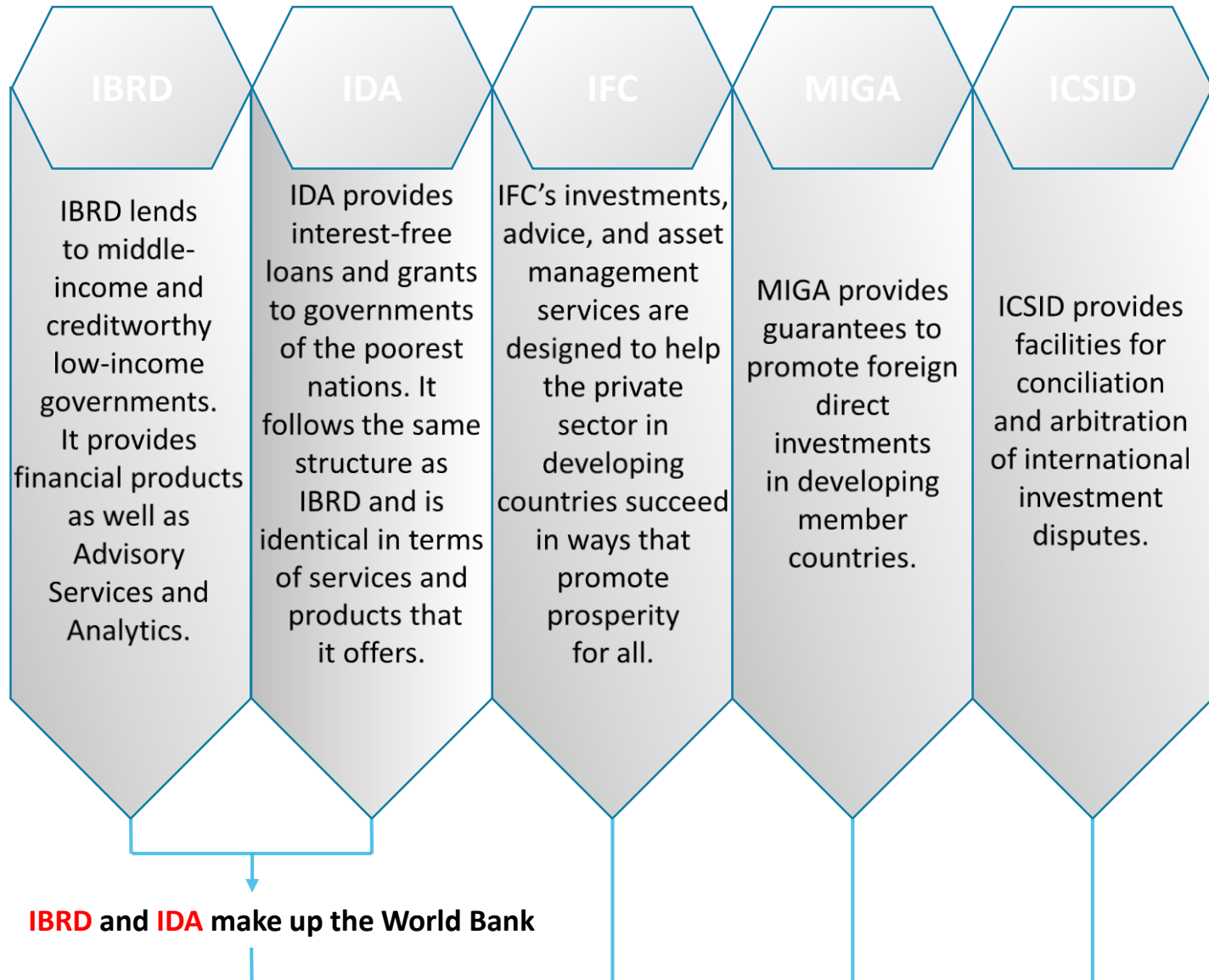


The World Bank Group in Moldova

December 2015

The World Bank Group (WBG)



IBRD = International Bank for Reconstruction and Development

IDA = International Development Association

IFC = International Finance Corporation

MIGA = Multilateral Investment Guarantee Agency

ICSID = International Centre for Settlement of Investment Disputes



THE WORLD BANK
IBRD • IDA | WORLD BANK GROUP




5 institutions = 1 WBG

Country Engagement Processes



- **SCDs** identify a select group of high impact areas that will focus efforts to support a country accelerate sustainable progress towards the twin goals, which draw upon available evidence and identify knowledge gaps
- **CPFs** are results-focused partnership plans, underpinned by and built upon evidenced-based country analysis found in SCDs, which reflect the intersection of WBG goals, client demand and WBG's comparative advantage
- **PLRs** draw lessons from CPF implementation, introduce mid-course adjustments, update the results framework and extend the CPF as necessary
- **CLRs** are a means to enhance WBG's knowledge and a tool for accountability, which assess CPF performance and WBG's performance

WBG Products and Services

	Public Sector	Private Sector	
			
Financial Products	Development Financing Instruments <ul style="list-style-type: none"> (1) Investment Project Financing (IPF) (2) Program for Results (PforR) (3) Development Policy Financing (DPF) 	I. Investment Services <ul style="list-style-type: none"> (1) Loans (2) Syndicated Loans (3) Quasi-Equity Finance (4) Equity Finance (5) Risk Management Services (6) Trade Finance and Supply Chain 	Guarantee Products <ul style="list-style-type: none"> (1) Currency Inconvertibility and Transfer Restriction (2) Expropriation (3) War, Terrorism, and Civil Disturbance (4) Breach of Contract (5) Non-honoring of Financial Obligations
	Advisory Services and Analytics	II. Asset Management Company	
Advisory Services		Advisory Services <ul style="list-style-type: none"> (1) Firm Level Advice (2) PPP Transaction Advice (3) Advice to Governments and Non-government Institutions to Improve the Enabling Environment 	

World Bank (WB) Financing Instruments

➤ Investment Project Financing (IPF):

- funding in the form of IBRD loans, IDA credits, grants, or project-based guarantees
- supports projects with defined development objectives, activities and results aimed at creating physical and social infrastructure
- finances a set of transactions and disburses against eligible expenditures

➤ Program-for-Result (PforR):

- provides financing to government programs and disburses upon achievement of results linked to Disbursement Linked Indicators
- helps governments improve the efficiency of their expenditure programs and achieve lasting results by strengthening institutions and building capacity

➤ Development Policy Financing (DPF):

- supports policy and institutional actions that promote growth and sustainable poverty reduction
- funding in the form of IBRD loans, IDA credits, IDA grants, and policy-based guarantees

➤ The World Bank also administers other resources provided through Trust Funds, including grants

Advisory Services and Analytics (ASA)

➤ **Advisory Services and Analytics (ASA):**

- Vital part of the WBG's contribution to achieving development results;
- Help clients to adopt better policies, implement reforms, build capacity, and strengthen institutions;
- Can be delivered as stand-alone or programmatic activities and financed through the Bank's own budget, donors or clients; and
- Diverse in nature and range from reports on key economic and social issues, sector studies, policy notes, knowledge sharing-workshops, conferences, evaluations, and training.

WB Lending Terms

- **IDA credits:** funded largely by contributions from the governments of its richer member countries. Additional funds come from IBRD's and IFC's income and from borrowers' repayments of earlier IDA credits.

Moldova is an IDA blend country, eligible for credits with:

- 25 years maturity
- 5 years grace period
- 0.75% service charge
- 1.25% interest rate

Principal repayments:

- 3.3%, years 6-15
- 6.7%, years 16-25

WB Lending Terms

- **IBRD funding** is raised on the world's financial markets.
- **IBRD Flexible Loans** offer:
 - long maturities up to 35 years
 - market-based interest rates reflecting IBRD's AAA credit rating
 - flexibility to tailor repayment terms
 - embedded tools to manage currency or interest rate risk over the life of the loan

Lending Rates for IBRD Flexible Loans with a Fixed Spread						
As of October 6, 2015						
	Fixed Spread					
Average Maturity (years)	8 years and below	Greater than 8 to 10	Greater than 10 to 12	Greater than 12 to 15	Greater than 15 to 18	Greater than 18 to 20
USD	LIBOR +0.70	LIBOR +0.85	LIBOR +0.95	LIBOR +1.10	LIBOR +1.30	LIBOR +1.40
Front-End Fee				0.25%		
Commitment Fee				0.25%		

Fiduciary arrangements: Procurement

- Investment Projects/Programs
- Management and reform of public procurement systems in Borrower countries

Bank's Role in Procurement

- Assess country system, project's procurement capacity and potential risks, recommend mitigation measures
- Assist Borrower in procurement planning
- Provide procurement training / knowledge sharing
- Monitor compliance with Loan/Financing/Grant Agreement, Procurement and Consultant Guidelines, and Procurement Plan
- Prior Review, Post Review

Borrower's Role in Procurement

- Design Procurement Plans
- Prepare and Issue Bidding Documents
- Invite bids
- Receive and evaluate bids/proposals
- Award contracts
- Administer contracts / make payments
- Monitor compliance with Loan/Financing/Grant Agreement, Procurement and Consultant Guidelines, and Procurement Plan
- Audit

Sanctions by the Bank

- Will reject proposal for award
- Cancel the portion of the financing – mis-procurement
- Declare firm ineligible for a limited period of time or indefinitely
- List of debarred firms will be posted on the World Bank website

Fiduciary arrangements: Financial Management

- Support strengthening of country public financial management systems;
- Improve corporate financial reporting standards and practices;
- Help increase the number of qualified FM professionals working in the public and private sectors;
- Strengthen fiduciary practices in WB-financed projects; and
- Work with global partners to harmonize support to partner countries in this area and support the development of international standards.

Borrower's Role in Financial Management

For each operation, the Bank requires the Borrower to:

- Maintain financial management arrangements that are acceptable to the Bank and that, as part of the overall arrangements that the borrower has in place for implementing the operation; and
- Provide assurance that the proceeds of the loan are used for the purposes for which the loan was granted.

Ensuring Quality and Integrity of WBG Operations

Independent Evaluation Group (IEG)

- Independent
- Reports directly to Executive Directors
- Contributes to impartial and evidence-based assessment of results

Integrity Vice Presidency (INT)

- Independent
- Investigates sanction-able misconduct and pursues sanctions related to allegations of fraud and corruption in WBG-financed activities
- Works closely with Bank units and external stakeholders to mitigate risks

Internal Audit Vice Presidency (IAD)

- Independent, objective assurance and advisory function
- Systematic approach in evaluating and improving effective governance, risk management and control processes

Inspection Panel (IP)

- Mechanism for dealing with complaints against WBG-funded projects
- Impartial, fact-finding body, reporting directly to the Board
- Gives people and communities voice in activities affecting their rights and interests, provides redress when warranted

World Bank Group in Moldova



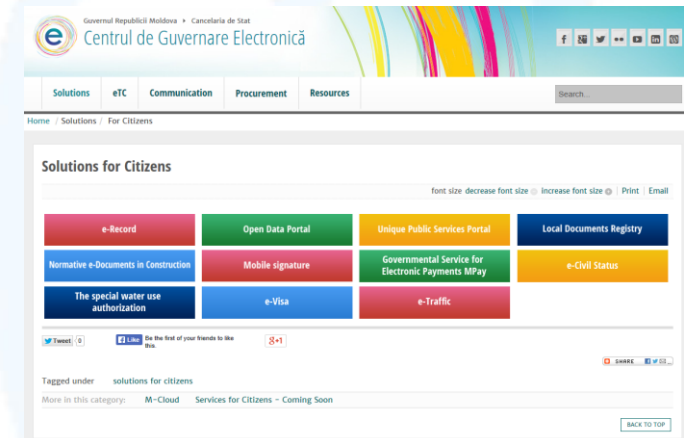
22 Years of Partnership Examples ...

- Business advice, credits and grants.
- Better schools, curriculum
- Refurbishing heating systems
- Repairing rural roads
- Compensation for small farmers
- E-Governance Centre
- Preventing soil erosion
- Setting up the health insurance fund
- Reports and studies all on internet
- IFC invests in businesses
- IFC advises on making business easier

World Bank Group in Moldova

Country Partnership Strategy for FY14–17

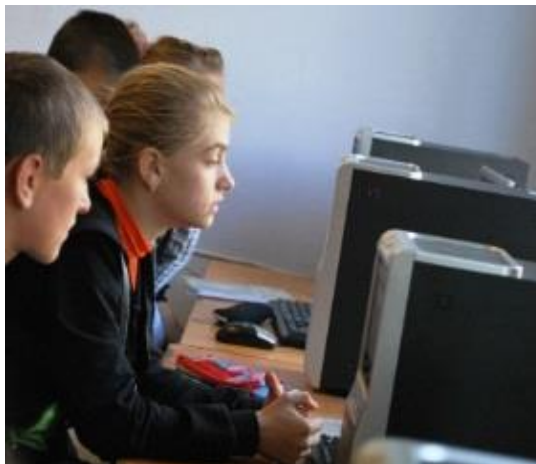
CPS will support Moldova in *reducing poverty* and *boosting shared prosperity* by capturing the full benefits of openness and integration with the broader global economy.



World Bank Group in Moldova

CPS for FY14-17 is based on 3 pillars

1. Increasing Competitiveness (*e.g. grants for export innovation*)
 2. Enhancing Human Capital and Minimizing Social Risks (*e.g. hub schools*)
 3. Promoting a Green, Clean, and Resilient Moldova (*e.g. forest shelter belts*)
- All 3 pillars are underpinned by a cross-cutting **governance** theme.



World Bank Group in Moldova

IFC Portfolio

Projects:

1. IFC Moldova Investment TRANS-OIL
2. Moldova Chisinau City

Priorities:

1. Agriculture
2. Infrastructure
3. Health
4. Financial Markets



World Bank in Moldova

9 Active Projects
US\$335.3 million commitments

- Moldova Education Reform Project - \$40 million (IDA)
- District Heating Efficiency Improvement Project - \$40.5 million (IBRD)
- Moldova Agriculture Competitiveness Project - \$30 million (IDA)
- Moldova Health Transformation Project - \$30.8 million (IDA)
- Strengthening the Effectiveness of the Social Safety Net - \$37 million (IDA)
- Disaster and Climate Risk Management Project - \$12 million (IDA)
- Second Competitiveness Enhancement Project - \$45 million (IDA + IBRD)
- Governance e-Transformation Project - \$20 million (IDA)
- Local Roads Improvement Project - \$80 million (IDA + IBRD)


* **IBRD** = International Bank for Reconstruction and Development
IDA = International Development Association

World Bank in Moldova

Upcoming Projects, FY16-17
US\$220 million


- Second Development Policy Operation - \$45 million
- Tax Administration Modernization Project - \$20 million
- District Heating Partial Risk Guarantee - \$80 million
- Agriculture Competitiveness Additional Financing - \$20 million
- Strengthening Public Sector Management - \$20 million
- Education Reform Additional Financing - \$15 million
- Climate Adaptation and Forestry - \$20 million

HTTP://WWW.WORLDBANK.ORG/MOLDOVA

**THE WORLD BANK**
IBRD • IDA

Working for a World Free of Poverty

English Español Français عربي Русский 中文 ▶

Search 

Home About Data Research Learning News Projects & Operations Publications **Countries** Topics

Moldova



COUNTRY AT A GLANCE



Population	3.5	2013
GDP	\$7.9	2013
GDP growth	8.9%	2013
Inflation	4.6%	2013

[More Data »](#)

Moldova is a small open agricultural economy with a strong but volatile growth performance, vulnerability to climatic and global economic conditions. Due to the weak economic activity of major economic partners and trade restrictions, growth decelerated to a still strong 4.7% in January-September 2014.

[Read More »](#)[Context](#)
[Strategy](#)
[Results](#)

Moldova Home

Overview

Projects & Programs

Data

Research

News & Views

Country Office
Contacts

Chisinau, +373-22-262-262
Pushkin Street, 20/1,
MD-2012, Chisinau,
Republic of Moldova.

This page in: **English** Română

FEATURED

Citizen Engagement for Better Education Service Delivery in Moldova

February 20, 2015 — New "Scoala Mea" platform facilitates citizens' engagement in and monitoring of the quality of education service delivery. [Read More »](#)



**THE WORLD BANK**
IBRD • IDA | WORLD BANK GROUP

World Bank in Moldova

How Can You Find Us?

Website: <http://worldbank.org/en/country/moldova>
Facebook: <http://www.facebook.com/pages/World-Bank-Moldova/137971822618>
Address: #20/1, Pushkin St., MD-2012, Chisinau, Moldova
Contacts: moldova_contact@worldbank.org, phone +373 22 262 262, fax +373 22 262 236

