and Negrea tributaries. As to underground waters, nitrates pollution have been registered in 4 shallow wells of the Lapusnita watershed and ammonium pollution in three. This is due to the fact that livestock have access to shallow wells for watering purpose and faeces and urine percolate into the soil and reach underground water.

The soil monitoring program was carried out by the Soil Institute which found out that for example under strip cropping soil loss is 7 time less and crop rotation with alfalfa in the rotation reduces soil loss by 90%. Nevertheless, the given environment-friendly agricultural practices didn't diminish soil loss to the allowed level, therefore it is recommended to use earthing, fissuring, and continuous furrowing.

As to nutrient loss, these two measures reduce nitrogen loss 6.7-8.6 times and phosphorus loss 7.8-10.1 times. Cover cropping has a special role in erosion fighting. Nurse crops reduce nitrogen and phosphorus losses in vineyards by 24% and 23% respectively. As to the economic benefit, the yield increase is 83-121% for field crops under conservation farming compared to convention one (for more on this please see the Soil Institute' report for 2008).

APCP contribution to nutrients discharge reduction constituted 1024 tons during the period 2004-2008, which contributed substantially to reducing water pollution.

Component II - Strengthening of the National Policy and Regulatory Capacity

The project supported the MAFI and the MENR in two main areas: (i) promotion of the Law on Ecological Farming and the Law on Soil Conservation, particularly as regards their harmonizing with the EU Nitrates Directive; and (ii) the development of the Code of Good Agricultural Practices published and disseminated in 500 copies. The PIU has contracted ACSA for an assignment on promotion of organic farming which mainly includes: training seminars for farmers and leaders of farm associations; support to the MAFI in capacity building for certification; publication and dissemination of brochures, leaflets and other specific works.

Component III - Public Awareness and Replication Strategy

The main goal of the Component was to inform, transfer the knowledge and know-how, teach, increase awareness and sensitivity of the local communities in the Lapusnita pilot area, as well as of the Moldovan farmers and population in terms of environmental and

economic benefits of using environment-friendly agricultural practices that reduce nutrient pollution.

The complex activities of the public awareness team were focused on meetings with project beneficiaries (authorities, farmers, priests, schools, local NGOs etc), involvement of the population in environmental, tree planting and sanitation activities, preparation and distribution of materials written in a simple and accessible language, lessons and practices on nutrients reduction, environment-friendly agricultural practices and the impact of the water quality and environment on health. The issues of the supplement “Lapusnita” distributed throughout the entire territory of the country (31 issues with a circulation of over 200,000 copies) and the TV and radio broadcasts at both local and national level helped establish a favorable public opinion toward APCP, which generated an increased interest in APCP activities and leading to the pilot area being visited by several delegations of mayors from various regions (Orhei, Criuleni, Calarasi, Comrat, Cimisila etc), in order to see the works and replicate the pattern in their localities. As a result of this favorable public opinion, the central stakeholder paid more attention to the project and called 2007 the year of sanitation.

The following were carried out to increase the public awareness in *the pilot area*: meetings with the population, mayors, owners of household platforms, landowners – 69; instructions, lessons and courses with participation of farmers and mayors – 31; study visits – 36; working meetings with the local public administration – 20; ecological expeditions, with the involvement of the young people from the localities of Lapusnita River Basin – 2; Green Caravans, organization of ecological activities and contests in the schools of project area – 24; Photo exhibitions at the events carried out in the pilot area – 10; surveys on project activities and identification of environmental issues– 3; environmental lessons conducted in the education institutions– 15; local events, participation in the Village Holidays, general meetings of the population from these villages – 25; „round tables” for presenting the results, successes and advantages of the project – 16; Contests for farmers and pupils with the theme „The cleanest locality”, „The best taken care of well”, „The greenest street”, etc – 6; Lapusnita River Basin Forum – 1; installation of the road signs to the communal platforms.

As to the *replication activities* the following were made: participation in the national and international forums – 6; national and regional meetings with participation of the mayors and farmers from other regions of Moldova outside the pilot area– 50; teaching farmers interested in APCP – 18; working visits to the localities of Moldova – 36; photo exhibits with presentation of project results, the joint meeting for implementation of the trans-boundary project Romania-Moldova in the village of Branza, Cahul district, the Environment NGOs’ Forum, the National Conference of EMM and other national forums – 18; regional seminars that took place in Stefan-Voda, Balti, Edinet, Falesti, Comrat, Soroca, Chisinau – 10;

environmental lessons at the national level with the topic „Nutrient management” and „Waste management” – 2; small Green Caravans of APCP in the schools of the country – 20; travels for project promotion – organization of mayors’ visit to Negrea and demo sites from Orhei, Glodeni, Stefan-Voda, Calarasi, Nisporeni, Cahul, etc – 4; holding regional forums – 3; national forum – 1; and Web-page updating;

In addition, the documentary “Lapusnita- a clean river” and the following video&radio spots were prepared and broadcast: Water – the source of life (Lapusnita model)”, “Waste management”, “Environment-friendly agricultural practices”, “Love and care for the land of your village”. As many as 67 radio programs and 65 articles in the printed press were developed at the national level and 107 radio programs and 80 articles at the project pilot area.

While the change is not easily measurable, its effects may be pursued in many ways, including: observation of improved ecological culture of rural people in the pilot area, greater awareness regarding major ecological problems of the country and of own community, decreased tolerance towards pollution and polluting activity noticeable by project partners and by inhabitants of the pilot zones themselves.

The project provided considerable support to the Government of Moldova in developing a new project based on the experience gained - the Project on Biogas Catchments from the animal waste. The APCP provided local information, and significant technical assistance in developing this new project to replicate its experience throughout the country and to assist the Republic of Moldova in meeting its obligations regarding the Kyoto Protocol on reduction of greenhouse gas emission.

Component IV - Project Management

Project Administration: Project Implementation Unit (PIU) has been fully staffed before project effectiveness and the structure of personnel and the specialists initially hired remained unchanged during the Project implementation. The PIU provided effective technical leadership and efficient project administration, with the result that project development objectives have been achieved, expected project outputs in many cases exceeded, and funds fully disbursed.

YOUTH SOCIO-ECONOMIC EMPOWERMENT PROJECT

The YSEEP aims at promoting and supporting participation of the most vulnerable young people (14-30 year-old), in the socio-economic life of the community and in activities that will contribute to their empowerment, through an integrated package of services and opportunities for the young people in selected regions.

YSEEP specific objectives

- (i) increase the number of isolated and vulnerable youth (14-30) who adopt positive social practices as a result of innovative social service delivery;
- (ii) strengthen the capacity of local public and private (NGOs/CBOs) youth-serving providers and decision makers to reach out to the most vulnerable young women/girls and men/boys and to address their needs and interests in a participatory and integrated manner;
- (iii) increase the number of viable micro-enterprises own by youth (18-30) who initially faced both a lack of business development skills and exclusion from credit due to lack of material assets for collateral.

Direct beneficiaries

Teenagers and young adults (14-30) from project selected regions, with a particular focus on the most disadvantaged: youth from rural and small towns; youth from poor and vulnerable households (including young parents); unemployed youth; youth who did not complete secondary education (grade 9).

Indirect beneficiaries

- Families of youth (e.g. teenagers' parents);
- Communities (through less incentives for youth to engage in violent and risky behaviours);
- Central and local government (through potentials for economic returns - e.g. more self employment opportunities for young people; potentials for reducing expenditures -

e.g. linked to juvenile delinquency, public health issues including the prevention of youth alcoholism);

- Civil society at local and community level working for and with youth

Note: *The World Bank has extended the deadline for implementation of the JSDF Grant „Youth Socio-Economic Empowerment through Business Development and Provision of Innovative Social Services” (TF054222) and the reallocation of funds under this Grant.*

Further to the letter of 30 July 2008, whereby the International Development Association was requested to extend the deadline of the above-mentioned grant, the Bank set 31 December 2009 as a final date for purposes mentioned in Section 4.03 of the Grant Agreement between the Republic of Moldova and the World Bank of 6 December 2004, countersigned on 16 December 2004.

The project extension was possible due to the launch of the UNICEF project „Businesses Development for Youth Economic Empowerment in the Republic of Moldova” (phase IE, YSEEP). This project aims at supporting young people aged between 18 and 30 years from all rural areas and small towns of the country (except for Chisinau and Balti) in activities that would empower them socially and economically by setting up a business and providing services in the communities.

This project has the following objectives:

- (i) 61 businesses, managed by young people, to be operational by the end of 2008;
- (ii) The institutional and human capacities on gender equality will be strengthened, providing thus equal opportunities for setting up businesses both for girls/women and boys/men;
- (iii) A concept on the establishment of a revolving fund for the development of businesses for young people will be developed by 2008 on the basis of the experiences accumulated during the implementation of other projects in this area.

Component A. Support to Civil Society Initiatives and Outreach Activities

The following activities are carried out within this component:

- (i) *a competitive grants program which for the Local Youth Councils;*

During the 2Q 2009, 47 LYCs, small grant beneficiaries, have been consulted in the process of organizing their planned activities, conducted procurement, development of financial and

progress reports, final reports, as well as filling in all relevant annexes. From the total number of beneficiaries, 40 LYCs completed all activities according to contractual provisions, out of which 30 have already submitted their final reports. Adult coordinators and young councilors have been guided throughout the implementation process and were helped to address encountered difficulties. In this way, it should be mentioned that major difficulties related to: procurement of seedling material (identification of licensed economic entities); delivery of radio equipment (imported equipment, purchased by order); unfavorable weather conditions (environmental projects).

Based on submitted final reports and implemented projects, LYCs capitalized 316 221 MDL (JSDF grant) and 153 707,44 MDL (local contribution). The local contribution provided by LPA represented 102 779 MDL (66,86 %) whereas civil society and economic entities' contribution constituted 50 928,48 MDL which is (33,14 %). Beyond financial contribution, members of beneficiary communities and local actors supported projects with in kind contribution (facilities for conducting activities, construction materials, technical equipment, food products), qualified human resources, communication services (telephone, Internet, Xerox, Scanner, Fax), transportation services, joint responsibility (volunteer work, fundraising campaigns, charity events).

The majority of LYCs have proven their capacity for projects' financial administration, have set up sustainable collaboration relations with local actors, have acquired reporting skills, as well as learned to conduct local media events to make known the community about their achieved results. Young people learned to show solidarity with their peers. By the means of conducted activities and achieved results young people gained self confidence, therefore they have become more communicative with adults.

The most eloquent results are obvious in projects related to environment protection, sport and communication. These were the priority fields of intervention within the Small Grants Competitive Program for LYCs.

The results of **23** LYCs that implemented and are currently implementing **environmental projects** or projects that aim environmental protection as an essential prerequisite for a healthy life style, reflects considerable growth of awareness and responsibility towards environment protection. The initiative groups succeeded in renovating and fitting out parks, public gardens and get rid of waste as well as contribute to purifying territorial and drinking water sources.

Consequently from 47 LYCs, **16 conduct** activities oriented towards promotion of a healthy life style throughout **sport activities**. LYCs' members supplimented sport halls from academic institutions with new sport equipment, conducted minor refurbishments in sport halls,

chaging-rooms, successfully organised trainings in footbal, voleyball, basketball, boxing, draughts, chess and sport competitions, as well as stressed the sport impact in the context of promoting a healthy life style.

Projects related to media events and application of **information technologies** represents 36% from the total number of implemented projects. Thus, from the 17 projects focused on communication and media activities, 9 have installed school radios. All radio stations launched their activities and are continuing to broadcast radio programs during summer time: teachers' working sessions, state and bachelor exams. Beneficiaries have mentioned that radio is the most efficient and the most attractive communication tool where pupils, teachers and parents interact and communicate. Project beneficiaries purchased high performance radio equipment with grant support. Academic institutions hosting radio stations have created all necessary conditions to ensure technical security and adequate maintenance.

Negative aspects:

During the internal monitoring process of the LYCs' activity, the project identified the faulty activity of a LYC from Orhei town. In this case it was obvious that the failure of project implementation was caused by the inefficiency of the adult coordinator, incorrect application of procurement procedures. Therefore, activities planned within the project „Expression of personality by destroying communication barriers” have been discontinued due considerable delays in project implementation.

(ii) outreach, promotion and communication:

LYCs activities were promoted on the project link activated on the Ministry of Education and Youth site www.edu.md. During the reporting period 4 success stories on LYC Văsieni, Ialoveni, LYC Sîngerei, LYC. Florești and LYC Petruncea, Glodeni were placed. The success stories describe the youth active involvement in environment activities (LYC Sîngerei: „Youth Avenue – avenue of fulfilled dream”), sport activities (LYC Văsieni: „In a healthy boby – a healthy mind”) and communication (LYC Florești: „Who wants searches possibilities, those who don't look for excuses”, LYC Petruncea: „School radio – access to information and communication for all”).



LYC Văsieni – sport uniforms for girls' team playing basketball purchased from grant funds

LYC Văsieni: Project title „In a healthy boby – a healthy mind”, has been implemented by young councillors from Vasieni in the period February - April 2009, in partnership with a local

NGO „**Youth aspires towards supreme**” and with financial support of YSEEP. During the conducted sport activities, project beneficiaries, who are school pupils, as well as young people from locality that attend sport sections enjoyed the newly purchased equipment with JSDF support and the local contribution. Basket and volleyball amateurs, girls and boys, received uniforms to represent them as teams at local and regional sport competitions.

Total project cost, constituted **10 938 MDL**, out of which **7 178 MDL** represented **JSDF** contribution and **3 760 MDL** local contribution (**LPA** and **Rayon Concil**).

LYC Singerei: The most visible results within the project „**Youth Avenue – avenue of**



LYC Sîngerei – young councilors are dying the banks in the recently renovated park

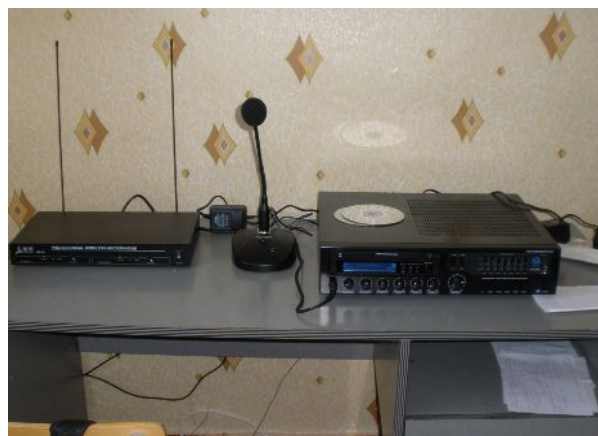
fulfilled dream” have been attained during the event „**Green day**”, organized at the beginning of April. Therefore, 50 volunteers (pupils, teachers, and young councilors) were divided into small working groups and put their effort in reviving the central park of the town. Youngsters collected waste, dried leaves, having given back the esthetic and clean aspect of the park. Being asked by the passers by who forced them to renovate the park, youth answered: „*We are doing this on volunteer basis, as we care about the environment we live in*”. People that witnessed this interactive process could not say

anything else but encourage all community members to take active part in ecological activities.

LYC Florești: During the 2Q of 2009 the LYC from the Theoretical Lyceum "**Ion Creangă**" installed a radio station in the high school having as purpose to fill in school life with useful news for pupils and teachers. This initiative has been fulfilled within the project "**Who wants searches possibilities, those who don't look for excuses**" implemented in partnership with Parents and Teachers' Association „Lyceum”. The launch of the radio station has been promoted at the local television Flor-TV; therefore it raised big interest and enthusiasm from other LYCs and youth initiative groups from Floresti rayon to follow the same idea. The only disadvantage of this project lies on the unconstructive partnership of the LYC and the LPA and the Rayon Council, as local actors could not identify mechanisms to financially support the LYC in their activity.

LYC Petruncea: Recently, in the middle of May 2009 young councilors from Petruncea Theoretical Lyceum broadcasted the first radio program, dedicated to the launch of the school radio entitled „Youth”. During the program, reporters described the context of opening the radio station, having expressed their gratitude to local partners. The broadcast program has been presented.

The preparation of the first radio program has been facilitated by a representative form the local radio of Glodeni town. On daily basis, during the academic year 363 pupils, 27 teachers, and 8 school personnel will be informed on the events that take place in



CLT Petruncea – radio equipment purchased from JSDF grant

lyceum and community, as a result of the implemented project **„School radio – access to information and communication for all!”** All young people from the lyceum were offered an open space to express and find out new things. In this way young people have become more open to communicate, and the radio represents an efficient channel to dialogue with teachers and parents. At the end of the project 15 young councilors learned to use the radio equipment as well as acquired skills to collect, systematize and present the information.

The results of these projects have been appreciated as **„lessons worth to be followed”** based on assessment of the following performance criteria: youth involvement in decision making process; insurance of projects transparency at community level; adult coordinator’s involvement; insurance of local contribution; presentation of visible results.

COMPONENT B: BUSINESS DEVELOPMENT FOR YOUTH ECONOMIC EMPOWERMENT

I. Activities conducted during the reporting period

During April - June 2009 a series of activities have been implemented in the view of youth economic empowerment in Moldova. Beneficiaries filled in 37 new project application forms and signed 37 contracts for provision of technical assistance: feasibility studies, business plans development as well as credit intermediation with Participating Financial Institutions. 38 new business plans have been developed, out of which 34 have been submitted to PFIs. Beneficiaries were assisted in the process of filling in loan application forms and collaboration with banks in the view of receiving loans.

During the reporting period 17 bank loans have been disbursed with grant portion for 17 young entrepreneurs, project beneficiaries. They have received assistance and counseling in the process of organizing businesses, procurement of equipment, implementation of business plans, and cooperation with local actors. 11 businesses have already started their operational activity, out of which 5 started their sales. Two enterprises benefited of post creation assistance in the field of management, finance, and accounting.

Table no. 1. General situation on project results

INDICATORS	June – September 2008	IV Q 2008	I Q 2009	IE Q 2009	IEI Q 2009	IV Q 2009	TOTAL
Young people subscribed to hot line	267	202	46	-			515
Number of awareness campaigns conducted		203	88	-			291
Number of delivered trainings		18	11	-			29
Application forms for project participation		79	59	37			175
Collaboration agreements		12	48	37			97

Business Plans developed	5	49	38	92
Businesses registered with project support	8	42	14	64
Loan application forms	3	40	36	79
Disbursed loans	0	3	17	20
Operational Businesses	0	3	11	14
Businesses that started their sales	0		5	5

II. Business planning, registration, administrative support and consultancy

During the reporting period project beneficiaries received assistance in developing business plans, being prepared in total 38 business plans. These young entrepreneurs represent 19 rayons of the Republic of Moldova. Central zone remains to be the most active according to the number of received project application forms with 15 business plans developed. The most active young people were from Anenii Noi and Ialoveni rayons. Twelve business plans have been developed for young people from the Southern Development Zone. The most active young people were from Cahul rayon, followed by those Stefan Voda, Leova and Hincesti. Eleven business plans were developed for young people from the Northern Development Zone.

From 38 young entrepreneurs that benefited of project technical assistance, 36 filled in and submitted bank loan application forms with business plans to PFIs. Two entrepreneurs will be submitting the package of documents to PFIs during July.

Table 2. Technical assistance provided for business plans development – 2Q, 2009

DA	RAYON	BUSINESS PLANS	
		Business plans developed	Loan application forms
ACA	Telenești	2	2
	Ialoveni	4	4
	Anenii Noi	3	3
	Orhei	2	2
	Rezina	1	1
	Strășeni	1	1
	Șoldănești	2	2
Sub-total, IE Q 2009		15	15
CCA	Fălești	2	2
	Sîngerei	1	1
	Ungheni	1	1
	Nisporeni	1	1
Sub-total, IE Q 2009		5	5
MEGA	Hîncești,	2	2
	Leova	2	2
	Cahul	4	4
	Comrat	1	1
Sub-total, IE Q 2009		9	9

CDR	Soroca	4	3
	Stefan Voda	3	2
	Ocnița	1	1
	Briceni	1	1
Sub-total, IE Q 2009		9	7
TOTAL, IE Q 2009		38	36

III. General information on business plans developed during the reporting period

During the 2nd Quarter 2009, 38 young entrepreneurs benefited of project assistance in conducting feasibility studies and developing business plans with the purpose of getting financed and launch their businesses. Having preliminarily analyzed the field of activity of developed business plans, it could be stated that production and services are mainly preferred by young entrepreneurs (19 BP developed in the field of service provision) and (18 BP in the field of production).

Looking at the services provision, the following economic activities could be specified: entertainment centers for youth and families (4); mechanized services (5); auto repairs services (2); beauty salons (2); auto laundry (1); tailoring and cloths repair (2); public alimentation (2); mill (1); photo services (1).

As regards the production field, this could be characterized by the following economic activities: vegetable production in greenhouses (2), vegetable production in open field (4); production of sunflower seeds (2); drip irrigation systems (2); planting of peach orchard (1); production of salty fish (1); dumplings production (1); beekeeping (1); production of pellets (1) swine and cattle production (2). Two beneficiaries plan to practice trade activities (one grocery store and a furniture salon).

Taking into account the range of economic activities described above, 21 entrepreneurs plan to carry out agribusiness activities and 17 belong to non-agricultural field. Having assessed the gender segment, it could be stated that from 38 potential entrepreneurs subscribed during the 2nd Quarter, 12 are girls, representing 31,6% from the total number of project beneficiaries. As regards boys involvement, they actively continue to participate at the project, representing 68,4%.

Table 3. Business Plans developed during 2Q 2009

#	DA	Rayon	Village / community	Beneficiary	Gender	Name of enterprise	No of founders	Type of activity
1	ACA	Orhei	Minzești	Popov Cristina	F	FH „Popov Cristina Isidor”	1	Vegetable production in greenhouses
2	ACA	Șoldănești	Olișcani	Untilă Andrei	M	IE „Untilă Andrei”	1	Entertainment center
3	ACA	Telenesti	Suhuluceni	Stegărescu Igor	M	FH „Stegărescu Igor IacoM”	1	Planting of peach orchard
4	ACA	Telenești	Mihălașa	Iliescu Cristina	F	IE „Iliescu Cristina”	1	Production of salty fish
5	ACA	Ialoveni	Suruceni	Plămădeală Vladimir	M	LTD. „Bioterm - Sistem”	1	Pellets production
6	ACA	Orhei	Isacova	Burlescu Doina	F	FH „Burlescu Doina”	1	Mechanized services
7	ACA	Ialoveni	Puhoi	Palade Daniela	F	LTD. „VIDANCO”	1	Vegetable production in greenhouses
8	ACA	Ialoveni	Puhoi	Parfene Victor	M	FH „Parfene Victor”	1	Mechanized services
9	ACA	Anenii Noi	Anenii Noi	Mălai Galina	F	LTD. „ARCAIM PLUS”	1	Disco
10	ACA	Anenii Noi	Anenii Noi	Simonov Tatiana	F	LTD. „ Pro Elis”	1	Entertainment center
11	ACA	Ialoveni	Mileștii Mici	Graur Vladimir	M	FH „Graur Vladimir”	1	Mechanized services
12	ACA	Anenii Noi	Anenii Noi	Baranov Mihail	M	IE „Baranov Mihail”	1	Entertainment center
13	ACA	Rezina	Rezina	Palii Iurie	M	LTD. „Copturi Delicioase”	1	Pastry and cake shop
14	ACA	Strășeni	Strășeni	Priguza	M	LTD.	1	Auto laundry

Constantin				„PRICOSTIN”				
15	ACA	Șoldănești	Șoldănești	Volciuc Andrei	M	ÎE „Volciuc Andrei”	1	Auto service
16	CCA	Fălești	Răuțel	Burlacu Irina	F	ÎE „Burlacu Irina”	1	Beauty salon
17	CCA	Sîngerei	Sîngerei	Rîhlov Ludmila	F	ÎE „Rîhlov Ludmila”	1	Massage salon
18	CCA	Fălești	Fălești	Vasian Nicolae	M	LTD. „Trimobil Grup”	1	Furniture salon
19	CCA	Nisporeni	Marinici	Croitoru Gheorghe	M	FH „Croitoru Gheorghe”	1	Vegetable production / mini van
20	CCA	Ungheni	Ungheni	Paluță Victor	M	LTD. „Vicpal-Art”	1	Photo services
21	MEGA	Cahul	Pelinei	Matcas Constantin	M	IE „Matcas Constantin”	1	Production of sunflower seeds
22	MEGA	Cahul	Pașcani	Cubreacov Olesea	F	IE „Cubreacov Olesea	1	Tailoring services
23	MEGA	or. Leova		Vlah Oleg	M	IE „Vlah Oleg”	1	Public alimentation
24	MEGA	Cahul	Giurgiulesti	Ghidu Vasile	M	IE „Ghidu Vasile”	1	Dumplings production
25	MEGA	or. Hincesti		Gusanu Alexandru	M	IE „Gusanu Alexandru”	1	Auto repairs services
26	MEGA	or. Leova		Gavril Vasile	M	FH „Gavril Vasile Vasile”	1	Mill
27	MEGA	or. Cahul		Lorchin Denis	M	IE „Lorchin Denis”	1	Mechanized services / crane
28	MEGA	Comrat	Congaz	Buzadji Denis	M	LTD. „Electroden”	1	Production of sunflower seeds
29	MEGA	Cimișlia	Satul Nou	Bumbu Violeta	F	IE „Bumbu Violeta”	1	Beekeeping
30	CDR	Soroca	Badiceni	Ciumac Victor	M	FH „Ciumac Victor Victor”	1	Drip irrigation system

31	CDR	Ștefan Vodă	Caplani	Molozan Sergiu	M	IE „Molozan Sergiu”	1	Tailoring and cloths repair
32	CDR	or. Ocnița		Gabibulaev Eldiniz	M	IE „Gabibulaev Eldiniz”	1	Swine production
33	CDR	Soroca	Tătărauca-nouă	Domentiu Ruslan	M	FH „Domentiu Ruslan Vasile”	1	Vegetable production in greenhouses
34	CDR	Soroca	Șolcani	Butmalai Ivan	M	FH „Butmalai Ivan”	1	Cattle Breeding
35	CDR	Ștefan Vodă	Căplani	Grosu Elena	F	FH „Colina-Grosu”	2	Vegetable production
36	CDR	Briceni	Mărcăuți	Flocea Marina	F	FH „Flocea Marina”	1	Vegetable production
37	CDR	Ștefan Vodă	Volintiri	Topor Dumitru	M	LTD. „Topor & Co”	1	Grocery store
38	CDR	Soroca	Cainarii Vechi	Erimenco Serghei	M	FH „Erimenco Serghei”	1	Mechanized services

From the total number of developed business plans, 36 young people managed to register their businesses. The legal form has been selected based on planned economic activity. Thus, 14 young entrepreneurs have chosen as legal form „Individual enterprise”. Ten young people plan to provide various services in the non-agricultural field and 4 business plans are in the field of agribusiness production. 13 entrepreneurs have registered their businesses as Farmers Households given their planed agricultural activities both in production and services field. Nine entrepreneurs have chosen Limited Liability Companies, as this legal form will offer them possibility to extend the range of economic activity. Companies registered under this legal form belong to trade activities, production in the filed of agriculture and services.

Table nr. 4. Assessment of preferences of the legal form (based on total number of signed collaboration agreements)

DA	Rayons	Total contracts	Legal registration				Group businesses	Individual businesses
			LTD	ÎE	FH	PAT		
ACA	Telenești	2		1	1			2
	Ialoveni	4	2		2			4
	Anenii Noi	3	2	1				3
	Orhei	2			2			2
	Șoldănești	2		2				2
	Rezina	1	1					1
	Strășeni	1	1					1
	Sub-total 2Q 2009	15	6	4	5		0	15
CCA	Fălești	1		1				1
	Nisporeni	1			1			1
	Ungheni	1	1					1
	Sub-total 2Q 2009	3	1	1	1	0	0	3
MEGA	Hincești	1		1				1
	Cimișlia	1		1				1
	Leova	2		1	1			2
	Comrat	1	1					1
	Cahul	4		4				4
	Sub-total 2Q 2009	9	1	7	1	0	0	9

CDR	Briceni	1			1			1
	Ștefan Vodă	3	1	1	1			3
	Soroca	4			4			4
	Ocnița	1		1				1
	Sub-total 2Q 2009	9	1	2	6	0	0	9
	TOTAL 2Q 2009	36	9	14	13	0	0	36

IV. Financed businesses during 2Quarter 2009

During the reporting period 17 businesses have been financed. The total investment amount constitutes: 2 000 840 MDL (bank loan -706 162 MDL; grant – 880 727 MDL; personal contribution – 413 951 MDL).

15 businesses have been credited by **Moldova Agroindbank**; **1** business plan was financed by **FinComBank**; and **1** business received loan from **Moldincombank**. Interest rates vary from 14,55% up to 18,55%. The following legal forms have been selected by the entrepreneurs: 4 IE, 4 FH and 9 LTD. These newly launched enterprises are being managed by 3 girls and 14 boys.

From the total number of financed businesses – 6 are agribusiness enterprises and 11 are non -agricultural. 9 businesses are active in the field of production; 7 businesses provide various services, and 1 enterprise is active in the field of trade. According to geographical zone, businesses are located in the following regions: Anenii Noi -3; Riscani -1; Hincesti – 3; Orhei – 2; Chisinau mun – 2; Ialoveni - 1; Singerei - 1; Causeni -1, Rezina -1; Telenesti -1; Stefan Voda -1.

Table 5. Financed businesses during 2Q, 2009

#	Name of enterprise	Rayon	Village / Commune	Gender	Total MDL	Own contribution	Bank Loan	Grant	Type of business
1	LTD. "Ade Compact Grup"	Ialoveni	Varatic	M	100 000	10 000	40 000	50 000	Fortran production
2	IE "Bondari Andrei"	Anenii Noi		M	101 636	10 164	40 654	50 818	Procurement of sport equipment for fitness
3	LTD. "Bramac Com"	Anenii Noi	Chetrosu	M	160 166	65 500	42 074	52 592	Procurement of refrigerator equipment
4	FH "Spinu Andrei Nicolae"	Singerei	Chiscareni	M	100 000	10 000	40 000	50 000	Beekeeping
5	LTD. "Mardiprod"	mun. Chisinau	Antoneuca	M	100 000	10 000	40 000	50 000	Production of metal lath
6	FH "Pislaru Denis"	Anenii Noi	Gura Bicului	M	104 000	10 400	41 600	52 000	Mechanized services
7	FH "Ropot Natalia Boris"	Riscani	Varatic	F	102 190	10 200	40 884	51 106	Drip irrigation system
8	IE "Pascaru Octavian"	Orhei		M	108 250	13 750	42 000	52 500	Interne Café
9	LTD. "Romeocom Design"	Causeni	Tanatari	M	94 945	12 000	37 076	45 869	Commercial adverting services
10	LTD. "Ariana Trans"	Hincesti		F	202 040	106 040	43 000	53 000	Taxi services
11	LTD. "Prosolid Grup"	mun. Chisinau	Ciorescu	M	119 000	20 450	43 800	54 750	Production of construction materials
12	IE "Gusanu Alexandru"	Hincesti		M	120 990	21 990	44 000	55 000	Auto repairs services
13	IE "Belibov	Rezina		M	115 689	21 189	42 000	52 500	PVC production

Anatolie"									
14	IE "Bozianu Mihail"	Hincesti	Mingir	M	149 000	53 000	43 000	53 000	Beekeeping
15	LTD. "Lozidin"	Orhei	Seliste	M	112 750	18 250	42 000	52 500	Interne Café
16	LTD. "Serpavis"	Telenesti	Banesti	M	105 184	10 518	42 074	52 592	PVC production
17	LTD. "Terra Arb Grup"	Stefan Voda	Tudora	F	105 000	10 500	42 000	52 500	Production of ornamental trees

IV. Post creation assistance provided during the reporting period

During the reporting period 2 enterprises benefited of post-creation:

1. LTD "Ariana-Trans" – taxi services and Ltd. "Romeocom-Design" – Commercial adverting services. Beneficiaries have been consulted in the field of management and staff recruitment. It was paid attention to the need to prepare the package of documents for employment (employment contract, medical insurance, employment record book, etc.). Beneficiaries received models of employment contracts.
2. LTD "Ariana-Trans" – taxi services and Ltd. "Romeocom-Design" – Commercial adverting services. The beneficiaries have been consulted on accounting issues, modality of calculating wages, social indemnities and local taxes.

Table. 6. Type of post creation assistance

No.	NAME OF ENTERPRISE	TYPE OF INTERVENTION							
		Management	Finance/ Accounting	Marketing / Sales	Technologies	Legal Aspects	Other	Total	
1	Ltd. "Ariana-Trans"	1	1					2	
2	Ltd. "Romeocom-Design"	1	1					2	
Total per category men/days		2	2					4	
Total per category %		50%	50%					100%	

V. Assessment of immediate impact

From 17 financed enterprises, 11 entrepreneurs launched economic activities. During the reporting period these entrepreneurs signed contracts with local providers, some of them received equipment and started production, services and trade activities. 16 new working places have been created for 6 girls / women and 10 boys/men.

Table 7. Working places created

N/o	Name of operational businesses	Number of working places created	
		F	M
1	LTD. „ADE CAMPACT GROUP”	0	1
2	LTD. „Bondari Andrei”	1	2
3	LTD. „Bramac Com ”	2	0
4	FH „Pîslaru Denis ”	0	1
5	LTD. „Ariana-Trans”	1	
6	LTD. „Romeocom-Design”		1
7	IE „Bozianu Mihail”		1
8	IE „Guşanu Alexandru”		1
9	FH „Ropot Natalia”	1	1
10	FH „Spinu Andrei”		2
11	LTD. „Terra Arb Group”	1	
Total		6	10

Benefits to be offered to community

- The newly launched businesses will contribute to the increase of local budgets incomes.
- Project implementation will contribute to young people setting up in rural areas of the country.
- Social security of young families will increase as a result of new working places created.
- The project will encourage young people from rural areas to fulfill their own business ideas.

- Project implementation will contribute to the development of sustainable economic potential in rural areas.

VI. Conclusions

Constraints encountered during the reporting period:

- PFI branches do not know in detail the project financial requirements, including the decision making procedure, collateral of goods. At the same time PFIs, due to severe loan policy and financial crisis, are not very willing to finance such businesses. They provide such reasons as lack of operational activity and working experience, which infringes project participation requirements. Very often the Youth Socio Economic Empowerment Project is confused with the National Youth Economic Empowerment Program (PNAET);
- Commercial Bank „Moldova Agroindbank” went through a long process of approval of loan products, process which took more than 2 months. This situation caused significant delays in project implementation, as a great part of project business plans have been submitted to MAIB branches. Now the loan products have been approved and business plans evaluation will be re-launched.
- Processing of business plans takes a long period of time and such documents as: (i) evaluation report on proposed collateral, (ii) property statements from cadastre loose validity, therefore beneficiaries suffer additional costs to re-confirm the legitimacy of these mandatory documents.
- It has been noticed that many young people are afraid of financial crisis effects, which also affected Moldova. There are cases when young people have the collateral evaluated, invested considerable resources to prepare the package of documents and are still undecided to access the bank loan.
- Many young people do not have sufficient collateral to secure the bank loan. Under the crisis conditions, commercial banks accept sound liquidity collateral with a smaller depreciation rate, such as real estate in urban areas. Given the project target group, young people from rural areas, this requirement force them to ask for support from third parties (relatives, friends).

Recommendations and suggestions

- An additional training of loan officers from PFI branches on project scope, objectives and conditions would be appropriate;
- Set up meetings with PFI branches and inform them about the financial mechanism to be applied within the project. Many loan officers do not know in detail YSEEP conditions, despite the information that was provided by the project and the signed financial agreements between PFIs and the Ministry of Finance;
- Set up deadlines for processing documents both at PFI branch and headquarters level.

COMPONENT D: PARTICIPATORY MONITORING AND EVALUATION OF YOUTH ACTIVITIES

During the reporting period the MIS data basis was re-completed for **Component A (Grant Lines)** and **Component B (Economic Development)**.

Under **Component A**, the MIS system was supplemented with new blocks of indicators related to the activities progress of the 47 local youth councils, beneficiaries of Small Grants Programme. Thus, the set of aggregate indicators is a compilation of data reflected in specific evaluation questionnaires for each LYC separately, filled in by regional M&E consultants.

The generalized version of **Annex_A2_beneficiaries data basis** comprises data on LYC and their adult coordinators. In this block of indicators the nominal lists of LYC have been aggregated, as well as the common list of adult coordinators with specification of the most important reference data has been prepared.

The indicators were changing considerably during the completion of the data basis due to the continuous progress of LYC activities. Therefore the data basis was updated several times. The block of integrated indicators in **Annex_A3_data on LYC members and advisors (Sub-Annex 3C)**, beneficiaries of Small Grants Programme (CLT 2008 and CLT 2009) was also re-filled in continuously with new data. The variables were modified for the indicators – LPA Contribution and AE Contribution, the SC performed based on the financial reports submitted by beneficiaries. The block of indicators with general data on the Competitive Small Grants for LYC programme, integrated in **Annex_A3_data on LYC members and advisors (Sub-annex 3F)** was also completed integrally.

The quantitative results obtained and reflected in **Annex_A4_Training**, show the training level of LYC members and beneficiaries for different specific training programmes. The

Annex also presents details on topic activities, characteristic to the objectives of implemented projects or projects under implementation with PASET support.

For **Component B** of the project, the progress indicators in MIS system have been reviewed by superposition of data collected in semester II with those for Semester I, **Annex_B8_business development** being thus re-completed. The data collected from partner Development Agencies (ACA, CCA, CDR, MEGA) were aggregated within the block of indicators reflected in **Annex_B6_training programmes**. Finally, the block of indicators was extended with data specific for each DA.

The compiled statistics show the level of participation of young entrepreneurs or potential entrepreneurs in the training activities as well as the progress of business plans implementation, taking into consideration the specific indicators describing the women/men rural/urban; agricultural/non-agricultural business sector and other ratios.

It must be mentioned that the quality of data collected in the MIS system depends directly on the accuracy of data reflected by the LYC in the progress reports on implemented projects, in the individual reports and cumulative LYC activity reports submitted by the regional advisors (Component A), as well as in the periodic information notes and the specific blocks of indicators presented by the partner Development Agencies (Component A).

COMPONENT E: INVOLVEMENT OF REGIONAL YOUTH REPRESENTATIVES (FOCAL POINTS) IN YSEEP IMPLEMENTATION, GRANT AUDIT

During the reporting period the regional monitoring & evaluation consultants have assessed LYCs activity and progress made during the small grant program implementation on social entrepreneurship. The M&E aimed at assessing the projects implemented by LYCs and their impact.

The interview guide was applied as a tool for data collection. Taking into account the factors that influence LYCs activity 3 interview guides were developed and separately applied for the following local actors: LYC mayor, Adult coordinator, LPA representative.

During the M&E process the following aspects were taken into account:

- Geographic area and LYCs date of establishment;
- Idea of setting up and procedure of establishing LYCs;
- Perception of adult coordinator's role;
- Previously implemented projects;

- Collaboration with other local actors and LYCs;
- Information and youth involvement in LYCs' activities;
- The process of decision making within the LYCs;
- Beneficiaries and volunteers involved in activities organized by LYCs;
- The process of project implementation and insurance of sustainability;
- LYCs future visions / plans

According to geographical position LYCs are located on the territory of the Republic of Moldova, as follows: **Northern** Development Region – **23** LYC, **Central** Development Region– **15** LYCs, **Southern** Development Region – **8** LYCs, **Security zone** – **1** LYC. The activity of monitored 47 LYCs is supported by 48 adult coordinators, out of which 37 are professors.

The number of councilors in LYC varies from one locality to another, from 5 LYC members (*in LYC Gimnaziu Frumoasa și LYC Gimnaziu Hoginești, both from r. Călărași*) – to 27 members (*LYC LT „Liviu Damian”, t. Rîșcani*). **The average number of councilors** constitutes **13 pupils** and their **total number** accounts **612 young people**. According to **gender criteria**, out of **612** councilors **412** are girls and only **200** are boys. The **average age** of LYCs' members in the 47 monitored LYCs is **16 years**. The activity of 612 councilors is supported by **907 volunteers**.

Form the total number of 47 assessed LYCs, 40 already completed their projects. The other 7 LYCs continue implementing their activities according to project proposals, without major deviations from initial planning. LYCs, project beneficiaries, conducted around 1365 „thematic activities” during 2008 – 2009.

The following conclusions on small grants program for LYCs have been traced as a result of collected data and conducted M&E:

- LYC is performing its activity according to the provisions stipulated in Regulation on LYC;
- Adult coordinator is responsible for monitoring and supervision of LYC activities. His/her role within LYC is the development of organization's capacities and professional orientation of youth;
- The majority of monitored LYC have the main goal to familiarize the leadership of communities about youth interest and need for free time activities, sport, education, improvement of living condition, territorial arrangements, etc.

- Elections of LYC members were held in democratic manner, through direct vote among active groups of school or lyceum pupils. The Administration Council usually consists of LYC mayor, deputy mayor, councilors, and secretary, etc.
- The way the projects were identified depends on the situation of the community and on the youth interests (environment, informational technologies, promotion of a healthy lifestyle, sport activities, promoting of free communication);
- All evaluated LYCs implement activities according to Activity Plan, with slight deviations from the program;
- Main LYC projects beneficiaries are: school pupils, youth, community school administration and teachers.
- Average age of LYC members is 16 years;
- From 612 LYC members 67% - are girls ;
- LYCs cooperation with partners NGOs is appreciated as very good and constructive;
- LPA consider that LYC activities are useful both for youth and community and contribute to implementation of projects through financial and in kind donations, having the commitment to continue LYCs support in the future;
- YSEEP financial support allowed the involvement of youth in useful activities both for them and community.

Even through many important actions were performed, still more newspapers, radio programmes and TV channels for youth are needed all over the country. In majority of cases local libraries have old books and inadequate service provision systems. In many villages there is limited access to Internet or if it exists the speed is very low. The Monitoring & Evaluation mission of the project social component finished with the development of a Summary Report on M&E of Youth Resource Centres, NGOs, and LYCs.

ANNEXES

NUMBER AND FORM OF PROVIDED SERVICES, JANUARY- JUNE 2009

№	Service providers	Verbal consultations				Written consultations				Visits				Round tables				Meetings				Seminars				TOTAL
		techn	leg	market	econ	tech n	leg	market	econ	tech n	leg	market	econ	tech n	leg	market	econ	tech n	leg	market	econ	tech n	leg	mar ket	eco n	
1	Anenii Noi	1718	436	663	618	0	0	0	0	311	80	73	79	0	0	0	0	20	10	13	21	68	0	0	5	4115
2	Basarabasca	398	157	114	68	41	9	14	5	106	15	17	16	21	18	14	16	17	7	8	9	9	3	1	2	1085
3	Bălți	3491	577	723	421	7	0	0	11	140	15	28	2	5	4	0	1	97	13	12	31	27	0	0	4	5609
4	Cahul	1687	177	334	187	39	1	0	3	433	27	0	2	40	3	4	7	28	0	8	0	45	6	3	3	3037
5	Căinari	1357	360	516	308	2	0	0	0	182	21	31	30	4	12	4	12	24	32	48	35	42	2	0	11	3033
6	Călărași	1215	341	679	398	0	0	0	0	213	13	29	25	0	0	7	2	43	33	31	41	30	5	1	7	3113
7	Cantemir	992	185	269	287	0	0	0	0	346	2	2	5	0	3	14	4	35	22	20	31	88	3	0	31	2339
8	Căușeni	1277	335	639	590	32	4	0	2	274	17	24	25	2	2	3	1	26	8	17	24	51	8	5	3	3369
9	Cimișlia	737	368	432	399	0	0	0	0	148	26	26	21	13	9	4	7	31	36	30	17	41	5	0	1	2351
10	Comrat	724	366	332	69	90	23	6	4	174	9	15	3	67	49	24	22	1	1	0	1	14	3	0	0	1997
11	Criuleni	1747	313	429	328	22	1	1	1	265	5	8	14	3	11	3	5	7	5	4	3	81	7	1	9	3273
12	Dondușeni	1310	103	874	189	6	0	1	21	336	7	17	11	0	0	0	1	3	3	11	8	54	0	0	11	2966
13	Drochia	1031	297	287	290	2	0	0	0	132	0	1	2	50	28	27	36	31	9	7	6	32	0	1	10	2279
14	Edineț	1332	298	656	421	27	3	1	2	301	8	4	11	13	16	5	16	100	28	29	26	24	4	0	11	3336
15	Fălești	661	191	199	205	0	1	0	0	294	36	33	34	3	1	0	1	34	18	18	28	43	0	0	4	1804
16	Glodeni	1855	516	647	588	10	0	0	19	150	28	57	24	2	3	0	2	69	61	32	52	38	1	2	19	4175
17	Hincești	1564	328	532	449	34	7	2	8	134	18	16	27	14	11	11	19	40	31	23	11	34	2	0	3	3318
18	Ialoveni	1979	354	253	415	1	0	0	0	532	47	28	42	1	3	0	1	14	8	6	4	32	1	0	2	3723
19	Leova	1029	269	492	304	33	3	15	8	220	14	11	28	4	5	7	12	24	17	25	29	37	1	3	8	2598
20	Nisporeni	760	671	597	663	16	1	4	8	162	105	104	73	1	2	0	3	41	46	29	55	21	2	0	3	3367
21	Orhei	1264	510	740	576	3	0	0	2	353	3	7	9	1	48	36	41	44	24	36	37	40	0	3	10	3787
22	Ocnîța	980	216	426	362	30	1	0	2	200	19	27	29	0	1	3	5	60	20	14	26	50	0	2	9	2482
23	Rezina	542	158	253	169	31	11	0	7	262	56	46	74	5	3	0	4	81	39	34	50	32	4	0	12	1873
24	Sîngerei	962	415	419	152	0	0	0	0	557	100	62	30	7	13	33	7	3	1	3	6	33	8	6	16	2833
25	Șoldănești	675	194	422	343	18	5	0	13	316	11	65	5	11	24	6	27	67	16	8	9	52	5	1	8	2301
26	Soroca	1939	463	576	424	0	0	0	0	222	0	0	0	1	0	0	1	58	28	14	45	57	17	4	33	3882
27	Ștefan Vodă	1507	350	680	444	55	2	11	7	237	24	29	24	7	5	9	9	26	25	26	32	54	4	4	7	3578
28	Strășeni	675	268	160	187	15	10	8	8	236	1	3	0	30	31	25	29	70	19	22	23	44	2	0	5	1871
29	Taraclia	820	195	300	269	16	2	0	1	330	15	28	11	70	28	26	35	182	20	34	18	6	0	1	1	2408
30	Ungheni	1375	226	284	221	24	1	0	0	503	40	28	50	3	3	1	0	71	23	16	20	21	3	0	1	2914
31	Ceadir Lunga	886	362	390	169	63	10	8	6	158	59	79	56	44	17	8	15	20	18	15	16	21	1	4	4	2429
32	Briceni	657	121	174	108	0	2	0	0	298	42	49	29	5	0	2	0	32	27	25	30	35	0	1	7	1644
33	Rîșcani	1772	330	541	493	8	0	0	3	258	2	0	1	2	1	0	1	104	10	6	7	30	2	0	2	3573
34	Telenești	720	157	258	98	78	5	3	12	228	9	7	1	88	44	29	33	60	24	35	22	25	0	0	7	1943
35	Florești	1575	201	263	180	17	0	0	0	314	12	17	15	18	11	8	15	54	37	29	16	51	2	2	8	2845
TOTAL		43213	10808	15553	11392	720	102	74	153	9325	886	971	808	535	409	313	390	390	719	688	789	1362	101	45	277	101250

FORM OF PROVIDED SERVICES AND BENEFICIARIES, JANUARY - JUNE 2009

Nº	Service Provider	Verbal consultations	Beneficiaries	Written consultations	Beneficiaries	Visits	Beneficiaries	Round tables	Beneficiaries	Discussions	Beneficiaries	Seminars	Beneficiaries	Unit	Hours	Total number of people according to the registry	Single time beneficiaries	Repeated beneficiaries	Total number of beneficiaries
1	Anenii Noi	3435	3080	0	0	543	2748	0	0	64	353	73	1010	4115	4900	7751	6789	402	7191
2	Basarabeasca	737	731	69	70	154	516	69	357	41	174	15	247	1085	2269	2118	1701	417	2095
3	Bălți	5212	4581	18	18	185	621	10	85	153	559	31	631	5609	4744	7237	5847	646	6495
4	Cahul	2385	2108	43	46	462	1272	54	527	36	129	57	894	3283	4603	5381	4619	329	4976
5	Căinari	2541	2342	2	2	264	1297	32	303	139	730	54	860	3032	4050	5823	5251	286	5534
6	Călărași	2633	2499	0	0	280	1048	9	59	148	653	43	890	3113	3849	5358	4932	222	5149
7	Cantemir	1733	2185	0	0	355	2118	21	329	108	597	122	2985	2339	5021	8257	8214	43	8214
8	Căușeni	2841	2588	38	56	340	2003	8	91	75	543	67	981	3369	4380	6875	5892	520	6262
9	Cimișlia	1936	1709	0	0	215	1186	33	403	114	678	47	958	2345	3438	5209	4625	312	4934
10	Comrat	1491	1335	123	193	201	534	162	925	3	24	17	483	1997	3669	3750	3249	291	3494
11	Criuleni	2817	2664	25	25	292	1155	22	159	19	90	98	1125	3273	4600	5367	5066	156	5218
12	Dondușeni	2476	2443	28	28	371	1309	1	18	25	134	65	1340	2966	3908	5308	5228	32	5272
13	Drochia	1905	1571	2	4	135	166	141	895	53	288	43	604	2279	3476	3900	3156	365	3528
14	Edineț	2707	2578	33	33	324	2008	50	677	183	1135	39	670	3336	4588	7432	5980	1134	7101
15	Fălești	1256	1273	1	1	397	1024	5	24	98	295	47	817	1804	3404	3434	3250	184	3434
16	Glodeni	3606	3142	29	29	259	952	7	66	214	796	60	641	4175	4234	6080	5285	345	5626
17	Hîncești	2873	2575	51	51	195	612	55	593	105	568	39	712	3318	3950	5415	4884	227	5111
18	Ialoveni	3001	2774	1	1	649	2086	5	51	32	403	35	656	3723	4723	6155	5493	406	5971
19	Leova	2094	2005	59	79	273	1513	28	355	95	650	49	888	2598	3654	5759	5091	341	5490
20	Nisporeni	2691	2461	29	29	444	2103	6	58	171	797	26	584	3367	4023	6451	5618	414	6032
21	Orhei	3090	2965	5	5	372	2404	126	1522	141	925	53	1122	3787	5242	9171	8715	228	8943
22	Ocnîța	1984	1927	33	34	275	638	9	111	120	706	61	949	2482	3480	4464	4086	301	4365
23	Rezina	1122	1080	49	49	438	1530	12	103	204	878	48	786	1873	4313	4521	4338	92	4426
24	Sîngerei	1948	1966	0	0	749	3564	60	493	13	127	63	997	2833	5326	7329	6863	236	7147
25	Șoldănești	1634	1583	36	36	397	1822	68	651	100	448	66	952	2301	4738	5650	5427	165	5492
26	Soroca	3402	3169	0	0	222	1248	2	13	145	909	111	1572	3882	4308	7318	6233	671	6911
27	Ștefan Vodă	2981	2641	75	108	314	1474	30	289	109	496	69	1025	3578	4381	6610	5489	544	6033
28	Strășeni	1290	1201	41	40	240	1113	115	1302	134	606	51	960	1871	4418	5507	4923	297	5222
29	Taraclia	1584	1552	19	19	384	1475	159	937	254	947	8	190	2408	4845	5365	4875	245	5120
30	Ungheni	2106	1958	25	61	621	2375	7	61	130	569	25	512	2914	4283	5780	5232	232	5536
31	Ceadir Lunga	1807	1578	87	89	352	1609	84	834	69	286	30	553	2429	3821	5220	4751	211	4949
32	Briceni	1060	1027	2	2	418	2248	7	71	114	614	43	777	1644	3410	4959	4574	185	4739
33	Rîșcani	3136	2585	11	11	261	343	4	17	127	486	34	496	3573	3883	4582	3260	678	3938
34	Telenești	1233	1232	98	102	245	1245	194	1378	141	776	32	701	1943	4633	5443	5435	6	5434
35	Florești	2219	2255	17	46	358	2150	52	450	136	963	63	1115	2845	4493	7413	6575	489	6979
TOTAL		80966	75363	1049	1267	11984	51509	1647	14207	3813	19332	1784	30683	101243	147057	202392	180946	11652	192361

RURAL INVESTMENT AND SERVICES PROJECT
Rural Business Development Component

Cumulative figures of RISP as for 30/06/09

Number of RBs and individuals having started to implement business/action/investment plan	549
Number of RBs generating revenue	495
Number of RBs registered as legal entities with DA support	45
Number of applicants with final business plan	739
Number of credit applications submitted	688
Total number of credit disbursed	546
Number of created working places (at startup)	1551

RURAL INVESTMENT AND SERVICES PROJECT
Rural Business Development Component

Annex RBD 2

Cumulative figures as for 30/06/09

(exchange rate for report (1 USD) is 13 MDL)

Nr	Indicator	Total to 31/03/09	Total to 30/06/09	Variation 31/03/09 - 30/06/09
1. Number of villages where information campaign was held		733	754	21
2. Number of people attending the public meetings		14486	14743	257
3. Number of applications for DA support		816	878	62
4. Less those rejected by DA and client		76	77	1
5. <i>Sub-total (3-4)</i>		740	801	61
6. of which applications in progress (5-7)		3	3	
7. Service agreements signed		737	798	61
8. Agreements terminated by DA/client		115	129	14
9. remaining Service Agreements active (7-8)		622	669	47
Of the active Service agreements (in 9 above):				
10. RBs started implementing their business/investment plans		486	549	63
11. In-progress (9-10)		136	120	
Of those started implementing their business plans (in 10 above):				
12. New businesses	262 (53.91 %)		287 (52.28 %)	25
13. Individual owned businesses	467 (96.09 %)		530 (96.54 %)	63
14. Group owned businesses	19 (3.909 %)		19 (3.461 %)	
15. RBs involved in DA' post creation support (in 10 above)		403	492	89
15a. #Days of DA' post creation support (in 10 above)		1331	1608	277
16. RBs generating revenue (of those in 10 above)		411	495	84
17. RBs with final business plans with DA assistance		685	739	54
18. RBs registered as legal entity with DA assistance		44	45	1
19. Credit applications to Financial Institutions (FIs)		638	688	50
20. less those rejected or withdrawn		52	62	10
21. Remaining credit applications active (19-20)		586	626	40
Of the active credit applications:				
22. Loans disbursed to RBs		499	546	47
23. Loans disbursed to operational RBs		474	537	63
24. Loans approved but not disbursed		23	23	
25. Loan applications still being assessed by FIs (21-22-24)		64	57	
Of the loans provided (in 22 above):				
26. Loans provided from RISP funds		226	239	13
27. Loans provided from other sources		273	307	34
28. RBs without credit (of those in 10 above)		12	12	
Of those started to implement their business plan (in 10 above) the activities are:				
29. Agricultural	194 (39.92 %)		237 (43.17 %)	43
30. Non-agricultural	292 (60.08 %)		312 (56.83 %)	20
31. Jobs created (at start-up)		1408	1551	143
32. <i>Average jobs created per RB (at start-up)</i>		3	3	
33. Total RBs costs of all RB (in 10 above)		\$13 719 209	\$15 270 550	\$1 551 341
34. <i>Average RB cost (in 10 above)</i>		\$28 229	\$27 815	
35. Total RBs costs (of those RBs receiving credit)		\$14 343 274	\$15 603 850	\$1 260 576
36. of which: - credits		\$8 707 083	\$9 624 246	\$917 163
37. - contribution of beneficiaries		\$5 636 191	\$5 979 604	\$343 413
38. <i>average loan per RB (in 22 above)</i>		\$17 449	\$17 627	\$178

RURAL INVESTMENT AND SERVICES PROJECT
Rural Business Development Component

Annex RBD 3

Cumulative figures as for 30/06/09

(exchange rate for report (1 USD) is 13 MDL)

Nr	Indicator	Total to		Total to		30/06/09	
		31/03/09	ACA	CCA	CDR	MEGA	Total
1. Number of villages where information campaign was held		733	156	148	225	225	754
2. Number of people attending the public meetings		14486	3320	2402	5101	3920	14743
3. Number of applications for DA support		816	234	217	146	281	878
4. Less those rejected by DA and client		76	7	38	5	27	77
5. <i>Sub-total (3-4)</i>		740	227	179	141	254	801
6. of which applications in progress (5-7)		3	2	0	0	1	3
7. Service agreements signed		737	225	179	141	253	798
8. Agreements terminated by DA/client		115	34	39	14	42	129
9. remaining Service Agreements active (7-8)		622	191	140	127	211	669
Of the active Service agreements (in 9 above):							
10. RBs started implementing their business/investment plans		486	132	118	101	198	549
11. In-progress (9-10)		136	59	22	26	13	120
Of those started implementing their business plans (in 10 above):							
12. New businesses	262 (53.9 %)		62	62	34	129	287
13. Individual owned businesses	467 (96.1 %)		126	115	98	191	530
14. Group owned businesses	19 (3.9 %)		6	3	3	7	19
15. RBs involved in DA' post creation support (in 10 above)		403	95	110	98	189	492
15a. #Days of DA' post creation support (in 10 above)		1331	137	326	421	724	1608
16. RBs generating revenue (of those in 10 above)		411	126	106	90	173	495
17. RBs with final business plans with DA assistance		685	212	175	135	217	739
18. RBs registered as legal entity with DA assistance		44	9	14	3	19	45
19. Credit applications to Financial Institutions (FIs)		638	197	142	132	217	688
20. less those rejected or withdrawn		52	17	21	7	17	62
21. Remaining credit applications active (19-20)		586	180	121	125	200	626
Of the active credit applications:							
22. Loans disbursed to RBs		499	134	113	101	198	546
23. Loans disbursed to operational RBs		474	128	110	101	198	537
24. Loans approved but not disbursed		23	11	2	10	0	23
25. Loan applications still being assessed by FIs (21-22-24)		64	35	6	14	2	57
Of the loans provided (in 22 above):							
26. Loans provided from RISP funds		226	63	28	71	77	239
27. Loans provided from other sources		273	71	85	30	121	307
28. RBs without credit (of those in 10 above)		12	4	8	0	0	12
Of those started to implement their business plan (in 10 above) the activities are:							
29. Agricultural	194 (40 %)		71	66	47	53	237 (43.2 %)
30. Non-agricultural	292 (60 %)		61	52	54	145	312 (56.8 %)
31. Jobs created (at start-up)		1408	462	253	386	450	1551
32. <i>Average jobs created per RB (at start-up)</i>		3	4	2	4	2	3
33. Total RBs costs of all RB (in 10 above)		\$13 719 209	\$4 409 800	\$3 750 566	\$2 616 680	\$4 493 503	\$15 270 550
34. <i>Average RB cost (in 10 above)</i>		\$28 229	\$33 408	\$31 784	\$25 908	\$22 694	\$27 815
35. Total RBs costs (of those RBs receiving credit)		\$14 343 274	\$4 430 953	\$4 062 714	\$2 616 680	\$4 493 503	\$15 603 850
36. of which: - credits		\$8 707 083	\$2 950 603	\$2 400 972	\$1 572 527	\$2 700 144	\$9 624 246
37. - contribution of beneficiaries		\$5 636 191	\$1 480 350	\$1 661 742	\$1 044 154	\$1 793 359	\$5 979 604
38. <i>average loan per RB (in 22 above)</i>		<i>\$17 449</i>	<i>\$22 019</i>	<i>\$21 248</i>	<i>\$15 570</i>	<i>\$13 637</i>	<i>\$17 627</i>

RURAL INVESTMENT AND SERVICES PROJECT

Rural Business Development Component

Analysis of the quantitative progress of the RBDC 30/06/09

I. RBDC Achievements according to the global target

Total target of RBDC		600 RBs
Total amount of months		46
Number of months till	30/06/10	12
Target at	30/06/09	476 RBs

II. RBDC Achievements according to DAs targets

Target at 30/06/09 119 RBs/DA (according to the agreements signed between MAFI and DA)

Targets	RISP at 30/06/09	Target la 30/06/09	Level of fulfilment	Project global target
<i>RBs started to implement business plans</i>	549	476	115.34%	600
<i>individuals</i>	530			
<i>group</i>	19			
<i>new businesses</i>	287			300 at least
<i>extensions</i>	262			
<i>agricultural</i>	237			
<i>non-agricultural</i>	312			200 at least
<i>Other indicators</i>				
<i>Promotion activities</i>	754	870	86.67%	900
<i>Business plans</i>	739	616	120.03%	833
<i>Credit disbursed</i>	546	616	88.68%	833
<i>Post creation support</i>	492	476	103.36%	600
<i>Nr of days of post creation support</i>	1 608			3 000

III. RBDC Achievements according to DAs targets per agency

Comparing with target at 30/06/09

Targets	ACA	CCA	CDR	MEGA	Target per Agency at 30/06/09
<i>RBs started to implement business plans</i>	132	118	101	198	119
<i>individuals</i>	126	115	98	191	
<i>group</i>	6	3	3	7	
<i>new businesses</i>	62	62	34	129	
<i>extensions</i>	70	56	67	69	
<i>agricultural</i>	71	66	47	53	
<i>non-agricultural</i>	61	52	54	145	
<i>Other indicators</i>					
<i>Promotion activities</i>	156	148	225	225	218
<i>Business plans</i>	212	175	135	217	154
<i>Credit disbursed</i>	134	113	101	198	154
<i>Post creation support</i>	95	110	98	189	119
<i>Nr of days of post creation support</i>	137	326	421	724	

RURAL INVESTMENT AND SERVICES PROJECT **Rural Business Development Component**

Qualitative indicators

30/06/09

Nr	Indicator	ACA	CCA	CDR	MEGA	Total	
1. Employment							
	Nr. of working places created at businesses monitored within the last 12 months	347	338	201	405	1 291	
	Men	208	159	146	266	779	60%
	Women	139	179	55	139	512	40%
	Number of shareholders employed	103	76	43	104	326	
	Men	70	55	33	73	231	71%
	Women	33	21	10	31	95	29%
	Number of employees unemployed before	109	0	1 522	113	1 744	
	Average salary of employees per one RB	1 317	1 930	1 555	1 401	1 491	
	Men	1 465	1 994	1 608	1 427	1 567	
	Women	1 141	1 823	1 459	1 354	1 374	
	Average salary for one employed shareholder	2 157	2 260	4 370	1 637	2 268	
	Men	2 227	2 238	4 052	1 692	2 272	
	Women	2 017	2 315	5 100	1 520	2 260	
	Average salary before project	922	1 650	1 520	761	944	
	Men	850	1 800	1 500	726	926	
	Women	980	1 500	1 538	787	958	
2. Business sustainability							
3. Taxes							
	collected at businesses monitored within the last 12 months						
	VAT paid	2 019 750	1 977 551	1 588 500	1 195 551	6 781 352	
	Income taxes and local taxes paid	178 393	92 720	800 350	415 309	1 486 772	
	Social fund, income tax, pension fund, etc (from salaries) paid	741 840	65 100	124 300	0	931 240	
4. Credit Information							
	Number of businesses with credit	134	113	101	198	546	
	of those						
	Number of RBs leaving project support as self-sustainable	27	37	25	48	137	
	Number of RBs with credit under service agreement with DA	107	76	76	150	409	
	Number of RBs failing their obligation to repay credit	0	0	0	0	0	
	Number of RBs seeking/obtaining second loan	0	0	0	0	0	
	Number of RBs requesting second time DA assistance (payed)	0	0	0	0	0	

RURAL INVESTMENT AND SERVICES PROJECT
Rural Business Development Component

Nr	Monitoring data	30/06/09				
	Indicator	ACA	CCA	CDR	MEGA	Total
1.Remittances invested						
	Number of RB with remittances invested	42	14	36	47	139
	Economies invested in RB, MDL	1 880 000	136 000	1 568 835	189 100	3 773 935
	Economies invested in RB, USD	144 615	10 462	120 680	14 546	290 303
	Economies as % of the investment	9%	2%	9%	2%	7%
2. Increase in beneficiaries' incomes						
	Number of RB having the indicator monitored	94	19	39	109	261
	Breakdown of income					
	less than 15 %	45	9	17	27	98
	between 15% and 25%	15	5	6	44	70
	between 25% and 50%	25	3	12	38	78
	between 50% and 100%	8	2	2	0	12
	more than 100%	1	0	2	0	3

RURAL INVESTMENT AND SERVICES PROJECT
Rural Business Development Component

Cumulative figures as for 30/06/09

Loans disbursed by Regions and Sources of Funding

Nr	Rayon	RISP	Other Sources	Total
1	Anenii Noi	4	2	6
2	Balti		1	1
3	Basarabeasca	6	7	13
4	Briceni	11	6	17
5	Cahul	17	22	39
6	Calarasi	2	1	3
7	Cantemir	4	6	10
8	Causeni	4	4	8
9	Chisinau	2	1	3
10	Cimislia	4	13	17
11	Criuleni	1	1	2
12	Donduseni	6	1	7
13	Drochia	14	1	15
14	Dubasari	1	2	3
15	Edinet	14	8	22
16	Falesti	2	8	10
17	Floresti	6	7	13
18	Glodeni	5	10	15
19	Hincesti	13	13	26
20	Ialoveni	8	5	13
21	Leova	4	14	18
22	Nisporeni	3	5	8
23	Ocnita	6	1	7
24	Orhei	12	4	16
25	Rezina	4	21	25
26	Riscani	7	42	49
27	Singerei	4	10	14
28	Soldanesti	13	32	45
29	Soroca	8	3	11
30	Stefan Voda	6	3	9
31	Straseni	5		5
32	Taraclia	3	1	4
33	Telenesti	13	3	16
34	Ungheni	5	8	13
35	UTAG	22	41	63
	Grand Total	239	307	546

NOTE: 'Chisinau' refers to the villages which are part of the Chisinau municipality

RURAL INVESTMENT AND SERVICES PROJECT
Rural Business Development Component

Cumulative figures as for 30/06/09

Amount of Loans disbursed by Regions and Sources of Funding, MDL

	RISP	Other Sources	Total
1 Anenii Noi	1 256 594	796 760	2 053 354
2 Balti		463 386	463 386
3 Basarabasca	1 556 000	810 000	2 366 000
4 Briceni	3 092 000	1 702 008	4 794 008
5 Cahul	1 930 595	3 675 000	5 605 595
6 Calarasi	640 000	156 000	796 000
7 Cantemir	598 000	880 000	1 478 000
8 Causeni	1 180 000	861 380	2 041 380
9 Chisinau	1 333 600	30 000	1 363 600
10 Cimislia	1 449 000	2 642 100	4 091 100
11 Criuleni	200 000	120 000	320 000
12 Donduseni	1 169 500	100 000	1 269 500
13 Drochia	3 673 200	300 000	3 973 200
14 Dubasari	50 000	1 100 000	1 150 000
15 Edinet	1 790 800	1 725 000	3 515 800
16 Falesti	536 416	2 312 851	2 849 267
17 Floresti	955 340	2 080 000	3 035 340
18 Glodeni	1 432 128	2 309 400	3 741 528
19 Hincesti	1 785 000	1 574 000	3 359 000
20 Ialoveni	3 498 000	692 000	4 190 000
21 Leova	705 000	2 852 300	3 557 300
22 Nisporeni	1 284 000	1 600 000	2 884 000
23 Ocnita	780 000	300 000	1 080 000
24 Orhei	2 830 000	1 000 000	3 830 000
25 Rezina	728 000	5 813 068	6 541 068
26 Riscani	1 500 000	11 387 460	12 887 460
27 Singerei	888 200	2 173 331	3 061 531
28 Soldanesti	4 517 796	9 047 298	13 565 094
29 Soroca	1 105 000	740 000	1 845 000
30 Stefan Voda	780 000	150 000	930 000
31 Straseni	752 000		752 000
32 Taraclia	830 000	300 000	1 130 000
33 Telenesti	3 708 728	884 000	4 592 728
34 Ungheni	2 605 000	1 924 460	4 529 460
35 UTAG	6 381 500	5 091 999	11 473 499
Grand Total	57 521 397	67 593 801	125 115 198

NOTE: 'Chisinau' refers to the villages which are part of the Chisinau municipality

RURAL INVESTMENT AND SERVICES PROJECT
Rural Business Development Component

Cumulative figures as for 30/06/09

Rural Businesses Started Activity by Regions and Sources of Funding

	RISP	Other Sources	Without credits	Total
1 Anenii Noi	3	2		5
2 Balti		1		1
3 Basarabasca	6	7		13
4 Briceni	11	6		17
5 Cahul	17	22		39
6 Calarasi	2			2
7 Cantemir	4	6		10
8 Causeni	4	4		8
9 Chisinau	2	1		3
10 Cimislia	4	13		17
11 Criuleni	1	1	1	3
12 Donduseni	6	1		7
13 Drochia	14	1		15
14 Dubasari	1	1		2
15 Edinet	14	8		22
16 Falesti	2	8		10
17 Floresti	6	7		13
18 Glodeni	5	10	1	16
19 Hincesti	13	13		26
20 Ialoveni	8	5		13
21 Leova	4	14		18
22 Nisporeni	3	4	2	9
23 Ocnita	6	1		7
24 Orhei	12	4	2	18
25 Rezina	4	21		25
26 Riscani	7	42	1	50
27 Singerei	4	10	2	16
28 Soldanesti	13	32		45
29 Soroca	8	3		11
30 Stefan Voda	6	3		9
31 Straseni	5			5
32 Taraclia	3	1		4
33 Telenesti	9	3	1	13
34 Ungheni	4	8	2	14
35 UTAG	22	41		63
Grand Total	233	304	12	549

NOTE: 'Chisinau' refers to the villages which are part of the Chisinau municipality

RURAL INVESTMENT AND SERVICES PROJECT
Rural Business Development Component

Cumulative figures as for 30/06/09

Rural Businesses Started Activity by Types of Activity and Sources of Funding

		RISP	Other Sources	Without credits	Total	Weight
Agriculture						
	1 Agricultural service activities	8	14	2	24	4.4%
	2 Crops production	48	124	5	177	32.2%
	3 Livestock production	18	16	1	35	6.4%
	4 Livestock production combined with crops production ¹				1	0.2%
Total	Agriculture	75	154	8	237	43.2%
non-Agriculture						
	5 Fishing	1	2		3	0.5%
	6 Manufacture of food products and beverages	9	26	1	36	6.6%
	7 Manufacture of textiles		1		1	0.2%
	8 Manufacture of wearing apparel; dressing and dyeing of fur	2	2		4	0.7%
	9 Manufacture of wood and wood products	7	15		22	4.0%
	10 Publishing, printing and reproduction of recorded media		1		1	0.2%
	11 Manufacture of coke, refined petroleum products and nuclear fuel		1		1	0.2%
	12 Manufacture of rubber and plastic products	3	2		5	0.9%
	13 Manufacture of other non-metallic mineral products	5	10		15	2.7%
	14 Manufacture of fabricated metal products, except machinery and equipment	2	5		7	1.3%
	15 Manufacture of electrical machinery and apparatus n.e.c.	1			1	0.2%
	16		1		1	0.2%
	17 Manufacture of furniture; manufacturing n.e.c.	4	7		11	2.0%
	18 Construction	2			2	0.4%
	19 repair of personal and household goods		1		1	0.2%
	20 Retail trade	34	19	1	54	9.8%
	21 Sale, maintenance and repair of motor vehicles and motorcycles; retail sale of automotive fuel	13	9	2	24	4.4%
	22 Wholesale trade and commission trade, except of motor vehicles and motorcycles	4	7		11	2.0%
	23 Hotels and restaurants	11	11		22	4.0%
	24 Land transport	39	14		53	9.7%
	25 Post and telecommunications	2	3		5	0.9%
	26 Supporting and auxiliary transport activities; activities of travel agencies	1			1	0.2%
	27 Other business activities (mainly focus on the business sector)		3		3	0.5%
	28 Real estate	1			1	0.2%
	29 Health and social work	1	1		2	0.4%
	30 Other service activities (mainly provided to private households)	11	7		18	3.3%
	31 Recreational, cultural and sporting activities	5	2		7	1.3%
Total	non-Agriculture	158	150	4	312	56.8%
	Grand Total	233	304	12	549	100.0%

Note: This classification is accomplished according to CAEM Clasification (Classification of Activities of the Moldovan Economy) elaborated by the Statistical Department

RURAL INVESTMENT AND SERVICES PROJECT
Rural Business Development Component

Annex RBD 8a

Cumulative figures as for 30/06/09

Rural Businesses Started Activity by Types of Activity (per DA)

		ACA		CCA		CDR		MEGA		Total	Weight
Agriculture											
1	Agricultural service activities	3	2.3%	7	5.9%	3	3.0%	11	5.6%	24	4.4%
2	Crops production	55	41.7%	54	45.8%	39	38.6%	29	14.6%	177	32.2%
3	Livestock production	12	9.1%	5	4.2%	5	5.0%	13	6.6%	35	6.4%
4	Livestock production combined with crops production	1	0.8%							1	0.2%
Total	Agriculture	71	53.8%	66	55.9%	47	46.5%	53	26.8%	237	43.2%
non-Agriculture											
5	Fishing			1	0.8%	1	1.0%	1	0.5%	3	0.5%
6	Manufacture of food products and beverages	11	8.3%	11	9.3%	5	5.0%	9	4.5%	36	6.6%
7	Manufacture of textiles							1	0.5%	1	0.2%
8	Manufacture of wearing apparel; dressing and dyeing of fur			1	0.8%	1	1.0%	2	1.0%	4	0.7%
9	Manufacture of wood and wood products	9	6.8%	6	5.1%	1	1.0%	6	3.0%	22	4.0%
10	Publishing, printing and reproduction of recorded media							1	0.5%	1	0.2%
11	Manufacture of coke, refined petroleum products and nuclear fuel							1	0.5%	1	0.2%
12	Manufacture of rubber and plastic products			1	0.8%			4	2.0%	5	0.9%
13	Manufacture of other non-metallic mineral products	3	2.3%	4	3.4%	1	1.0%	7	3.5%	15	2.7%
14	Manufacture of fabricated metal products, except machinery and equipment	2	1.5%	1	0.8%	1	1.0%	3	1.5%	7	1.3%
15	Manufacture of electrical machinery and apparatus n.e.c.			1	0.8%					1	0.2%
16				1	0.8%					1	0.2%
17	Manufacture of furniture; manufacturing n.e.c.	1	0.8%	3	2.5%	2	2.0%	5	2.5%	11	2.0%
18	Construction	1	0.8%			1	1.0%			2	0.4%
19	repair of personal and household goods							1	0.5%	1	0.2%
20	Retail trade	11	8.3%	8	6.8%	12	11.9%	23	11.6%	54	9.8%
21	Sale, maintenance and repair of motor vehicles and motorcycles; retail sale of automotive fuel	4	3.0%	2	1.7%	5	5.0%	13	6.6%	24	4.4%
22	Wholesale trade and commission trade, except of motor vehicles and motorcycles	1	0.8%	1	0.8%	4	4.0%	5	2.5%	11	2.0%
23	Hotels and restaurants	4	3.0%	2	1.7%	5	5.0%	11	5.6%	22	4.0%
24	Land transport	8	6.1%	7	5.9%	8	7.9%	30	15.2%	53	9.7%

Note: This classification is accomplished according to CAEM Clasification (Classification of Activities of the Moldovan Economy) elaborated by the Statistical Department

		ACA		CCA		CDR		MEGA		Total	Weight
25	Post and telecommunications							5	2.5%	5	0.9%
26	Supporting and auxiliary transport activities; activities of travel agencies			1	0.8%					1	0.2%
27	Other business activities (mainly focus on the business sector)							3	1.5%	3	0.5%
28	Real estate					1	1.0%			1	0.2%
29	Health and social work	1	0.8%					1	0.5%	2	0.4%
30	Other service activities (mainly provided to private households)	2	1.5%	1	0.8%	4	4.0%	11	5.6%	18	3.3%
31	Recreational, cultural and sporting activities	3	2.3%			2	2.0%	2	1.0%	7	1.3%
Total	non-Agriculture	61	46.2%	52	44.1%	54	53.5%	145	73.2%	312	56.8%
	Grand Total	1E	100%	1E	100%	101	100%	2E	100%	549	100%

Note: This classification is accomplished according to CAEM Clasification (Classification of Activities of the Moldovan Economy) elaborated by the Statistical Department

RURAL INVESTMENT AND SERVICES PROJECT
Rural Business Development Component

Annex RBD 8b

Cumulative figures as for 30/06/09

Rural Businesses (Started and the Pipeline) by Types of Activity (per DA)

		ACA		CCA		CDR		MEGA		Total	Weight
Agriculture											
1	Agricultural service activities	3	1.6%	7	5.0%	4	3.2%	14	6.7%	28	4.2%
2	Crops production	82	43.2%	64	46.0%	54	43.2%	33	15.7%	233	35.1%
3	Livestock production	17	8.9%	5	3.6%	6	4.8%	14	6.7%	42	6.3%
4	Livestock production combined with crops production	1	0.5%							1	0.2%
Total	Agriculture	103	54.2%	76	54.7%	64	51.2%	61	29.0%	304	45.8%
non-Agriculture											
5	Fishing			1	0.7%	1	0.8%	1	0.5%	3	0.5%
6	Manufacture of food products and beverages	18	9.5%	17	12.2%	10	8.0%	11	5.2%	56	8.4%
7	Manufacture of textiles							1	0.5%	1	0.2%
8	Manufacture of wearing apparel; dressing and dyeing of fur	1	0.5%	1	0.7%	1	0.8%	2	1.0%	5	0.8%
9	Manufacture of wood and wood products	10	5.3%	9	6.5%	1	0.8%	6	2.9%	26	3.9%
10	Publishing, printing and reproduction of recorded media							1	0.5%	1	0.2%
11	Manufacture of coke, refined petroleum products and nuclear fuel							1	0.5%	1	0.2%
12	Manufacture of chemicals and chemical products	1	0.5%							1	0.2%
13	Manufacture of rubber and plastic products	1	0.5%	1	0.7%			4	1.9%	6	0.9%
14	Manufacture of other non-metallic mineral products	6	3.2%	4	2.9%	1	0.8%	7	3.3%	18	2.7%
15	Manufacture of fabricated metal products, except machinery and equipment	5	2.6%	2	1.4%	1	0.8%	3	1.4%	11	1.7%
16	Manufacture of electrical machinery and apparatus n.e.c.			1	0.7%					1	0.2%
17				1	0.7%					1	0.2%
18	Manufacture of furniture; manufacturing n.e.c.	3	1.6%	3	2.2%	3	2.4%	5	2.4%	14	2.1%
19	Construction	1	0.5%			2	1.6%	1	0.5%	4	0.6%
20	repair of personal and household goods							1	0.5%	1	0.2%
21	Retail trade	11	5.8%	9	6.5%	12	9.6%	23	11.0%	55	8.3%
22	Sale, maintenance and repair of motor vehicles and motorcycles; retail sale of automotive fuel	5	2.6%	1	0.7%	4	3.2%	14	6.7%	24	3.6%
23	Wholesale trade and commission trade, except of motor vehicles and motorcycles	1	0.5%	1	0.7%	5	4.0%	5	2.4%	12	1.8%
24	Hotels and restaurants	7	3.7%	3	2.2%	5	4.0%	11	5.2%	26	3.9%
25	Land transport	9	4.7%	7	5.0%	8	6.4%	30	14.3%	54	8.1%
26	Post and telecommunications							5	2.4%	5	0.8%

Note: This classification is accomplished according to CAEM Clasification (Classification of Activities of the Moldovan Economy) elaborated by the Statistical Department

		ACA		CCA		CDR		MEGA		Total	Weight
27	Supporting and auxiliary transport activities; activities of travel agencies			1	0.7%					1	0.2%
28	Other business activities (mainly focus on the business sector)							3	1.4%	3	0.5%
29	Real estate					1	0.8%			1	0.2%
30	Health and social work	1	0.5%					1	0.5%	2	0.3%
31	Other service activities (mainly provided to private households)	3	1.6%	1	0.7%	4	3.2%	11	5.2%	19	2.9%
32	Recreational, cultural and sporting activities	4	2.1%			2	1.6%	2	1.0%	8	1.2%
Total	non-Agriculture	87	45.8%	63	45.3%	61	48.8%	149	71.0%	360	54.2%
	Grand Total	2E	100%	1E	100%	125	100%	2E	100%	664	100%

RURAL INVESTMENT AND SERVICES PROJECT
Rural Business Development Component

Cumulative figures as for 30/06/09

**Amount of credits Disbursed for Rural Businesses Started Activity by
Types of Activity and Sources of Funding**

	RISP	Other Sources	Total
Agriculture			
1 Agricultural service activities	705 000	2 639 414	3 344 414
2 Crops production	8 201 600	32 671 908	40 873 508
3 Livestock production	4 955 000	2 514 800	7 469 800
4 Livestock production combined with crops production	200 000		200 000
Total Agriculture	14 061 600	37 826 122	51 887 722
non-Agriculture			
5 Fishing	50 000	280 000	330 000
6 Manufacture of food products and	2 469 595	6 646 082	9 115 677
7 Manufacture of textiles		30 000	30 000
8 Manufacture of wearing apparel; dressing and dyeing of fur	717 128	511 380	1 228 508
9 Manufacture of wood and wood products	2 164 550	3 656 690	5 821 240
10 Publishing, printing and reproduction of recorded media		140 000	140 000
11 Manufacture of coke, refined petroleum products and nuclear fuel		300 000	300 000
12 Manufacture of rubber and plastic products	700 000	600 000	1 300 000
13 Manufacture of other non-metallic mineral products	846 000	1 904 800	2 750 800
14 Manufacture of fabricated metal products, except machinery and equipment	235 000	1 314 520	1 549 520
15 Manufacture of electrical machinery and apparatus n.e.c.	275 000		275 000
16		300 000	300 000
17 Manufacture of furniture; manufacturing	1 400 716	1 283 000	2 683 716
18 Construction	405 000		405 000
19 repair of personal and household goods		30 000	30 000
20 Retail trade	8 292 065	3 053 000	11 345 065
21 Sale, maintenance and repair of motor vehicles and motorcycles; retail sale of	3 449 340	1 475 707	4 925 047
22 Wholesale trade and commission trade, except of motor vehicles and motorcycles	1 431 500	2 132 500	3 564 000
23 Hotels and restaurants	3 863 600	1 818 000	5 681 600
24 Land transport	10 251 000	1 956 000	12 207 000
25 Post and telecommunications	298 000	130 000	428 000
26 Supporting and auxiliary transport activities; activities of travel agencies	230 000		230 000
27 Other business activities (mainly focus on the business sector)		90 000	90 000
28 Real estate	200 000		200 000
29 Health and social work	119 381	30 000	149 381
30 Other service activities (mainly provided to private households)	1 507 600	516 000	2 023 600
31 Recreational, cultural and sporting activities	2 228 000	314 000	2 542 000
Total non-Agriculture	41 133 475	28 511 679	69 645 154

Note: This classification is accomplished according to CAEM Clasification (Classification of Activities of the Moldovan Economy) elaborated by the Statistical Department

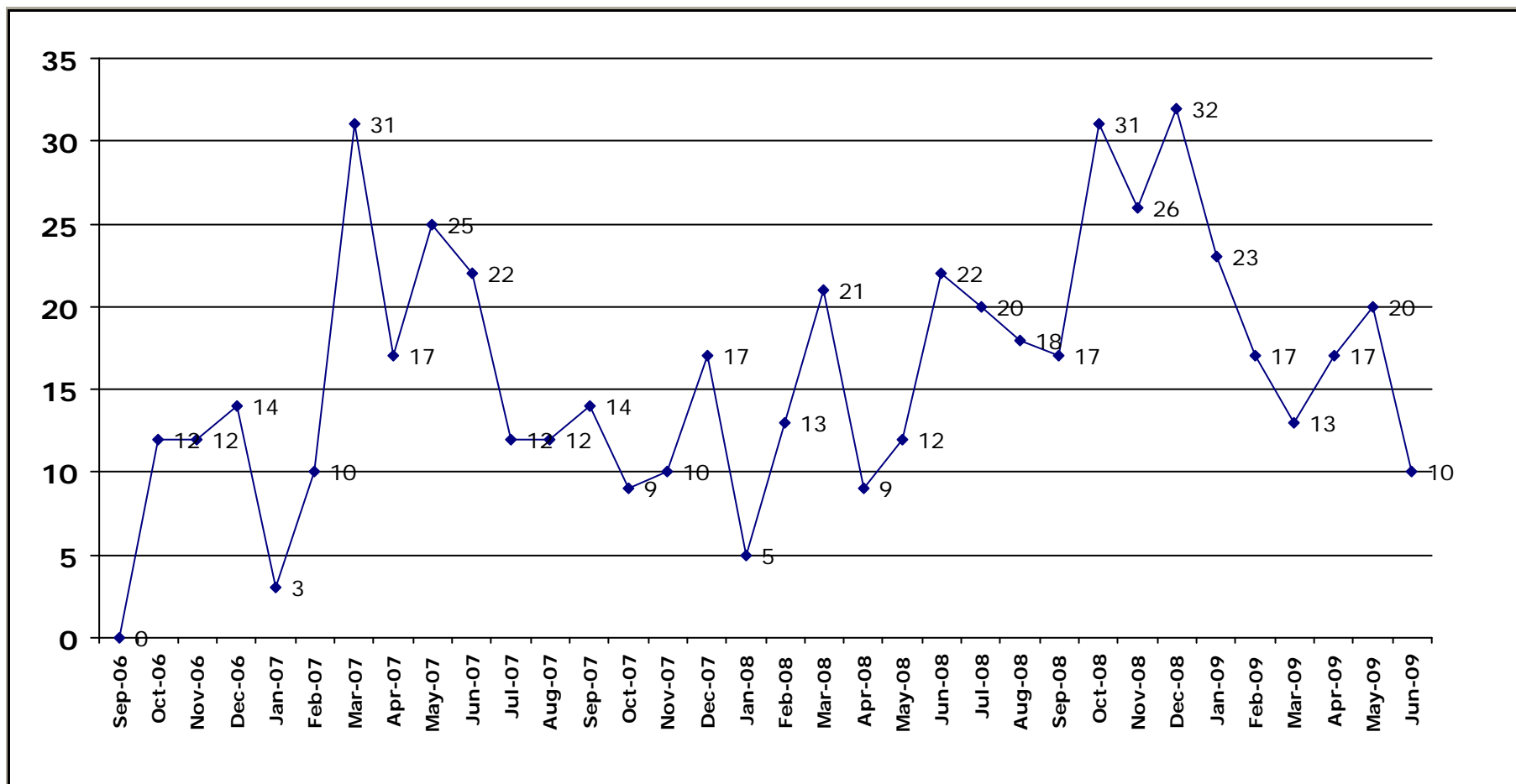
Friday, July 10, 2009

Page 1 of 2

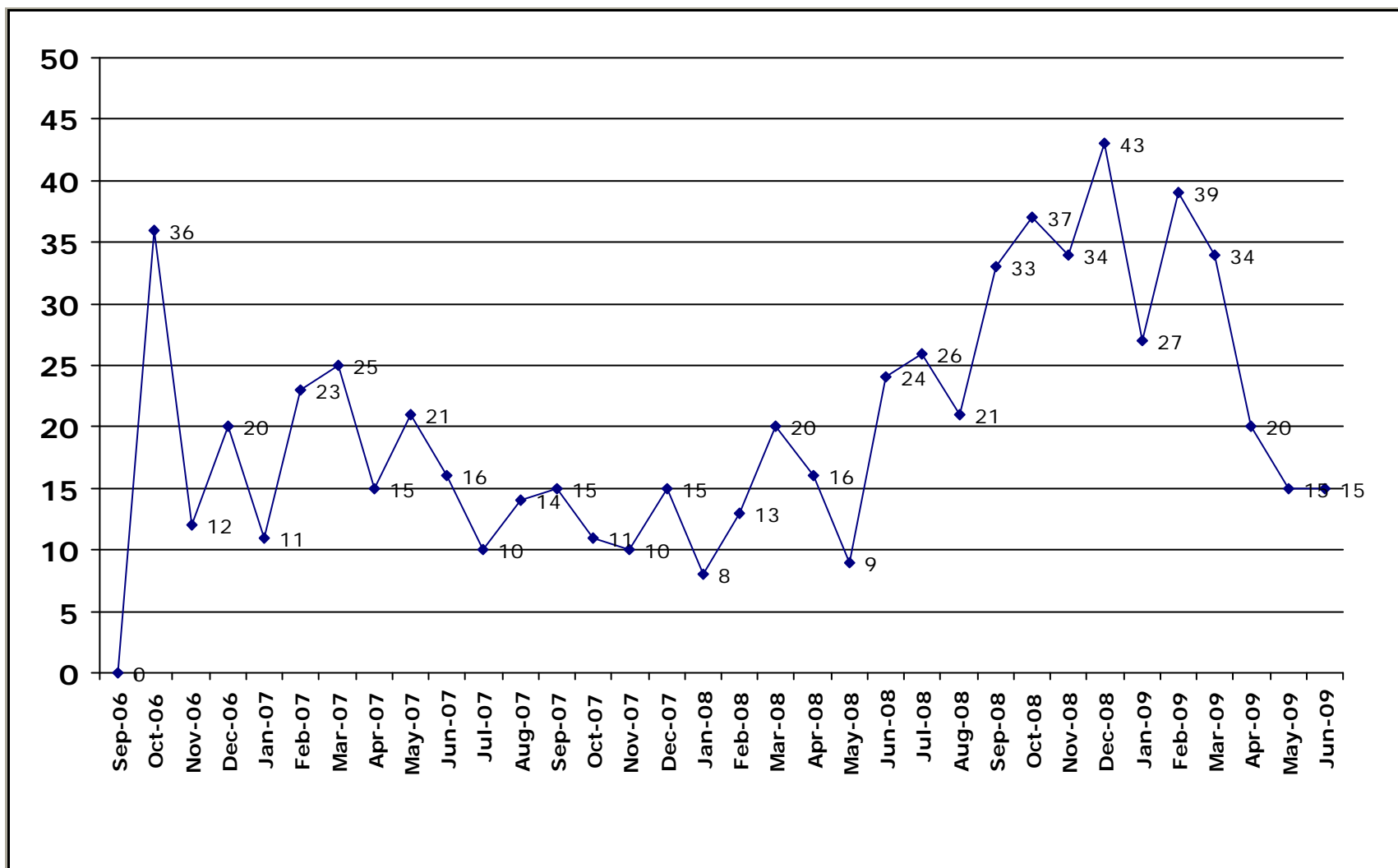
	RISP	Other Sources	Total
<i>Grand Total</i>	<i>55 195 075</i>	<i>66 337 801</i>	<i>121 532 876</i>

Rural Business Development Component

Dynamic of Loans Disbursed

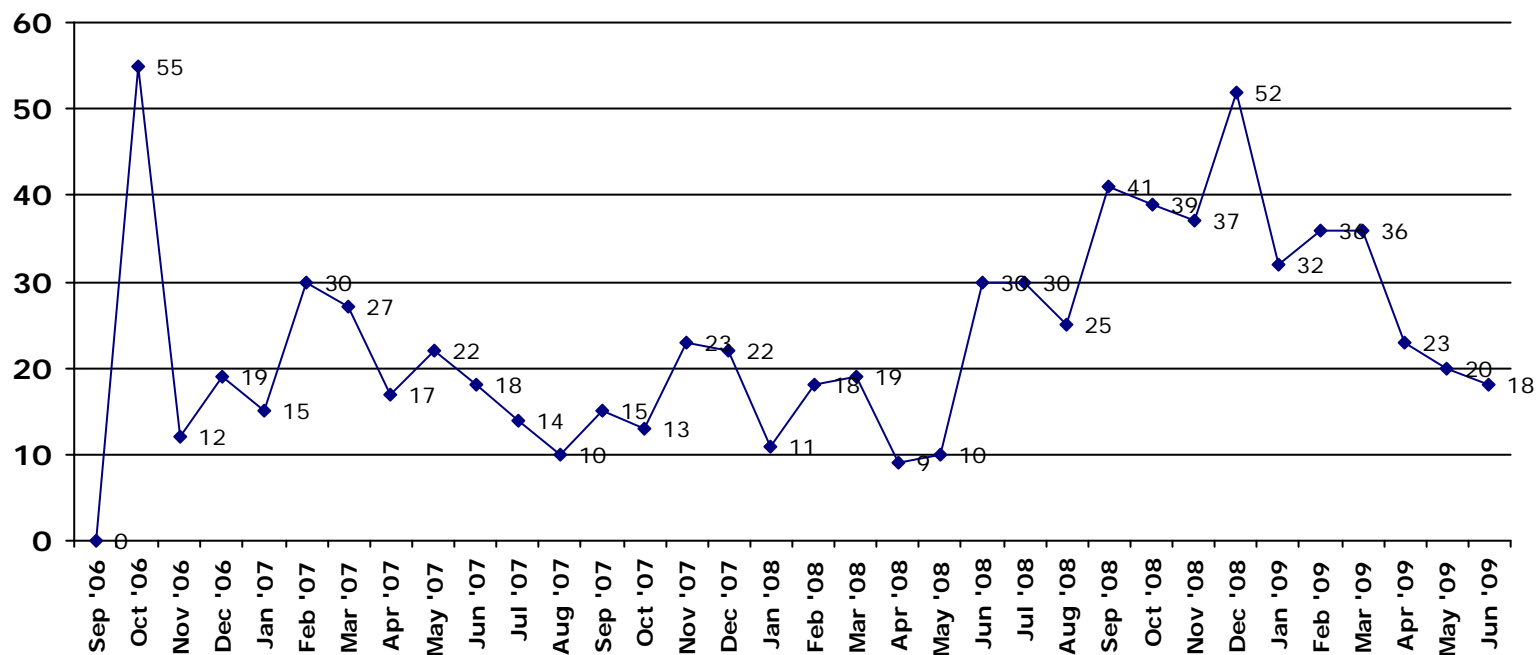


Rural Business Development Component
Dynamic of Loan Applications Submitted



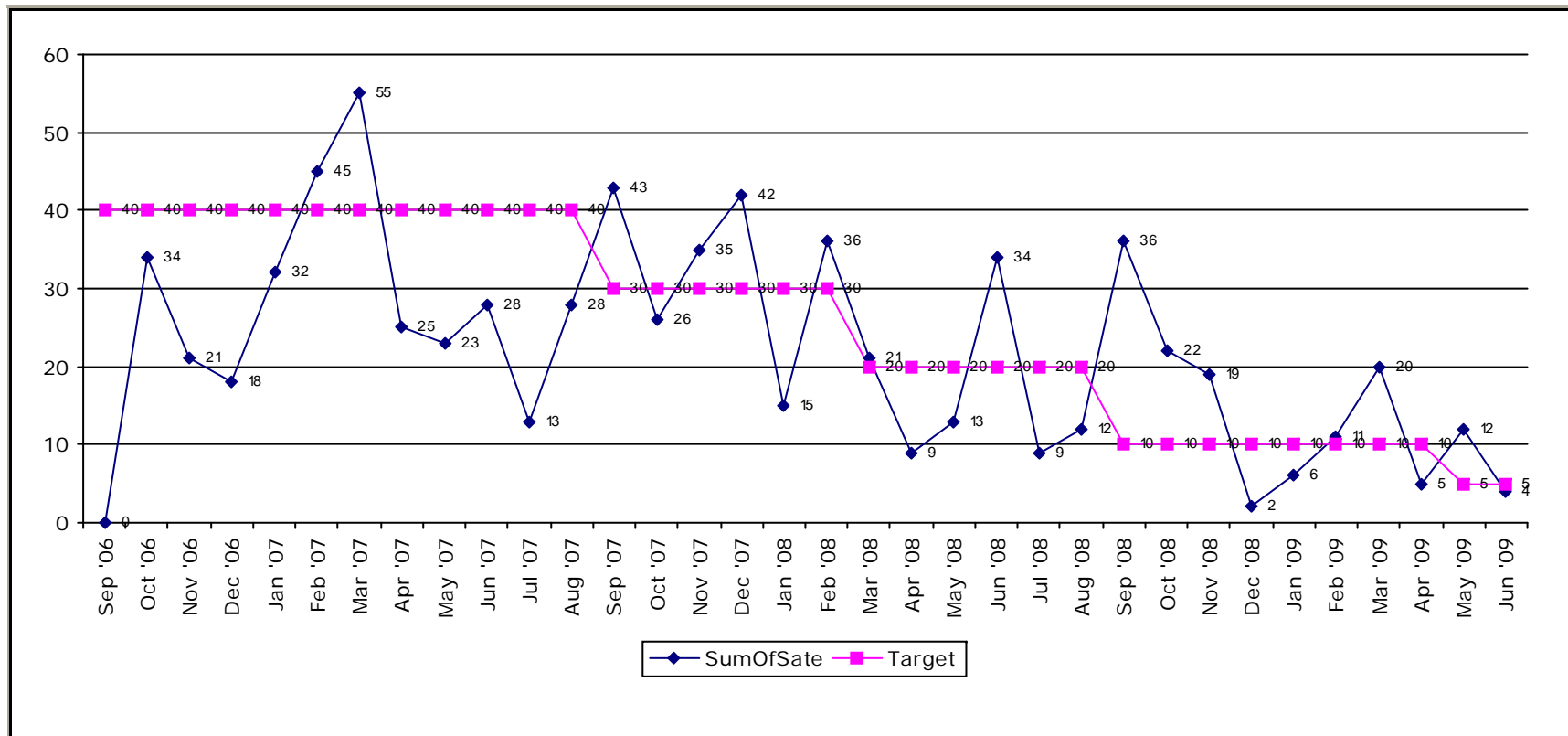
Rural Business Development Component

Dynamic of Service Agreements Signed



Rural Business Development Component

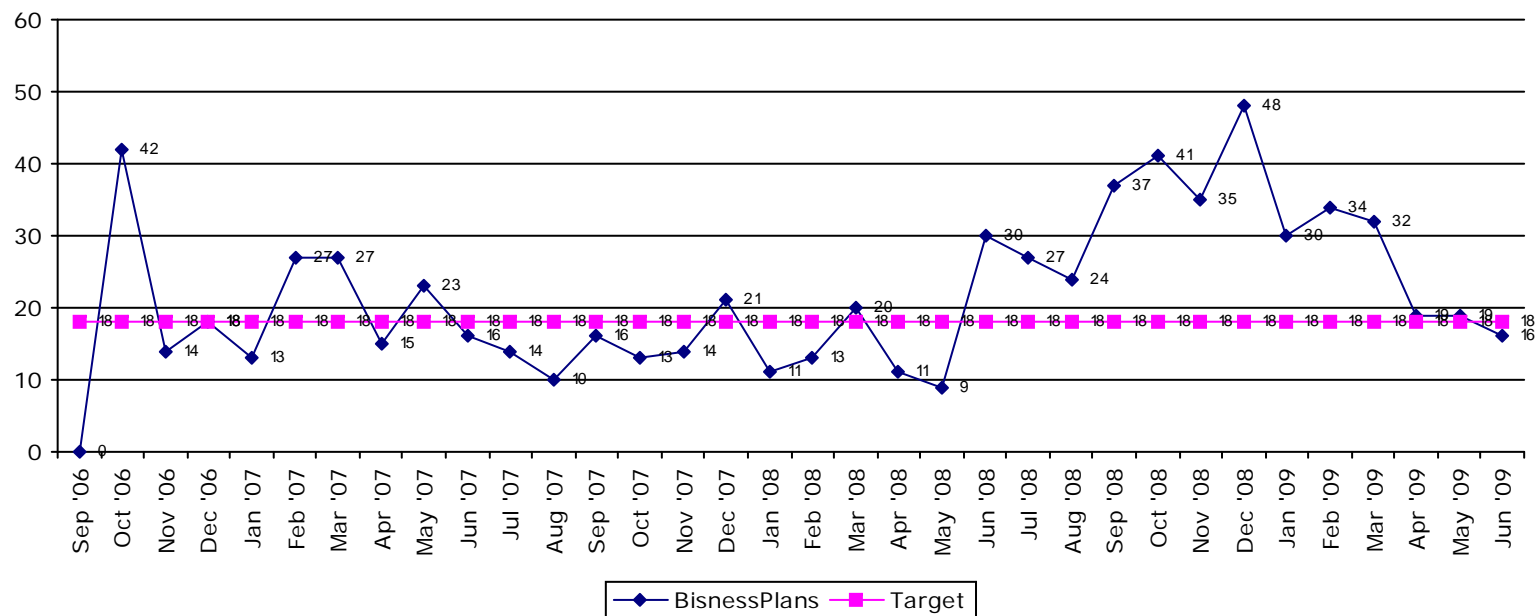
Nr of promotion activities versus target according to DAs contracts (2006-2010)



RURAL INVESTMENT AND SERVICES PROJECT
Rural Business Development Component

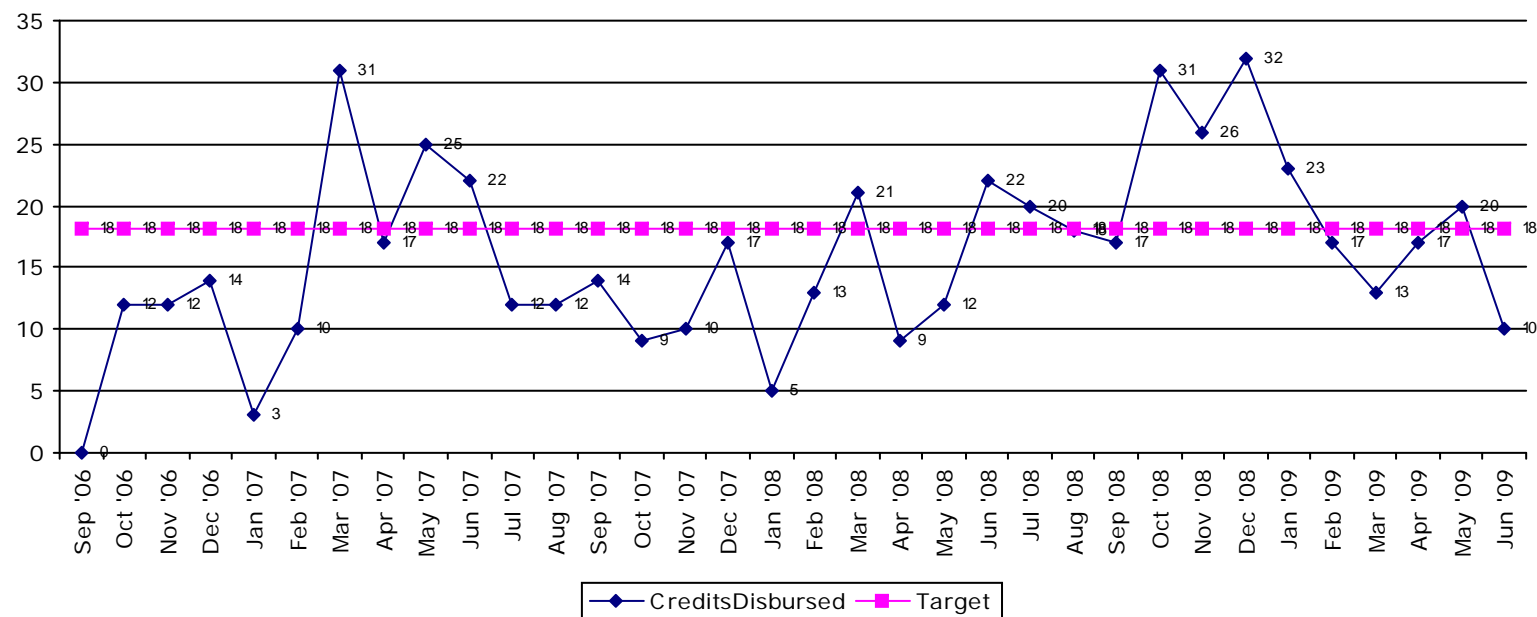
Annex RBD 14

Nr of business plans created versus target, according to DAs contracts (2006-2010)

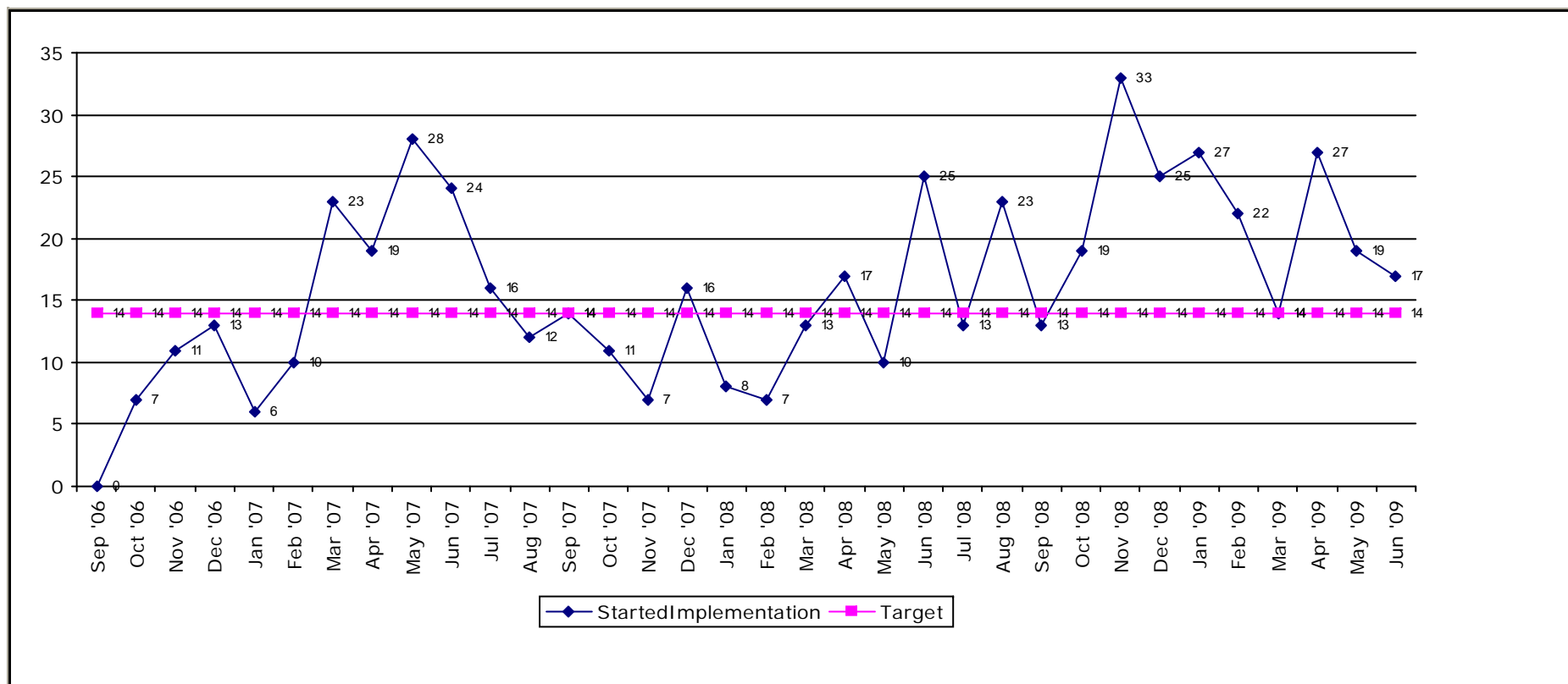


Rural Business Development Component

Nr of loans disbursed versus target according to DAs contracts (2006-2010)



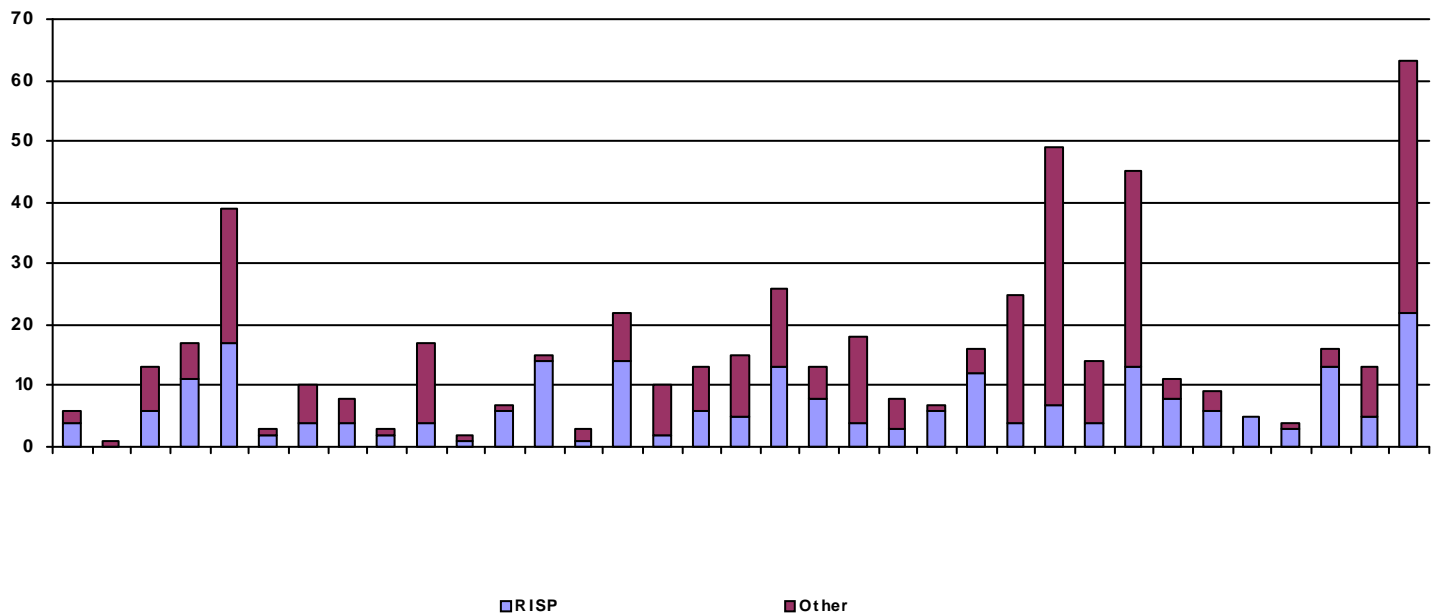
RBs started operational activity versus target according to DAs contracts (2006-2010)



Rural Business Development Component

Nr of loans disbursed by raions

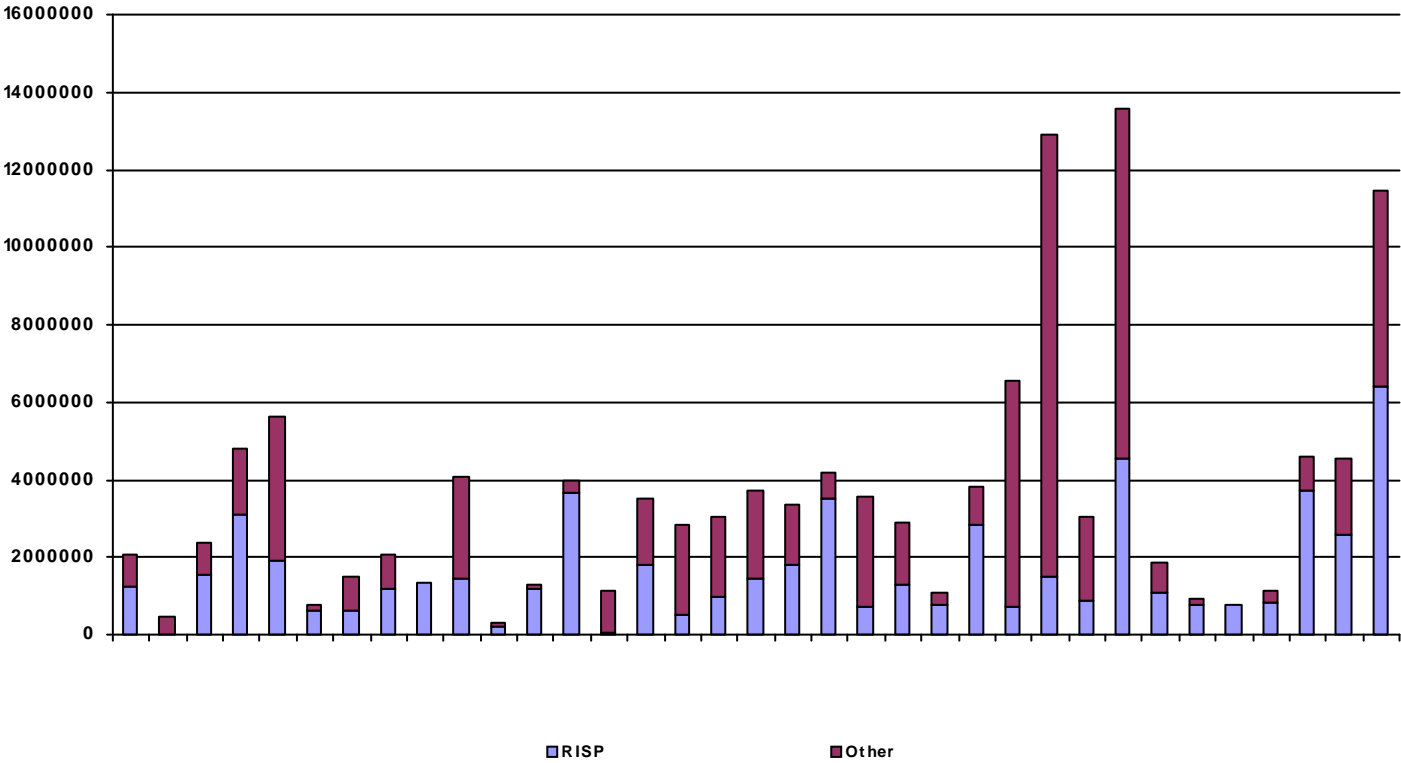
Cumulative figures of RISP as for 30/06/09



Rural Business Development Component

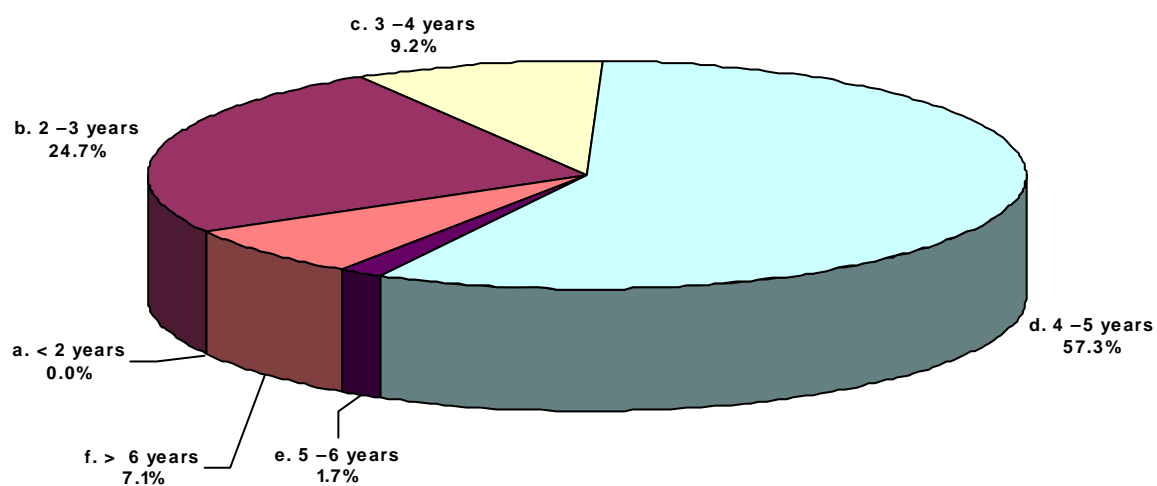
Amount of Loans Disbursed by Regions and Sources of Funding, MDL

Cumulative figures of RISP as for 30/06/09



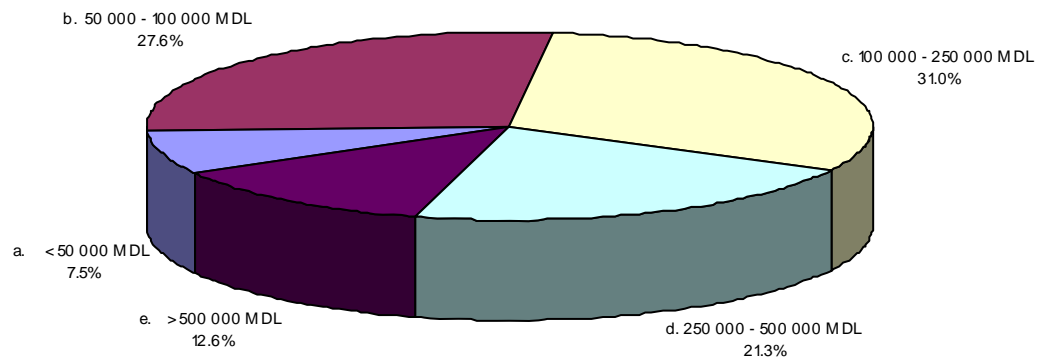
Structure of RISP loans by credit period

Cumulative figures of RISP as for 30/06/09



Structure of RISP loans by amount, MDL

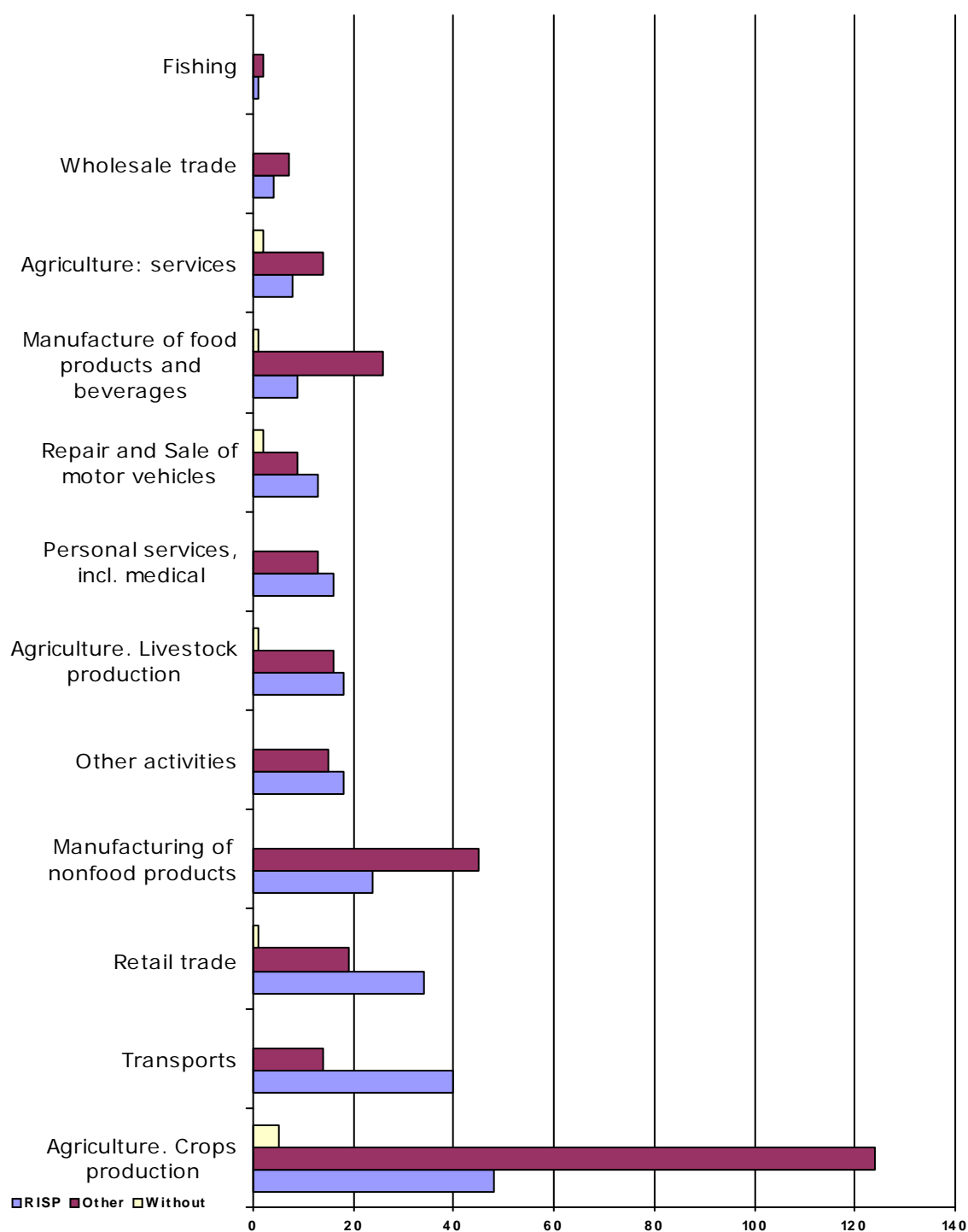
Cumulative figures of RISP as for 30/06/09



Rural Business Development Component

Breakdown of Rural Businesses Started by Activity and Sources of Funding

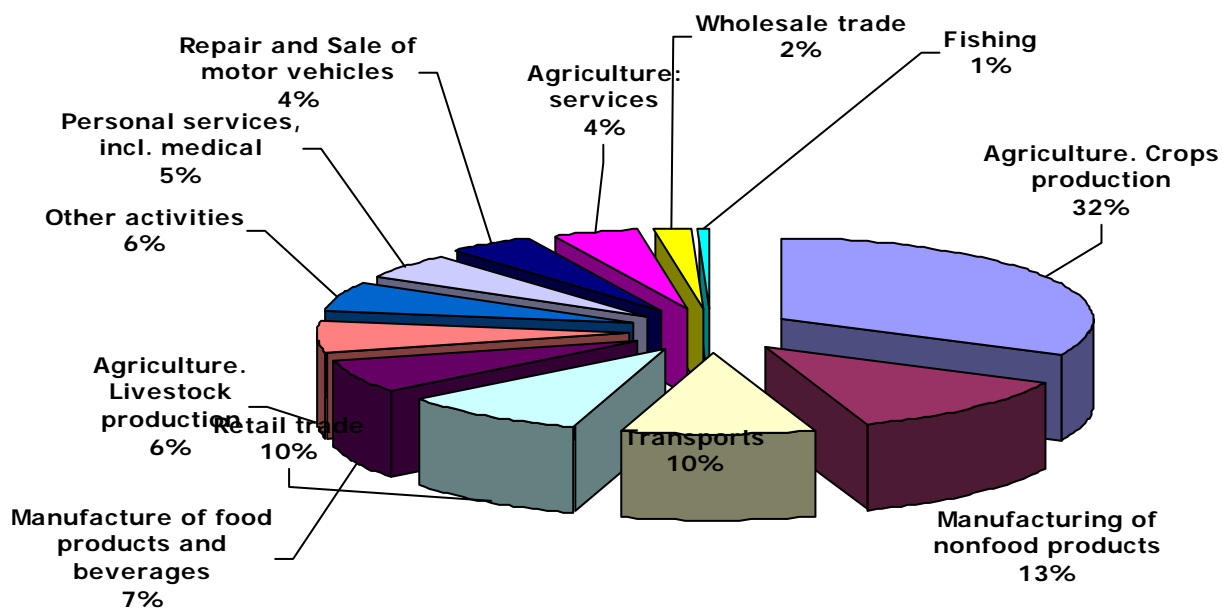
Cumulative figures of RISP as for 30/06/09



Rural Business Development Component

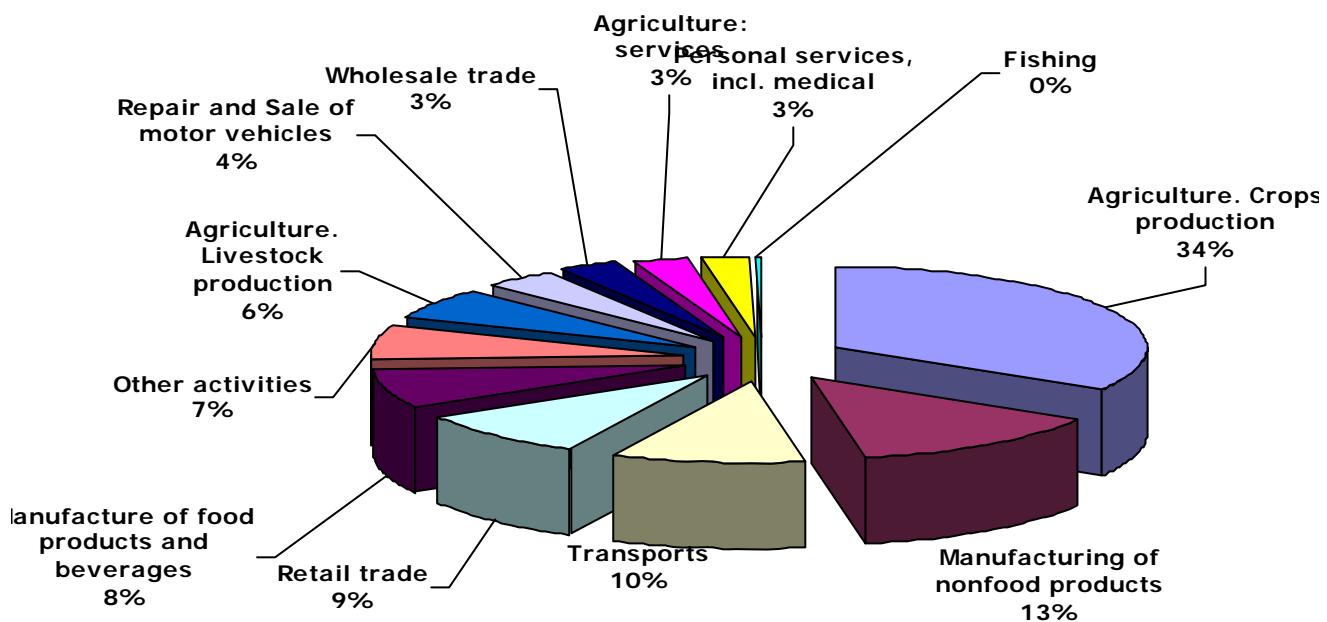
Cumulative figures of RISP as for 30/06/09

Breakdown of Rural Businesses Started by Activity (Number of RBs)



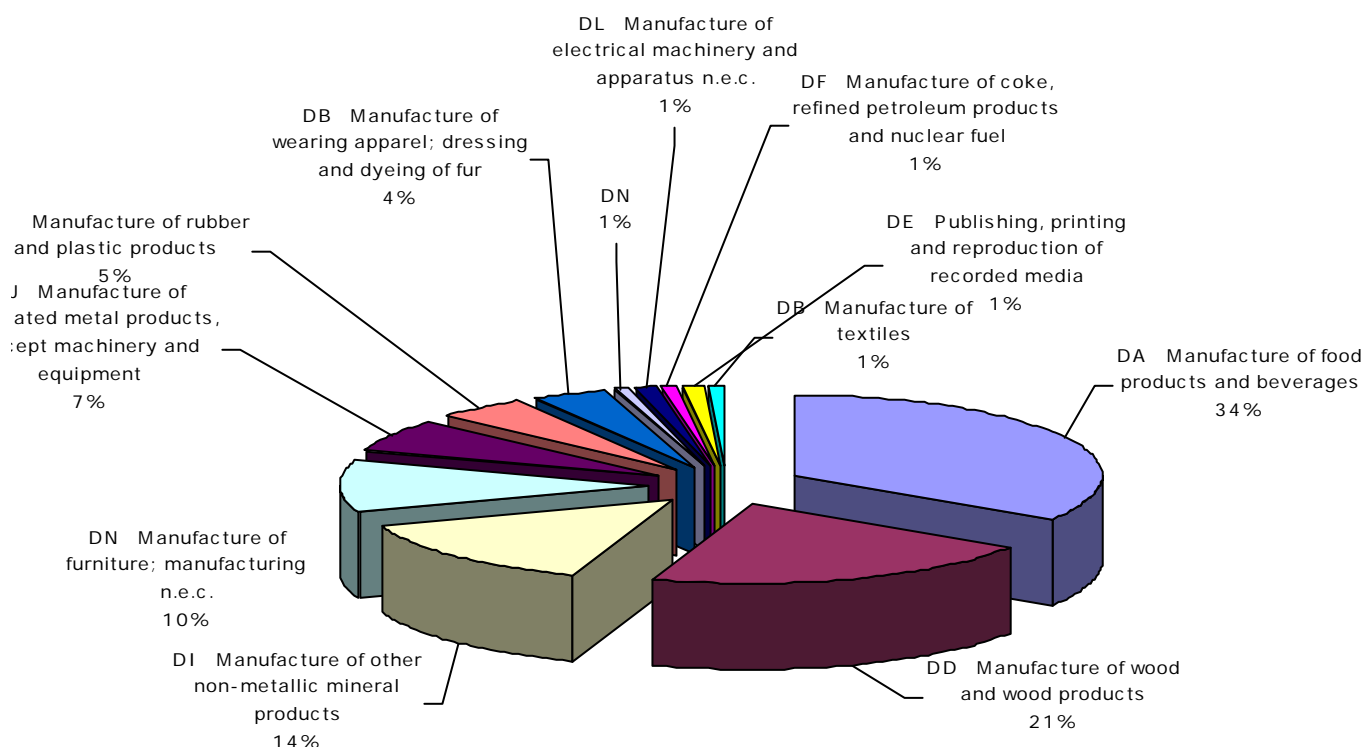
Annex RBD 22a

Breakdown of Rural Businesses Started by Activity (Investments' Ammounts)



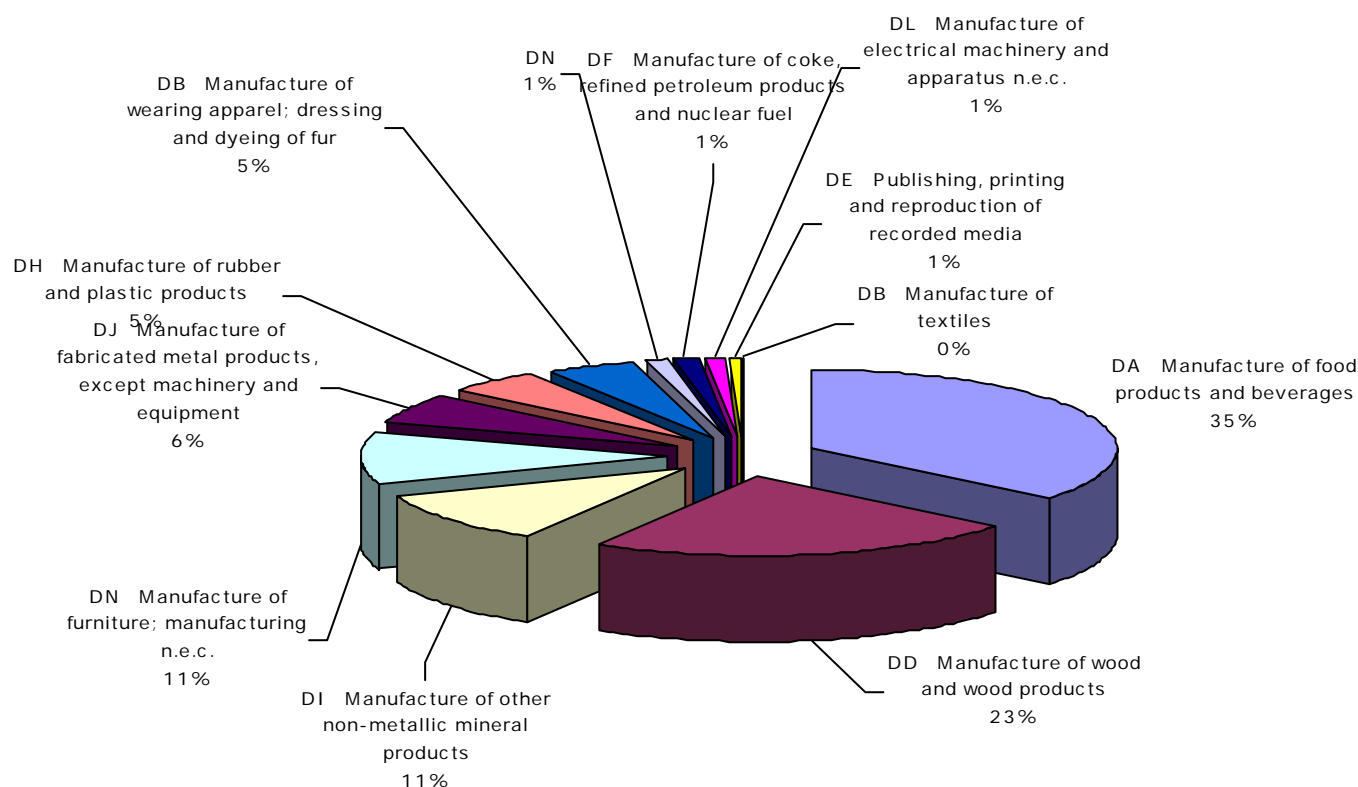
Annex RBD 23

Subcategory: Breakdown of Manufacturing RBs (Number of Credits)



Annex RBD 23a

Subcategory: Breakdown of Manufacturing RBs (Credit amounts)



YOUNG PEOPLE IN UNGHENI LEARN ABOUT THE DANGERS OF THE FLU

“Flu seems to me a very dangerous disease, because it affects humans, birds and animals. Today I found out a lot of useful information about the avian, pandemic flu. The most important thing is that we can prevent the spread of the flu virus, especially that this is so very easy”, says Olga Cinita, a student in the 12th grade of “Gaudeamus” High-school in Petresti village, Ungheni district, one of the participants at the seminar organized by future doctors.

The Petresti village with a population of over 5,000 inhabitants is located not far from the Ungheni and Sculeni border crossing points. Migratory birds rest at the lakes in the areas, and many inhabitants of the village still let their ducks and geese free.

Over 600 children from 20 high-schools in rural settlements in the area of Prut and Nistru rivers discuss important health issues assisted by 20 future doctors.

This is a brief description of the project of the Medicine Students and Residents Association that teaches young people and children to pay attention to the dangers of avian and pandemic flu.

Dorin Damascan, a student in the 5th year at the Medicine Department, is the one who tells the young people how many types of flu exist, what is the difference between the simple and the avian flu, why the pandemic flu cannot be forecasted, and, the most important thing, how to react in case of epidemics or pandemics.

“Children and young people are the most vulnerable to flu, including avian and pandemic flu, and also they are those who can be of great help to the adults in stopping the spread of the virus”, says Dorin Damascan. “We help the children understand how important vigilance is. Our actions are successful only due to the fact that we are closer by age to the young people and we speak a simple language”.

“So far we knew very little about the avian flu, pandemic flu and rules of protection”, confessed Mariana Smerea, 16 years old, who just joined the voluntary youth group that will participate in community information activities about the danger of avian and pandemic flu.

“It is very important to make children and young people in the villages near Prut and Nistru river responsible. Children and young people have to understand the benefits of reporting to local authorities or veterinarian the suspect cases of sick birds. Today, when we already have a new type flu A (H1N1), it is not enough to know only the personal hygiene rules”, mentioned Marcel Abras, manager of the Project “Community Actions for Children and Youth”. Similar meeting with pupils have been organized in Macaresti, Costuleni and Sculeni villages.

“Community Actions for Children and Youth” Project is funded by the Avian Influenza Control and Human Pandemics Preparedness and Response Project, implemented by the World Bank, Ministry of Health and UNICEF.

Upon completion of each informative session, volunteer teams are created to disseminate messages about avian and pandemic flu. Young people decide themselves what kind of information activities they would carry out in their communities, by means of posters, radio or TV shows, and meetings with community members. In November 2009, the most interesting mini-campaign will be awarded.

Annex 2: Media coverage on prevention and response

- **January 29 2009.** Finishing the construction of the Laboratory of Veterinarian Diagnosis in Cahul
 1. News. MOLDRES News Agency. Social. January 30, 2009. Social. A well equipped laboratory of avian flu diagnosis in the South of the country.
 2. 7 news in brief. TV 7. January 29, 2009. A well equipped laboratory of avian flu diagnosis in Cahul.

- **March 20, 2009.** Press Briefing. A presentation of avian flu disinfection systems. Media channels attending the event:
 1. PRO TV Chişinău. Reportage. PRO TV News at 20.00. Reporter – Sorina Obreja.
 2. TV 7. Reportage. Cotidian. Romanian and Russian news service at 18.00 and 20.30. Reporter – Diana Pungă.
 3. Moldova 1. Reportage. News Program „Mesager” at 19.00 and 21.00. Reporter – Vasile Munteanu.
 4. News. MOLDPRES News Agency. Social – Politic. Veterinarian Diagnostic Center received disinfection systems for avian flu prophylaxis. Reporter – Daniela Morari.
 5. News. Info Prim-Neo News Agency. Advanced systems for Sisteme performante pentru avian flu prophylaxis. Reporter – Larisa Durbală.
 6. Reportage. Radio Moldova. Interview with Eugen Voiniţchi, coordinator of the animal health component of the World Bank project: „In case of an outbreak of avian flu we are ready to act”. Reporter – Natalia Codrean.
 7. Radio Reportage. Radio Health programme „Sănătatea”. March 21, 2009. Veterinarian Diagnosis Centre received avian flu disinfection equipment.
 8. News. TIMPUL de dimineaţă news paper. March 26, 2009. Four special vehicles to combat avian flu.
 9. Update of the web site of the Sanitary Veterinarian Food Security of animal origin Agency www.asv.gov.md.

- **April 29, 2009.** Support to the Ministry of Health in organization of the press conference about new type of flu A (H1N1).
 1. TV 7. Reportaj. Cotidian. Romanian and Russian news service at 18.00 and 20.30. Reporter – Marina Pînzaru.
 2. PRO TV Chişinău. Reportaj. PRO TV news from 20.00. Doctors advise population to respect personal hygiene and be vigilant. Reporter – Moldovanu.
 3. NIT. New programme from 20.30. Reporter – Svetlana Ceban.
 4. Moldova suverană news paper. Aprilie 30, 2009. Article. How top prevent Swine flu. Autor – Aneta Voitun.
 5. TIMPUL de dimineaţă news paper. May 5, 2009. News. Moldova is not affected yet by swine flu.
 6. Jurnal de Chişinău news paper. May 1, 2009. Article. Moldova is not affected yet by swine flu.

- **April 30, 2009.** Launch of the first web page in Moldova dedicated to influenza.
 1. News. IMPORTANT. Jurnal de Chişinău news paper - www.jurnal.md – Launch of the first page about influenza.
 2. News. Ziarul de Gardă news paper,– www-garda.com.md. Information about the launch of the web page.

3. Placement of the digital banner www.gripa.md on the web site of the TIMPUL de dimineață newspaper – www.timpul.md, on the sites of the Ministry of Health and the National Centre for Preventive Medicine - www.ms.gov.md and www.sanepid.md.
- **June 5, 2009** Efforts of the Ministry of Health, the World Bank and UNICEF to inform population about the new type flu A (H1N1).
 1. Radio Free Europe. Reportaj. Four persons suspected to have contracted new type flu, tests negative. Reporter – Valeria Vițu. Interview with Oleg Lozan, deputy Minister of Health and Angela Munteanu, Chief Communication, UNICEF.
 2. Jurnal de Chișinău newspaper. In Moldova no confirmed case of infection with the new type of flu. Reporter – Marina Lița.
 3. Moldova-1 TV station. Baștina – programme for farmers. Reportage about the activities of ACSA project related to increase the level of trust of people in local veterinarians. Interview with Anatol Fală, ACSA programme coordinator.
 - **July 30, 2009** Press conference related to the first case of H1N1 in Moldova.

List of press releases

1. Press release. New construction of an advanced Laboratory for AI Diagnosis in Cahul. February, 2009.
2. Press release. New disinfection equipment bought to fight bird flu outbreaks. March, 2009.
3. One media event, organized at the National Veterinary Diagnosis Center – Presentation of the disinfection equipment to be used in case of infectious diseases, including bird flu. March, 2009.
4. Media release on launching of the Web page www.gripa.md. April, 2009. Promoting the site in national mass media.
5. Press release. MoH, WB and UNICEF emergency activities related to A (H1N1). June, 2009.

Annex 3: Communication strategy and plan

COMMUNICATION PLAN

PREVENTION AND REDUCED SPREADING OF NEW A(H1N1) INFLUENZA VIRUS IN THE REPUBLIC OF MOLDOVA

May 2009

1. OVERALL GOAL

Support in prevention and reduction of social impact of an eventual epidemic caused by the new A(H1N1) influenza virus in the Republic of Moldova .

2. objectives

Objective 1: Inform and train target groups to reduce the risk of occurrence of cases of new A(H1N1) influenza in the Republic of Moldova:

- Travelers at entry and exit points of the country
- Tourist and travel agencies
- Employees of the airport, customs service and border guards
- Public health specialists

Objective 2: Inform the general public about the current situation:

- Children and youth
- Adults

Objective 3: Encourage responsible and correct reporting of mass-media about the new A(H1N1) influenza virus:

- TV
- Radio
- Printed press
- Online (internet) media

Objective 4: Enhance trust of the general public in the ability of the national health system to manage and respond during an eventual crisis:

- Health workers
- Public authorities
- Customs
- Border guards
- Employees of airports, tourist and travel agencies

3. TARGET GROUPS

- General population
- Specialists and representatives of state and private institutions
- Mass-media

4. KEY MESSAGES

- Wash your hands frequently with water and soap, in particular after you cough or sneeze. Use alcohol tissues (min. 60% alcohol) when you have no possibility to wash your hands with soap.
- Cover your mouth and nose with a tissue, when you cough or sneeze. Use disposable tissues (after use, discard it in a bag)
- Avoid touching your eyes, nose or mouth with your hands. The flu virus is spread on these ways.

- Avoid crowded public places, to reduce risk of becoming ill.
- Avoid close contact with sick persons. Observe distance of at least 1 meter. The flu is transmitted from human to human through secretions of infected persons, spread by coughing or sneezing.
- If you are sick and you show any symptom or sign of flu:
 1. Stay at home and restrict contacts with others,
 2. Seek medical attention,
 3. Wear a facemask,
 4. Avoid public places and public transportation.
- In case of epidemics, stay calm and follow the guidelines of the Ministry of Health.

PANDEMIC PHASE AND RECOVERY		
STOP THE NEW A(H1N1) INFLUENZA VIRUS	SURVIVAL IN CASE OF PANDEMICS	RETURN TO NORMALITY
Proposed behavioral actions		
<ul style="list-style-type: none"> • Strengthen previous hygiene-related messages. • Restrict your movement. • Avoid crowded places. • Keep distance of at least 1m from other people. • Wear a facemask. • Immediately report occurrence of suspect symptoms. • Avoid direct contact with sick patients. • Follow the instructions of local authorities. 	<ul style="list-style-type: none"> • Enhance the hygiene measures (cough etiquette and washing hands). • Seek medical assistance, if symptoms occur. • If you are ill, stay at home. • Reduce to minimum contact with other persons. • Do not use the same cups and dishes with other people. • Wear a facemask or cover your mouth with a scarf. • Isolate sick family members to the extent possible. • Delegate a single person, who will take care of the sick person. • The person, who takes care of the sick, should wash his/her hands after each contact. • Follow the instructions of the authorities on home care. 	<ul style="list-style-type: none"> • Continue to practice good hygiene and breathing habits. • Remain vigilant. • Protect the persons weakened by the virus.

1. media campaign

- A) Placement 2 video spots on TV channels with national coverage: Moldova 1, NIT, PRO TV, Prime, 2Plus.

Promoted messages: personal hygiene – washing hands, covering mouth and nose with a tissue

- B) Placement of 4 audio spots on radio channels with national coverage: Radio Moldova, Russkoe Radio, Radio Noroc, and Radio Sanatatea.

Promoted messages: personal hygiene, messages for travelers, seeking medical attention in case of occurrence of illness signs

- C) Promote messages through electronic and printed mass-media and inform the population about current situation
- D) Update the website dedicated to flu www.gripa.md and develop a digital banner to be placed on other website
- E) Develop messages to be sent via SMS

2. informative materials for target groups

- A) Info sheet for travelers
- B) Info sheet for customs employees and border guards
- C) Info sheet for teachers and students – send by email to all schools in the country – tbc by the inistry of Education
- D) Info sheet for health workers
- E) Posters with messages concerning personal hygiene and how to act in case illness signs occur

3. post-pandemic communication

Post-pandemic communication will be of crucial importance to facilitate returning to normal and to help psycho-social recovery. The main messages shall include:

- Remain vigilant.
- Protect those who have been weakened by the virus.

4. action plan

Nr.	Title of actions	Responsible	Deadline	Supervisor	Note
1.	Organize and lead the implementation of communication measures to prevent and combat the spread of pandemic flu	Ministry of Health NCPM Varfolomei Calmic	Pandemic alert period	Deputy Minister Oleg Lozan	
2.	Provide methodic, organizational and consultative assistance to ministries, agencies and institutions involved in	Ministry of Health NCPM Varfolomei Calmic	Pandemic alert period	Deputy Minister Oleg Lozan	

	implementation of measures to prevent and combat the spread of pandemic flu				
3.	Develop and print informative materials for travelers, employees of civil aviation, railways, auto transportations, customs and border guard service in 2 languages - ROM, RUS (10,000 copies)	NCPM Varfolomei Calmic UNICEF	By 5 May 2009	Deputy Minister Oleg Lozan	
4.	Distribute informative materials at exit and entry points of the country about prevention and combating of the spread of pandemic flu	NCPM Varfolomei Calmic	By 6 May 2009	Deputy Minister Oleg Lozan	
5.	Develop informative materials for the population in 2 languages - ROM, RUS	NCPM Varfolomei Calmic UNICEF	By 5 May 2009	Deputy Minister Oleg Lozan	
6.	Print informative materials for the general public about prevention and combating of the spread of pandemic flu (500,000 copies)	NCPM SS of MoH in EPS and PS Varfolomei Calmic UNICEF	By 11 May 2009	Deputy Minister Oleg Lozan	
7.	Distribute informative materials for the general public about prevention and combating of the spread of pandemic flu	NCPM Varfolomei Calmic Territorial CMP UNICEF	By 16 May 2009	Deputy Minister Oleg Lozan	
8.	Develop and adjust informative materials for a special hour in schools (students and teachers) about prevention and combating of the spread of pandemic flu	Ministry of Health Ministry of Education and Youth NCPM Varfolomei Calmic	By 9 May 2009	Deputy Minister Oleg Lozan	
9.	Distribute materials and organize a special hour in schools about prevention and combating of the	Ministry of Education and Youth NCPM Varfolomei	By 15 May 2009	Deputy Minister Oleg Lozan	

	spread of pandemic flu	Calmic			
10.	Develop materials for posters to inform the general public in 2 languages - ROM, RUS	NCPM Varfolomei Calmic UNICEF	By 7 May 2009	Deputy Minister Oleg Lozan	
11.	Print posters to inform the population in public places about the prevention and combating of the spread of pandemic flu (15,000 copies)	NCPM Varfolomei Calmic UNICEF	Upon detecting first cases of pandemic flu	Deputy Minister Oleg Lozan	
12.	Adjust video spots on prevention and combating of the spread of pandemic flu	Ministry of Health NCPM Varfolomei Calmic UNICEF	By 5 May 2009	Deputy Minister Oleg Lozan	
13.	Develop and produce 2 video spots with messages regarding prevention and combating of the spread of pandemic flu	Ministry of Health NCPM Varfolomei Calmic UNICEF	By 1 June 2009	Deputy Minister Oleg Lozan	
14.	Develop messages for 4 audio spots on prevention and combating of the spread of pandemic flu	Ministry of Health NCPM Varfolomei Calmic UNICEF	By 6 May 2009	Deputy Minister Oleg Lozan	
15.	Develop of 4 audio spots with messages on prevention and combating of the spread of pandemic flu	Ministry of Health AVS NCPM Varfolomei Calmic UNICEF	By 11 May 2009	Deputy Minister Oleg Lozan	
16.	Place video spots on public and private TV channels (including cable TV) on prevention and combating of the spread of pandemic flu	Ministry of Health IPNA "TRM Company" Audiovisual Coordinating Council Public TV companies Private TV studios NCPM Varfolomei Calmic CMP	Pandemic alert period	Deputy Minister Oleg Lozan	Broadcasting 6 times in prime time (2 times in the morning and 4 in the evening) daily

17.	Place audio spots on national and local radio stations concerning the prevention and combating of the spread of pandemic flu	Ministry of Health Audiovisual Coordinating Council IPNA "TRM Company" Public radio stations Private radio stations NCPM Varfolomei Calmic CMP	Pandemic alert period	Deputy Minister Oleg Lozan	Broadcasting 4 times in prime time daily
18.	Systematically inform the populations via mass-media: TV, radio, written press, about the current situations, undertaken measures and measures to prevent and combat the spread of pandemic flu	Ministry of Health Audiovisual Coordinating Council IPNA "TRM Company" Public and private radio stations Written press NCPM Varfolomei Calmic CMP, IMSP	Pandemic alert period	Deputy Minister Oleg Lozan	
19.	Organize press-conferences, briefings, interviews for mass-media, in order to inform the population about the epidemiological situation and about the measures to prevent and combat the spread of pandemic flu	Ministry of Health NCPM Varfolomei Calmic	Weekly during the pandemic alert period	Deputy Minister Oleg Lozan	
20.	Organize and participate in specialized programs on radio, TV, written and online press on combating and spreading of pandemic flu, in order to inform the population about the epidemiological situation and about the measures to prevent and combat the spread	Ministry of Health NCPM Oleg Benes Victor Diatisen Senior Specialists of MoH Viorel Prisacari Constantin Spinu Tiberiu Holban Varfolomei Calmic	Pandemic alert period	Deputy Minister Oleg Lozan	

	of pandemic flu				
21.	Develop a digital banner for websites to place information about the epidemiological situation and about the measures to prevent and combat the spread of pandemic flu	NCPM SS of MoH in EPS and PS Varfolomei Calmic UNICEF	May 2009	Deputy Minister Oleg Lozan	
22.	Update the websites www.ms.md , www.gripa.md , www.sanepid.md by placing informative materials and latest information, in order to inform the population about the epidemiological situation and about the measures to prevent and combat the spread of pandemic flu	Ministry of Health NCPM Varfolomei Calmic UNICEF	Pandemic alert period, on permanent basis	Deputy Minister Oleg Lozan	
23.	Send information by SMS via mobile telephony about the epidemiological situation and about the measures to prevent and combat the spread of pandemic flu	Ministry of Health Ministry of Information Development Mobile Telephony Service Providers NCPM Varfolomei Calmic	Pandemic alert period – when a first infection cases is confirmed	Deputy Minister Oleg Lozan	