

UN Socio-economic Response and Recovery Plan

Pillar 4. Macroeconomic response and multilateral collaboration

Part 1. Macroeconomic response



**COVID-19
RESPONSE**

Socio-Economic Taskforce Meeting
Promotion of the UN Socio-Economic
Response and Recovery Plan
March 2021

Macroeconomic response and multilateral collaboration



UN entities: **7** Partners: **12** Projects: **12** Requirements: **\$6.3 M**

Response

- Provide analytical, advisory and technical assistance services
- Step up technical support to the Government to improve the evidence base for policymaking
- Support the production and analysis of population figures, including internal and external migration and demographic indicators at both national and sub-national levels
- Analyze the specific impact of the COVID-19 crisis on the well-being of returning migrants and households affected by the reduction in income from remittances
- Advise on social expenditure monitoring and mapping of budgets for gender equitable social development priorities to assist the Government in rebalancing public expenditure
- Conduct comprehensive impact assessments at the household level, and undertake context specific socio-economic impact analyses of the crisis
- Coordinate closely with partner international financial institutions (such as the World Bank, the International Monetary Fund, the European Bank for Reconstruction and Development, the European Investment Bank and the Council of Europe Development Bank)

- Enhance national capacities for macroeconomic policy, including creating an early warning system hosted by the Ministry of Economy and Infrastructure to ensure continuous collection and analysis of relevant data, assessment of risks, and policy options for response
- Support the rationalization and continuation of capital investment programmes

Recovery

- Creating fiscal space to accelerate implementation of the SDG agenda
- Invest in health, education, social protection, sustainable infrastructure and crisis preparedness, while directing the economic recovery along a significantly more sustainable and carbon-neutral trajectory
- Review strategies to curb inequalities, and conduct human rights and gender impact assessments of suggested economic reforms
- Facilitate multilateral and regional collaboration on issues including data, technology innovation and transfer, closing the digital divide, sustainable finance, debt management and crisis preparedness; and making a coordinated push towards the suspension of debt repayments.

Need for data and evidence for policymaking



Formulation of *response and recovery policies* depends on availability of accurate national and sub-national level data, including population, migration, access to services, poverty.

Sectoral policy frameworks, like health, education, social protection, active ageing, economic policy, public finance will benefit from revised population data. The revision of population number at sub-national level and estimation of international migration per each rayon will change the entire statistical system data, including in the indicators related to mortality rate, fertility, life expectancy, ageing, labour force participation or migration.

Available administrative data play an increasingly important role in strengthening national statistical system. Use of admin data through establishing a statistical population register will help Moldova, in longer-term, in moving towards a register-based census and track the nationalized SDGs.

Additional and alternative data with shorter lead time or *higher frequency* is needed (GDP, labour market indicators, household income and expenditure) to ensure real-time estimation of the processes.

Lack of data on *COVID-19 impact on MSMEs*. Need fast, company-level and household-level survey-based data steams for operational situation monitoring and design of *macroeconomic policies and regulations*.

Data on inequalities and human rights impact assessments of economic and social reforms will be constantly required





**COVID-19
RESPONSE**

The Response

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Data and evidence for policy making



New projects - to be funded:

- Ensuring access of LPAs to accurate data to support COVID-19 recovery efforts at the local level. **UNFPA, \$350,000**
- Monitoring system for assessing the numbers and vulnerability profiles of returning migrants and vulnerable families affected by the loss of remittances following the COVID-19 crisis. **IOM, \$380,000**
- Generating frequent evidence, information and analysis on the socioeconomic impact of COVID-19 on remittances and the coping mechanisms of families with children that rely on them. **UNICEF, IOM, UNFPA, \$150,000**
- Enhancing the capacity of the national statistical system to produce qualitative and timely administrative data for monitoring of socioeconomic aspects for better responses in emergency situations. **UNWomen, \$500,000**

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Data and evidence for policy making



New projects - to be funded:

- Improving air quality through supporting transport operators and implementation of environmentally conscious measures. **UNDP, \$3,000,000**
- Early Warning System (EWS) on socio-economic impact of COVID-19, based on a multilayered system of new evidence and open algorithms. **UNDP, IOM, UNFPA, \$370,000**
- Institutional support to evidence-based policy design in COVID-19 context. **UNDP, \$250,000**
- SDG budgeting and financing support in the Republic of Moldova. **UNDP, UNICEF, UNFPA, WHO, \$1,000,000**
- Development finance assessment tool for an integrated approach to financing the mitigation of COVID-19 negative impacts on Early Childhood Development. **UNDP, UNICEF, \$300,000**
- Cost and impact simulations on social to increase coverage of social assistance to ultra poor households with children. **UNICEF, \$150,000**