



ANNA AKHALKATSI
Country Manager
Moldova
Europe and Central Asia

June 15, 2018

His Excellency
Mr. Octavian Armasu
Minister
Ministry of Finance
Chisinau
Republic of Moldova

Excellency,

*Re: Credit No.6126 -MD and Loan No. 8774-MD
Modernization of Government Services Project
Corrigendum to the Financing Agreement .*

In response to your letter of May 31, 2018, regarding the Financing Agreement between the Republic of Moldova and the International Development Association, dated November 28, 2017, with respect to the above-mentioned project (hereinafter "Financing Agreement"), requesting to correct the omission of Parts 2, 3 and 4 of the project in the project description in Schedule 1 of the Financing Agreement, please find enclosed the Corrigendum to the Financing Agreement.

I would appreciate it if you could co-sign two copies of this Corrigendum and return one co-signed original to the World Bank.

Sincerely,

Attachment: Corrigendum to the Financing Agreement on the Modernization of Government Services Project (Credit No.6126 -MD)



Copied to: Mr. Ion Chicu, State Secretary General, Ministry of Finance
Ms. Veronica Sirețeanu, State Secretary, Ministry of Finance
Ms. Tatiana Ivanicichina, State Secretary, Ministry of Finance
Ms. Veronica Ursu, State Secretary, Ministry of Finance
Ms. Elena Matveeva, Head of Directorate General for public debt, Ministry of Finance
Mr. Viorel Pană, Head of Directorate for capital investments and management of external financial assistance, Ministry of Finance

Ms. Lilia Paliu, Secretary General of the Government, State Chancellery
Ms. Oxana Glușcenco, Head of Directorate for Coordination of Policies and External Assistance, State Chancellery

Mr. Eugeniu Ursu, Executive Director, e-Government Center

Mr. Frank Heemskerk, Executive Director, the World Bank
Mr. Roman Kachur, Alternate Executive Director, the World Bank
Ms. Veronica Volociuc, Advisor to Executive Director, the World Bank



ANNA AKHALKATSI
Country Manager, Moldova
Europe and Central Asia Region

June 15, 2018

His Excellency
Octavian Armasu
Minister of Finance
Ministry of Finance
Constantin Tănase Street, 7
MD-2005 Chisinau
Republic of Moldova

Excellency:

**Re: Credit No.6126 -MD and Loan No. 8774-MD
(Modernization of Government Services Project)
Corrigendum to the Financing Agreement**

We refer to: (a) the Financing Agreement between the Republic of Moldova (the “Recipient”) and the International Development Association (the “Association”) (collectively referred to as the “Parties”), dated November 28, 2017, with respect to the above-captioned Project (the “Financing Agreement”); and (b) the Loan Agreement between the International Bank for Reconstruction and Development (the “Bank”) and the Republic of Moldova, of even date therewith, also with respect to the above-captioned Project (the “Loan Agreement”). Capitalized terms used in this letter and not defined herein have the meaning ascribed to them in the Financing Agreement or in the Loan Agreement.

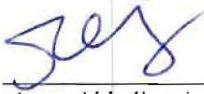
It has come to our attention that the Project description in Schedule 1 of the Financing Agreement inadvertently omits Parts 2, 3 and 4 of the Project, which are included in Schedule 1 of the Loan Agreement. Since the Parties’ intention was that both the Financing Agreement and the Loan Agreement finance the same Project with its four components (with the Association’s funds being disbursed prior to the Bank’s funds), the Association proposes to restate the terms of Schedule 1 of the Financing Agreement to correct this error in conformity with Article 79, paragraph 1 letter b) of the Vienna Convention on the Law of Treaties.

Therefore Schedule 1 of the Financing Agreement is hereby restated in its entirety to read as set forth in the Annex to this letter.

Please confirm receipt of this letter by signing this letter in the spaces provided below and returning one fully executed original to us. This restatement shall be executed in two counterparts each of which shall be an original.

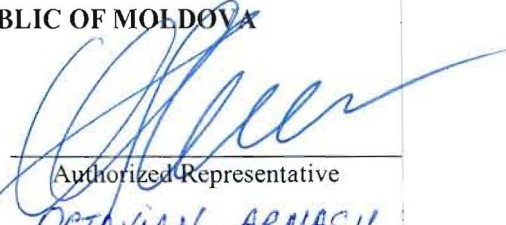
Very truly yours,

INTERNATIONAL DEVELOPMENT ASSOCIATION

By: 
Anna Akhalkatsi
Country Manager, Moldova
Europe and Central Asia Region

AGREED:

REPUBLIC OF MOLDOVA

By: 
Authorized Representative
Name: OCTAVIAN ARMAȘU
Title: MINISTER OF FINANCE

Business Case Realized

20.06.2018 

SCHEDULE 1

Project Description

The objective of the Project is to improve access, efficiency and the quality of delivery of selected government administrative services of the Recipient.

The Project consists of the following parts:

Part 1: Administrative Service Modernization

1.1 Business Process Reengineering: Redesign of at least twenty-one central administrative services provided by the Recipient's government to citizens and businesses, through:

- (a) the carrying out of an inventory of existing services;
- (b) the carrying out of a comprehensive analysis including legal, technical, administrative, and procedural steps;
- (c) the preparation of "to be" process maps, requirements and work plan for reengineering services for delivery through a digital platform;
- (d) the creation of service standards for each service simplified under the Project, including the development of a methodology to design and measure service standards in a uniform manner;
- (e) the development of supporting documents to implement the "to be" process maps; and
- (f) the development of monitoring, evaluation and reporting systems to measure the impacts of reengineering.

1.2 Reform Management and Coordination: Development of capacity for reform management, development of a coordination mechanism, and support for change management, through:

- (a) the provision of technical assistance for reform management and a functioning coordination mechanism;
- (b) the provision of technical assistance for change management, including, *inter alia*, the development and implementation of a change management strategy and action plan;

- (c) the provision of leadership training and support for institutional communication; and
 - (d) the preparation of social inclusion and citizen engagement checklists, to ensure compliance by selected government services in regard to social inclusion and citizen engagement requirements.
- 1.3 Access Points Expansion for Central Government Electronic Services: Facilitation of access to government administrative services at the local level through the creation of CUPS windows across the Recipient's territory, and support for capacity building to promote citizen-centered facilitation services at CUPS, through:
- (a) the development of a feasibility study for CUPS;
 - (b) the piloting of CUPS through different delivery systems;
 - (c) the evaluation of the pilots' results;
 - (d) the development of an institutional framework for CUPS;
 - (e) the roll out of CUPS at the national level;
 - (f) the establishment of a unified call center for citizens, businesses and government entities to access information on services, support requests, resolve problems and solicit feedback to improve government administrative services and make them more accessible for all types of vulnerable groups; and
 - (g) the refurbishment of existing facilities that will house the CUPS to provide a consistent look and better conditions for citizens, excluding any building remodeling or roof replacement as further detailed in the Operational Manual.
- 1.4 Citizen Feedback and Outreach: Mainstreaming of citizen-centric approaches and socially inclusive citizen engagement in the Project, through:
- (a) the carrying out of an annual customer survey to measure citizen satisfaction with the services provided through the CUPS and the unified call center, as well as electronic services more generally;
 - (b) the development of regular on-line and off-line citizen feedback mechanisms as routine procedures to evaluate the citizen-centric redesign, quality, accessibility and responsiveness of government administrative services;

- (c) the development of on-line and off-line gender-sensitive and socially inclusive life scenarios combining relevant services into groups for citizens' convenience;
- (d) the carrying out of a comprehensive, socially inclusive, and gender-sensitive public awareness campaign; and
- (e) the provision of hands-on training for service-provider staff on specific topics related to electronic governance platforms and services.

Part 2: Digital Platform and Services

- 2.1 Digital Services: Digitization of reengineered government administrative services, through:
 - (a) the development of methodology for government administrative services digitization;
 - (b) the digitization of at least fifteen government-to-citizen and government-to-business services that have undergone reengineering under the Project; and
 - (c) the carrying out of quality assurance and user acceptance testing of digitized services.
- 2.2 Digital Platforms: Support for eGovernment digital infrastructure, through the upgrading of the existing digital infrastructure, and extension of its functionality.
- 2.3 IT Management and Cyber Security: Support for a government-wide standardized approach to a full cycle of IT management and cyber security, through:
 - (a) the development of government IT management and cloud security processes and standards, and their implementation across the Recipient's government;
 - (b) the development and implementation of a cyber security awareness program for citizens; and
 - (c) capacity building for government agencies.

Part 3: Services Delivery Model Implementation

- 3.1 Institutional Capability Development: Alignment of required capabilities, structures and human resources to the improved and digitized business processes of government administrative services reengineered under the Project, through:
- (a) the carrying out of institutional capability reviews, assessing the capacity development needs in line with the new model of service delivery;
 - (b) the alignment of organizational structures and staffing to the revised business processes and needs; and
 - (c) the provision of technical assistance for effective management of staffing adjustments, such as reassignment of staff, training, prequalification, natural attrition (including retirement), and early retirement.
- 3.2 Capacity Development: Development of an effective learning and development system focusing on the needs of the new model for government administrative services, through:
- (a) the strengthening of the learning and development system for government service delivery;
 - (b) the development of the internal training capacity through internal trainers' development and creation of training packages in classic and electronic learning format;
 - (c) the provision of training on citizen-centric service redesign and customer service (including gender aspects and awareness of the needs of socially vulnerable groups), and the effective internal use of digital platforms by civil servants involved in the delivery of services reengineered and digitized under the Project; and
 - (d) the provision of training for staff employed in CUPS.
- 3.3 Performance Enhancement in Service Delivery: Incorporation of institutional performance objectives and indicators in managers' and employees' performance assessment systems, through:
- (a) the development of institutional performance frameworks that cover objectives and performance indicators at the institutional level, and the periodic completion of social inclusion and citizen engagement checklists that can be cascaded to structural units;
 - (b) the development of a performance management system for CUPS staff;

- (c) the development of a mechanism for review and continuous improvement;
and
- (d) training of managers and staff for effective performance management.

Part 4: Project Management

- 4.1 Project Implementation Unit: Support for the PIU staff responsible for the fiduciary aspects of the Project, including, *inter alia*, preparation of budgets, procurement plans, detailed bidding documents, bid evaluation reports, contract management, disbursement and financial management.
- 4.2 eGovernment Center Management: Provision of technical assistance to support the implementation of the Recipient's government services modernization reform.