



2022 CIVIL SOCIETY ORGANIZATION SUSTAINABILITY INDEX

MOLDOVA
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For Moldova

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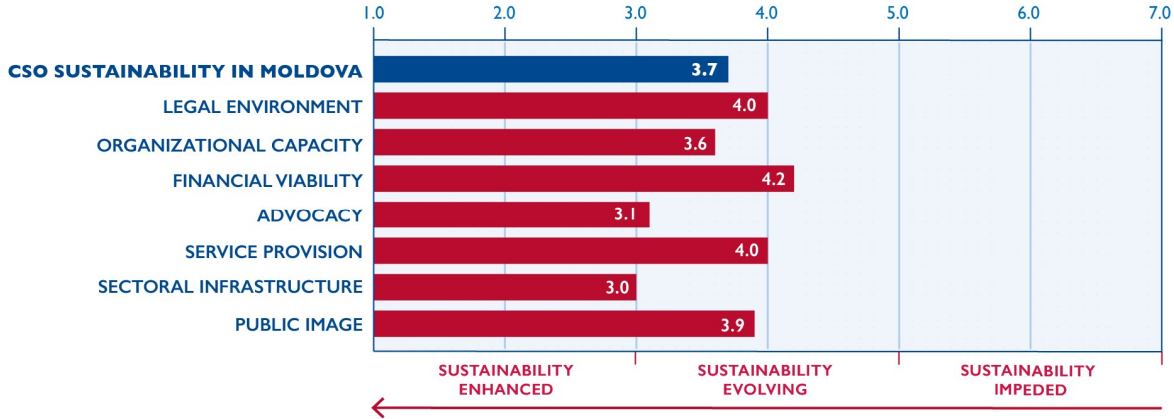
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OVERALL CSO SUSTAINABILITY: 3.7



The Republic of Moldova suffered serious economic, political, and social repercussions after the Russian Federation invaded Ukraine on February 24, 2022. The day the war started, the Moldovan parliament decreed a state of emergency, which was extended several times throughout the year. Among other measures, the state of emergency established special regulations for entry and exit from the country, movement within the country, and special working conditions, and prohibited gatherings, public demonstrations, and other mass actions. The waning COVID-19 pandemic took a back seat as the government of Prime Minister Natalia Gavriliță of the pro-European Party of Action and Solidarity contended with the mounting challenges caused by the war, including dwindling gas supplies and national security threats. A hybrid war consisting of violent protests, cyber-attacks, energy blackmail,¹ and disinformation, which many Moldovans believed was instigated by Russia, continued during the year.

As the war dragged on, Moldova became a destination for Ukrainians fleeing their country. According to the Ministry of Internal Affairs (MIA), about 650,000 Ukrainians had entered the country by December 19, 2022—a higher number per capita than in any neighboring country or European Union (EU) member state. About 89,000 refugees were still in Moldova at the end of the year. Responding to the refugee crisis with more speed and agility than the government was able to muster, CSOs and other civil society groups mobilized within weeks of the start of the war to provide services such as transportation, shelter, funding, information, and psychological counseling.

On June 23, 2022, Moldova and Ukraine were granted official EU candidate status, the first step in the long road to EU membership. The decision was made just one week after the European Commission recommended that Moldova be given candidate status to join the EU. The recommendation came with a number of conditions, including reforms in key areas such as justice, corruption, public administration, and human rights.

Partly as a result of the war, inflation reached more than 30 percent in 2022, compared to 14 percent in 2021. The greatest price increases were in services (including energy, transportation, and catering services), which increased by 44 percent, followed by food, which increased by 32 percent. CSOs and citizens alike were affected by the rising prices, but the government was generally seen as handling the economic situation acceptably thanks to budgetary and political support from the EU, United States, and other countries.

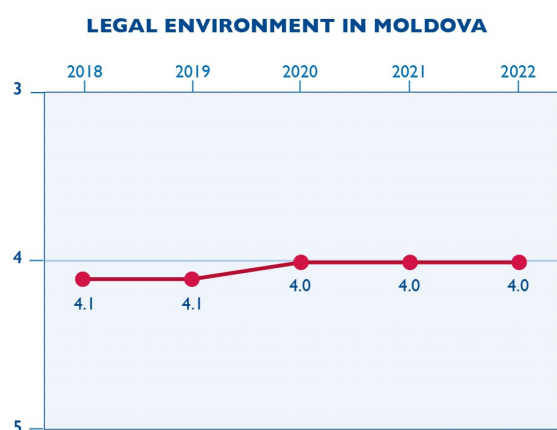
¹ For example, Russia cut its natural gas exports to Moldova. Combined with its bombing of Ukraine’s energy infrastructure, this has disrupted Moldova’s imported electricity sources and weakened its energy security.

Despite a difficult year, the overall sustainability of Moldovan CSOs remained unchanged in 2022. CSOs' financial viability improved slightly, thanks to significant financial support focused on the refugee crisis from donor organizations. Other dimensions of CSO sustainability were unchanged.

The State Register of Nonprofit Organizations reported that 15,538 nonprofit organizations were registered in Moldova as of December 2022. About 92 percent (14,276) of registered organizations are CSOs in the sense used in the *CSO Sustainability Index*, while the remaining organizations include public institutions, political parties, and other types of social and political organizations. Seventy-seven percent (11,047) of registered CSOs in the narrower sense are public associations. Other forms of CSOs include religious organizations, foundations, private institutions,² trade unions, water users' associations, employers' associations, trade unions, non-commercial periodicals, and local action groups (LAGs). LAGs are a new type of CSO that includes nonprofit organizations, local public authorities (LPAs), and commercial entities as members. In 2022, the Public Services Agency (PSA) registered 473 new organizations, of which 318 were public associations, 41 were LAGs, and 20 were branch offices of international organizations registered to work mainly with Ukrainian refugees. According to data presented by the National Bureau of Statistics (NBS), only 3,982 organizations (just 25 percent of all registered organizations) filed reports in 2022, approximately 80 percent of which are based in Chisinau. As all CSOs are required to submit annual financial statements to NBS, this is often considered a more accurate representation of the number of active organizations in the country.

The working environment for CSOs in the Transnistrian region, a breakaway region in the eastern part of Moldova, continued to be difficult in 2022. CSOs in the region were harassed and monitored by local law enforcement and security services. CSOs receiving foreign funding are forbidden from engaging in advocacy, protests, criticism of the authorities, and other types of "political activity," generally understood to be anything other than service provision. CSOs in the Transnistrian region have limited access to foreign funding. As of January 2022, CSOs were obliged to submit financial, fiscal, and statistical reports to the self-proclaimed authorities in electronic format, although in December 2022, this deadline was extended to 2024. At the end of 2022, the Register of Public Associations and Political Parties in the Transnistrian region reported 633 registered CSOs, ten of which were newly registered during the year.

LEGAL ENVIRONMENT: 4.0



The legal environment for CSOs did not change in 2022.

The Law on Non-Commercial Organizations of 2020 is the main law governing public associations, private institutions, and foundations, which account for more than 80 percent of registered CSOs in the country. In September 2022, the parliament began to draft a law on inter-community development associations, a new type of association that will have LPAs as members. Inter-community development associations will be able to implement local and regional development initiatives and provide community services.

Any natural or legal person, with the exception of public authorities, state institutions, and state and municipal enterprises, may be a member or founder of a non-commercial organization. Two or more natural or legal

persons are required to form a public association. To register, an organization must submit an application to the PSA. Public associations can register directly in PSA offices located in every region, whereas foundations and private institutions may submit their applications to regional PSA offices for processing in the capital city of Chişinău. In 2022, the PSA began to accept documents submitted by mail or electronically provided they are signed by an official electronic signature. One of the required documents is a statement identifying the organization's

² A private institution is a non-commercial organization established by a single person or natural or legal entity for the achievement of non-commercial purposes, with partial or full funding by the founder.

beneficial owner(s) in accordance with the Law on Preventing and Combating Money Laundering. CSOs have criticized this requirement as the managers and leaders of non-commercial organizations cannot be considered beneficial owners of their organizations.

The registration of most types of organizations is free of charge, although trade unions and LAGs must pay MDL 1,149 (approximately \$60) to register. The PSA levied fees ranging from MDL 100 to MDL 440 (approximately \$6 to \$23) in 2022 for certain services required for registration, such as the expedited issuance of certain documents or the validation of proposed organizational names. Registration may take up to fifteen days, although in practice is usually faster.

Under the Law on Non-Commercial Organizations, public associations, private institutions, and foundations were required to file amended bylaws with the PSA by August 27, 2022, if they were not aligned with the current legal framework. The PSA continued to accept amended bylaws past the stated deadline, and by the end of the year, 3,000 organizations had complied with the requirement. Some CSOs reported that PSA staff rejected amended bylaws if the text was not identical to the model bylaws published on the PSA website. Although the law allows the Ministry of Justice to initiate liquidation procedures against non-compliant CSOs, this requires considerable administrative effort and is unlikely to be applied in practice.

CSOs did not report significant harassment in 2022. As in previous years, CSOs were generally subject to less frequent financial inspections than commercial entities. According to the Radiography of Attacks against CSOs in Moldova compiled by the Legal Resource Center of Moldova, the number of attacks on CSOs decreased in 2022. The attacks tended to target CSOs criticizing the government's justice reforms or involved in events such as the Moldova Pride Festival. Methods included denigrating CSOs' activities by claiming, for example, that they worked on behalf of the Party of Action and Solidarity or Western countries and undermined national sovereignty by accepting foreign financing. Investigative journalists alleging corruption involving former dignitaries and politicians were also frequently attacked.

In October 2022, the Commission for Emergency Situations (CSE) limited the freedom of peaceful assembly. It prohibited weekday traffic-blocking assemblies and provided the police with a unique role in legal proceedings to stop and disperse assemblies. In December, the Commission suspended the broadcasting licenses of six television stations for the duration of the state of emergency "for the lack of correct information in the coverage of national events, but also of the war in Ukraine." In response, many CSOs issued a statement demanding that the CSE make the basis for its decision public; the CSE did not provide a detailed response.

Amendments proposed to the Law on Access to Information by the government would only allow electronic petitions signed with official electronic signatures to be registered. This could limit the usefulness of this advocacy tool because few people have such signatures.

CSOs may raise funds from both local and international sources to achieve their statutory aims. In addition to international and domestic donations, they may use crowdfunding, seek online donations and donations by text messaging, and generate their own income. In addition, individuals may direct 2 percent of their income tax to CSOs accredited by the PSA.

The law allows CSOs to carry out any types of activities that do not require special licensing. However, under the Tax Code, CSOs' income is exempt from taxation only if it is applied to activities that are consistent with the goals stipulated in their bylaws. For income from other activities, CSOs must pay a 12 percent income tax. After the onset of the refugee crisis, many CSOs revised the goals stated in their bylaws to include services to refugees so that they would not be liable for income tax.

The Law on Philanthropy and Sponsorship allows commercial entities to make tax-deductible financial and in-kind donations to CSOs of up to 5 percent of their taxable annual income. The Law on Philanthropy and Sponsorship was amended in the middle of 2022. The amendments provide more precise definitions for philanthropic activity, sponsorship activity, philanthropist, sponsor, and beneficiaries; expand the list of philanthropic and sponsorship purposes; and clarify the potential beneficiaries of these activities.

The Framework Regulation on non-reimbursable funding mechanisms for projects of nonprofit organizations was approved in September 2022 and entered into force in January 2023. It is expected to standardize the award of funding and grants to CSOs by central and local public authorities and should help CSOs diversify their funding sources.

CSOs had increased need for legal services in 2022 because of the requirement that their bylaws be brought into alignment with the Law on Non-Commercial Organizations. Organizations such as CONTACT Center and the Center for Organizational Consultancy and Training (CICO) provided free legal services to more than fifty organizations in 2022.

ORGANIZATIONAL CAPACITY: 3.6

CSOs' organizational capacity did not change in 2022.

After the start of the war in Ukraine, hundreds of organizations swiftly provided indispensable support to refugee populations. Especially in the first half of 2022, CSOs suspended their core activities so that they could direct their resources and efforts to assisting the refugees. Thanks to the development of relatively good organizational capacity over the preceding years, many Moldovan CSOs were able to make this shift easily. Because the law stipulates that an organization's bylaws must reflect its activities, many CSOs adjusted their bylaws to add activities that target refugees. To help address the needs of refugees, international organizations provided local CSOs with grants, equipment, and materials and helped them develop internal policies and procedures. For example, with support from the United Nations High Commissioner for Refugees (UNHCR), Laolalta Association improved its internal management systems and developed several policies and procedures related to human resources and financial management, as well as a code of ethics and anti-corruption and anti-fraud policies.

CSOs continued to improve their ability to interact with constituents and beneficiaries in 2022. This is demonstrated by the fact that the number of taxpayers who assigned 2 percent of their taxes to an eligible CSO increased from 34,805 people in 2021 to 37,955 people in 2022.

CSOs' planning efforts are usually project-based. Most CSOs lack strategic plans and do not consider the development of longer-term plans a priority. This tendency was exacerbated by both the COVID-19 pandemic and the war in Ukraine, both of which demanded immediate responses. As donors and CSOs shifted their attention to these crises, CSOs' stated goals were set aside to some extent. Nevertheless, strategic planning is slowly becoming more common among Moldovan CSOs. According to a survey of grantee organizations conducted by CONTACT Center, approximately 70 percent of respondents had strategic plans in 2022, a 20 percent increase over 2021. However, this statistic does not accurately reflect the situation in the sector as a whole.

The lack of efficient leadership and oversight bodies remains a weakness of Moldovan CSOs. CSOs have some flexibility to establish internal management structures, although a private institution must be overseen by the founder, a public association by the general assembly of members, and a foundation by a council. A CSO must also have an executive or administrative body. Although the law stipulates that CSOs failing to meet these requirements may be subject to liquidation, this has not been enforced. Most organizations have yet to comply with the requirements, and leadership bodies usually exist only on paper with members only involved in governance processes in limited ways.

Employment in the CSO sector is financially more attractive than employment in the private sector. According to data from NBS for 2021, CSO salaries are on average about 40 percent higher. However, only well-established CSOs with access to longer-term funding can ensure long-term employment. In addition, the sector has far fewer employees—approximately 5,000 compared to 700,000 in the private sector. Smaller organizations usually hire staff for defined periods of time as stipulated in individual employment contracts or service-provision contracts. Given their financial limitations, CSOs able to hire staff usually operate with small teams limited to essential positions such as accountants and project coordinators. According to the CONTACT Center survey, about 50 percent of respondent organizations had fewer than five employees in 2022 and 20 percent had no employees.

ORGANIZATIONAL CAPACITY IN MOLDOVA



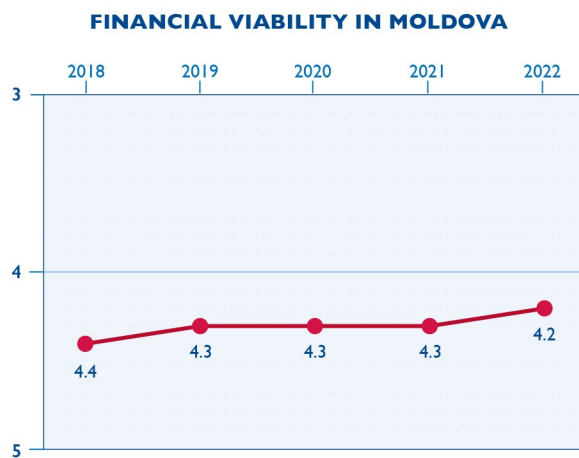
Some CSOs were able to increase their staffing levels in 2022 thanks to the influx of donor funding to support refugees. For instance, the Law Center of Advocates (LCA), which provides services to refugees, stateless people, and foreign citizens, increased its staff from ten employees in 2021 to about 100 employees in 2022.

Many CSOs recruit volunteers to help them with their work. Volunteerism expanded in 2022 in response to the influx of refugees. Since the beginning of the humanitarian crisis, for instance, approximately 4,000 people applied to become volunteers within the Moldova for Peace initiative.

Organizations that host volunteers for more than twenty hours a month should apply for accreditation with the Ministry of Education and Research. Accredited organizations must sign agreements with volunteers, develop three-year volunteer programs, maintain registers of volunteers, and issue volunteer cards. However, few organizations seek accreditation. According to the Register of Host Institutions for Volunteer Activities published by the Ministry of Education and Research, only eighty organizations were accredited as host institutions as of December 2022, forty-six of which were CSOs.

CSOs' use of digital and online communications continued to be widespread in 2022, although it decreased somewhat as meetings and other activities began to take place in person once the pandemic subsided. CSOs in Chişinău and other big cities generally have better access to technical services due to the existence of resource centers in these areas, as well as the ability of these CSOs to raise more funds. The law allows both natural and legal persons to use digital signatures for various transactions, such as signing legal documents and filing reports with the authorities. However, instances have been reported in which government officials, including some associated with the judicial system, would not accept digitally signed documents.

FINANCIAL VIABILITY: 4.2



The financial viability of Moldovan CSOs improved slightly in 2022 thanks to the sudden and generous influx of funding to support refugees. According to data received from NBS, Moldovan CSOs received nearly MDL 4.4 billion (approximately \$232 million based on exchange rates in 2022) in revenue in 2022, 6 percent more than in 2021. The CONTACT Center survey indicates that approximately 52 percent of respondent CSOs were able to diversify their revenue sources in 2022 compared to 2021.

The main foreign donors continue to be the EU and USAID, followed by United Nations (UN) agencies, the German Agency for International Cooperation (GIZ), and the Swedish International Development Cooperation Agency (Sida). At the beginning of 2022, CSOs were

actively implementing twenty-two EU-funded projects valued at EUR 22 million (approximately \$24 million). According to foreignassistance.gov, USAID allocated \$8.5 million for projects to encourage democratic participation and develop civil society in 2022. GIZ provided EUR 350,000 (approximately \$375,000) each to CSOs in North, Center, and South regions and the Găgăuzia Autonomous Territorial Unit (ATU) for local projects to fight corruption and promote good governance. The Solidarity Fund PL in Moldova, in partnership with LEADER National Network, provided grants amounting to approximately \$491,000 to newly created LAGs through the Rural Development Fund–Inception Fund.

Although no data is available on the overall amounts, CSOs also received significant foreign funding to assist the influx of refugees to the country. For example, Pro Bono Information and Resource Center received over \$2 million from the UN Children's Fund (UNICEF) to implement programs for Ukrainian refugees, as well as various youth projects.

CSOs may access government funding through grants, subsidies, and service contracts. The Ministry of Education and Research offers the largest amount of funding to CSOs and in 2022 provided approximately \$286,000 in grants

for projects on youth participation, economic opportunities for youth, and strengthening of the youth sector. Other government entities that fund CSOs include the Ministry of Agriculture and Food Industry, Ministry of Culture, Ministry of Health, and Bureau for Diaspora Relations under the State Chancellery. Piloting of the LEADER program—an EU instrument focused on rural development—got underway in 2022 and allowed Moldovan LAGs to access up to 5 percent of the National Fund for Agriculture and Rural Area Development, which had a total budget of \$3.27 million.

For the sixth year in a row, individuals paying income tax in Moldova were able to redirect 2 percent of their income tax to accredited CSOs in 2022. According to the State Tax Service, the number of organizations receiving such income increased from 665 in 2021 to 710 in 2022 and the amount collected increased from MDL 9,783,950 (approximately \$551,694 based on exchange rates in 2021) to MDL 9,958,023 (approximately \$527,000 based on exchange rates in 2022). CSOs affiliated with government institutions, such as the Public Association of Veterans and Pensioners of the Ministry of Internal Affairs and Association of Veterans and Pensioners of the Main State Tax Inspectorate UNI-M, continued to lead in terms of amounts collected from taxpayers, together receiving about 10 percent of total contributions.

Crowdfunding showed various results. The major online crowdfunding platforms—www.particip.md, www.sprijina.md, www.caritate.md, and www.guvern24.md—continued to be active but the number of initiatives and collected amounts were low. Among several successful crowdfunding campaigns, the Moldova for Peace initiative collected almost EUR 100,000 (approximately \$107,000) to meet the needs of refugees and cover expenses of their volunteers.

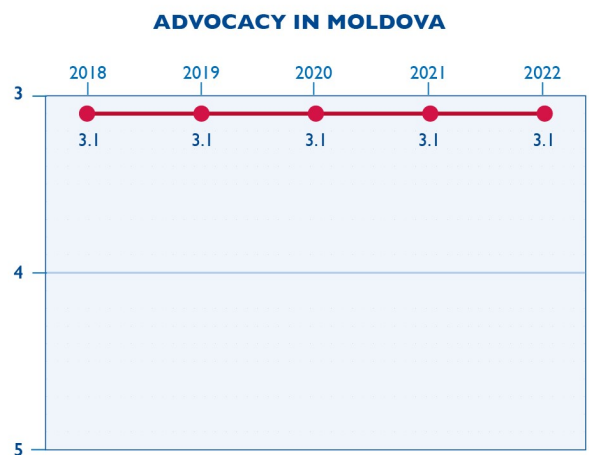
CSOs may generate income through economic activities or by developing social enterprises. According to an August 2022 report on social enterprises by Eco-Visio Association, about sixty social enterprises operated in Moldova at the end of 2022, of which eleven were accredited by the National Commission for Social Entrepreneurship. Despite its potential, social enterprises remain at an early stage of development and most are not yet financially sustainable. Improvements in the legal, fiscal, and public procurement frameworks are needed to stimulate their development.

Most CSOs, especially smaller organizations, lack adequate financial management systems. Financial management is limited largely to carrying out and recording primary accounting operations, and financial policies are developed mainly to meet donor requirements. According to NBS data and trends observed in recent years, less than one-third of CSOs submit financial statements and reports to the authorities even though they are legally obliged to do so. External audits are usually carried out only for large projects funded by foreign donors.

ADVOCACY: 3.1

CSO advocacy was mostly unchanged in 2022. The authorities remained open to working with CSOs, but the government’s transparency in decision making and acceptance of CSOs’ input on anti-corruption issues, the government program, justice reform, and other sensitive areas were limited.

A variety of reports document deficiencies in the level of cooperation between CSOs and central and local authorities in 2022. According to an expert report on the implementation of the recommendations proposed by the European Commission in response to Moldova’s EU membership application, the government’s cooperation with civil society achieved the lowest score—2.8 out of 5 points—out of the nine categories rated. The report highlights deficiencies related to the transparency of decision making and permanent platforms for government-civil society cooperation. Similar findings are reflected in the 2022 CSO Meter report of the European Center for Not-for-Profit Law and Promo-Lex



Association's report on parliamentary activity in 2021–2022. Both reports emphasize that the authorities frequently violated rules on transparent decision making. For example, Promo-Lex's report found that 33 percent of draft laws ignored the legal timeline and procedure for receiving citizens' recommendations before taking a vote after the first reading and only 21 percent of draft registered laws were subject to public hearings and debate in all relevant committees.

More than 150 consultative platforms involving civil society exist in the government, including at the ministry level, but no official data are available regarding their efficiency or productivity. Several mechanisms and platforms for cooperation between CSOs and central public authorities have not functioned for several years and were still inactive in 2022. These include the annual conference convened by the speaker of the parliament (last convened in 2016), the National Participation Council (inactive since 2019), parliament's Consultative Platform with CSO representatives (inactive since 2019), and the Civil Society Council under the aegis of the President's Office (which has not existed since 2020). In addition, while the previous Civil Society Development Strategy ended in 2020, no progress was made towards creating a new strategy in 2022.

Despite these deficiencies, in 2022, CSOs played an instrumental role in furthering Moldova's EU integration. CSOs actively participated in steering committees and advocated for and monitored the implementation of reforms in multiple sectors. In April 2022, the National Commission for European Integration (NCEI) was established, which includes a civil society representative. Additionally, CSOs and affiliated think tanks from the National Platform of the Eastern Partnership Civil Society Forum took part in the process of evaluating the conditions for Moldova to receive EU candidate country status. Additionally, these organizations were engaged in the formulation of responses to the European Commission's questionnaire designed to appraise Moldova's application for accession.

CSOs launched activities to monitor issues such as hate speech and discrimination against refugees and protect the rights of Roma, refugees, and other vulnerable groups. CSOs also promoted freedom of expression. In 2022, the Coordinating Council for Information Security was established. The Council includes representatives of CSOs, public institutions, and private entities and aims to oversee various information domains including cyber, operational, and media spheres. The members will assess media transparency regarding public interest access, monitor adherence to information rights, and suggest mechanisms for civil society participation in defining and evaluating information security policies. Furthermore, they will propose strategies for cultivating an autonomous online media landscape.

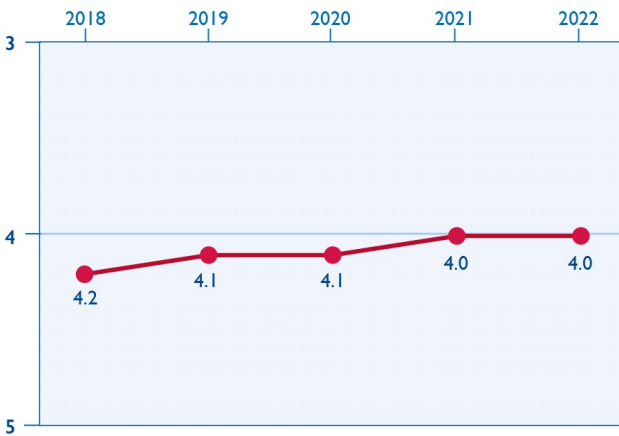
Cooperation between CSOs and LPAs registered some positive results in 2022. CSOs continued to work with LPAs in Soroca, Cahul, and Căușeni districts via district participation councils to improve citizens' access to information about policies and enhance the governance process. Other forms of cooperation with LPAs established in 2022 included crisis cells to coordinate the assistance efforts of the government, international organizations, CSOs, private initiatives, and volunteers and the Sub-National Refugee Coordination Forum in Bălți.

Lobbying is not regulated in Moldova, although the Law on Transparent Decision-Making and the Law on Access to Information establish a basis for lobbying activities. In addition, the classification of occupations in Moldova, which establishes the names of all positions and professions in the country, includes a position called "lobbying specialist."

Several CSO advocacy efforts in 2022 focused on improving the legal framework for CSOs. For example, in July 2022, the parliament approved amendments to the Law on Philanthropy and Sponsorship after years of effort by the Philanthropy Promotion and Development Platform. Several networks continued to promote the interests of civil society with the authorities. At the urging of the National NGO Council, the commission awarding public utility status finally resumed activity in 2022. In October, the NGO Council organized the NGO Forum, where CSOs approved a resolution that included several requests for the authorities to improve cooperation. The National Platform of the Eastern Partnership Civil Society Forum, which promotes European integration, took part in a meeting with parliamentary committees in October, where it was decided that the two sides would meet annually to set priorities and more frequently to discuss draft laws.

SERVICE PROVISION: 4.0

SERVICE PROVISION IN MOLDOVA



CSO service provision did not change in 2022. While CSOs provided an unprecedented level of services to refugees from Ukraine, this was a temporary phenomenon that did not have a long-term impact on the service provision sector.

After the war in Ukraine began, CSOs were among the first to respond and provide substantial support to the refugees flooding into Moldova. According to a report of the Alliance of Active NGOs in the Field of Children and Family Social Protection (APSCF) entitled Mapping the Efforts of CSOs and Members and Partners of APSCF to Support Ukrainian Refugees, 100 interviewed CSOs, members, and non-members had provided support to approximately 240,000 refugees by early June 2022. Between March and May, the mentioned CSOs spent about \$6.5 million on these efforts. Most of the

respondents provided hygiene products (78 percent) and food (76 percent), as well as children's products (68 percent), clothing (67 percent), and psychological counseling (62 percent). A December 2022 report by UNHCR documents some of the support services that Ukrainian refugees received from both international organizations and partner CSOs. For instance, the Law Center of Advocates provided legal services to about 78,000 refugees, and about 3,600 people benefited from psychological counseling and support provided by INTERSOS. More than 100,000 people received cash support totaling more than \$57 million. While most of this support was provided by major international agencies, such as the World Food Program and the EU, some of the funds were distributed by local CSOs.

According to the APSCF report, at the onset of the crisis, no clear mechanisms existed to structure the delivery of a standard package of services to refugees, which led to overlapping efforts by various organizations. Best practices for providing integrated services developed over the course of the year. For example, Blue Dot centers were established by UNICEF and UNHCR together with local authorities and their CSO partners to provide safe spaces where children and families could obtain critical services and information. As of July 2022, eight Blue Dot centers had provided services to about 16,000 persons. The Moldova for Peace initiative launched a platform where local volunteers could offer help such as accommodations and transportation and newly arrived refugees could ask for short- or long-term support. About 125,000 requests for help were processed and 300,000 people were served through the website.

While massive assistance was directed at the Ukrainian refugees, local populations did not benefit to the same extent. Nevertheless, CSOs continued to provide services in areas such as education, entrepreneurship, legal aid, institutional development, disabilities, and home-based medical care in 2022. To determine needs, CSOs usually contact beneficiaries directly or conduct surveys, studies, and other types of analysis.

The government supports CSO service provision through various mechanisms, including non-reimbursable funding, contracting, and earmarked funding such as social procurement³ and direct subsidies. The government also provides CSOs with free or preferential rights to use public property. For example, CSOs accredited to provide social services take part in tenders for contracts to provide health services on behalf of the National Health Insurance Company (NHIC). According to the CSO Meter, eighteen CSOs received contracts for services in 2022 valued at EUR 1.3 million (approximately, \$1.4 million). In 2021, CSOs accounted for 20 percent of contracted institutions, while in 2022, 27 percent of contracted institutions were CSOs. CSOs participating in public procurements are somewhat hampered by burdensome requirements to have significant resources up front, as well as frequently late payments of funds for services provided.

³ Under social procurement, public authorities issue a set of contracts to provide services in the community's interest. Only accredited businesses and nonprofit organizations can participate in social procurement competitions.

National and local authorities appreciated and acknowledged the importance of CSO involvement in managing the refugee crisis in 2022. For instance, in May 2022, the president sent letters of gratitude to more than 100 national and international CSOs as well as private companies for their support and volunteer activity to help the refugees.

SECTORAL INFRASTRUCTURE: 3.0

The infrastructure supporting the CSO sector was stable in 2022.

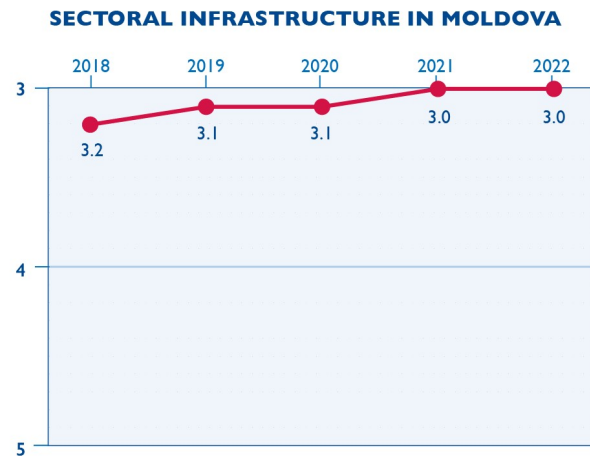
Intermediary support organizations and resource centers based both in Chişinău and regional centers offer institutional support and capacity building to CSOs as well as the public. CONTACT Center and CICO are key resource centers at the national level, while in Găgăuzia ATU, ProEuropa Association continues to be the main resource organization for the sector. In 2022, these groups provided small grants to local CSOs, organized thematic events, trainings, and other capacity building activities, and helped implement activities. The LEADER National Network helps establish and strengthen LAGs.

In addition to providing grants for activities to support refugees, local grantmakers offered funding in other areas. For example, with financial support from the EU, the East European Foundation in partnership with the Contact Center offered grants totaling EUR 375,000 to support social entrepreneurship activities. As part of the Citizens and CSOs – Together Against Corruption project, funded by the EU and GIZ, the Pro Regional Cooperation Association (ProCoRe) provided funding to sixteen CSOs in the North region. Individual grants ranged in size from EUR 10,000 to EUR 30,000. Internews Moldova provided grants to independent media organizations amounting to more than EUR 240,000 (approximately \$257,000) through the EU-funded Support Fund for Independent Media in Moldova program.

Existing coalitions and associations continued to cooperate in 2022. Among these are APSCF, the Moldovan National Platform of the Eastern Partnership Civil Society Forum, the Platform for Gender Equality, the Platform for Promoting and Developing Philanthropy, the platform for the development of social entrepreneurship, and the NGO Council. In addition, new initiatives emerged in response to the war in Ukraine in 2022. For example, Moldova for Peace attracted a large number of volunteers, private donors, and citizens to help refugees arriving in the country.

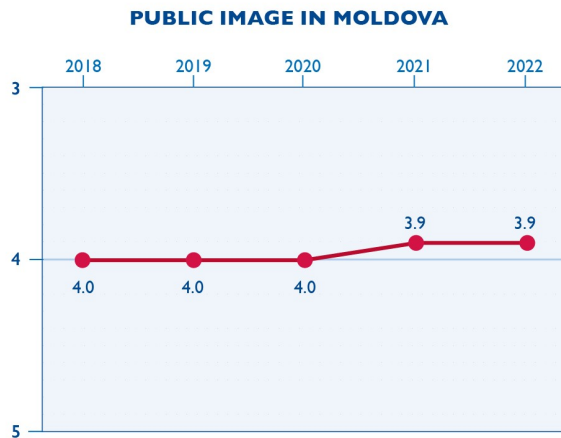
The availability of training opportunities for CSOs increased in 2022, thanks mainly to donors' increased support to CSOs focused on assisting refugees. For example, APSCF trained 500 specialists from four districts on preventing human trafficking; built the skills of forty-one social workers and specialists in protecting child rights; and coached 600 education professionals in providing psycho-emotional support. CSOs had access to training opportunities in most fields in 2022, although workshops and experts in areas such as financial management and media expertise were lacking. CONTACT Center trained representatives of more than twenty CSOs under the Restart NGO Development Program. Training topics included strategic planning, monitoring, evaluation, and reporting, human and financial resource management, financial resilience, mobilization of community and volunteers in crisis conditions, public relations and communications, and the integration of gender and environment in organizational policies and activities.

CSOs' cooperation with the public sector improved in 2022 as the two sides worked together to manage the refugee crisis. Ninety-five local CSOs and international organizations were members of a task force set up by the government, which was later reorganized into the Single Crisis Management Center. CSOs partnered with the media on the Know Your NGO campaign organized by CONTACT Center. The campaign broadcast four shows on a national television channel about the impact and role of CSOs in communities, their contributions to local development, and their support to beneficiaries. Altogether, the campaign reached about 720,000 people on TV and 66,000 people through social media. The private sector partnered with CSOs on some lobbying and advocacy activities. For example, the Moldova Fruit Association, which brings together over 180 businesses in the



agricultural field, organized more than a dozen meetings with the Ministry of Agriculture and Food Industry, the president of the parliament, and others. As a result of these actions, car traffic at the borders that affected exports was streamlined and the Fruit in Schools Program was promoted.

PUBLIC IMAGE: 3.9



CSOs' public image did not change in 2022. While the overall perception of CSOs improved in the first half of the year due to their involvement in the refugee crisis, it decreased again in the second half of the year due to CSOs' association with the government.

CSOs' response to the refugee crisis was received positively during the first half of the year. These efforts benefited from strong media attention, which helped the public understand the significant role that CSOs played. CSOs involved in other activities received occasional media coverage, depending on their area of expertise and subjects of national interest.

In the second half of the year, after the influx of refugees had abated, media coverage of CSOs was less positive. For

example, opposition parties accused the government of incompetence. CSOs were blamed for part of this failure, as many government officials came from the civil society sector.

According to the Public Opinion Barometer survey conducted in November 2022, public trust in CSOs decreased during the year. Only 24 percent of respondents said that they trusted CSOs, compared to 30 percent in June 2021. Significant fluctuations in public perceptions of CSOs from year to year most likely result from a poor understanding of the concept of CSOs and their role in society.

The authorities also recognized and valued the significant role of CSOs in handling the refugee crisis. The president, for example, expressed her gratitude to over 100 organizations for their involvement, services, and volunteering efforts aimed at assisting Ukrainian refugees. CSOs' involvement in managing the refugee crisis also strengthened the solidarity between the business environment and CSOs. The private sector increasingly sees CSOs as platforms that can solve the problems they face and as a useful resource for developing their own businesses.

CSOs' promotion of their work and other public relations activities is deficient, mainly because CSOs depend on project-based funding, which provides limited resources for hiring specialized communications personnel. Outreach and other communications responsibilities are often assigned to lower-salaried positions, hindering the recruitment of qualified personnel.

Transparency and the implementation of self-regulation mechanisms are a low priority for Moldovan CSOs. Although the Law on Non-Commercial Organizations requires all CSOs to publish annual reports in the first six months of the year, only large CSOs develop and publish activity and financial annual reports while other organizations do so irregularly or not at all. The launch of the www.ngo.md platform was a step towards raising CSOs' transparency, as they can now create individual pages to share information about their activities, including activity reports. By the end of 2022, more than 100 CSOs had registered on this platform.

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