PRIVATE SECTOR ENGAGEMENT UNIT FOR SDGS

RBEC Regional Impact Investment Facility 2017-2018/
Progress Report / November 2018

Moldova, Republic of

## Current Status of the resource mobilization efforts - Private sector engagement unit for SDGs (hereafter, Unit)

The report covers period January– November 2018, and is focusing only on the resource mobilization efforts and interim results.

Item	Total available budget (USD)	Current balance (USD)	Investments done or planned (USD), including:	Brief description	Type of engagement	Achieved ROI	Planned ROI
Programma tic activities (total)	ТВС		ТВС	See project proposal.		In progress	1:33
To include:		60,000	Strategic engagement with ATIC (National Association of ICT companies) for Start-Up Challenge competition inviting early stage companies to apply for grant funding to grow their product/ service on the Moldovan market. Eligibility to apply was conditioned by specific sectors combination, such as education+IT, agriculture+IT and energy+IT.  UNDP, together with ATIC and the board of evaluators (various sectoral professionals), assessed in total 15 business proposals (consisting of business and financial models as well as further specifications such as the applicant's alignment with SDGs), out of which 6 applicants moved to a second round, out of which 2 start-ups from education+IT sector were selected for a grant award, namely Codifun and Simpals.  Out of 60,000 USD, the granted amounts were 20,000 USD for Codifun and 40,000 USD for Simpals. The awarded amount was to be matched with an equal amount by the applicant from their own or other sources.	MOU with ATIC for co- financing and in-kind contribution	1:2	1:4 (or more, depending on the type of new product or service)	
			60,000	UNDP allocated 60,000 USD to TwentyTu program, an alternative education initiative that is planning to offer a cuting-edge education in more than 10 modern fields to every 4th pupil in Moldova (aprx. 80 000 children), free of charge. 60,000 USD was granted, together with 52,000 EUR that Twenty Tu had already raised from other sources, to the crucial stage of curricula development and an online learning platform design and development. This initiative is strongly aligned with SDGs and has a		1:44	N/A

5,000	potential to significantly positively impact educational outcomes and school performance across primary and secondary education in Moldova.  Resource mobilization target: 500,000 USD.  Project is initiating an SDG Accelerator, platform to support through mentorship the selected private sector companies to review and align their business models to some of the SDGs and evaluation/manage the impact of their products or services on SDGs; piloting is being financed by the Embassy of Sweden to Moldova (app. 22,000 USD), Istanbul Regional Hub (10,000 USD) and UNDP's SDG Accelerator in Denmark (inkind contribution).	Cost-sharing; resource mobilization	N/A	1:6 app.
2,413.99	Support in national SME Programs alignment to SDGs: a) the Trademark of the Year annual competition organized by the Chamber of Commerce and Trade and b) yearly CSR competition organized by the Organization for SMEs Development (same ODIMM).  a) UNDP supported alignment of the Trademark of the Year competition to the SDG, introducing and awarding the most aligned companies to the SDG.  b) UNDP's support to ODIMM, Govern  c) mental Organization, in organizing/running of the local CSR competition for SMEs; UNDP supported the alignment of the competition to the 2030 Agenda, to refocus local companies to invest in CSR activities that are aligned to some specific nationalized targets under SDGs. SDG-aligned award will be offered under the International Conference of the SMEs at the end of November. UNDP's IO: 500.00 USD; Government's contribution: 75,000 USD	Partnership to increase Private Sector awareness on SDGs	N/A	1:150
0	UNDP, together with country offices in Georgia, Serbia and Tajikistan, engaged in a regional initiative to build more vibrant and resilient cities through innovation, investment and civic engagement for clean energy production and consumption. The project is two-folded first, engaging public authorities in a discussion and collaboration to promote and implement more solar powered projects and promote clean energy production. Second component entails engaging citizens in the targeted destinations, through a digital platform Solar Cities, in crowdfunding and crowdsourcing of ideas and resources to implement solar powered projects.	Partnerships, Private sector engagement	Raised 100,000 USD	N/A

3967.48	As a part of the second component, UNDP Moldova is piloting an installation of two solar trees in the centre of Chisinau. The competition to select the vendor of such installation was launched and crowdsourcing for ideas regarding location, design and features of such installations is undergoing several rounds, including consultations with the Mayor of Chisinau.  Design and pilot test the first UNDP-led solar blockchain-based initiative to engage private investors with technology providers to deliver of up to 1MW of rooftop ultramodern installation.  BIL acts as a partner for stakeholder engagement and partnership building between the Technical University Moldova (as a beneficiary), technology provider (vendor is being selected), and the SunExchange (as a marketplace where private investors have a chance to purchase and lease solar cells). The marketplace uses blockchain-based payment system (generating bitcoin and solar coin) as a way for investors to receive rental income.  UNDP's IO: 10,000 USD; anticipated investment by private sector: 1 mil. USD (crowd-investment campaign to run in period January - March 2019).	Crowd- investment, Partnerships, Private sector engagement	N/A	1:100 (planned)
1013,46	Under this project, UNDP Moldova initiated a pilot to use insights from the behavioral economics to improve consumption in electricity and antibiotics via behavioral experimentation and through partnership with the public and private sector. Project raised 100,000 USD in cash from the 2018 Global Innovation Facility and at least 100,000 USD in-kind or in-cash contributions from the participating partners.  As a part of this project, PSEU4SDGs is piloting Responsible Energy Consumption initiative which aims to reduce electricity consumption across the selected dormitory(ies) of the Technical University Moldova. The pilot uses evidence based tools from behavioral economics to nudge students/ residents to reduce their electricity consumption. Ethnographic research is being undertaken, supported by the UK based Behavioral Insights Team experts, in order to map the population that will be targeted and design the interventions accordingly and effectively. The pilot will be up-scaled in around 7-8,000 local households.	Resource mobilization	N/A	1:100
2,900	Promotion of multiple use bags as substitute products to the plastic bags in big supermarkets, coupled with behavioural-related messages to promote responsible plastic consumption among customers has been	Private sector engagement / SDG awareness	N/A	1:1.5

				designed and ready for implementation in Metro Cash&Carry chain as trial initiative. The impact of the initiative will be measured using available data at the supermarket level.  Another experiment to be implemented in partnership with Technical University from Moldova and Private Sector, was conceptualized by the Team and is to increase awareness at city pedestrian crossing. Actually the Team is looking for financial contribution from Private Sector before its implementation.	and contribution		
			241,5	Over 200 micro-narratives from Private Sector companies on their contribution to SDG achievement were collected since July and will be interpreted using sense-maker software and participation of private sector representatives, with analytic report available by end of 2018.  Micronarratives on the future of education and how is life in Chisinau were also collected during January - August 2018, 1,000 each, interpreted (including with the participation of Private Sector companies) and reports under finalization.  The findings of the micronarratives-based research shall be used for programmatic purposes and further fundraising efforts, as well as design and implementation of new SDG-related innovative pilots in the areas of education, RES, agriculture, ICT and similar.	Private sector engagement	N/A	N/A
Manageme nt costs (total)	86,700		86,700	See project proposal.		In progress	1:29
To include:		44,918.00	<ul> <li>Remuneration of local staff and experts of the Engagement Unit (January – October 2018). Staff of the unit coordinates/implements the above enlisted activities/investments. Project Manager is 50% remunerated by Istanbul Regional Hub.</li> <li>Another project proposal to support the development and testing of a SDG Accelerator programme for medium-sized local companies was submitted to SIDA and got approved for an initial funding of app. 22,000 USD for 2018, with potential further consistent funding in the upcoming period. This pilot is implemented in partnership with UNDP Denmark, SDG Accelerator in Denmark, BCTA of the IRH, Embassy of Sweden to Chisinau and private sector.</li> </ul>	Further new projects with project documents and budgets administered by UNDP, new cash	N/A	1:40	

	<ul> <li>Proposal on big data platform developed and ready to be presented to donors, development partners, etc.</li> <li>Project proposal on Trade in Transnistria and support to private sector to align to SDGs was developed and approved by SIDA. Available budget is 2,2 mil. USD.</li> <li>One project proposal drafted and submitted to Austrian Development Agency on modernization of VET system and connecting of VET schools to private sector (tentative budget 2 mil. USD). Proposal did not get funded yet.</li> </ul>			
38,316.00	UNDP initiated a series of intensive consultations with various stakeholders, such as policy makers, other international donors, diaspora members, national agencies (such as National Employment Agency), private sector and others, regarding a feasibility and interest in mobilization of funds for social good via implementation of an alternative financial instrument, so called Social Impact Bond (SIB), in the Republic of Moldova.  SIB allows mobilization of private funding for a more efficient and results oriented public service delivery. If successful, Moldova would be one of few pioneering countries that have implemented the instrument, and so allowed the Government to execute public service delivery using funds from the private sector, as opposed to taxpayers money.	Partnerships, Private sector engagement in public service delivery, Mobilization of private sector resources, PPPs	N/A	N/A
66,694.00 TRAC Funds	The <u>initiative</u> which indirectly supports Private Sector companies is the Trial undertaken at the level of the National Employment Agency during March 2018 - February 2019, aiming to support job-seekers become more responsible for their job search and increase awareness about their professional goals. It is implemented through revised consultations in 14 selected Regional Employment Centres, with an established Employment Plan as instrument for running the consultations. The impact of the initiative will be measured at the end of the Trial and results communicated for policy-related purposes. Private Sector companies, as the biggest job creator, will benefit from accessing a more responsible labor force from the National Employment services.		N/A	N/A