

COUNTRY PROFILE

Republic of Moldova

I. BACKGROUND

Area:	33,846 Sq. km
Population:	3,555,200 (January 2015 estimation)
GDP:	USD 7,970 billion
GNI per capita:	USD 2,483
HDI:	0.693; ranked 107 out of 188 countries (2014)
Life expectancy at birth:	71.6 years
Mean years of schooling:	11.2

Indicators on Quality of Public Service¹:

Indicator ²	2000	2005	2010	2013	2014
Government effectiveness	30.7	26.3	30.6	41.6	39.9
Regulatory quality	38.2	36.6	49.3	49.3	53.8
Rule of Law	33.0	40.7	42.2	42.7	46.6
Control of corruption	32.7	31.2	28.6	24.4	20.7

Political and Administrative Structure

Sandwiched between Romania and Ukraine, Moldova emerged as an independent republic following the collapse of the USSR in 1991. Moldova is ranked as a lower middle income country by the World Bank.³

Moldova is a parliamentary republic with a President as Head of State and a Prime Minister as Head of Government. The President is elected by Parliament, requiring a three-fifths majority (at least 61 votes). Since 2001, the President is elected by 101-member National Assembly (parliament), a change designed to decrease executive authority in favour of the

¹ Percentile ranks indicate the percentage of countries worldwide that rank lower than the indicated country, so that higher values indicate better governance scores.

² *Government effectiveness* captures perceptions of the quality of public services, the quality of the civil service and the degree of its independence from political pressures, the quality of policy formulation and implementation, and the credibility of the government's commitment to such policies. *Regulatory quality* captures perceptions of the ability of the government to formulate and implement sound policies and regulations that permit and promote private sector development. *Rule of law* captures perceptions of the extent to which agents have confidence in and abide by the rules of society, and in particular the quality of contract enforcement, property rights, the police, and the courts, as well as the likelihood of crime and violence. *Control of corruption* captures perceptions of the extent to which public power is exercised for private gain, including both petty and grand forms of corruption, as well as "capture" of the state by elites and private interests.

³ <http://data.worldbank.org/country/moldova>

legislature. The President appoints the Prime Minister who functions as the Head of Government, and who, in turn, assembles a cabinet, both subject to parliamentary approval⁴.

The 2014 parliamentary elections were the eighth parliamentary elections since independence in 1991.

The Government carries out the domestic and foreign policies of the State and the general management of the Public Administration and is accountable to the Parliament. The Government consists of the Prime Minister, the First Deputy, and the Deputy Prime Minister, ministers and other members, as determined by law⁵.

Administratively, the Republic of Moldova is divided into 32 districts, 5 municipalities, and 1 autonomous territorial unit (Gagauzia)⁶.

The Republic of Moldova is a member state of the United Nations, the Council of Europe, the World Trade Organization (WTO), the Organization for Security and Cooperation in Europe (OSCE), the GUAM Organization for Democracy and Economic Development, the Commonwealth of Independent States (CIS) and the Organization of the Black Sea Economic Cooperation (BSEC) and aspires to join the European Union.

II. CIVIL SERVICE PROFILE

a. Legal basis of the civil service

Civil service regulatory framework includes the following laws and regulations:

- The Law on the Public Office and Status of Civil Servant (Law 158/2008);
- Law on the Civil Servant's Code of Conduct (Law 25/2008);
- Law on the conflict of interests (Law 16/2008);
- Law on the approval of the single classification of civil service positions (Law 155/2011);
- Government Decision on the enforcement of the provisions of Law no 158/2008 (Law 201/2009).

The Law on the Public Office and Status of Civil Servant (Law 158/2008)⁷ regulates the general regime of public office, the status of civil servants, the civil servants' relationship with public authorities; and it sets out the vertical and horizontal scope of the civil service.

According to Article 7 of the Law 158/2008, civil servants are classified as follows:

- Senior civil service positions;

⁴ Constitution of the Republic of Moldova (29.07.1994): In English at <http://www.presedinte.md/eng/constitution>; In Russian at <http://lex.justice.md/viewdoc.php?action=view&view=doc&id=311496&lang=2>

⁵ Law no. 64 (31.05.1990) "On Government," Chapter IV, Article 24: <http://lex.justice.md/viewdoc.php?action=view&view=doc&id=312895&lang=2>

⁶ Law no. 764 (27.12.2001) "On Administrative-Territorial System of the Republic of Moldova»: <http://lex.justice.md/viewdoc.php?action=view&view=doc&id=312874&lang=2>

⁷ Law no. 158 (04.07.2008) "On the Public Function and Civil Servant's status": <http://lex.justice.md/viewdoc.php?action=view&view=doc&id=330050&lang=2>

- Managerial civil service positions;
- Executorial civil service positions.

From a vertical perspective, different pieces of legislation apply to the different groups: Group A officials holding public dignity offices (political appointees), listed in the Annex to Law 199/2010⁸; Group B personnel (discretionary appointments) in the cabinets of public dignity offices (under Law 80/2010⁹); and Group C civil servants (under Law 158/2008, which also distinguishes between senior civil servants and civil servants).

For senior civil servants, the recruitment, dismissal and career rules are different than those for the rest of the civil service¹⁰, although the specific recruitment procedure has only been applied since 2014. The senior civil service includes three salary grades with five salary steps each, and the appointments are indefinite. Above the highest civil servant and below the minister, the deputy minister is a political appointee.

In summary, the legislation in Moldova presents a reasonable horizontal and vertical reach. It covers not only state authorities but also local self-governments. On the other hand, different pieces of legislation regulate the different groups of public servants, providing a clear distinction between civil servants, senior civil servants and political appointees.

The structure of the civil service of the Republic of Moldova is enforced by the Government Decree № 1001 (26.12.2001)¹¹.

b. Definition of civil servant

A civil servant in the Republic of Moldova is an individual appointed to public office to function in accordance with the law. Civil service positions are established on the basis of acts of Parliament, the President of the Republic of Moldova, the Government and other public authorities issued within their powers established by the Constitution and other laws.

Civil service positions are classified into three categories: [i] senior management positions; [ii] management positions; and [iii] executive positions. According to Article 33 of Law 158/2008, there are three classes in every rank of civil service employees:

- First rank: State Councillor of the Republic of Moldova of the 1st class, State Councillor of the Republic of Moldova of the 2nd class, and State Councillor of the Republic of Moldova of the 3rd class;
- Second rank: State Councillor of the 1st class, State Councillor of the 2nd class, State Councillor of the 3rd class;

⁸ Law No. 199 (16.07.2010) On the Status of the Persons Performing Responsible State Positions, <http://lex.justice.md/ru/336193/>

⁹ Law no. 80 (07.05.2010) On the Status of the Staff of the Office of Responsible State Positions, <http://lex.justice.md/ru/335147/>

¹⁰ Article 8, Law no. 158 (04.07.2008) "On Civil Service and Civil Servant's status": <http://lex.justice.md/viewdoc.php?action=view&view=doc&id=330050&lang=2>

¹¹ Annex 1 to the Government Decree № 1001 (26.12.2001) "On Introduction of the Provisions of Certain Laws": <http://lex.justice.md/viewdoc.php?action=view&view=doc&id=341685&lang=2>

- Third rank: Councillor of the 1st class, Councillor of the 2nd class and Councillor of the 3rd class.

Class ranks are assigned in accordance with the qualification level of the employee and assessment of results achieved. Every next rank is assigned, if an individual receives “good” or higher score as a result of three annual performance appraisals, or “very good” as a result of two consecutive annual performance appraisals. Every promotion in rank is accompanied by a pay increase.

A civil servant may be deprived of a class rank or demoted from his class rank only with a court decision in the event of perpetrating illegal acts implying criminal liability, as well as in the event when the class rank was conferred in violation of the established procedures for awarding a rank.

c. Civil servants' profile

Eligibility criteria

According to Article 27 of the Law 158/2008, citizens of Moldova, who have not reached retirement age, possess the appropriate educational background allowing them to perform respective service functions, possessing knowledge of the Moldovan language and official languages of interethnic communication, and who do not have prior criminal record in connection with deliberate offense, are eligible to be admitted for the civil service.

Total number of civil servants

As of 2014, the total number of civil servants is 17,145, of which 10,488 are in central authorities and 6,657 in local authorities.

Number of civil servants as proportion of the total population and of the labour force.

Civil servants represent 0.48% of the country's population, and 1.4% of the labour force.

Gender and age distribution of civil service

12,231 are women and 4,914 are men with an overall mean age of 42.7 years.

d. Civil servants' remuneration structure

According to the Central Public Administration Reform Division of the State Chancellery, the average monthly salary of civil servants in Moldova is 5,235 lei (approx. USD 261,75).

The salary structure consists of: [a] a fixed part, comprising of basic salary, plus allowance for class rank, special title and the diplomatic rank; and [b] a variable part, consisting of allowance for the collective achievements of each structural unit / public authority, and an annual bonus.

III. BODY RESPONSIBLE FOR HR POLICY AND IMPLEMENTATION

The main unit responsible for the civil service is the **Central Public Administration Reform Division of the State Chancellery**.

The Division is in charge of:

- Reforming and building the capacities of the central administrative authorities to be able to efficiently formulate and implement national policies;
- Formulating/revising and promoting efficient state policies and regulatory framework on civil service staff;
- Ensuring the promotion and implementation of state policy in public service, particularly human resources management;
- Monitoring the compliance of civil service legal framework;
- Coordinating the activities related to the implementation of the central public administration reform and contributing to the modernization and improvement of the institutional and functional system of the central public administration.

a. Organisation of the selection and recruitment process in civil service

In Moldova, different rules for recruitment, dismissal and career development apply to separate groups of civil servants (article 8 of the Law 158/2008).

A senior management (1st category) civil service position is filled through competition (Government Decision 201/2009). The Government appoints a special standing committee of seven experts in the field of public administration to fill the vacancies of a ministerial state secretary and a deputy head of an administrative authority.

Competition commissions are established in accordance with the provisions adopted by the public authorities concerned in order to fill, through competition, the positions of the head of the civil service and the deputy head of the public authority (Parliament, President, Superior Council of Magistracy, Constitutional Court, Supreme Court, General Prosecutor's Office and Court of Accounts).

All vacancies are advertised on the Government's website, on the website of the public authority announcing the vacancy, and in various national publications. The selection process foresees the inspection of the application documents, a written examination including several tasks, and an interview.

b. Promotion process in civil service

Promotion in the Civil Service of Moldova is based on the results of performance appraisal. The decision to promote a civil servant belongs to the head of the public authority where the civil servant works. A civil servant, whose performance appraisal was rated as "very good" or the last two appraisals were rated as "good", can be promoted to a higher position, providing that he/she meets the requirements of the position.

Transfers take place among subdivisions of a public authority and among public authorities. The transfer is authorised by the head of the respective public authority¹², and it is carried out to accomplish particular tasks in a public agency, or at the request of a civil servant. In the former case, the written consent of the transferred civil servant is required. A request for

¹² Civil Service Law, Article 48.

transfer is an instrument used by civil servants to develop their careers horizontally. Secondment can also be used to improve one's competencies¹³, but it is not widely practiced.

c. Performance appraisal, training, and career development

Performance appraisal is regulated in the Civil Service Law (Articles 34-36) and in secondary legislation. It has been implemented in all public authorities since 2010.

Professional performance appraisal is carried out annually for all three categories of civil servants: senior, managerial and executorial civil servants. Performance appraisal is not undertaken for junior civil servants or for civil servants who remained in the position for less than four months during the appraisal period. Secondary legislation (Annex 8 to the Government Decree 201/2009¹⁴) foresees an internal complaint process.

The direct supervisor carries out the performance appraisal for managerial and executorial civil servants. For senior civil servants, the appraisal is comprised of two phases. The direct supervisor prepares the assessment report and proposes the appraisal scores. Subsequently, the documents are sent to the evaluation committee, which completes the evaluation form and takes a final decision.

During the performance appraisal, the results are compared with the targeted goals (indicators), which are based on appraisal criteria. The results of the performance appraisal serve for the following staff decisions: promotion, award of a higher qualification grade, salary advancement, dismissal and training. According to SIGMA's 2012 peer review, the training objectives have been achieved once a civil servant has received 40 hours of training per year. The focus of this objective is quantitative (the number of hours that the civil servant has spent on training) rather than qualitative (i.e., a higher level of competency, skills and knowledge acquired by the civil servant). Furthermore, data provided by central public authorities show that not all civil servants benefit from this number of training hours (40 per year)¹⁵.

Professional development of civil servants takes two approaches: centralized and decentralized.

The Government approves annually the Professional Development Plan (State order) for all public authorities, which is elaborated by the State Chancellery based on the requests of public authorities. These requests reflect the horizontal training needs identified at the level of each civil servant / each public authority, as well as by the Government's strategic goals. A training service provider (to date the Academy of Public Administration) evaluates the Plan, and a semester report is submitted to the State Chancellery (centralized approach). Each public

¹³ Civil Service Law, Article 47.

¹⁴ Annex 8 to the Government Decree no. 201 (11.03.2009) "On Enactment of Law on Civil Service and Civil Servant's Status no. 158-XVI of 4 July 2008," <http://lex.justice.md/ru/331023/>

¹⁵ "Civil Service Professionalization in Armenia, Azerbaijan, Georgia, Moldova, and Ukraine", OECD/SIGMA http://www.sigmaweb.org/bytopic/civilserviceandpublicadministrationorganisationandfunctioning/ParradoDiez_S-CS-Professionalisation-Nov2014.pdf

authority approves its Professional Development Plan annually, which includes specific training.

IV. ETHICS AND ANTI-CORRUPTION STRUCTURES

The National Anti-Corruption Centre¹⁶, an independent agency, was established by Law no. 1104 of 06.06.2002, being called at that time the Centre for Combating Economic Crime and Corruption. In 2012, following reforms implemented, the Centre gave away its function related to economic crime, which triggered the corresponding change in its name. The Centre is a mixed anti-corruption agency, responsible both for combating and preventing corruption, with a total of 350 employees.

The Centre has the following responsibilities:

- Prevention, investigation and counteraction of corruption and corruption-related offences and crimes, as well as acts of corrupt behaviour;
- Prevention and combatting money laundering and terrorism financing;
- Preparation of normative acts drafts and other legislative initiatives for presentation to the Parliament;
- Conduct of corruption risks assessment in public authorities, and monitoring and data analysis;
- Conduct of training and consultation;
- Coordination of development and integrity plans.

The Anti-Corruption Prosecutor's Office is a specialised office, established shortly after the creation of the Anti-Corruption Agency in 2002. This office is in charge of leading all criminal investigations conducted by the National Anti-Corruption Centre, but it can also conduct its own criminal investigations.

Another institution in this field is the National Integrity Commission, established in 2012, and is in charge of verifying the assets and personal interests of public officials, existence of conflict of interest and other incompatibilities with public office tenure. In carrying out its mandate, the Commission works together with the National Anti-Corruption Centre and the Anti-Corruption Prosecutor's Office, when the situation arises for further criminal investigation of cases.

There is no special position of an officer in charge of ethics compliance within the ministries or civil service agencies.

V. CIVIL SERVICE REFORMS: PAST, CURRENT AND PLANNED

a. Past Reforms

Following elections in April 2005, the President, with the support of Parliament, announced that Central Public Administration Reform 2006-2013 (CPAR) would be one of the top

¹⁶ The National Anti-Corruption Centre was one of the winners of the Innovative Solutions Scheme, launched by the Regional Hub of Civil Service in 2015. The Hub marked out two innovative solutions of the Centre. The "Integrity Testing" mechanism of civil servants and the "Anti-corruption proofing" software, both developed, introduced and currently being used.

priorities for his administration. Focusing on PAR helped him to win the support of the non-Communist opposition in Parliament, which also realised that improvements in the professionalism and effectiveness of the public administration were an important political step toward European integration. In response to one of the President's original reform objectives, i.e., to increase salaries of civil servants, while cutting 70% of staff positions, the Prime Minister requested international development partners – the World Bank (WB), United Nations Development Programme (UNDP), Swedish International Development Cooperation Agency (SIDA) and other development actors - to provide technical assistance for PAR implementation.

UNDP and SIDA provided immediate technical assistance that addressed initial PAR management capacity building, and in coordination with the World Bank initiated the first phases of the horizontal functional review and related analyses of the governance system, civil service and decision-making systems. The World Bank responded to the request from the Government of Moldova (GOM) with a non-lending technical assistance program to support the GOM with developing a credible agenda for public administration reform. The effort of development partners was driven by a desire to help the Government develop a PAR strategy before taking action on civil service cuts or other administrative changes.

The results of these initiatives were:

- (a) on Institutional Reorganization:
 - (i) a government-wide functional review of the central public administration entities conducted;
 - (ii) the legal framework on the organization of public administration further developed; and
 - (iii) capacity-building measures of the CPAR unit of the State Chancellery of the Republic of Moldova.
- (b) on Government's Policy-Making Capacity:
 - (i) the policy planning system reviewed and a methodology for improved elaboration and coordination of policy proposals developed;
 - (ii) on-the-job-training in preparation conducted and procedures for policy documents approved;
 - (iii) Government normative acts and additional regulations passed on policy coordination system reviewed and amended; and
 - (iv) mechanisms linking policy and budget planning further developed.
- (c) on Merit-based Professional Civil Service:
 - (i) draft Civil Service Law and draft secondary civil service legislation were revised;
 - (ii) civil service human resource management methodology and human resource functions further developed;
 - (iii) capacity building measures of the civil service management entity held;

- (iv) civil service classification, grading and remuneration system further developed;
 - (v) training, workshops and study tours for civil servants conducted; and
 - (vi) a civil service register designed and implemented, and software, hardware and office equipment for the central and ministries' personnel management units provided.
- (d) on Management, Information and Communication:
- (i) communication program to increase awareness, participation and support for the CPAR programme implemented;
 - (ii) CPAR website maintained;
 - (iii) training and communication materials to increase awareness and participation of major stakeholders in monitoring the CPAR program disseminated; and
 - (iv) surveys on CPAR implementation progress conducted.
 - (e) Trust Fund Management: technical assistance of the Project including management support to the CPAR Unit in conducting financial, procurement, and implementation monitoring and reporting arrangements, and audit services.

As a result of these initiatives, the Moldovan public administration started applying modern personnel procedures and regulations, such as:

- a. development of job descriptions for civil service positions in line with the methodological requirements;
- b. delimitation of categories of positions in public authorities through the endorsement of staff lists;
- c. employment to civil service, including through competition;
- d. probation for junior civil servants;
- e. taking part-time jobs by civil servants;
- f. ongoing professional development of civil servants; written commitment to continue work in civil service after graduating various training courses;
- g. performance appraisal of civil servants;
- h. disciplinary liability of civil servants;
- i. termination of service relations.

As part of the PAR, the government committed to opening up its data and launching its first open data portal in 2011. Four years later, the portal www.data.gov.md¹⁷ is already on version 3.0, and home to over 800 datasets. However, there are still some things that could be improved, as it seems that some of the most crucial data are still not available.

b. Current Reforms

¹⁷ "Moldova: Small country, big data?", <http://europeandcis.undp.org/blog/2015/08/05/moldova-small-country-big-data/>

According to the Division for the Reform of Central Public Administration of the State Chancellery, civil service management HR management is currently being optimized through the implementation of an automated information system, "The Register of civil service and civil servants' positions" and the introduction of a single government portal on vacant government positions in public administration (<http://careers.gov.md/>).

c. Planned Reforms

According to the Division for the Reform of Central Public Administration of the State Chancellery the following reforms are planned to be implemented in the coming period

- a. Development of efficient management of public administration;
- b. A variety of mechanisms to support the best personnel;
- c. Development of professional competencies of civil servants;
- d. Improving the system of financial and non-financial motivation within the public administration.

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The Regional Hub of Civil Service in Astana (ACSH) was established in March 2013, when representatives of 25 countries, as well as of 5 international organisations, unanimously adopted the ACSH’s Founding Declaration. The ACSH is a multilateral institutional platform for the continuous exchange of knowledge and experience in the field of civil service development, aiming to stimulate civil service transformation in the region, through capacity development activities, and by disseminating innovative approaches to civil service reform, through evidence-based solutions, informed by a comprehensive research and policy agenda. It has financial and institutional support from the Government of Kazakhstan, and backing of the United Nations Development Programme as the key implementing partner. The geographical range of the participating countries – currently encompassing 32 countries - stretches from the Americas and Europe through Central Asia and Caucasus to ASEAN countries, which demonstrates that effective civil service is a constant and universal need for all nations.

For more information, please visit: www.regionalhub.org

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