FINAL **R**EPORT

United Nations Development Programme

Republic of Moldova

MOLDOVA SOCIAL INNOVATION HUB (MILAB) - PHASE II

November 2022

Reporting Period	2019-2021
Donor	
Country	Republic of Moldova
Project Title	MOLDOVA SOCIAL INNOVATION HUB (MILAB) - PHASE II
Project ID **(Atlas Award ID)** **Outputs** **(Atlas Project ID and Description)**	00120492/ 00116684 - Innovation LAB
Implementing Partner(s)	UNDP
Project Phase Start Date	January 2019
Project Phase End Date	April 2021
Total Budget	USD 320,778.42
Revenue received	Regular (UNDP) USD 281,632.81 Government of Sweden USD 39,145.61
Unfunded budget	N/A
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I.   Background

There is a fast shift taking place in the realm of public policy and development program design around the world. Rise of democracy, spread of modern technologies and knowledge, but also shrinking resources of the public and development organizations in the face of increased complexity and interconnectedness of the social challenges, mean that design and implementation of public policies and development programs has seized to be under the exclusive remit of the selected few.

Along with the opening up of the public policy space, the rise of civic activism has changed the way the Governments approach public policy development, service delivery and engage with the citizens. These trends put the Governments under increased scrutiny, leading to more transparency and accountability. Moldovan Government has also sought to ensure more openness and transparency in interaction with public, including through implementation of E-transformation agenda and setting up the on-line Aid Management Platform (AMP). The Government has increasingly looked to tap into expertise and solutions from other sectors and wants to move towards 'networked governance' solutions to the issues it faces daily.

UNDP Moldova, through MiLab, has supported national counterparts in embarking on several innovative projects that seek to apply innovative approaches to engage with citizens and enable people to contribute stronger to the country's development. Some previous examples include gaming for youth employment; applying behavioural insights for TB treatment; the piloting of the Public Service Evaluation Tool; ImiPasa platform for civil reporting; participatory measurement of multidimensional poverty, and others.

MiLab had to become a multilateral platform serving to engage actors from different sectors (public, private, non-profit, etc.) to seek and experiment with innovative approaches to the society's problems. MiLab's work was closely aligned with the Government's priorities and structured around three key service lines:

1. Public service reengineering: Support national action plan on the modernization of public services, together with the colleagues from the e-Government Centre and Public Services Agency, helping to apply innovative tools (design thinking, behavioural insights, data, etc.) to better achieve reform agenda on the modernisation of public services;
2. Evidence-based policy-making: Promote evidence-based policy-making by supporting the use of alternative data for policy design and robust tools (e.g. randomised control trials) for policy impact evaluation;
3. Public engagement and crowdsourcing for policy: Support Government's engagement with citizens around strategic policy priorities through collective intelligence.

Ultimately, the Lab was working on developing solutions that have been tested on the ground and co-developed with strong involvement of beneficiaries and are ready to be scaled-up in extended environments.

The goal of the project was to establish the Lab to respond to several crucial necessities identified in the national consultation on the post-2015 development agenda, including enabling people to contribute meaningfully and practically to the development of their country and communities, and facilitation of the communication between Government and people.

The Project was designed in two phases: Phase I – between 2014-2018 and Phase II – between 2019 - 2021.

II.   Results achieved

PHASE II

- One of the biggest behavioural experiments conducted in the region tackled irresponsible electricity consumption. 20,000 households from Chisinau reduced by 2% their electricity consumption after being informed that their neighbours receive lower electric bills or consume less;
- As a response to increasing plastic bags consumption, a behavioural experiment with Metro Cash & Carry was conducted in August-September 2019 in order to test various options of encouraging Metro customers to consume less plastic bags resulted in 5.5% decrease among the customers that received attractive options to plastic bags at the counter;
- MiLab used behavioural experiments to tackle low motivation and the decreased capacity of the registered unemployed to enter the market by testing an innovative approach. Individual consultations between job-seekers and employment specialists at the National employment Agency was redesigned and implemented in 14 Territorial Employment Centres (with other 15 Centres in Control group). As a result, the likelihood of a job seeker's transition to the job market increased by 5.2 percentage points (10.7%) within 3 months;
- Partnership with mobile operator Orange Moldova, electricity provider Premier Energy had been signed to develop and pilot an Urban Big Data Collaborative Platform with two use cases to address that are relevant to the Chisinau context (traffic congestion and lack of small urban infrastructure). Big Data Platform was developed, with 3 service lines:
- Urban and Peri-Urban Land Use Land Cover Classification and Associated Changes developed;
- Census-Based Population Distribution presented;
- Case Study Definition and First Insights into Recent Population and Mobility Trends provided;
- First UNDP project in the region to pilot the SDG Accelerator for SMEs (Danish model). The program contains 5 private sector companies participating in one-year business acceleration programme, aimed at engaging the private sector in the achievement of the 2030 Agenda and its 17 Sustainable Development Goals (SDGs);
- Building up on the need for perception/qualitative data to be used further for development interventions, more than 1000 micro-narratives were collected on the quality of life in Chisinau, in partnership with UNDP Istanbul Regional Hub and Cognitive Edge (Singapore-based think-tank). The project allows for an open-up dialogue with the local administration around citizens engagement;
- In 2019, MiLab applied design thinking to redesign some of the public services, including the development of a blueprint for a new office space for the National Employment Agency Office in Chisinau that emphasize accessibility, openness and encourage civil servants to provide efficient and user-centred services. The blueprint can be used as master-frame for the future redesign of Agency territorial offices across Moldova;
- In 2020, MiLab launched collaborative use of new evidence to support the Government of the Republic of Moldova to respond to COVID-19 crisis, aiming equally at raising the

awareness of the authorities around gathering new evidence to be used for response measures;

- Partnership concluded with the European Space Agency to complement the existing air monitoring data on air pollution. A study was conducted to map the air pollution in Chisinau, the capital city, and the rest of Moldova, using earth observation data. The study was conducted during the COVID-19 lockdown, but also covered rich historical datasets, thus allowing to assess the impact of COVID-19 on air pollution, particularly in dense urban and industrial areas;
- MiLab contributed to the elaboration of the report on the socio-economic impact of the COVID-19 pandemic on vulnerable groups and economic sectors in the Republic of Moldova. The paper, based on collected micro-narratives, aimed to strengthen the dialogue between the partners and stakeholders on SME support in the pandemic and post-pandemic periods, identify the gaps in public programs and policies, and come up with additional business support initiatives;
- In 2020, MiLab contributed to the elaboration of COVID-19 Impact on Agricultural Practices in Moldova, publication that provides monitoring of the agricultural product and the estimation of the impact of COVID-19 on Moldovan agricultural practices;
- Elaboration of the paper - Inequalities in urban and rural Moldova: Beyond incomes and averages, looking into the future of inequalities, aimed at analysing both income and non-income inequalities through the prism of access to qualitative services, including health care, primary education, green spaces, transportation and urban mobility.

III.   Conclusions and lessons learned

The scope of the MiLab was to support changes in the organizational and innovative culture in the public and private sectors and align all participants for the accelerated achievement of the Sustainable Development Agenda and national targets. MiLab has departed from the conventional understanding of a development project, becoming UNDP Moldova's internal innovation arm and think-thank aimed at testing new solutions with external partners, streamlining innovation and evidences into the existing UNDP portfolios though engaging with the ongoing and prospective projects and seek ways to maximize and measure their social impact. The value proposition brought by the project refers to the following:

Knowledge transfer and capacity building for new products design

MiLab confirmed new niche segments on which UNDP Moldova has competitive advantage, in particular in the area of new evidence (generation and use of big and thick data for development), sense-making of such new types of data, human centred design and its application for redesigning of public services and similar, horizon scanning and systems thinking, SDG acceleration and ways to engage with private sector around redesign of the existing business models, alternative financing (crowdfunding and crowd-investment), urban experimentation and how to co-design various experiments for testing safe-to-fail solutions to complex problems.

Experimentation work for internal cohesion

MiLab proved the efficiency of testing out of solutions to complex problems though experimental and innovative way of thinking, supporting the change of the corporate culture in the offices and

partners. MiLab supported the teams in generating, conceptualizing, and running various experiments raising unique experimentation areas, as it regards new evidence for SDGs, re-design and public services, financing for SDGs, private sector engagement an urban experimentation.

Partnerships and resources mobilization

MiLab demonstrated that partnerships are more efficient when experimentation work covers multiple countries and regions and tackle regional and global complex problems that transcend national boundaries, supporting UNDP, Governments and businesses in their efforts to stay abreast of such developments, in policy and in practice. MiLab proved its efficiency in pushing forward specific value propositions to private sector companies to join experimentation work and build on it to scale solutions.