



GĂGĂUZIA
AN AUTONOMOUS
TERRITORIAL UNIT IN MOLDOVA



**Possible ways of providing
assistance to social vulnerable
population for mitigating impact
of the economic crisis**

Traits of crisis



- Increasing social tensions
- The state becomes the largest owner
- The local public authorities are not fully able to carry out their functions
- The management structure is changing and growing importance of social management
- Expanding the discrepancy between the regions
- Changing of the system of values and criteria of success

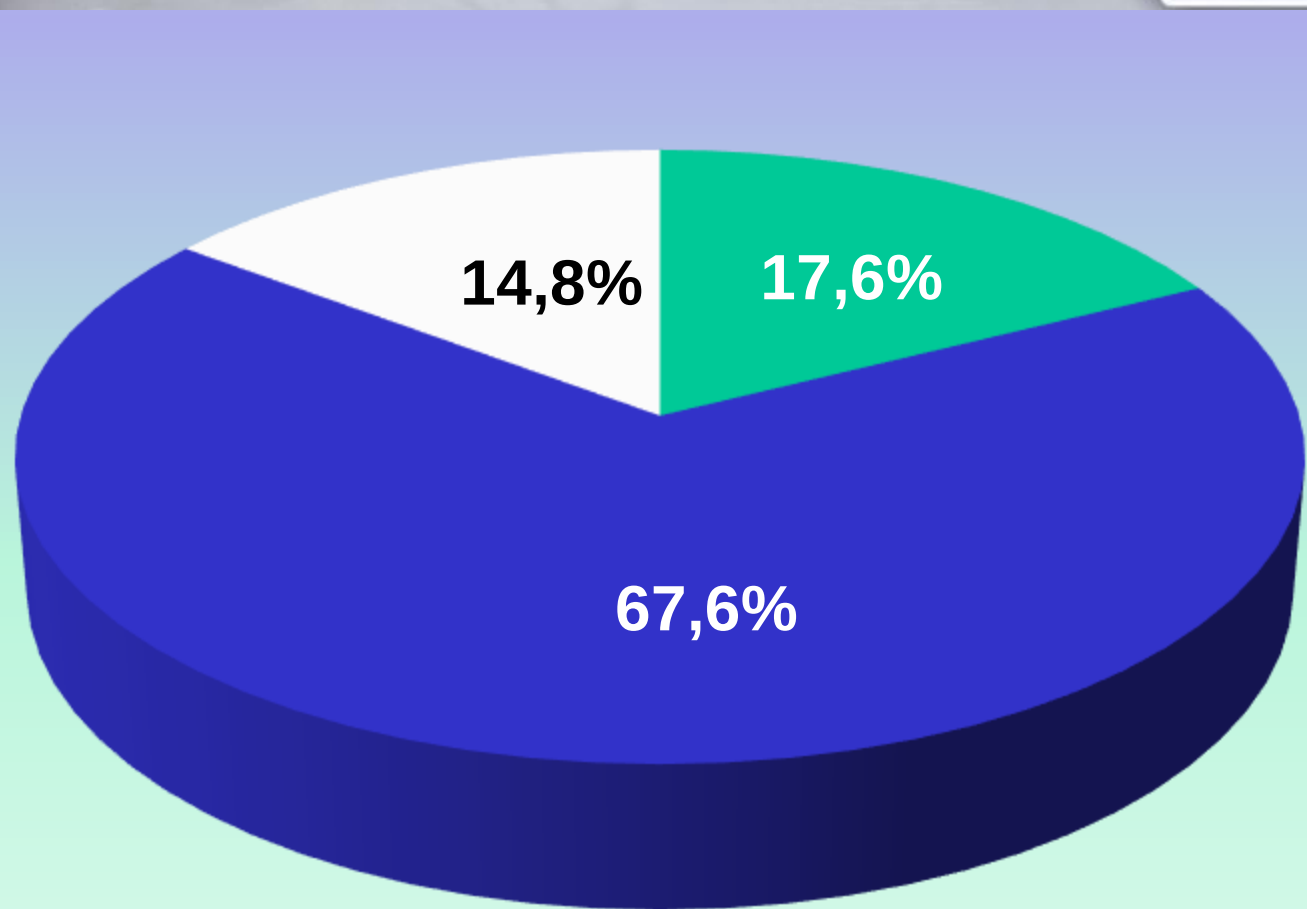
ATU Gagauzia



- The population of ATU Gagauzia - 161.8 thou. people (4.5% of the population of Moldova)
- In all sectors of the economy operates 32.4 thou. people (20% of the local resident population)
- The economically active population - 34.9 thou. people
- Official unemployment in ATU Gagauzia in 2014 counted over 7.2%
- The employment rate of the population of the working age - 31.4%

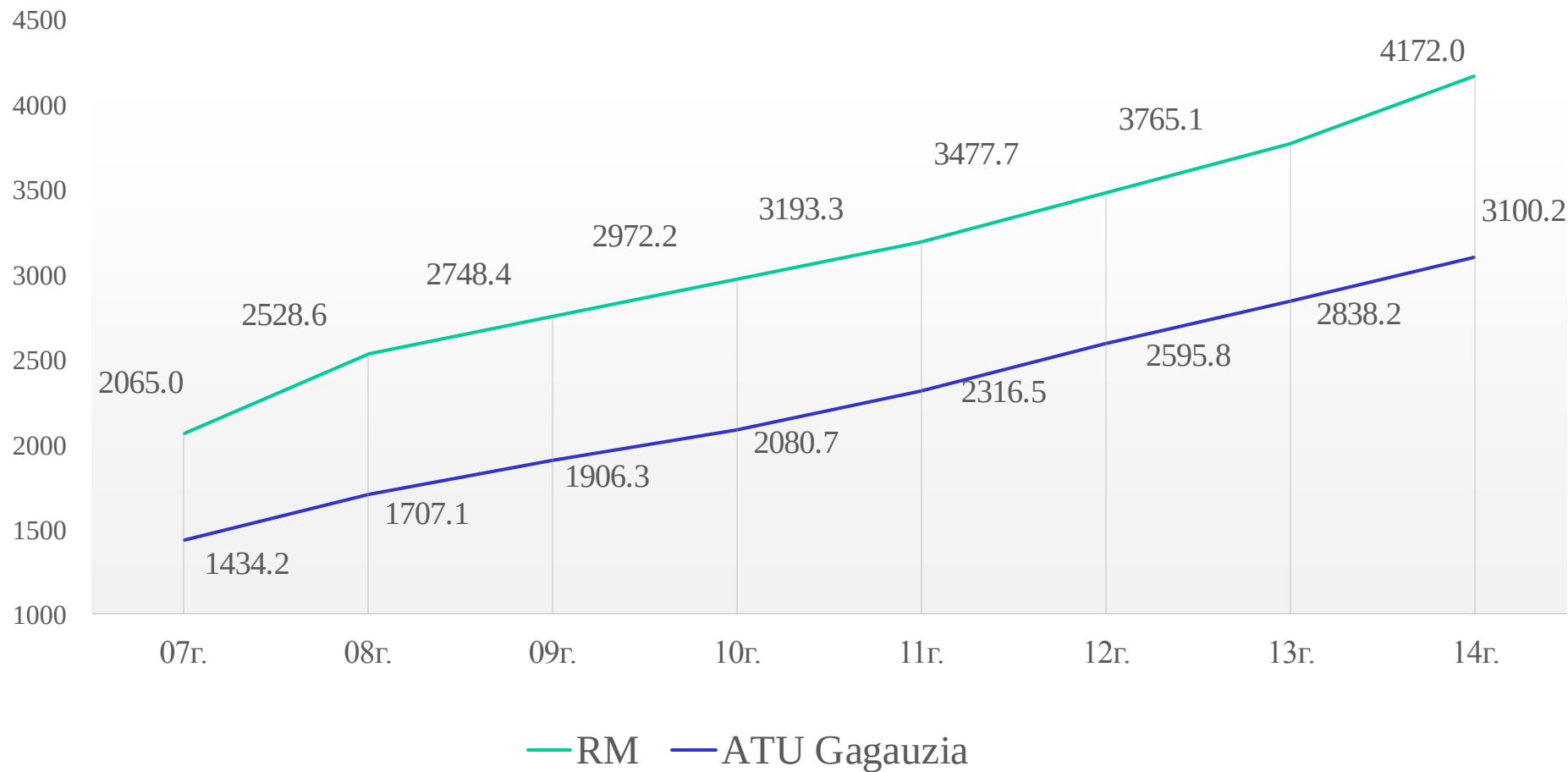


The structure of the population of ATU Gagauzia as of 01.01.2015 (according to the mayor's offices)



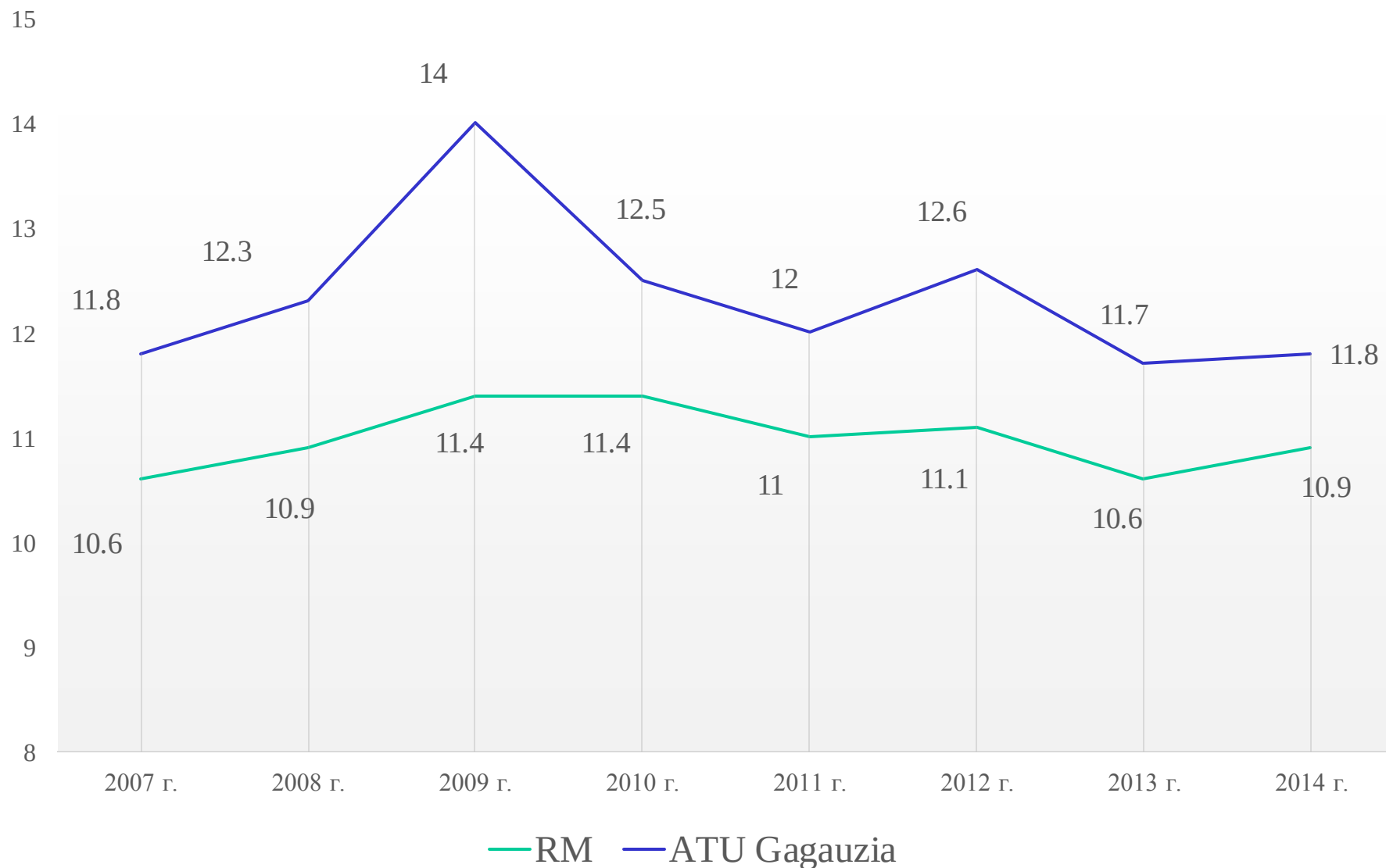
- Younger than working age (before 15 years)
- Of working age
- Older than working age

Dynamics of average monthly wages of Gagauzia for 2007-2014 years (MDL)



The average monthly wage in the economy of Gagauzia in 2014 amounted to 74.3% compared to the average monthly wage in the country

The dynamics of the birth rate per 1 thousand residents in the Republic of Moldova and Gagauzia for 2007 – 2014 years



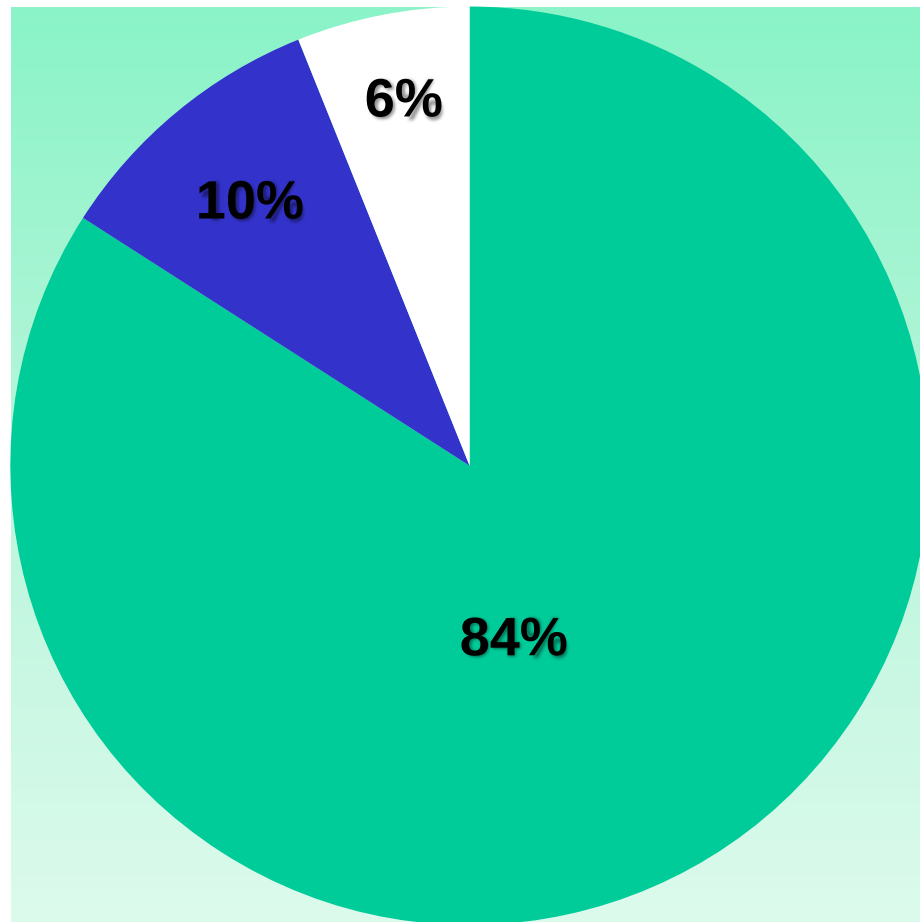
Migration - a major factor of crisis



- Migration - low income
- Three major migration flows:
 - Outside of the villages in Gagauzia;
 - Outside of Gagauzia in other regions of the Republic of Moldova (mainly in Chisinau);
 - Abroad
- Reduction of number of present resident population
- Parents do not participate in the education of children



Migration - a major factor of crisis



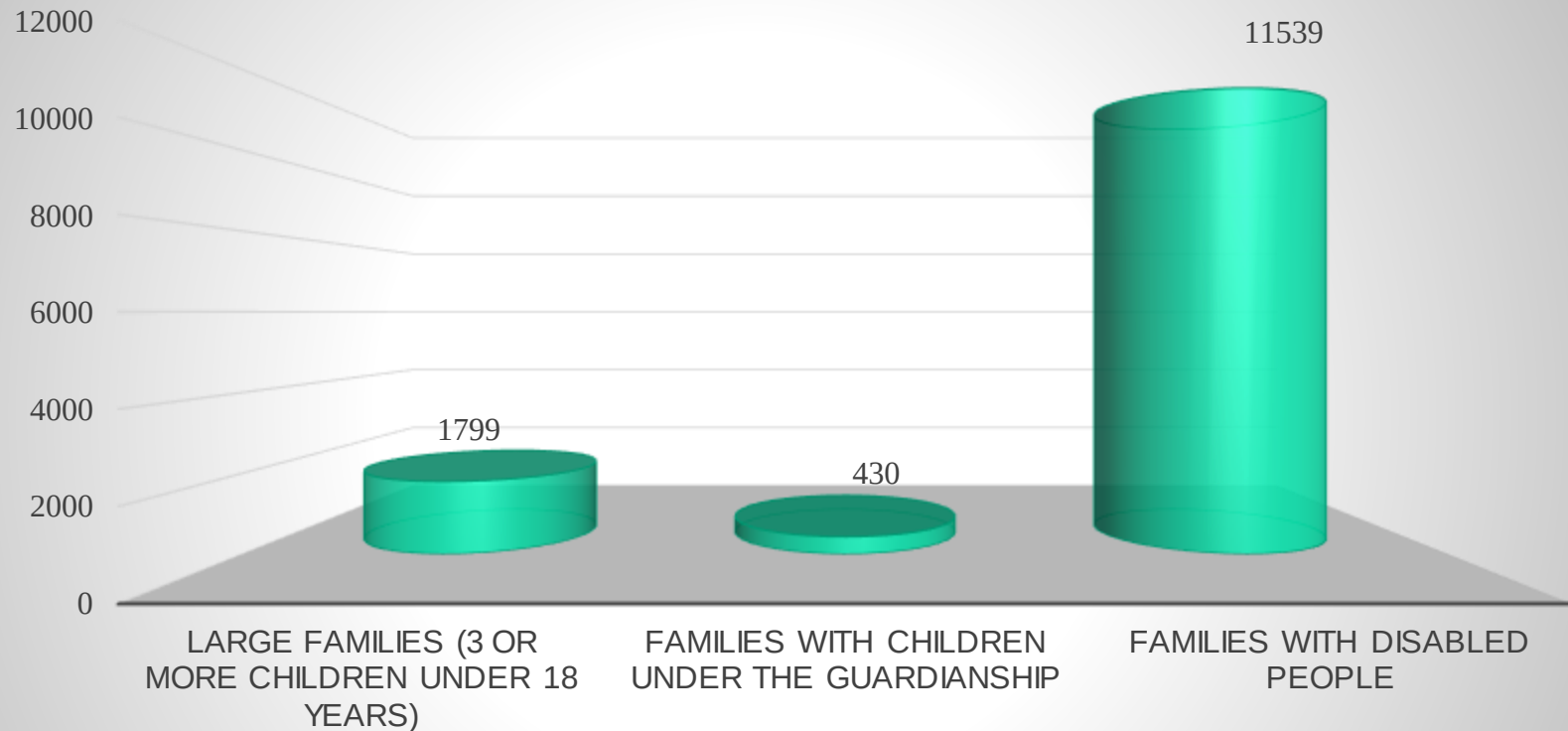
■ abroad

■ in other regions of Moldova
outside of Gagauzia

in other locations within
Gagauzia

Total from Gagauzia in 2014 traveled outside (in search of work) 33 304 persons

The structure of families in Gagauzia in 2014 (according to the mayor's offices)



The number of families in Gagauzia in 2014 amounted to 52392, 683 families raising children with disabilities and 1967 families - single parent.

Budgetary and Fiscal Policy in times of crisis



- The failures of budget and tax policy
- The absence of an effective legal basis of the functioning of the public sector of the economy
- Insecurity from the tyranny of the finance department
- The underdevelopment of civil society

It is impossible to analyze the social policy in isolation from the economic policy.



The labor market in times of crisis



- Underestimating the retention of skilled staff
- The adaptation of the labor market due to underemployment
- Informal employment
- Deficit workplaces
- Weak interest in increasing the number of workplaces
- Low income of the population
- Lack of interest of employers in wage increases

Possible ways to mitigate the impact of economic crisis



- The main priority – to restore the consumer confidence
- Political and financial stability
- Fight against corruption
- The creation of proper conditions to stop the emigration of women and youth
- Development of private sector in more revolutionary ways
- The development and protection of competition
- Support and development of entrepreneurship
- Improving the investment climate
- Development of the infrastructure – the Government should continue to invest!!!
- Innovation and high – tech technologies
- Improving regional development policy and the decentralization in Moldova

Measures to mitigate the impact of the crisis in ATU Gagauzia



- Political stability a good working framework between the local Parliament and the Executive Committee.
- A healthy and pragmatic relations between the ATU Gagauzia and Chisinau (central public authorities).
- Support of investors making investments in Gagauzia, including by approval of local laws (*less red-tape, less permits, more personal responsibility of public servants, reduction of time for approval of construction documents and other relevant licenses and permits, etc*).
- Effective fight against corruption – ***no time available!***

Measures to mitigate the impact of the crisis in ATU Gagauzia



- Free Enterprise Zone "Industrial Park" Valkanes "
- Attracting local and foreign investors
- Preferential conditions for certain types of business
- Priority - industrial production
- More public investments in local infrastructure
- Advanced support for SME's
- Local support programs for different sectors - livestock development, viticulture, horticulture
- Exploit the potential of relations with our traditional partners (Russian Federation, The Republic of Turkey, CIS countries) and also with members of EU

Thank you for attention!

