

United Nations Development Programme



Country: Moldova

Initiation Plan

Project Title:

Digitalization in Support of the Ministry of Labour and Social Protection's 'Restart' Reform Programme

Expected UNSDCF/CPD Outcome(s): By 2027, institutions deliver human rights-based, evidence-informed and gender-responsive services for all with the focus on those who are left behind

Expected CPD Output(s):

Output 1.1. National and subnational institutional capacities and policy frameworks for quality, resilient and inclusive service delivery are enhanced

Output 1.2. Digital transformation is supported through applying technological solutions and reducing the digital divide for quality, resilient and inclusive public services delivery to all, especially vulnerable groups

Initiation Plan Start/End Dates:

1.12.23 – 31.12.24.

Implementing Partner:

United Nations Development Programme

Brief Description

The Ministry of Labour and Social Protection has embarked on an ambitious reform programme ('Restart') to transform the way in which social assistance – both cash benefits and social care services - are managed and delivered. The Concept Note for the Restart Reform Programme (version dated March 2023) sets out the ambition of achieving four key outcomes in order to radically transform the existing system of social assistance. Of these, the fourth outcome is formulated as *'the social assistance system is digitalized for efficiency and fraud reduction'*. Both UNDP and UNICEF are currently supporting the Ministry's reform programme. The purpose of this Initiation Plan is to work together to do the preparatory work required for the formulation of a longer term (4-5 year) digitalization programme. The end result will be the creation and piloting of a single window system and the formulation of a detailed (4-5 year) digitalization roadmap.

Programme Period: 1.12.23 – 12.12.24

Quantum Project Number: 01001596

Quantum Output Number: _____

Gender Marker: GEN2

Total resources required USD 850,000Total allocated resources: USD 850,000

- Regular _____
- Other: _____
 - UNICEF USD 850,000

Unfunded budget: _____

In-kind Contributions _____

Agreed by UNDP: Andrea Cuzyova, Officer-in-Charge

DocuSigned by:

Andrea Cuzyova

1-Dec-2023

30A862C5300B4B4...

I. PURPOSE AND EXPECTED OUTPUTS

Background and Rationale

Over the past decade or more, the Ministry of Labour and Social Protection (MLSP) has created automated systems for separate aspects of its work. As a result, it now has 14 different information systems. (See visual representation in Annex 1.) These include systems to facilitate online application processes (front-office work); automate business processes, (back-office work); and store data on beneficiaries and the type of support they receive. However, these systems have been created in such a fragmented manner, and use such different software and technologies, that it is impossible to link them up and make them interoperable.

This situation creates numerous inefficiencies. For example, citizens may have to submit the same documents several times in order to apply for different types of benefits or support. Case managers cannot access documentation on all the past and present support received by any given household or individual beneficiary, and there are limited gains in the amount of time taken to process applications. Apart from not having access to data which can help improve the timeliness and type of support provided, this situation has also reduced the Ministry's capacity to identify and eliminate fraud. It hinders evidence-based policy-making, as data cannot be easily retrieved and merged for looking at targeting efficiency, impact assessments etc. The latter is currently a source of great frustration within the Ministry, as it limits the data available to guide and inform the current reform processes. Lack of digital links to the territorial offices means that there is no way to document geographical inequalities, for example in access to social services.

The Ministry has drawn up a Theory of Change (TOC) to underpin digitalization in the context of the Restart Reform Programme. This Initiation Plan will ensure that the groundwork is completed to support achievement of the three intermediate outcomes of Outcome 1 of this TOC, namely:

- Most-used social and employment services are pro-activated
- Majority of social and employment services are radically simplified and digitalized
- A national network of single window centres for social and employment services is functional

Outputs

The work under this Initiation Plan will be organized around four main outputs:

Output 1. Completion of a Digital Readiness Assessment for the Ministry. The digital readiness assessment will look at and evaluate the existing digital capacities of the Ministry and government stakeholders on social protection, but will also gather the information necessary to define the Ministry's future digital needs and associated capacity and technology requirements. The findings of the assessment will serve not only as the basis to inform the establishment of a new single window platform (Output 2 below); but also as a foundation for developing a comprehensive digital transformation strategy for the Ministry (Output 4 below) which will feed into and be compatible with the National Digital Transformation Strategy of the Republic of Moldova for 2023-2030, adopted by the Government on 6th of September 2023.

The assessment will look first at the Ministry's current 14 separate automated systems, and evaluate which aspects can be 'saved' or incorporated into a new single window platform, and which will have to be developed from scratch. This part of the assessment will draw on initial work

carried out by the Ministry, WFP and the STAAR team, to gather technical specifications of the existing systems. It will include analysis of the existing IT infrastructure, including hardware, software and network components. The assessment will also look at the design parameters of existing social protection schemes, at the business and operational processes currently in place and the extent to which they are adequately or optimally supported by digital tools and technology. It will look at the costs of the existing system, and where savings – in terms of financial costs, work time, application time - can be made through the creation of a single integrated system. The assessment will provide an evaluation of current data security measures, including cybersecurity measures and protection of private personal data, establishing the extent to which the Ministry's current systems conform to national and international standards and good practices.

The methodology for the assessment will include quantitative and qualitative interviews with relevant stakeholders within the ministry, including management, IT staff and end-users, as well as external partners and service users.

The assessment will also include expert opinion on the pluses and minuses of setting up a dedicated IT centre within the Ministry, to more adequately and flexibly meet its future IT needs, following the Azerbaijan or Estonian models currently favored by the Ministry. Such centres work on a cost-recovery basis, providing services to the Ministry, but also taking on outside contracts. The assessment results will be used to advise the Ministry on how it can reduce its reliance on expensive external ICT expertise through significantly improving its own in-house ICT capacity. The assessment will draw up 3-4 options for the organizational structures and most cost-efficient modalities for ensuring that the Ministry has sustainable access to in-house ICT expertise.

The team of experts hired under this component (a mix of international and national experts will be hired) will also look at legal provisions which will have to be considered in looking at options for the design and operation of a new single-window platform (see output 2 below).

- Timing: this output will be completed within the first 6-8 weeks of the Initiation Plan.
- Estimated cost: \$80,000.00

Output 2. Design and Launch/Piloting of a new single window platform. Based on the digital capacity assessment (see above), and on UNDP's experience of creating the Energy Vulnerability Reduction Fund (EVRF) single window platform, a new single window platform will be created to cover all of the schemes administered by the Ministry. This will be designed to streamline front and back-office work, create merged data storage systems, and provide the basis for a single registry system. (see Annex 2).

The main advantage for citizens will be the single-entry point to apply for and get information on all benefits and services. The platform would also be accessible through mobile phone and tablet technology. This is considered important, given the limited access of beneficiaries to computer technology, and the almost universal availability of and access to mobile phones. This single window would further provide the basis for integrating the back-office work across various services and benefits and speeding up business processes.

The existing situation (14 separate automated systems) has shown that it does not make sense to continue to work separately on digitalization of separate benefits and schemes, without creating a solid 'skeleton' in the form of an overall digitalization platform, to which various schemes, and also the Ministry's various territorial units, can be linked up. This single window is therefore relevant to

all the social protection schemes provided by the Ministry, and will be designed to allow it to be adapted flexibly to the evolving needs of the Ministry and citizens.

Some of the work will have to be informed by the digital assessment (output 1), but some can be initiated immediately, on the basis of the experience accumulated in 2022-23 through the creation of the EVRF platform.

- Timing: this output will be carried out and completed within the first 8 - 10 months period of the Initiation Plan.
- Cost: \$305,291.00

Output 3. Support in development and capacity building of the new territorial single window social assistance centres (ATAS) and pro-activization of the delivery of selected social protection schemes.

The necessary legislative changes have been made to allow the Ministry to set up 14 new territorial administrative centres which will take over most of the responsibilities from the 30+ district offices currently responsible for social assistance. Re-organization is planned to start from January 2024. Support will be provided to the Ministry in purchasing the necessary ITC equipment for the first 2-3 new regional centres to be set up. National consultants will also be hired to accompany staff during the first year of operationalization of the centres.

Technical assistance will be provided to pilot the use of digital tools in support of the Ministry's ambition to be more 'proactive' in anticipating and meeting the social protection rights of different categories of the population. These will include some quick but high-impact activities, such as making links with mobile phone technology to enable automatic notifications to be sent to citizens when pension transfers and other social assistance payments are available for them to pick up at post-offices etc; automatic registration of new-born children for birth grants etc. Further options for use of digital tools to expand proactive actions on the part of the Ministry will be elaborated together with the Ministry and UNICEF partners, and may include for example:

- Creating easy-to-use mechanisms for beneficiaries to report changes in their circumstances/eligibility promptly. This information can trigger proactive adjustments to their benefits, preventing disruptions in the support received;
 - Proactive SMS or email alerts which inform beneficiaries about upcoming payments, renewal deadlines, or changes in their eligibility status;
 - Piloting of the use of available interoperable data for predicting and calculating needs, thus making the social protection system more adaptive by improving the Ministry's ability to anticipate future needs, reducing exclusion errors, and helping to prevent delays or breaks in the delivery of social assistance and services, etc.
- Timing: this action will be completed within the first 10 - 12 months of the Initiation Plan.
 - Cost: \$280,000.00

Output 4. Digitalization Roadmap. On the basis of the work completed on the digital assessment, creation and piloting of a single window platform, and the piloting of digital tools to support proactive measures on the part of the Ministry, a consultant will be hired to formulate or update and expand the roadmap for further digitization/ digitalization to support implementation of the Restart Reform Programme over a 4-5 year period. Apart from the further IT and technical support required, the roadmap will also include an institutional capacity development component for Ministry covering (i) the IT unit; (ii) users of the data produced by the new systems (analytics of coverage, comprehensiveness and adequacy of social protection schemes, but also of

improvements or blockages in business processes, performance management etc); and (iii) the legal department

Timing: this action will be completed within the final 2 months of the Initiation Plan.

Cost: \$20,000

II. MANAGEMENT ARRANGEMENTS

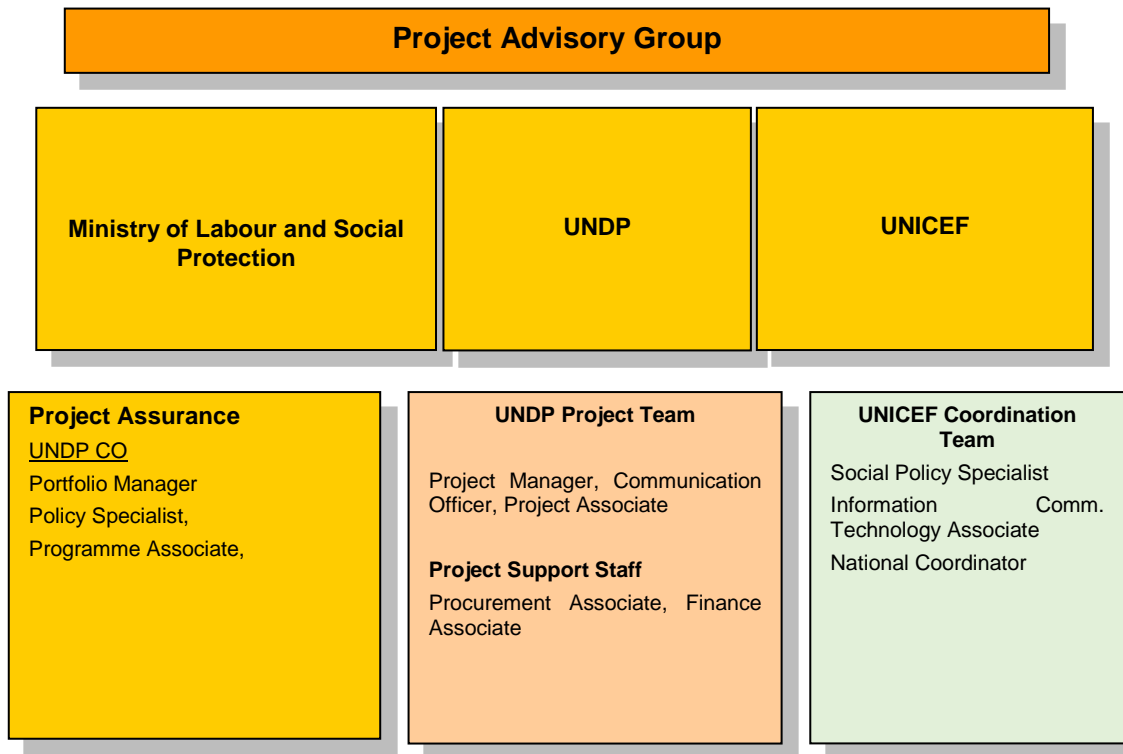
The responsibility for the overall management and coordination of the Initiation Plan lies with UNDP Moldova, while an Advisory Group, composed of representatives of the MLSP, UNDP, and UNICEF will have the task to guide the Initiation Plan strategically and help it achieve delivery of Outputs. The Advisory Group shall meet at least monthly during the duration of the Initiation Plan to guide the implementation of the Initiation Plan outputs.

The UNDP team will be comprised of a Project Manager, Project Associate and a Communication Officer, who will work under the supervision of the new Policy Specialist ¹ under the UNDP Effective Governance team, and in coordination with the UNICEF Social Policy Specialist and Information Comm. Technology Associate. For this UNICEF will designate a national consultant to coordinate all project activities from the UNICEF side, who also contribute to overall project implementation. The work of this consultant and other consultants on digitalization, hired directly by UNICEF will be coordinated with activities carried out under this PIP, and reports/ recommendations made by the consultants will be synchronized with the activities envisaged in the workplan below.

The UNDP Deputy Resident Representative will perform overall oversight of the Initiation Plan implementation. Procurement of goods and services, recruitment of national and international consultants will be in accordance with the UNDP corporate regulations, rules, policies and procedures.

All requirements related to communications and visibility will be implemented by UNDP in coordination with UNICEF in line with the visibility provisions of all stakeholders involved: UNDP, UNICEF and the donor, which in this case is the German Government/BMZ, through grant administrator KfW). UNDP and UNICEF will agree upon a disclaimer and branding for the activities and products part of this agreement, so as to make sure they are compliant with the provisions of 5.6 of the Standard Operating Procedures for KfW-UNICEF partnerships.

¹ Recruitment is currently underway. Until the recruitment process has been completed, the Deputy Resident Representative will take over this supervisory role.



III. MONITORING

In accordance with UNDP's programming policies and procedures, the Project will be monitored through the following monitoring and evaluation activities:

Monitoring Activity	Purpose	Frequency	Expected Action
Track results progress	Progress data against the results indicators in the workplan will be collected and analysed to assess the progress of the initiation plan in achieving the agreed outputs.	Quarterly, or in the frequency required for each indicator.	Slower than expected progress will be addressed by project management.
Monitor and Manage Risk	Identify specific risks that may threaten achievement of intended results. Identify and monitor risk management actions using a risk log. This includes monitoring measures and plans that may have been required as per UNDP's Social and Environmental Standards. Audits will be conducted in accordance with UNDP's audit policy to manage financial risk.	Quarterly	Risks are identified by project management and actions are taken to manage risk. The risk log is actively maintained to keep track of identified risks and actions taken.
Learn	Knowledge, good practices and lessons will be captured regularly, as well as actively sourced from other projects and partners and integrated back into the project.		Relevant lessons are captured by the project team and used to inform management decisions.
Annual Project Quality Assurance	The quality of the project will be assessed against UNDP's quality standards to identify project strengths and weaknesses and to inform management decision making to improve the project.	Annually	Areas of strength and weakness will be reviewed by project management and used to inform decisions to improve project performance.

Monitoring Activity	Purpose	Frequency	Expected Action
Review and Make Course Corrections	Internal review of data and evidence from all monitoring actions to inform decision making.	Bi-annually	Performance data, risks, lessons and quality will be discussed by the advisory board and used to make course corrections.
Project Report	Describe major results against set indicators and targets, recommendations and roadmap for the development of a full-fledged initiative	at the end of the Initiation Plan	Major results and outline of future intervention designed.

IV. WORK PLAN

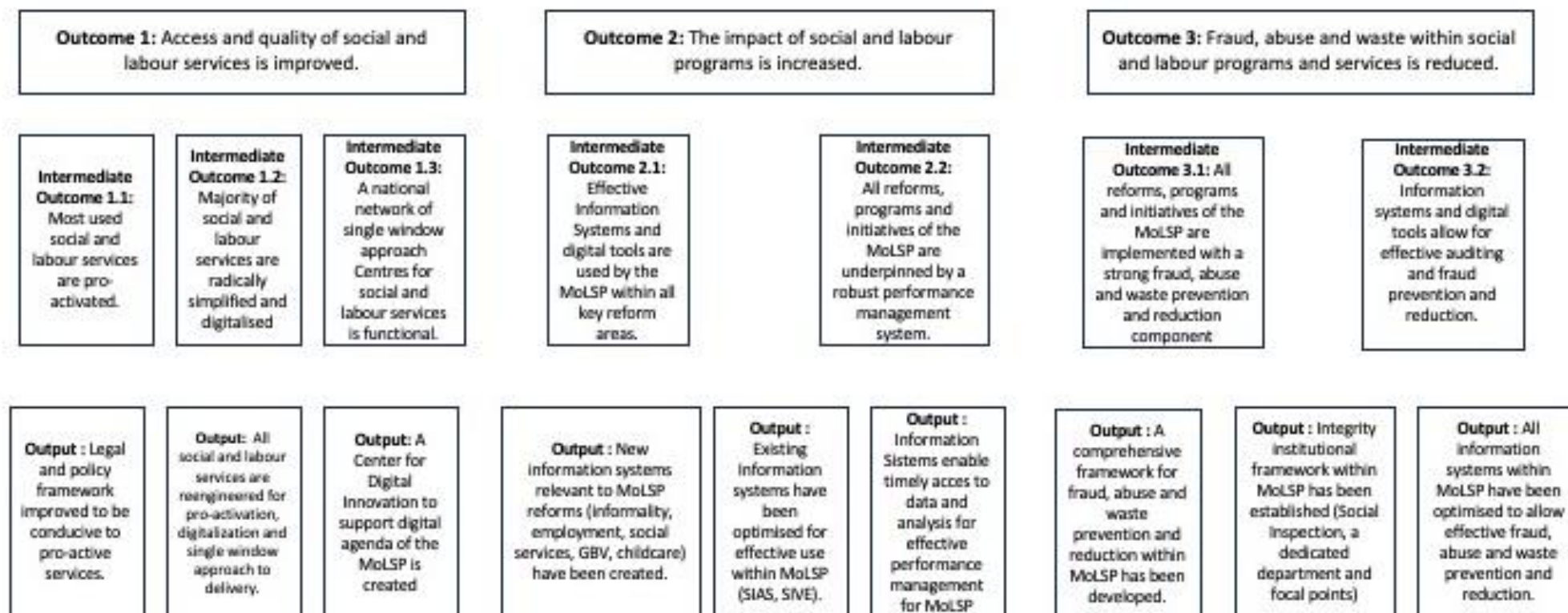
EXPECTED OUTPUTS <i>And baseline, indicators including annual targets</i>	PLANNED ACTIVITIES <i>List activity results and associated actions</i>	TIMEFRAME						RESPONSIBLE PARTY	PLANNED BUDGET		
		Q1	Q2	Q3	Q4	Q5	Q6		Funding Source	Budget Description	Amount
Output 1: Completion of Digital Readiness Assessment for MLSP <i>Baseline: Matrix of IS systems in place</i> <i>Indicators: adequacy of current systems to meet current and future needs of the Ministry assessed</i> <i>Targets: all current IS systems used in the Ministry assessed, and options for meeting current and future needs developed</i>	1.1. Activity Result: Digital readiness assessment completed Activity Action: Hire international and 2 local consultants for development of the DRA	X	X					UNDP	UNICEF	Local/ International Consultancy	80,000
Output 2: Design and launch of new single window platform for MLSP	2.1. Architectural vision of the single window platform and TOR for the procurement procedures developed Activity Action: Hire of international and national consultants	X	X					UNDP	UNICEF	Local/ International Consultancy	10,000

<p><i>Baseline: single window platform developed for one scheme administered by Ministry (EVRF)</i></p> <p><i>Indicators: number of interoperable social protection schemes incorporated into the single window</i></p> <p><i>Targets: single window platform developed</i></p>	<p>2.2. Single window platform developed in line with architectural vision</p> <p>Activity Action: Company contracted to develop single window platform</p>		x	x	x			UNDP	UNICEF	Contractual services	295,291
<p>Output 3: Support for digitalization and operationalization of territorial administrative centres and pro-activation of selected social protection schemes piloted</p>	<p>3.1. ICT equipment procured for 3 pilot centres</p> <p>Activity Action: Development of specifications and procurement procedures</p>			x	x			UNDP	UNICEF	Contractual services	180,000
<p><i>Baseline: regional centers not connected to single window; no services pro-activated</i></p> <p><i>Indicators: number of regional centers using single window to deliver social protection schemes; number of services pro-activated</i></p> <p><i>Targets: 3 regional single window centers equipped with ICT equipment / 15 services pro-activated and available through single window platform</i></p>	<p>3.2. Priority social protection services selected for pro-activation; expected results of proactivation through digital tools formulated.</p> <p>Activity Action: Company contracted to develop software and ensure interoperability with Ministry's single window platform</p>			x	x	x		UNDP	UNICEF	Contractual services	100,000

<p>Output 4: Formulation of Roadmap for further digitalization of Ministry</p> <p><i>Baseline: no developments in place</i></p> <p><i>Indicators: vision for digitalization of the Ministry developed</i></p> <p><i>Targets: Long and short term vision for digitalization approved by the Ministry concept wise / number and/or % of social services digitalized</i></p>	4.1. Activity Result: Roadmap developed Activity Action: Hire of international and national consultants					x	x	UNDP	UNICEF		20,000
<p>Output 5: Project Management</p>	Project Staff Costs (1PM, 1 Comm (50%), 1 PA)	x	x	x	x	x	x	UNDP	UNICEF	Individuals Contractual Services	67,900
	Quality Assurance Costs	x	x	x	x	x	x			Salaries to NP Staff	4,200
	Office rent, utilities and maintenance services	x	x	x	x	x	x			Rental & Maint-Other Office Eq.	6,300
	Miscellaneous expenses (translation, printing, transportation, etc.)	x	x	x	x	x	x			Miscellaneous Expenses	4,900
	DPC									Facilities and Administration	18,446
	GMS (8%)									General Management Services	62,963
TOTAL											850,000

Annex 1

Impact: poverty is reduced, and Inclusion increased in Moldova



Annex 2

