

## MDG 8: Develop a Global Partnership for Development

The transformation of socio-economic system of the Republic of Moldova during the transition period is being realized mainly due to financial support and technical aid of international organizations and donor-countries. Thanks to this collaboration, the Republic of Moldova has rather quickly provided for macroeconomic stabilization, financial sector reform (banks, budget), reformation of property (including agriculture) and social assistance system. The results in improvement of governance, judicial system, creation of a favorable business climate, attraction of investments and local self-administration development proved to be less impressive.

As a result, both the Government and international community (UNO, IMF and WB, European Commission, USAID, TACIS), as well as donor-countries are not fully satisfied with the results of this partnership (for a more detailed overview visit [www.cisr-md.org](http://www.cisr-md.org) : “*Experience and Techniques of Aid Coordination in Moldova*”. Survey, January 2003).

Based on positive results of the transition period reforms and taking into account the available reserves, the Government of the Republic of Moldova during the process of achieving the Millennium Development Goals will further have to collaborate with external partners. At that, starting from the MDG targets (using the UN wording) solution of the following tasks is the most urgent for Moldova in its cooperation with external partners:

- developing employment, especially of the youth, improving business environment and eliminating obstacles in development of private sector (*targets 16 and 18*);
- facilitating conditions for the Moldovan export promotion, raising competitiveness of Moldovan goods, a more complete utilization of opportunities that PCA between the Republic of Moldova and European Union and Moldova’s membership in WTO render (*target 12*);
- facilitating Moldova’s access to external markets; taking into account the fact that it has no access to sea (*target 14*) based on reconstruction of its transport communications (railway, auto) and finalization of the Giurgiulesti port on the Danube;
- proceeding with reforms in financial sector (*target 14*) for the sake of both the state budget, conditions for real sector and a better social protection targeting on the poor and efficiency of spending;
- solving rationally problems of external and internal debts (*target 15*);

It is clear that these problems are tightly interconnected: employment, private sector development → economic growth → export rise → growth of financial capacities of the state in social development and state debt servicing → poverty reduction.

As one can see, achieving the MDG 8 is a multiple-factor task with many unknowns – both in the nearest 3 years (the EGPRSP term) and the future till 2015. This, as well as the lack of trustworthy statistics during evaluation of the initial (for Moldova) situation regarding the MDG 8 at the present, in 2003, can explain that draft of the MDG Desk Study – Republic of Moldova lacks a special chapter concerning the MDG 8 and there is a certain fragmentariness of the Working Paper as regards Goal 8. Both MDG 8 and MDG 1 recommendations are aimed mainly at improvement of the monitoring indicators rather than of the substance and coordination of the “global partnership development” processes for the Republic of Moldova.

It seems expedient to concentrate attention of the Government and its external partners at the following framework reference points agreed upon by all international organizations, including IMF and WB, that collaborate with the lower income countries, could facilitate a higher integrity of this part of the Millennium Developments Goals for Moldova:

- *Poverty*: the proportion of people living in extreme poverty in developing countries and the proportion of malnourished children should be reduced by at least one half between 1990 and 2015;
- *Education*: there should be Universal Primary Education (UPE) in all countries by 2015;
- *Gender Equality*: progress toward gender equality and the empowerment of women should be demonstrated by eliminating gender disparity in primary and secondary education by 2005;
- *Infant and Child Mortality*: the death rates of infants and children under the age of five years should be reduced in each developing country by two-thirds the 1990 level by 2015;
- *Maternal Mortality*: the rate of maternal mortality should be reduced by three-fourths between 1990 and 2015;
- *Reproductive Health*: access should be available through the primary health care system to reproductive health services for all individuals of appropriate ages and the spread of HIV/AIDS should have begun to be reversed, no later than the year 2015;
- *Environment*: there should be a national strategy for sustainable development, in the process of implementation, in every country by 2005, so as to ensure that current trends in the loss of environmental resources are effectively reversed at both global and national levels by 2015. The proportion of the population without access to an improved water source should be reduced by at least one-half between 1990 and 2015.

*Actions recommended for the Government:*

- act as a leader in organization and coordination of the donor activities in the country (“*country-driven process*”) focusing the attention on the UN Millennium Development Goals and EGPRSP as a practical program to reach these goals;
- determine the exact priorities of reforms and state policy regarding the collaboration with external partners, focusing the attention on the factors of economic growth oriented at the poor (“*pro-poor growth*”). The sources and constraints to pro-poor growth need more analysis (danger in unrealistic growth targets);
- *supplement the national statistics system* with indicators recommended by the Millennium Development Goals (“*targets-indicators*”) to provide greater efficacy of the MDG achievement monitoring and comparability with other countries;
- *improve the externally financed programs’ coordination* and eliminate their discrepancy and fragmentariness caused by incompatible principles and procedures of aid rendering by different donors;
- in case the Government changes, announce publicly and fix the intention to provide *continuity* as regards collaboration with external partners to implement the “*pro-MDG policy*” in the action plan of the new administration;
- develop partner relations with public organizations, trade unions and NGO representatives within the country concerning the monitoring and evaluation of reaching the MDG and involve representatives of the Transnistrian civil society in the process.

*Actions recommended for external partners:*

- *harmonize and simplify donor practices*, procedures and policies;
- IMF and WB as key external partners should demonstrate their wish to *help the Government in realization of the MDG/EGPRSP* through providing transparency of coordination between the credit conditions and measures of the state policy to reduce poverty and facilitate growth;
- help the country to get *privileged funds* from international organizations and donor-countries *in the context of programs for poor countries with large debts*;
- *facilitate development of the country's civil society potential* and its involvement in monitoring and implementation of the MDG/EGPRSP;
- support efforts of the Government and civil society *to solve the Transnistrian conflict*.

Summarizing, one could say that poverty reduction is and will remain the responsibility of the Government. But reaching the goals agreed upon at the UN Millennium Summit requires a genuine global partnership in which the efforts of developing and transition countries can be supported on a sustained and consistent manner. Improvements will have to be pursued energetically in several critical areas:

- first, as the country increases its determination to fight poverty, the aid community must provide greater support, and also refocus its assistance, taking into account the special needs of the poorest groups and regions. Higher levels of support in basic social services will make an important difference and are urgently required;
- second, the efforts made by the country to approach poverty reduction through cross-sectoral strategies and programs need to be supported by donors in ways that promote more cohesive, integrated approaches. This will require multi-donor support, a judicious use of the program approach and the adoption of clear and transparent indicators of both performance and impact;
- third, political stability, economic growth, and poverty reduction must be tackled together in a coordinated manner – and not regarded as three separate agenda items competing for attention. Aid coordination mechanisms can also become better informed by drawing on new sources of information and analysis such as the national human development report;
- fourth, poverty eradication requires everyone's involvement. Development cooperation has already offered a great deal of support to civil society and the private sector. But more can be done to integrate donor support to state and non-state actors. Bringing together these often parallel tracks would help generate greater commitment, capacities and resources for this common cause.

*Taking into account the long-term perspective, till 2015, inevitability of emerging risks and constraints, succession and tolerance should be provided in interaction of the Government (a series of governments?) and external partners – it will be a “learning by doing” process for both parties.*