
Trends and Perspectives in Improving South-South Cooperation in the Republic of Moldova



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SSC represents an international engagement opportunity for Moldova, which has begun its journey towards forming partnerships that ensure mutual benefits and ownership of development goals.

The crucial role of the South-South and Triangular Cooperation in accelerating sustainable development has gained continued momentum over a period of time. There is growing consensus around sharing ideas, knowledge and skills to address common challenges and build upon common strengths. Developing countries are increasingly recognising best practices in South-South Cooperation (hereinafter SSC) and Triangular Cooperation, as viable pathways to intensify progress in the attainment of the 17 Sustainable Development Goals (SDGs). In this respect, the Republic of Moldova (hereinafter Moldova) is at nascent stage of development and implementation of the concept of SSC in its efforts towards development cooperation. Nevertheless, the country has been acknowledging and respectful of the main principle characteristics of SSC.

From the perspective of Moldova, SSC is reflected as a new mode of engagement to address the challenges of globalisation which entail commercial, economic, political and social relations, seen through implementation of the mutual benefiting and national development concepts. There is room for improvement on selecting modalities for targeted priority areas for cooperation drawing upon mutual respect, trust and cooperation between partners in order to identify true intervention needs that would stimulate SSC.

Background on Moldova

Moldova is a lower middle-income country with a population of 3.55 million (estimated 2017).¹ Its GDP per capita is USD 2,311, according to the latest

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census results;² which is roughly half of the average income per capita in the post-Soviet region of USD 5,079 (IMF 2017). Moldova ranks 112 out of 188 countries on the Human Development Index.³ In 2017, the net total of Official Development Assistance (hereinafter ODA) received by Moldova accounted for 328.0 USD million and the ODA net per capita registered 92.5 USD. Moldova scored 1.010 on the Gender Development Index and 0.248 (rank 50) on the Gender Inequality Index.

The Moldovan economy is dominated by the service sector (63.2 per cent of its GDP in 2015) but remittances are also central, amounting to around one quarter of GDP. Overall, the Moldovan economy has proven to be quite resilient; some effects of financial crises were mitigated due to the robustness of the budget and treasury management systems.

Since gaining its independence, Moldova has been developing its economic, political, social and cultural ties as a new member in the international platform. In this sense, Moldova signed the Association Agreement with the European Union (EU) in 2014, and as a result intensified its cooperation with developed European countries and also with developing countries, which are not EU members.

Development Cooperation and Moldova

From the theoretical perspective, as stated by the United Nations Office for South-South Cooperation (UNOSSC), SSC is about developing countries, linked by similarities in development trajectories, working together to find solutions to common development challenges, sharing knowledge, exchanging technologies and

forming common agenda and collective actions (UNOSSC 2017). Additionally, the SSC initiatives are being complemented by Triangular Cooperation, which is collaboration between traditional donor countries and multilateral organisations on one side and two or more developing countries on the other side, to support SSC initiatives through provision of funding, training, management and technological systems amongst others (UNOSSC 2017).

SSC represents a huge opportunity of sharing national values, ideas and practices at the international level. In this regard, Moldova has already set objectives towards identifying relevant SSC frameworks, conditions, patterns, successful practices and challenges at the level of national coordination authority, ministries, relevant CSOs and private companies as well as UN representatives, funds and active programmes developed in Moldova. It has also initiated efforts towards analysing common and individual strengths and challenges from different actors' vis-à-vis efficient promotion of SSC and finding possible synergies.

As Moldova is a recipient of foreign traditional assistance along with a budding partner in SSC, the Government of Moldova has adopted new institutional arrangements in April 2018, such as a new regulation on the mechanism of coordination and management of foreign assistance. The purpose of this regulation is to maximise the impact incoming foreign assistance that addresses developmental needs of Moldova. It aims to ensure consistency between the tools provided by the provider community and a sustainable financial management of foreign assistance to build national institutional capacities for meeting its own development needs.

The impact of traditional foreign assistance depends primarily on the decision within the provider community on what to support, with what tools, including the level of complementarity to national development efforts. In this regard, with the end of the public administration reform, the Ministry of Finance of the Government of Moldova was designated as the National Aid Coordinator. It is obligated to identify the needs in the light of governmental sectoral priorities and the commitments made to the international community. Moreover, the Ministry of Finance shall consider, to the degree possible, the provisions of the country's partnership frameworks, prepared by the external development partners.

Moreover, in order to ensure transparency, the Ministry of Finance is serving as the administrator of the Aid Management Platform (AMP)⁴, since June 2018. AMP is a website created to reflect all funds received by Moldova in the form of external projects that can serve as an informative source for all stakeholders.

In the same context, during November 27-30, 2018, the Secretary General of the Ministry of Health, Labor and Social Protection, Boris Gilca, participated in New York at the United Nations Global Forum on SS and Triangular Cooperation.

The Republic of Moldova was part of the global thematic meeting that promotes strategic and flexible partnerships through mutual learning on the principles of national ownership, respect for sovereignty and equality between partners. Moldova has advanced deeply in the field of social and medical reforms, youth policies, demographic

strategies and the application of aging integration methodology in sectoral policies – “all as good practice models” on the platform SSC. The senior UN officials have emphasised the progress of Moldova in building transparent and responsible governance, ensuring sustainable economic growth and implementing social policies based on respect for human rights.

Along Agenda 2030

Over the last few years, Moldova has been improving the National Development Strategy, updated in 2017, as a result of a sustained policy dialogue and effective foreign inputs generated by donors' community. The national policy agenda is partially aligned to Sustainable Development Goals (SDGs) and one-third of SDGs targets are not included in any of the national policy papers. Most of the aligned targets are related to the “environment” sector, and most misaligned ones are related to governance and human rights” sector.

Main differences between the national policy agenda of Moldova and the SDG targets are caused by national specifics; lack of vision in some important areas reflected under the SDGs; different optics of public policies; and the different degree of disaggregation of the beneficiaries targeted by public policies. The biggest achievement by Moldovan Government to achieve the other SDGs was the adoption of the National Development Strategy “Moldova 2030”. Thus the successful implementation of SDGs depends on how flexible is the strategic planning framework, which is now quite problematic in Moldova; as it has too many policy papers, and it definitely needs a reformed strategic planning framework.

Moldova–India Relations: A Step towards Common Goals

Since 1991, India and Moldova have been making strides towards achievement of common development goals. Both countries have been found supporting each other at many international platforms like the United Nations through reciprocal support mechanism. Despite the fact that India-Moldova bilateral trade has been rather modest, over the last few years both countries signed a number of bilateral treaties to enhance cooperation, such as: Declaration on the basic principles and directions of cooperation between the Republic Moldova and the Republic of India; Protocol of consultations between the Ministry of Foreign Affairs of the Republic of Moldova and the Ministry of Foreign Affairs of the Republic of India; Agreement between the Government of the Republic of Moldova and the Government of the Republic of India on technical and scientific cooperation; Agreement on Economic and Technical Cooperation between the Government of the Republic of Moldova and the Government of the Republic of India; Agreement between the Government of the Republic of Moldova and the Government of the Republic of India concerning to trade and economic collaboration; Agreement between the Government of the Republic of Moldova and the Government of the Republic of India on cooperation in the fields of education, science, culture, art, mass media, sport, tourism and youth issues; Protocol on the Establishment of Diplomatic Relations between the Republic of Moldova and the Republic of India; and Protocol on Establishing Consular Relations between the Republic of Moldova and the Republic of India.

As a part of India's development cooperation efforts, Moldova is a beneficiary of the technical assistance support provided by the Indian Government through its flagship Indian Technical and Economic Cooperation (ITEC) Programme aimed at enhancing capacities of individuals from developing countries so that the countries can take ownership of their development trajectories.

Furthering a step in this direction, Moldova is ready to intensify its bilateral relations with India to establish a new level of partnership. Minister for Foreign Affairs (MFA) and European Integration of the Republic of Moldova (EAM), Mr. Tudor Ulianovschi, visited India from August 11-15, 2018. This represented a landmark visit as it was the first time that a MFA from the Republic of Moldova paid an official visit to India. During the visit, Mr. Ulianovschi held official meeting with Indian External Affairs Minister, Mrs. Sushma Swaraj, in New Delhi, on 14 August, 2018 and discussed various aspects of bilateral ties, besides important regional and multilateral issues of mutual interest.

The discussions also focused on building of cooperation in the priority areas of interest such as trade & investment, pharmaceuticals, food-processing, information technology, ease of mobility, education and tourism. Such cooperation could assist both countries towards achieving the SDGs. India welcomed the decision of the Government of Moldova to open their Embassy in New Delhi and expressed full support towards its establishment. An embassy marks the first step towards enhanced people-to-people contact

thereby deepening engagements beyond Track 1 (Government to Government). It would contribute to strengthening of bilateral relations by facilitating visas for tourists, businessmen and students as well as promoting international interactions. Furthermore, such a set-up ensures continued engagement that is necessary for countries to continue on a positive development trajectory.

Conclusion

SSC provides a diverse mode for cooperation amongst developing countries. To improve coordination and coherence of development efforts, Moldova has already decided to become an active participant in SSC. In this regard, there is a vast potential for strengthening country's engagement towards South-South dialogue through international and regional cooperation platforms and mechanisms.

It is important to note that Moldova is open to share its good practices and approaches towards youth and women empowerment and prenatal care with other Southern countries to foster an environment of knowledge exchange in best practices. Moreover, Moldova is a fast learner, and wants to improve its trade and economic relations, for moving towards a "win-win" partnership. This can be complemented by the learning's from countries such as India which has made strides in this direction. Further, what Moldova needs is dependable cooperation that allows for knowledge exchange of good practices, focusing primarily on the strengthening of public administration management, anti-corruption and e-Governance, as Moldova aims to simplify and digitise all public services by 2020.

To sum up, SSC represents an international engagement opportunity for Moldova which has begun its journey towards forming partnerships that ensure mutual benefits and ownership of development goals.

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