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MIGRATION AND LOCAL DEVELOPMENT PROJECT (PHASE II)

FINAL REPORT

01 January 2019 – 31 December 2022



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Project Information

Project title	Migration and Local Development Project II
Country	Republic of Moldova
Project number	No. 7F-08718.02.02
Implementing agency	United Nations Development Programme in Moldova (UNDP)
Project duration	01.01.2019 – 31.12.2022
Project budget	USD 6,607,520
Overall objective	Maximizing the impact of migration on the socio-economic development through an improved institutional framework and engaged Diaspora.
Outcomes	Outcome 1: Moldovan potential, actual and returning labor migrants benefit from comprehensive employment support services. Outcome 2: Community members, including migrants are meaningfully engaged in the local development process
Reporting period	01.01.2019 – 31.12.2022
Total expenditures	USD 6,607,520 <i>USD 1,307,040 for 01.01.2019 – 31.12.2019</i> <i>USD 2,481,558 for 01.01.2020 – 31.12.2020</i> <i>USD 1,487,757 for 01.01.2021 – 30.09.2021</i> <i>USD 1,315,004 for 01.01.2022 – 31.12.2022</i>
Main national partners	<ul style="list-style-type: none"> ▪ State Chancellery ▪ Ministry of Labour and Social Protection ▪ National Employment Agency ▪ Congress of Local Authorities from Moldova ▪ Local Public Authorities and Hometown Associations ▪ Moldovan migrants and local communities
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List of Abbreviations

ANTRIM - National Inbound Tourism Association of Moldova
BMA – Migration and Asylum Bureau of the Ministry of Internal Affairs
BRD – Diaspora Relations Bureau of the State Chancellery
CALM – Congress of Local Authorities from Moldova
CPA – Central Public Authority
DAR 1+3 – Governmental programme “Diaspora succeeds at home” (*Diaspora Acasă Reușeste*) 1+3
DMD – Diaspora, Migration & Development
GD – Government Decision
HIG – Hometown Initiative Groups
HTA – Hometown Association
ILO – International Labour Organization
IMC – Intermunicipal Cooperation
IOM – International Organization for Migration
LED – Local Economic Development
LPAs – Local Public Authorities
M&D – Migration and Development
ME4D – Migrants’ Engagement for Development model
MLSP – Ministry of Labour and Social Protection
MER – Ministry of Education and Research
MFAEI – Ministry of Foreign Affairs and European Integration
MiDL – Swiss-UNDP “Migration and Local Development” project
NEA – National Employment Agency
NLI – National Labour Inspectorate
ODIMM – Organization for SME Sector Development in Moldova
ODA – Organization for Entrepreneurship Development
PACA - Participatory Appraisal of Competitive Advantage
RM – Republic of Moldova
SC – State Chancellery
SDC – Swiss Agency for Development and Cooperation
TEO – Territorial Employment Offices
ToC – Theory of Change
UNDP – United Nations Development Programme



This report covers the results achieved by the Migration and Local Development Project (MiDL), with the support of the Swiss Agency for Development and Cooperation (SDC), during its second phase of implementation (January 2019 – December 2022), in line with the approved Project Document (Annex 1) and Multi-Work Plan (Annex 2).

The Project implementation period coincided with a series of shocks and turbulences in the Moldovan economy, produced by the pandemic, the regional energy crisis, and the impact of the Russian military invasion of Ukraine. These challenges have put substantial pressure on the project activities, requiring complementary efforts in assisting local stakeholders and innovative approaches in overcoming the occurred difficulties. Nevertheless, the Project succeeded to achieve all the set targets, and to expand its implementation area, and to ensure the full sustainability of results achieved.

The project worked to ensure sustainability and scale-up of the results from the previous SDC-supported efforts, with a new holistic and innovative approach, added, aiming at improving national and local governments' capacities and services, and community empowerment. The processes initiated by the project have systematic implications at policy, regulatory, coordination, institutional, and service provision levels, with a sustainable impact both at the national and local levels. The project succeeded in capturing the entire process of integrating migration into the local development agenda, while also facilitating the strategic and operational framework for circular, temporary, and permanent migration management.

Under its first Outcome, the project strategy relied on comprehensive, interrelated, and multi-stakeholder interventions, working to address a core challenge of an un-reformed policy and regulatory framework on managing labor migration. The Project was instrumental in the implementation of the secondary legislation in the area of enhanced labor migration, as well as consolidated the capacities of national stakeholders in negotiating bilateral labor agreements. The efficiency of employment support services provided to labor migrants resides in a well-prepared and informed staff of services providers, both public and private, hence the project focused on improving the ability of public and private entities to provide quality employment services to labor migrants at all stages of migration.

Under the second Outcome, an essential element determining the success of local interventions was the understanding, acknowledgment, and commitment by the local public authorities of the need to test and implement innovative joint local initiatives, including with migrants' support, in a transparent and participatory manner. Thus, the project provided its partner LPAs and local actors with a comprehensive set of training, specialized technical assistance, and expertise along with continuous networking and experience exchange opportunities among all beneficiaries. The next logical step in building trust and local capacities was the participatory development and upgrade of local economic action plans. This ensured effective local governance, where the local community (including migrants and private sector representatives) are part of the process and engage at each stage, from the selection of issues and their solutions – to the participation in funding and implementation of the resulting joint local development initiatives.

Overall, the project succeeded in further strengthening and expanding its thematic approach, highlighting the Swiss-UNDP model of diaspora engagement for local development at the global level as a successful and pioneer methodology. The pilot interventions from the Transnistrian region additionally confirmed its viability and provide opportunities for further scale-up at the regional level. To date, over one-fourth of Moldovan communities acknowledge and use diaspora and community engagement mechanisms promoted by the project. Significant progress has been achieved in enhancing the economic dimension of the DMD model, by enabling functional trilateral partnerships (LPAs, private sector, and HTAs) for promoting the improvement of the local business environment and creation of additional income-generating opportunities. This partnership builds upon a healthy participatory local environment and has proven its resilience and efficiency during the pandemic and refugee crisis periods, providing a much-needed and swiftly deployed layer of support, human engagement, and financial contributions.

From the sustainability perspective, the project succeeded to institutionalize HTAs as proactive community development actors, with a future HTA Alliance to be operationalized at the national level as an umbrella organization and resource center. In cooperation with the Diaspora Relations Bureau, the project succeeded to support to the institutionalization of the governmental DAR 1+3 programme, which emerges as a viable mechanism for diaspora engagement in local development, while CALM has been capacitated to ensure the thematic induction of local public authorities interested to replicate the Swiss-UNDP DMD model, beyond the project lifetime.

On a strategic level, the project supported Moldova's progress toward the achievement of the Sustainable Development Agenda 2030, particularly SDG 8 on decent work and economic growth, and SDG 11 on sustainable cities and communities.



Outcome 1: Moldovan labor, potential, actual and returning migrants benefit from comprehensive employment support services

The project provided support to the MLSP in addressing labor migration management policy gaps, and enhancing the legal, coordination, and institutional frameworks on labor migration. Important legislative changes have been made, which have helped align the labor migration policy with national and international labor market needs and enforced the protection of men and women labor migrants' rights, such as access to work rights, decent work, labor markets, and justice, as well as localized international ethical recruitments standards. Additionally, national authorities have had their capacities strengthened in negotiating and implementing bilateral labor migration agreements with other states, as well as together with private recruitment agencies have been trained in applying the principles of ethical recruitment.

The NEA's capacity to serve job seekers and returned migrants has been improved through capacity building of migration focal points and middle management. Besides, NEA has been offered support and capacitated to build its communication strategy and implement it using modern tools, in order to better target its communication efforts and reach its actual and potential beneficiaries. NEA has launched its new job-seeking portal www.angajat.md in order to better reach its clients and intermediate the supply and demand in a more efficient way. Additionally, two of NEA's territorial employment offices have been redesigned and modernized in order to offer improved services to its clients, including the most vulnerable.

To facilitate the return and reintegration of returning migrants, the project supported the piloting of a national mechanism for recognizing professional competencies gained in non-formal and informal settings, which was institutionalized and extended to eleven Centers of Excellence. Additionally, a mid-term policy document for improving the public services for returnees and their families has been developed by the BRD with the support of the project.

Overall, the products, instruments, and processes developed and institutionalized under Outcome 1 shall be conducive to shaping policymakers' proactive and cooperative attitude aimed at encouraging legal circular labor migration, as well as providing adequate services and opportunities for returning migrants to re-integrate on the Moldovan labor market.

Outcome 2: Community members, including migrants are meaningfully engaged in the local development process

Despite a challenging socio-economic context, the MiDL project succeeded to adapt and pilot the PACA approach in supporting the local economic development, which improved the local business environment and created additional income-generating opportunities for 28 beneficiary municipalities with a total population of over 200 thousand citizens. The Project carried out a comprehensive package of professional facilitation and capacity-building activities, complemented within \$1.54 M granting, which resulted in co-generated investments in the amount of \$19.2 M (by mobilizing \$3 M from the private sector, \$5 M from extra-budgetary public funds and \$11.2 M from other donors), 862 new jobs, support for 179 local companies and enhanced capacities of 28 mayoralities to promote a more proactive LED agenda (in partnership with the private sector and by mainstreaming diaspora engagement).

The second phase of the MiDL project facilitated the further extension of the M&D model at the national level, both in terms of engaged communities and improved local capacities. In partnership with CALM, 298 localities from Moldova were consulted and replicated best practices on integrating M&D principles in project management and local planning. As a result, 131 localities established a local HTA, while 48 are in process of registration (currently – initiative groups) and 119 have the required SKATE to replicate the model.

Via the project's grants programs (HTA Incubator – for emerging associations and Accelerator – for established associations), as well as the support provided to the governmental program DAR 1+3, a total of 96 localities initiated local development projects leveraging diaspora contributions. These interventions have a total budget of \$1.425 M (of which 70% is local co-financing) and increase the livelihoods of almost 389K people, including 201K women and 83K young people.

By expanding the Migration and Development approach in the communities on the left bank of the Nistru river, the project undertook a series of activities that allowed to assess, adapt, and pilot the model on the left bank of the Nistru river. An adaptability assessment was conducted, preceded by the elaboration of the adjusted model, and finalized with the elaboration of a strategic outline document for further scale-up in the Transnistrian region of the Migrants' Engagement in Local Development approach. The model was piloted in two localities (population of 7.1K) by increasing the engagement of the diaspora in community development, as well as ensuring the sustainability of the interventions, with opportunities for further replication at the regional level.



Output 1.1: National labor migration policy, coordination, regulatory and institutional frameworks are upgraded to enable an enhanced management of labor migration

With a pursued holistic approach to enhance the management of labor migration, the project provided support to its national stakeholders (MLSP, NEA, NLI and BRD) in the areas of policy adjustments based on empirical evidence and implementation of new regulatory frameworks based on increased institutional capacities and adoption of international best practices.

Institutional support area I: Evidence-based enhancement of policy and regulatory frameworks

Key legislative amendments to the Employment Law (no. 105 of 14.06.2018) were made with project expertise, based on evidence-based and participatory approaches, enabling a new migrant-centered model of labor migration management, that localizes international ethical recruitment standards, aligning policies with national and international labor market needs, and enforces the protection of migrants, rights (e.g. access to work rights, decent work, labor markets, and justice, particularly for those in vulnerable situations). The amendments, developed by contracted international and national experts, were approved by the Moldovan Parliament (Official Gazette no. 199-204 from 07.08.2020) and entered into force in May 2021 ([GD no. 78/2021](#)).

With a pursued holistic approach, the project also provided support for the enhancement of the secondary legislation required for mandating the NLI with upgraded monitoring competencies in the field of labor migration through supporting the MLSP to formulate relevant amendments to the normative acts: GD no. 1276/2018 for approving access procedures to employment measures, GD no. 894/2018 for the approval of the Methodology on the state control of entrepreneurial activity based on risk analysis in the area of control of the National Labour Inspectorate; [Law 140/2001](#), regarding the National Labor Inspectorate; [GD no. 788/2013](#) regarding the organization and operation of the National Labor Inspectorate.

To support the consolidation of the reintegration institutional and policy framework, promotion of return opportunities, and public service support to returnees and their families, the project assisted BRD with expertise in drafting the National Program for stimulating the return and facilitating the reintegration of Moldovan citizens in migration (2022-2026).

The project supported the MLSP to evaluate in 2022 the intermediate impact of the enhanced legislation on the labor supply chains from the perspective of recruitment of labor migrants in full compliance with the legislation, as well as drafted and discussed concrete recommendations for policy and regulatory responses for further enhancing the labor migration management system in Moldova.

Institutional support area II: Advancement of international cooperation

An enhanced partnership between the Moldovan and Italian authorities was facilitated, as to support fair and effective labor rights and social protection systems for Moldovan labor migrants, via a work visit of the MLSP, BRD and Moldovan trade unions to Italy in 2021. The visit was followed by the negotiation and signing of a new multilateral cooperation agreement between the Moldovan National Trade Union Confederation and the three most important Italian counterparts (CISL, CGIL, UIL), defining joint measures to enhance the protection of labor migrants' rights.

Institutional support area III: Adoption of international best practices and standards

During 2021 and 2022 thematic support was provided to the MLSP to join the Global Policy Network on Ethical Recruitment, part of IOM's flagship initiative - [IRIS](#), which aims to enhance ethical recruitment practices in Moldova through access to global expertise, strategic advocacy, and empirical data on international labor mobility. Furthermore, the private employment agencies were provided counselling and expertise support on steps for associating into representative bodies and on adapting and adopting the IRIS Standard. In addition, an analytical note on integrating the IRIS Standard and principles in the national labor migration legislative and institutional framework of the Republic of Moldova was produced.

Institutional support area IV: Enhancement of institutional capacities

Complementing the legal support, partner institutions and stakeholders benefited from corresponding capacity-building activities for all relevant stakeholders. Six training sessions were organized in 2019, 2021, and 2022 for public authorities and for private recruitment agencies on the implementation of secondary legislation and on the principles of ethical recruitment and IRIS, together with a peer-to-peer session between Moldovan private recruitment agencies and the Romanian Association of Private Recruitment Agencies. To advance the sharing of good practices in the field of labor migration, the

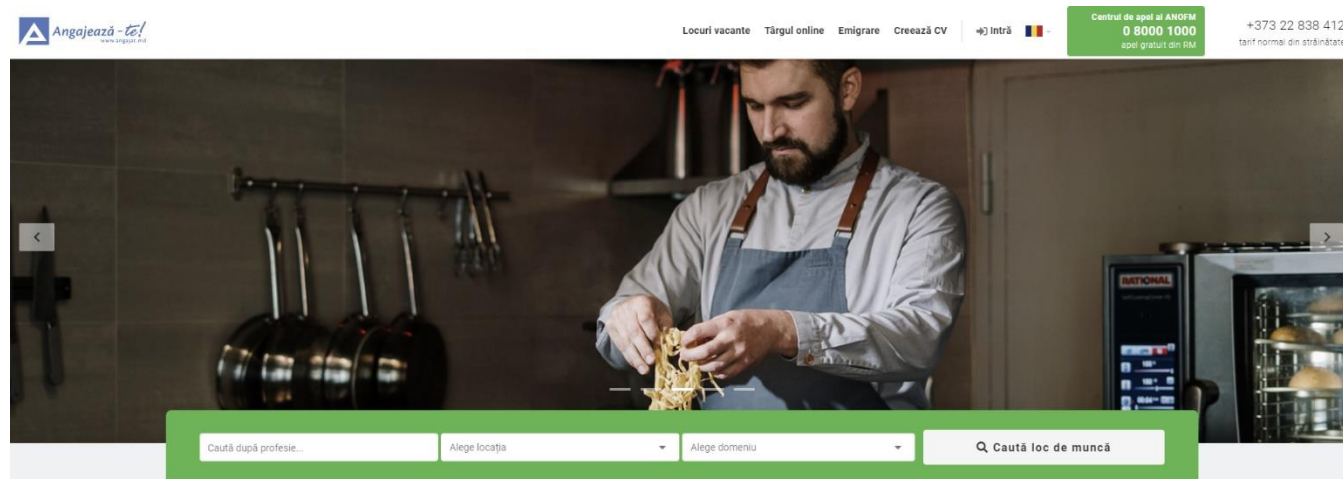
cooperation and partnership between Moldovan and Romanian counterparts mandated with the development and implementation of the labor migration legislation were facilitated via a peer-to-peer exchange in 2021.

The MLSP benefited from capacity development, subsequent guidance, and technical support for the negotiation of a new bilateral labor migration agreement between Moldova and Germany which was signed in July 2021 and is effective as of January 2022. Complementing this effort and advancing Moldovan labor migrants' rights (particularly of seasonal workers), the project facilitated the cooperation framework between the MLSP and the German-based NGO "Arbeit und Leben".

Moreover, during 2021 and 2022, the project supported MLSP with technical expertise in the negotiations with Israel for a new amendment to the existing BLA aiming to include as beneficiaries of the agreement the Moldovan caregivers / domestic workers in Israel¹.

Moreover, during 2021 and 2022, the BRD was supported to advance communication and outreach in the field of diaspora, migration, and development with the view to widely promote return and reintegration opportunities in Moldova, advance the rights of the migrants/diaspora, strengthen the dialogue between diaspora-country/country-diaspora and communicate about existing programs to involve the diaspora in the sustainable economic development of the Republic of Moldova. The established partnership between MLSP and the German-based NGO "Arbeit und Leben enabled the organization of capacity-building support to NEA offices in Moldova, pre-orientation info sessions for Moldovan labor migrants, and legal counseling of the Moldovan migrants in Germany. To advance the rights of the Moldovan women and men labor migrants abroad and upon return, the project produced in 2022 and subsequently validated within a participatory workshop a concept for a mechanism for recording and addressing the complaints of labor migrants, which is based on in-depth consultations with the main Moldovan stakeholders and on a comprehensive analysis of the relevant international practices regarding existing grievance mechanisms. And a training program on safeguarding the rights of the Moldovan migrants during the entire migration circle was developed and conducted in 2022 for relevant public authorities from Moldovan, including for Moldovan consular officials.

The detailed results of the support for the enhancement of management of labor migration are presented in Annex 5.



Output 1.2: Employment service providers have the SKAT to deliver quality services to labor migrants

The National Employment Agency, a key stakeholder of the project, received complex institutional development support, as to provide quality services and comprehensive employment support to women and man labor migrants. In this sense, a continuous and complex training program has been developed for the NEA – the Labour Migration School – which targeted NEA migration focal points from territorial offices, but also the middle management, with topics ranging from overall management (e.g. change, performance and HR) – to communication and outreach.

To complement the latter, NEA was assisted in improving the institution's digital communication tools required for promoting its employment services and in 2021 the Agency developed, with project support, its long-term communication and marketing strategy, which enables a better assessment of its value proposition, improved targeting, and communication with beneficiaries. At the end of 2022, the NEA launched its new job-placement portal (www.angajat.md), which offers a streamlined way for employers to advertise their jobs, receive applications, and participate in online job fairs, while for citizens – to search for jobs and create online resumes. The portal includes an online module on labor migration addressing labor migrants' information needs on accessing the foreign labor market of 39 countries. The information is available in Romanian and Russian and ranges from legal provisions to challenges and opportunities for legal and safe labor migration, including for people from vulnerable groups.

Using a human-centered design approach, two territorial offices of the NEA (in Chisinau and Soroca) were redesigned and modernized, taking into account the specific needs of beneficiaries, including people with disabilities. Since their reopening, the two upgraded territorial employment offices in Chisinau and Soroca have provided services to 22,668 people.

¹ Implemented since 2012, the Bilateral Labour Agreement with Israel currently facilitates the short-term labor migration in the construction field only

The project supported the Ministry of Education and Research to improve and operationalize the mechanism for recognizing professional competencies acquired in informal and non-formal settings. In order to pilot the mechanism for returning migrants, the Ministry was supported to mobilize international and national expertise, assess the most relevant practices in the field, consult stakeholders, organize 7 capacity building sessions and coaching interventions (for 42 members of staff of excellence centers and relevant CPAs, among which 33 women), as well as develop a set of clear guidelines on the procedural setup of the mechanism.

As a result, a total number of eleven skills validation centers in the fields of construction, early education and childcare, domestic caregiving, ICT, textile industry, ecology, catering, transportation, green energy, beauty industries, and finance have been established and capacitated to provide support to returning and potential migrants, and the general population. The last two centers have been established by the MER with limited guidance from the project, demonstrating high ownership by the government, and a strong institutionalization of the procedure. During the entire project implementation, a total of 500 persons, including 303 women benefited from validation services for 65 informal qualifications within 11 centers. Following the refugee crisis, the mechanism for recognizing professional competencies was made available to refugees from Ukraine in order to support their integration into the Moldovan labor market.

Over the course of project implementation, NEA's employment support services for returning migrants have been provided to 12,840 persons (15.6% women) and resulted in 7,673 jobs (4% women) successfully secured in Moldova. Additionally, 1,796 returning migrants (of which 25% were women) benefited from NEA reintegration support.

The detailed results of the support for employment service providers are presented in Annex 6.

Visibility of policy and institutional support achievements

To raise awareness of the Moldovan labor market and to promote comprehensive employment support services for actual and returning migrants, the Project organized more than 550 events.

Career fairs and NEA awards for best employers (organized in the framework of the annual editions of Diaspora Days and International Migrant's Day), as well as the launch of the upscaled territorial offices were among the most important events facilitated by the project. Overall, 35 TEAs throughout the country organized over 100 thematic activities that engaged and encouraged people to request and benefit from the Agency's employment and services.

All outreach efforts were organized in a participatory manner, involving public stakeholders, migrants and LPAs from beneficiary localities – in order to ensure the adequate visibility of the joint results obtained within the Swiss-UNDP project.

To promote the opportunities of skills validation, to attract returning migrants in the national labour force and to increase the usage on the Agency's website (www.angajat.md) more than 20 success stories and blog posts have been elaborated and more than 50 social media campaigns were organized.

An important focus was on media partnerships, and, in the last four years, NEA's activities registered over 200 appearances in local and national media. Additionally, five media partnerships have been established, which helped NEA to attract more beneficiaries and to promote their services at the local and national levels.



Output 2.1. Stakeholders have the SKAT to implement local development initiatives aimed at improving local services and offering income-generating opportunities at local level

In 2019 - 2022, the MiDL project guided 32 partner localities in designing and implementing **innovative catalytic LED interventions**, focused on boosting their economies and generating more income-generating opportunities for local communities (with a total population of over **174K citizens**). The project's local approach in this field was focused on three layers support (overviewed in Table 2.1.1 and detailed below).

Table 2.2.1: LED intervention types and their overall impact on the partner communities

LED intervention	Project inputs	Results
Implementation of LED projects in 25 localities	<ul style="list-style-type: none"> \$1.49 M in grants Technical assistance 	<ul style="list-style-type: none"> 179 local companies (of which 42 start-ups and 6 investors) have initiated or expanded their business operations, resulting in 678 new jobs at the local level
Implementation of LED micro-projects in 12 localities	<ul style="list-style-type: none"> \$54 K in grants Technical assistance 	<ul style="list-style-type: none"> 11 local companies (of which 1 start-up) have initiated or expanded their business operations, resulting in 25 new jobs at the local level A public-private partnership was established in the creative industry sector
Technical assistance (tailor-made consultancy, facilitation, coaching and mentorship)	<ul style="list-style-type: none"> On-going professional facilitation by 7 local facilitators (<i>cumulative workload of 4,040 man/days</i>) Organization of 65 tailor-made professional capacity building activities 	<ul style="list-style-type: none"> 32 partner localities have developed and enhanced their Local Economic Development agendas, based on public-private partnerships \$13.7 M have been attracted in the partner localities via over 100 approved grants that resulted from 180 applications prepared with facilitators' support 69 local companies (of which 66 start-ups) have initiated or expanded their business operations, resulting in 159 new jobs at the local level Local economic development has been mainstreamed into the activity agenda of local HTAs

LED support area I: Systemic investment interventions in 25 localities

In its second phase of implementation, the MiDL project has supported systemic LED interventions, aiming to boost local economic development in 25 beneficiary localities² (of which 21 rural and 4 urban). In this framework, 179 local entrepreneurs (including 20% related to migrants) have been supported to initiate or expand their companies, generating in the process 678 new jobs, while additionally over 300 new jobs are expected to be generated in the short- and mid-run. The carried-out LED systemic investment interventions were directed toward six development areas:

Table 2.1.2: Overview of the LED investment interventions

Development area	LED investment interventions		Beneficiaries
	No. of projects	Locations	
Rural tourism	12	Budești, Ciorești, Coșnița, Cotiușeni Mari, Geamăna, Mileștii Mici, Palanca, Scoreni, Selemet, Sipoteni, Văleni, Vorniceni	57,418
Business support infrastructure	6	Avdarma, Ceadâr-Lunga, Cimișlia, Edineț, Strășeni, Taraclia	79,329
Post-harvesting and agri-food processing	3	Cărpineni, Manta, Sărata Veche	18,720
Circular economy	2	Mihăileni, Tvardița	9,647

² Projects selected on a competitive basis in 2020, based on detailed applications submitted by the 35 partner localities

Trade infrastructure (marketplaces)	1	Slobozia Mare	5,735
Livestock and dairy development	1	Borogani	4,012
Total	25		174,861

The LED interventions were financed via the project with a total of \$1.49 M (seed funding, while the co-financing reached \$3.54 M, thereby achieving a 2.4x financial multiplication effect and reaching over \$5 M in budget. Local investments were carried by the private sector (53%), local public administration (32%) and other sources (development partners, state funds and donations/ 15%). As a result, the share of local co-financing exceeded the required minimum (of 50%), as well as anticipations, reaching 70% per average.

Table 2.1.3: LED seed funding and local co-financing (in USD)

Development area	Total value of projects	Swiss/ UNDP support	Co-financing				
			Total	Private sector	LPA	Other sources	Migrants
Rural tourism	3,112,327	719,859	2,392,468	1,357,480	752,339	282,649	818,246
Business support infrastructure	818,330	346,475	471,855	95,010	196,240	180,605	-
Post-harvesting and agri-food processing	531,522	180,000	351,522	243,009	96,733	11,780	126,440
Circular economy	271,340	120,000	151,340	136,435	2,270	1,2635	23,017
Trade infrastructure	171,626	60,000	111,626	1,960	105,411	4,255	5,000
Livestock and dairy development	128,195	60,000	68,195	64,360	3,435	400	-
Total	5,033,340	1,486,334	3,547,006	1,898,254	1,156,428	492,324	972,703

An important aspect of the LED approach is the active engagement of Moldovan migrants/ diaspora, that have contributed with \$972K (or 27% of the total co-financing), mostly in rural tourism development (\$818K or 84%). The project interventions supported the expansion of 131 existing local companies (73%), as well as the creation of 42 business start-ups (23%), by encouraging local people with the initiative to initiate and/or upgrade their entrepreneurial activities. Additionally, six foreign investors have been enabled and motivated to establish business activities in partner localities. Special attention to the LED interventions was also dedicated to encouraging youth entrepreneurship, resulting in the engagement of 27 young persons (15% of the 179 supported entrepreneurs) and 49 seniors (27%). With an underlining objective of leveraging migration for local development, the project (via its local facilitators) coached and convinced 37 returned or circular migrants (20% of the total 179 entrepreneurs) to start their own businesses or to expand the existing entrepreneurial practices. The most attractive development area for migrants' engagement in entrepreneurship (both as number of businesses and investment amount) is related to rural tourism, which emerged as a prominent sector for diaspora investments and can be integrated into future LED interventions (on a sub-regional/ micro-cluster format). Considerable project results were achieved in this area, with 12 rural communities being supported to enhance their touristic sector, which resulted in the creation of 15 tourist routes, 5 local information centers, 50 local businesses, and 34 guesthouses (with over 200 accommodation places). The rural guest houses are expected to stimulate and impact the development of 150 other income-generating activities (agri-food, leisure and entertainment activities, wine production), as well as local infrastructure upgrades. Out of the 678 newly created jobs, 475 (or 70%) were filled by women, 226 (33%) - by youth (<30 years old), and 42 (6%) - by seniors (>60 years old). The newest jobs (over 60%) were generated by the interventions in developing local business infrastructure, followed by projects in the field of rural tourism development (21%). In addition to the directly supported businesses, other 312 firms have received indirect support, via engagement in the project capacity-building interventions at the local level. Additionally, in the short- and medium-term, at least 300 additional new jobs will be generated in the beneficiary local companies.

LED support area II: Small-scale economic interventions in 12 localities

In 2022, the project supported the implementation of small-scale (or micro-) interventions aiming to boost local economic development in 12 partner localities (of which 11 rural and 1 – urban). This layer of additional economic development support improved the capacities of local partners (10 local entrepreneurs, of which 5 migrants, one hometown association, and one municipality) to generate additional income-generating opportunities for local communities with a total population of over 60,000 inhabitants, as well as increase their resilience during the overlapping crises. The carried-out LED small-scale interventions have been selected via a participatory competitive process among all project partner localities and have been directed toward six development areas.

Table 2.1.4: Overview of the small-scale LED interventions

Development area	LED small-scale interventions	
	No. of projects	Locations
Rural tourism	6	Coșnița-Pohrebea, Ciuciulea, Ciorești-Micleușeni, Sărata Veche, Selemet, Vorniceni
Digital solutions for agriculture	2	Mihăileni, Sireți
Agri-food processing	1	Geamăna
Livestock and dairy development	1	Borogani
Wool processing	1	Slobozia Mare
Creative industries	1	Drochia

The LED small-scale interventions were financed via the project with a total of \$54 K (seed funding, while the co-financing reached \$44.5 K, thereby achieving a 1.8x financial multiplication effect and reaching over \$98.6 K in budget. Local investments were carried mainly by the private sector (81%). As a result, the micro- interventions generated 25 new jobs, with an additional 30 new jobs expected the short- and medium-run.

LED support area III: Technical assistance provided to all partner localities

Throughout the project implementation, a team of seven dedicated local facilitators has been deployed at the community level and have been continuously supporting (total of 4,040 working days cumulatively) the local stakeholders from 32 target communities to jointly elaborate and implement Local Economic Development Roadmaps, aimed at boosting local economies to generate additional spillover and synergy results. In this sense, a special attention was directed toward building and maintaining proactive local public-private partnerships, backed by a sound local economic development agenda. As a result of this technical assistance (non-financial support) and the corresponding interventions implemented at the community level, 69 local companies (of which 66 start-ups) have initiated or expanded their business operations, resulting in 159 local jobs. Moreover, the MiDL team and its local facilitators capacitated and guided their partner localities (LPAs and HTAs) to develop and submit over 180 applications to various domestic and international grant programmes, resulting in over 100 approved grants amounting to \$13.7 M. This represents a nine-fold (9x) multiplication effect, if compared to the seed funding of the LED systemic and small-scale interventions combined. The largest part of the attracted funds (via third-party grants) was directed toward the improvement of the local economic competitiveness, particularly by upgrading and expanding the basic public infrastructure:

- rehabilitation and/or construction of 42 km of local roads and 21 km side pavements;
- operationalization of 97 km of street lighting;
- rehabilitation and/or upgrade of 51 public spaces and upgrade of 8 agri-food marketplaces;
- provision of access to solid waste collection services for 14,100 inhabitants and of access to water supply and sanitation services for 9,130 inhabitants.

Aiming at an integrated and comprehensive approach to development, the soft technical assistance (offered to all 32 beneficiary municipalities) strengthens the capacities of LPAs as act proactive LED promoters, engaging with the private sector and local diaspora entrepreneurs, and building meaningful business partnerships. A special project attention within this component was directed toward the promotion of local entrepreneurial culture, including by advancing the pro-community attitude of local entrepreneurs. The project piloted (for further replication as good practice) the concept of annual awards for most prominent local entrepreneurs, with high engagement in the community's development.

The project established thematic partnerships with key institutions/ organizations (e.g. ODIMM/ODA, ANTRIM) as to provide to its local beneficiaries an extensive coaching and capacity-building agenda, which resulted in 224 events (study visits, trainings, coaching sessions, etc.), as detailed in Table 2.1.5 below.

Table 2.1.5: Overview of the capacity development activities

Capacity development activities	Number of events	Participants		
		Total	women	youth
Internal study visits	17	223	127	96
External study visits	9	76	49	27
Tailor-made trainings for private sector representatives	15	725	368	357
Professional and peer-to-peer coaching sessions to local entrepreneurs (by leading national entrepreneurs)	24	191	55	136
Fundraising coaching sessions	159	318	190	N/A

The detailed results of the LED systemic investment interventions, small-scale projects and technical assistance are presented in Annex 7.



Output 2.2. Experience of migrants' involvement in community development is well documented and capitalized for easy replication

The model of engaging migrants in community development was continuously enhanced and expanded geographically to a total of **78 new localities** (compared with phase I), while others made quality progress in improving their cooperation with the diaspora members.

Via the project's grant programs (HTA Incubator and Accelerator), as well as the support provided to the governmental program DAR 1+3, a total of 96 localities initiated community development projects leveraging diaspora engagement and contributions. The total budget for all 117 local development projects represented \$1.42M (of which \$427K in grants), reaching an overall multiplier of 3.33 (as detailed in table 2.2.1 below). Overall, the local projects initiated since 2019 improved the livelihoods of almost **417 thousand community members**, of which 215K women, 89K youth and 42K seniors.

Table 2.2.1. Financial overview of the project's grant-based support programs (in USD)

	No. of projects	Total indirect beneficiaries	Total budget	Swiss/ UNDP support (grant)	Co-financing	Co-financing (share)	Multiplier
HTA Junior	7	43,484	\$12,556	\$6,995	\$5,601	44%	1.81
HTA Incubator	64	212,274	\$150,981	\$63,735	\$87,246	58%	2.37
HTA Accelerator	27	131,251	\$544,948	\$242,502	\$302,446	55%	2.25
DAR 1+3	19	140,424	\$716,408	\$114,373	\$602,035	84%	6.26
Total	117	389,575	\$1,424,933	\$427,605	\$997,328	70%	3.33

Leveraging diaspora engagement for community development

The **HTA Incubator** program supported 64 projects mostly focused on infrastructure, social-cultural services, public services, and rural tourism. The total budget of the supported projects was of \$150.9K (of which \$63.7K in grants) and the program targeted 212,274 indirect beneficiaries.

HTA Accelerator program co-funded 27 projects focused on local development, implemented by seasoned HTAs in partnership with LPAs. The objectives of the projects were to enhance access to recreational and sports infrastructure, roads and pedestrian infrastructure and socio-economic infrastructure. The total budget of the implemented projects was of \$558K (of which \$242K in grants) and the program targeted 131,251 residents/ beneficiaries.

In 2020 and 2021, MiDL financially contributed to 19 projects selected for funding under the **DAR 1+3 governmental program**, targeting interventions in areas such as: public infrastructure for sport and leisure, road/pedestrian infrastructure, public street lighting, waste management, and social development services. The financial allocations (in grants) reached \$114.4K (out of the total projects' budget of \$716K). Aiming to ensure the sustainability of the program, the MiDL team fostered a close partnership with BRD and facilitated the methodological guidance and transfer of know-how and to local beneficiaries, by providing capacity-building support (as thematic trainings and in the framework of the HTA School program). The support and cooperation continued in 2022, when the DAR 1+3 program received increased funding (thus confirming its sustainability) and benefited from project technical expertise in the monitoring of local projects.

Table 2.2.2. Beneficiaries of the project's grant-based support programs (excluding HTA Junior / by project type)

Area of intervention	No. of projects	Project budget (in USD)		Beneficiaries (indirect)			
		Total	Grant	Total	women	youth	elderly
Infrastructure	61	\$940,767	\$280,250	389,575	200,985	83,438	39,600
Social development	40	\$272,296	\$87,530				
Public services	10	\$177,597	\$48,329				
Local economy	6	\$34,273	\$11,496				
Total	117	\$1,424,933	\$427,605				

Partner communities' capacities to implement local development projects have been consolidated across all three grant programs, with dedicated training sessions on crowdfunding, revitalization of public infrastructure, lifecycle of construction and repair works, and organization of waste management services. Following the series of trainings on crowdfunding for local projects, 83 HTAs have launched 112 dedicated campaigns, which attracted a total of \$339K from 12K contributors.

As part of the HTA Junior program (initiated via 7 small grants), **young people maintained a high level of involvement** in local activities, including in LED initiatives. With their support, more than 80 small projects were initiated and implemented at the community level since 2019. Merit recognition and youth training opportunities have been diversified via photo and video production trainings (focused on local opportunities and recent developments) as well as a long-term mentorship program in storytelling, concluded by a photo camp in Sipoteni (August 2021), facilitated by National Geographic representatives (attended by 17 young people from 12 partner localities).

Sustainability of the Diaspora, Migration and Development model

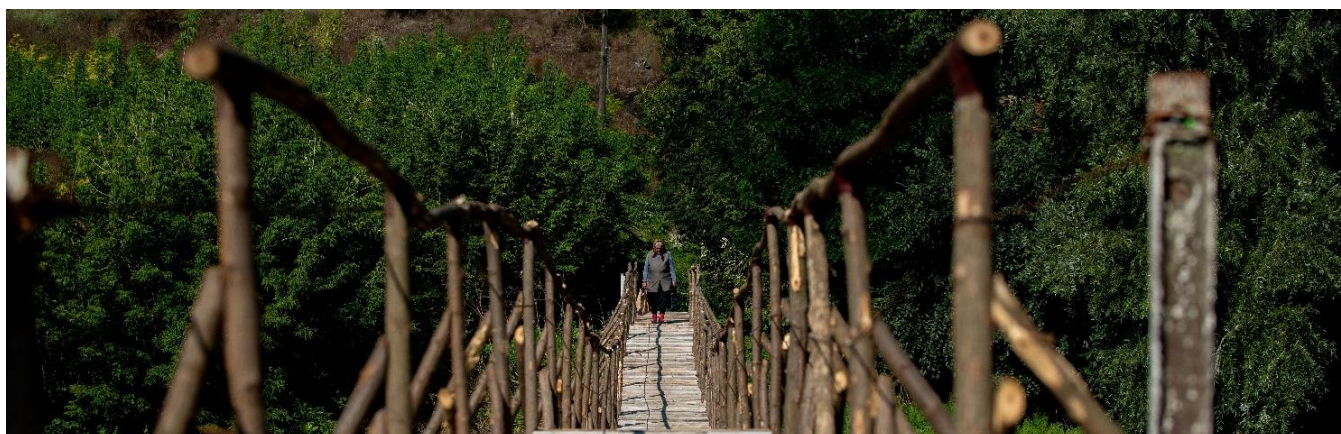
A major objective of the project was to **increase the sustainability of the local support** and established partnerships, as well as facilitate the additional replication of the SDC/UNDP model of migrants' engagement in local development. In this sense, the MiDL team and its institutional partners from the BRD and CALM have conducted multiple series of coaching and training sessions tailored to specific needs and capacity levels of each LPA and/or HTA. These efforts have been strategically embedded in the quarterly meetings of the 32 partner communities, joint meetings of HTA junior wings and of the monthly HTA School program (which currently includes over 80 HTA representatives).

The **Migration and Local Development service of the CALM**, in close coordination with the MiDL team has consulted and replicated best practices on integrating DMD and project management into local development initiatives in 298 localities (of which 123 have established HTAs and 173 have been consulted/ guided for further replication of best practices and institutionalization of the model).

Further enhancing the **cooperation with the BRD and CALM**, the project advanced the support for the creation of the Alliance of Hometown Associations, which (with a current membership of 39 HTAs) is set to include under an institutional umbrella over 170 HTAs and initiative groups currently active at the national level. With project support, the leadership and secretariat teams of the Alliance have been established (via elections) and its Development Strategy for 2023 – 2027 was developed and approved by the constituent members. Once legally registered (February 2023), the HTA Alliance will build upon the project's sustainability efforts and will enable further replication and dissemination at the national level of the Swiss/UNDP best practices on migration and local development, with a high engagement of diaspora, having the potential of becoming an active player for policy interventions and advocacy campaigns at national level.

Humanitarian – peace – development nexus

The convergence of conflict, COVID, and energy crises tested the role of the local development and civic engagement mechanism established with project support. MiDL local partners (LPAs and HTAs) demonstrated that the core element of the DMD approach – the tremendous capacity of mobilization and cooperation within the communities and the engagement of the diaspora – is one of high relevance for crisis resilience and recovery. In light of the ongoing military conflict in neighboring Ukraine, the project has identified a series of swift interventions aiming at responding to the crisis and offering rapid support to its partner localities in mitigating the short-term socio-economic impact. Via its **"My Locality for Peace" campaign**, 28 HTAs partnered with LPAs and were supported by the project to provide assistance to over 13K refugees (of which 80.72% were girls and women and 62% were children). The emergency financial support offered by the MiDL project amounted to \$51K and was co-financed in time by communities and diaspora with an additional \$252K. In both crises, the interventions of the HTAs ensured the human resources capable of reducing the immediate shocks of the crises at the community level.



Output 2.3. Migrants' engagement for development process conceptualized for leveraging migrants' contribution to the sustainable and long-term development of their communities of origin from the left bank

Based on the strong experience and meaningful results achieved at the national level in terms of diaspora engagement for local development, the project initiated, in September 2021, the implementation of the model in two partner localities from the Transnistrian region. While the overall goals and approaches remained similar, the implementation modality has been adjusted to ensure feasibility and relevance. In this sense, a local support team has been established (based on competitive processes), comprised on a local expert (for overall guidance and facilitation) and a partner NGO (responsible for the implementation of the field activities and management of the community development projects). The migrants' engagement for development process followed four methodological stages:

- Selection of two partner localities (Speia/Grigoriopol and Tîrnauca/Slobozia), based on a regional open call targeting 21 eligible localities (19% of the region's population);
- Establishment of hometown initiative groups (HIGs) in each partner locality and provision of technical support and expertise for their development and capacity building;
- Implementation of the local community development initiatives, developed based on local consensus and co-financed with diaspora engagement; and
- Promotion of the achieved results and established best practices to ensure wide interest and further replication, at the regional level, of the ME4D model.

In the two partner localities from the region, the project successfully enabled the local and migrant communities to initiate the participative conceptualization (based on public consensus) of development initiatives. In this sense, the established HIGs were actively capacitated and inducted in the DMD methodology, and subsequently conducted, jointly with the partner NGO (Agency for Regional Development) several outreach campaigns that directly reached over 500 persons, including local leaders and migrants ready to engage in the development of their community. The concluded local initiatives were selected for financial support and thus initiated, under the overall guidance of the project team and partner NGO. Both of them had a community-wide utility and focused on the enhancement of local public venues (local recreation park in Speia and sports field in Tîrnauca).

Table 2.3.1: Overview of the community development projects implemented in the Transnistrian region

Locality	Area of intervention	Project budget (in USD)			Beneficiaries (indirect)		
		Total	MiDL support	Co-financing	Total	women	youth
Speia	Community infrastructure	\$56,000	\$46,500	\$9,500	2,679	1,385	579
Tîrnauca/Slobozia	Community infrastructure	\$54,000	\$46,500	\$7,500	4,509	2,335	975
	Total	\$110,000	\$93,000	\$17,000	7,188	3,720	1,554

In line with the guiding principles of the ME4D model, the implementation of the local development interventions enabled the local communities and migrants to join efforts in a collaborative and productive manner, creating the required mechanisms for local cooperation. To ensure opportunities for further scaling up the initiative in the region and promote its benefits and attractiveness for the local communities, the partner HIGs were capacitated and conducted communication and visibility campaigns to promote best practices and share their experience. The partner NGO (ARDT) was also actively involved in informational coverage and outreach, engaging with local media outlets to reflect all achieved results correctly and impartially.

Concluding, the Migrants' Engagement for the Development model proved its feasibility in localities from the left bank of the Nistru river, attracting interest from and engaging local stakeholders, thus standing ready to be replicated at the regional level. In this sense, the project has updated the ME4D model and complementary guidelines (e.g. on crowdfunding) based on the experiences, challenges, and knowledge acquired in the field.

The detailed results of the piloting the DMD model on the left bank of the Nistru river are presented in Annex 9.

Visibility of local achievements

During the Project implementation, all 32 partner communities benefited from the communication and visibility support. Local performance, results, and considerable efforts were promoted and disseminated through public events, local and national, with a total of 430 appearances registered in mass media. Best practices and results, including the collaboration between LPAs, diaspora, local activists, and business agents, and strengthening the values of a united and modern locality were reflected through more than 20 success stories and blog posts, shared at the international level by other UNDP offices and partner organizations.

The focus was on supporting and promoting the key target groups of the project: the diaspora, local authorities, young people, and members of the hometown associations. More than 25 communication campaigns were designed and conducted at the local and national level by LPAs, and HTAs with natives' engagement in all partner communities.

Strategic partners at the national level (CALM, BRD) were assisted to take over the best methods for outreach interventions. As a result, other 80 HTAs and LPAs were established and developed due to the right communication approach. The new Hometown Associations Alliance, launched in 2022, was assisted in developing a brand identity and promoting its leaders and activities via events and online campaigns promoting the overall results of the HTA and their contribution to local and national development. Also, 80 localities throughout the country organized over 1,200 thematic activities on National Diaspora days that engaged both locals and visiting migrants. In addition, more than 100 young people from partner communities have benefited from mentorship programs of communication and outreach and used this expertise when promoting local results.

The project extended its activities on the left bank of the Nistru river. Two partner localities from the region, Speia, and Tirnauca, were assisted with communication expertise during the crowdfunding campaigns aimed to collect funds for local infrastructure projects, campaigns that ultimately managed to exceed the targets set by more than 50%.

Also, seven new media partnerships have been established, which increased the interest from the media partners toward project activities, local results, and new business and infrastructure built in partner communities.

As a result, in 2022, the project supported two national and well-known media campaigns: the TV series „Tara de la Tara” and LaLaPlay Musical Expedition. To promote local entrepreneurial culture and touristic destinations, more than 400.000 people watched the „Tara de la Tara” TV series, broadcasted by JurnalTV and distributed on YouTube and Facebook channels of UNDP and Six Points Media, the company which produced the show. LaLaPlay musical expedition, 2022 edition, reached more than 100.000 people, with a total of more than 60.000 views on live sessions from the concerts during the campaign and more than 1.500 people directly involved in organizing local events and visits.

As 2022 was the year of enhancing social inclusion and supporting refugees from Ukraine in all partner localities, the project designed the campaign "My Locality for Peace" and focused on showcasing success stories of refugees that have found employment with the help of the NEA, the professional courses funded by the MiDL project, and the solidarity of local communities, including the diaspora.

To further encourage local entrepreneurial cohesion and pro-community attitude, the project has launched yearly awards ceremonies for entrepreneurs with the highest level of engagement in the community's socio-economic development, thus, 340 awards are being awarded to entrepreneurs in 28 partner localities.

Project Financial Status

Table 2.4.1. Project financial status (in USD)

Budget lines	Total project budget	Expenses				Total expenses	Share of project budget spent vs planned
		2019	2020	2021	2022		
	1	2	3	4	5	6=2+3+4+5	7=6/1
Outcome 1	1,278,203	438,075	362,538	324,749	168,690	1,294,052	101.24 %
Outcome 2	3,733,470	511,393	1,686,217	794,592	791,459	3,783,660	102.59 %
Management & administrative costs	1,646,499	357,571	432,803	368,416	354,855	1,513,645	92.22 %
Total	6,658,172	1,307,040*	2,481,558*	1,487,757*	1,315,004**	6,591,358	99.76%

As presented in Table 12 – **99.76%** of the total project budget (6,591,358 out of \$6,607,520) were spent in 2019 – 2022.

A detailed statement is included in Annex 4 - Financial Report for January – December 2022

* Financial data variation between current Final Report and 2019 - 2021 reports is based on the interim status of previous reports

** Financial data for January – December 2022 is currently defined as interim



- To further enhance the migrants' meaningful participation in local development and ensure that all preconditions for making the most of migration at the local level are in place, capacity- and trust-building activities should be prioritized, targeting specifically LPAs, other local actors, the local community, including migrants.
- Engaging migrants from the very outset of the local planning process and ensuring their continuous consultation and information determines their further financial and non-financial support provided for better local services.
- Diaspora has an increasing potential to influence and shape (via know-how and expertise) the local development of their community of origin, thus future thematic interventions for a short-term professional return would be highly valuable.
- To be efficient, LED interventions should approach not just individual local companies, but also groups of local companies. This is because individual companies are often facing sector-level constraints that cannot be addressed alone but require collective actions and cooperation of various business activities.
- Local economic development is not just about creating jobs. It's about building communities-physically, economically, socially, and culturally. Aside from their specific business-related needs, companies want in their communities what citizens want in their communities.
- The overall quality of life and lifestyle is far more important now than at any time in the past and is often far more important than any economic incentives a community may offer.
- In order to be competitive, local economies should try to specialize in economic activities based on available local competitive advantages, which will determine maximum efficiency in harnessing local labor, natural and capital. However, some economic activities are more conducive to prosperity and welfare than others.
- Digitalization, gradually adopted at the local level, should be prioritized in all further interventions, when feasible, increasing the outreach and transparency of the cooperation process.
- The cooperation between HTAs requires further consolidation in terms of institutional development of the HTA Alliance, periodic exchange of best practices, and peer-to-peer activities, priorities which UNDP (alongside its institutional partners) stands ready to pursue in the upcoming period.
- Young people are a considerable asset of the HTAs, additional support being required to increase their capacities via engagement in innovative and impactful interventions at the local and national levels.
- In terms of policy design support, ensuring wide participation of the final beneficiaries in the policy development process ensured the inclusiveness and sustainability of the process, making it resilient to rapid and consecutive political changes. Involving beneficiaries in co-designing services and products from the very inception stage helps ensure that the products and services meet the needs of all categories of future users.
- The institutional partnerships with the Diaspora Relations Bureau and CALM are important pillars of the project's sustainability, in pursuit of ensuring synergies, capitalizing on the achieved results and their institutionalization.
- Considering the Moldovan Government's substantial special attention to Diaspora-related policies and opportunities for voluntary return, future interventions in the field of local participation, democracy and development should closely follow the implementation of the Diaspora 2025 National Strategy, as well as the implementation of the 2022 – 2026 National Programme for the Facilitation of Return and (re)Integration of Moldovan citizens in Migration.
- Stakeholders from the Transnistrian region have a positive approach toward the extension of the M&D model on the left bank of the Nistru river. The Migrants' Engagement for the Development model proved its feasibility in localities from the left bank of the Nistru river, attracting interest from and engaging local stakeholders, thus standing ready to be replicated at the regional level.
- The project's multiple synergies with national interventions (e.g. OPTIM, My Community, FACE program) offered additional opportunities for the provision of expertise and support to partner communities, harnessing mutual benefits.
- The convergence of conflict, COVID, and energy crises tested the role of the local development and civic engagement mechanism established with project support. MiDL local partners (LPAs and HTAs) demonstrated that the core element of the DMD approach – the tremendous capacity of mobilization and cooperation within the communities and the engagement of the diaspora – is one of high relevance for crisis resilience and recovery.

List of Annexes

Annex 1. MiDL II Project Document

Annex 2. MiDL II Multi-Year Work Plan for 2019 - 2022

Annex 3. MiDL II Logframe for 2019 - 2022

Annex 4. MiDL II Interim Financial Report for 01 January – 31 December 2022

Annex 5. Policy development interventions

Annex 6. Quality services to labour migrants

Annex 7. Local Economic Development interventions

Annex 8. mMigrants' involvement in community development

Annex 9. Piloting the DMD model on the left bank of the Nistru river

Annex 10. Results of the "My locality for peace" campaign

Annex 11. Media highlights of project results and local interventions