

Proposal Title	Support to Moldovan Prime Minister Leanca
Reserve Fund	Eurasia
Collaborating Programs	Eurasia Program
Recommended by	Sabine Freizer, consultant for the Eurasia Program (offer to serve as EP Director pending)
Coordinated by	Viorel Ursu, Regional Manager for Advocacy, Eurasia Program
Approver	Leonard Benardo, Associate Director
Date approved:	3 July 2014
Amount Requested	\$141,750
Unforeseen Need (250 words)	<p>Iurie Leanca became Prime Minister of Moldova in April 2013. A member of the Liberal Democrats, the largest and most reformist of the coalition parties, Leanca is a former board member of the Soros Foundation Moldova and well-respected in Brussels and Washington. Leanca is a professional diplomat, who ran the Foreign Ministry well but lacks experience in domestic affairs (including conflict issues related to Transnistria) and day-to-day governance. Following Leanca's request to GS, OSF provided funding to hire three key advisors July 2013 - June 2014.</p> <p>Leanca's government defied expectations and delivered on all objectives: Moldovans got visa free access to the EU countries in April 2014. Leanca signed the Association Agreement with the EU in June. Despite trade embargo and pressure from Russia, the Moldovan economy registered 8% GDP growth in 2013, among the highest in the region.</p> <p>Initially the advisers' term only ran until end of June 2014 because there were concerns that he would not remain longer in office as PM. However he is now expected to stay until a new government is formed in early spring 2015. New elections are planned for 30 November. As the PM and the country now faces the challenge of beginning the implementation of the EU Association Agreement and the backlash that this is already causing from Russia, it would be ill advised to discontinue the work of the three advisers that he has come to depend on for economic and foreign affairs issues.</p>
Activities Proposed (500 words)	<p>Leanca addressed a request to maintain OSF support for his advisors for the remaining time of his office (July 2014-February 2015):</p> <ol style="list-style-type: none"> 1 Vlad Kulminski, political affairs and

Transnistria.

- 2 Valeriu Prohnitchi, economic affairs. Prohnitchi was the Executive Director of Expert-Grup, a think tank supported by OSF for many years.
- 3 Eugen Sturza, chief of staff.
- 4 Additionally Leanca asked support for Liliana Vitu, his communications advisor. Liliana is a former board member of the Soros Foundation Moldova.

Leanca is very satisfied with the quality of expertise and the support his advisors provided. Their contribution proved to be crucial.

Eugen Sturza has led and coordinated the work of the office. He put into place the institutional framework which helps the Government to focus on its strategic priorities, including its reforms agenda. He has assigned tasks to advisors to make sure that strategic priorities, as well as operational issues, are efficiently addressed. He ensures the liaison between the PM's office and ministries and departments, as well as the local authorities.

Valeriu Prohnitchi has provided key contribution to the development, implementation and follow-up of the PM's economic and market reform policies. He ensures they address Moldova's economic priorities, as well as contribute to the establishment of a free market economy in the country. Valeriu verifies the overall economic policies, as well contributes to the reforms agenda implemented by ministries, including the Ministry for Economy. He focuses on the mid- to long-term economic impact of the current reforms to create an open business environment. Valeriu has led the work and relations with investors, the IMF, the EBRD and donor institutions.

Vladislav Kulminski has contributed to strengthening the PM's focus on the strategic task for the country - to draw Moldova close to Europe, while also making this goal acceptable to a wider audience. He advised the PM on key issues of domestic politics and helped developing new initiatives. Vladislav focuses on identifying strategic priorities, analyzing them and ensuring they are addressed in an efficient manner. He contributes to the elaboration and implementation of policies and actions in many directions, including relations with Russia, the policies of the central government in the Gagauz region, in Taraclia and in Balti. He leads development and communication priorities for these regions, and outreach to the leadership and public there.

	<p>Due to the constraints in the Moldovan legislation, OSF cannot directly pay staff members of PM office. The advisors will be paid as research consultants within a project run by a German think tank - the Institute for European Policies (Institut für Europäische Politik).</p> <p>The Institute proposes to develop a strategic conflict assessment study of the Transnistrian conflict. The analysis will cover domestic aspects of the conflict, economic, as well as geo-strategic implications. The paper will include recommendations to the Moldovan government and the EU. All four advisors to PM will contribute to the study within their field of expertise.</p> <p>Budget for 8 months: \$141,750 \$33,750 x 4 advisors = \$135,000 5% (\$6,750) admin cost of the Institute.</p>
<p>Statement of who within OSF would lead the work</p>	<p>The Eurasia Program will manage the grant to the Institut für Europäische Politik. The Soros Foundation-Moldova is supportive of continued funding for the advisors, though the foundation itself does not want to be directly connected to any grants to the government.</p>
<p>Contributions expected from various units within OSF and essential partners or grantees (250 words)</p>	<p>No financial contributions for the prime minister's office are envisaged by other OSF units. The Soros Foundation-Moldova is in regular contact with the advisors. The EU and German and US governments provide other foreign advisors to prime minister.</p>