





ANNEX

NEIGHBOURHOOD, DEVELOPMENT AND INTERNATIONAL COOPERATION INSTRUMENT

MULTIANNUAL INDICATIVE PROGRAMME (2021-2027)

MULTIANNUAL INDICATIVE PROGRAMME (MIP) 2021-2027 REPUBLIC OF MOLDOVA

1. The overall lines of the EU international cooperation in the partner country/region

1.1. Basis for programming

The EU, its Member States and the Republic of Moldova (hereinafter Moldova) signed an **Association Agreement**¹, including a **Deep and Comprehensive Free Trade Area** (DCFTA) in 2014 and fully applied it from 2016 after its ratification. It is the main tool for bringing Moldova and the EU closer, promoting political association and economic integration between the parties based on common values of democracy, respect for human rights and fundamental freedoms, and the rule of law. The Association Agreement sets out a long-term and comprehensive reform framework and, by its normative power, including legal approximation to the EU *acquis*, provides a stepping-stone for growth and development. Its DCFTA, linked to the broader process of legislative approximation, contributes to further economic integration with the EU's Internal Market.

An Association Agenda sets out a list of priorities for joint work on implementing the Association Agreement. The revised joint document covering the period 2021-2027 guides EU-Moldova bilateral relations, and together with the five policy objectives of the March 2020 joint communication² "The Eastern Partnership policy beyond 2020: Reinforcing Resilience – an Eastern Partnership that delivers for all" will frame financial assistance under the next Multiannual Financial Framework for the programming period 2021-2027. The programme is also fully aligned with the Joint Staff Working Document (JSWD)³ setting out the post-2020 Eastern Partnership agenda, published on 2 July 2021, including its Economic Investment Plan and five flagship initiatives to support socio-economic recovery and strengthen the country's resilience.

Important political developments have taken place in Moldova, notably with the election of Maia Sandu as President in November 2020 and the emergence of a pro-reform parliamentary majority in July 2021. The alignment of the Presidency and the government on the same objectives has created broad opportunities for structural reforms.

In response to these developments, the European Commission announced an **Economic Recovery Plan** for Moldova⁴ in June 2021. The Economic Recovery Plan aims to stimulate long-term socio-economic recovery, foster the green and digital transition and unleash the untapped economic potential of Moldova to benefit all citizens. It aims to leverage structural reforms, particularly on the rule of law, justice reform and anti-corruption, in order to unlock the sustainable economic recovery of the country. It follows the EU's smart conditionality approach. The Economic Recovery Plan will mobilise up to EUR 600 million in macro-financial assistance, grants and investments, supported by blending and financial guarantees. The priorities put forward in the Economic Recovery Plan are reflected in the present Multiannual Indicative Programme.

The main strategic planning document of the country, which serves as a basis for current programming, is the **National Development Strategy "Moldova 2030"**, approved by the Government on November 7, 2018. The main objectives are embedded in four basic pillars and cover ten national-level sustainable development objectives.⁵ In the context of COVID-19, the government developed a national plan for

¹ Association Agreement of 30 August 2014 between the European Union and the European Atomic Energy Community and their Member States, of the one part, and the Republic of Moldova, of the other part

² JOIN(2020) 7 final

³ SWD(2021) 186 final

⁴ https://ec.europa.eu/commission/presscorner/detail/en/IP_21_2712

⁵ https://moldova.un.org/en/15729-national-development-strategy-moldova-2030-approved-government

response and socio-economic recovery⁶, to reduce the country's vulnerability to the pandemic, allowing a transparent and efficient recovery process by respecting human rights and mainstreaming gender equality into all its actions. Furthermore, the Secretariat of the Economic Council to the Prime Minister of Moldova developed a policy matrix for economic recovery under COVID-19 conditions, involving companies and business associations from most economic sectors of the country. In addition, the activities taken by the Government should address the disproportionate effect of COVID-19 on women in terms of loss of access to income and intensified economic insecurity, increased burden of domestic and care work, and higher incidence of domestic violence because of strict confinement measures.

Implementing the Association Agreement and the priorities of the Eastern Partnership remains a strong driver of democratic reforms. EU assistance is based on the principle of strict conditionality. It is linked to satisfactory progress in reforms and the respect for the rule of law, effective democratic mechanisms, gender equality and human rights. In line with the Association Agenda and the Joint Communication on the Eastern Partnership, the EU will support the strengthening of the rule of law and resilient institutions through an incentive-based approach ('more for more' and 'less for less'). Future reforms should be based on recommendations of relevant international bodies such as the Venice Commission and the Group of States against Corruption (GRECO). The visa free regime between Moldova and the EU continues to promote people to people contacts, bringing positive economic, social and cultural benefits to Moldova and to the EU Member States.

This MIP is fully aligned with the European Commission's Political Guidelines 2019-2024⁷ and reflects all relevant flagship strategies adopted by the Commission. In line with the Investment pillar of the post-2020 Eastern Partnership Priorities, outlined in the Joint Staff Working Document, it supports the delivery of key global policy objectives, including the Paris Agreement on Climate Change, and the UN 2030 Agenda and its Sustainable Development Goals. Under the Governance pillar of the post-2020 priorities, this MIP supports reforms and promotes shared fundamental values in rule of law and good governance. It is fully sequenced with the needs deriving from the COVID-19 pandemic, including support to sustainable socio-economic recovery and health resilience. The gas crisis, as well as the spillover effects of Russia's unprovoked and unjustified military aggression against Ukraine, are adding new economic and security challenges for Moldova, which has experienced the fastest inflow of refugees per capita among Ukraine's neighbours. In addition, low human and institutional cyber capacities make Moldova vulnerable to cyber threats. In line with the EU gender action plan (GAP) III⁸, gender equality will be mainstreamed throughout all programmes and actions, together with a focus on youth. The twin green and digital transitions will also be mainstreamed in all programmes and actions.

All actions taken under this programming exercise shall comply with EU legislation, in particular EU restrictive measures (sanctions) adopted pursuant to Article 215 of the Treaty on the Functioning of the European Union.

1.2. Status of joint programming

The EU and its Member States are the biggest donors to Moldova⁹. Current EU cooperation with Moldova aims at supporting the adoption and implementation of democratic reforms and at improving citizens' lives, with a focus on the Moldovan regions. Moldova started the joint programming process in 2015 when the EU, its Member States and Switzerland agreed to carry out a **joint analysis** of the

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⁶ https://moldova.un.org/en/93768-united-nations-moldova-covid-19-socio-economic-response-and-recovery-plan-updated-version

⁷https://ec.europa.eu/info/sites/default/files/political-guidelines-next-commission_en_0.pdf

⁸ https://ec.europa.eu/international-partnerships/system/files/join-2020-17-final_en.pdf

⁹ https://stats.oecd.org/

country's economic, social and development context. In 2020, the joint analysis was updated with contributions from Austria, the Czech Republic, Estonia, France, Germany, Hungary, Italy, Latvia, Lithuania, the Netherlands, Poland, Romania, Slovakia and Sweden along with the European Investment Bank as well as like-minded donors such as Switzerland. The EU, its Member States and their development agencies as well as the European financial institutions (the EIB and EBRD) agreed to step up successful cooperation in the context of Team Europe initiatives. Currently, 14 Member States have diplomatic representations in Moldova, with several others covering the country from nearby locations such as Kiev or Bucharest.

1.3. Priority areas of the EU's cooperation with the partner country/region

The priority areas of EU cooperation with Moldova are based on the Association Agenda for 2021-2027. This, in turn, reflects the policy objectives of the joint communication on the Eastern Partnership policy beyond 2020, with the overarching theme of resilience. The priority areas are: (i) a resilient, sustainable and integrated economy; (ii) accountable institutions, the rule of law and security; (iii) environmental and climate resilience; (iv) a resilient digital transformation; and (v) a resilient, gender equal, fair and inclusive society.

Firstly, in line with the priority of a resilient, sustainable and integrated economy, Support will be directed towards key investments, in line with the Economic and Investment Plan (EIP) for the Eastern Partnership. These investments will target in particular the competitiveness of the Moldovan economy, EU-Moldova trade, the green transition, sustainable transport infrastructure, and Moldova's human capital and gender equality. The European Fund for Sustainable Development (EFSD+) will play a critical role to mobilise private sector investment. Considering the limited fiscal space, it will be important to develop a single project pipeline for Moldova, to ensure that lending possibilities target these strategic investments. To guarantee that these investments have a sustainable impact, investments will also be made in innovation and human capital, including at local level and addressing the urbanrural divide and gender gaps.

In light of the consequences of the COVID-19 pandemic, the volatile situation in the energy sector and the fallout of Russia's military aggression against Ukraine, priority will also be given to supporting the country and ensuring socio-economic recovery, including through the implementation of the Economic Recovery Plan for Moldova. Support will be directed towards key investments, in particular sustainable transport infrastructure, private sector development and small and medium-sized enterprises (SMEs), digital and energy connectivity, and investments in climate, environment, energy and blue economy¹⁰ sectors.

Secondly, all investments will be underpinned by support to the country's reforms in the rule of law, good governance and security and justice sectors in line with the fundamental values of the EU, and will continue to be conditional upon Moldova's continued progress in these areas. Reforms in these areas are central for building a resilient society and sustainable and resilient recovery can only be achieved in an environment grounded in good governance, the rule of law and reliable statistics.

Thirdly, based on the recent political priorities and commitments by the European Commission and the High Representative¹¹ to **strengthen societal resilience** throughout the EU neighbourhood regions,

¹⁰ Moldova has endorsed the 2019 Bucharest Ministerial Declaration on the Common Maritime Agenda for the Black Sea https://ec.europa.eu/oceans-and-fisheries/ocean/sea-basins/black-sea_fr

¹¹ European Democracy Action Plan (3 December 2020); Joint Communication on Tackling COVID-19 Disinformation (10 June 2020) & Joint Communication "Eastern Partnership policy beyond 2020: Reinforcing resilience – an Eastern Partnership that delivers for all" (18 March 2020)

including in Moldova, there is a clear need for sustained support for civil society, while youth, education and research remain important. The EU will step up its support in the area of **strategic communication**. Priority will be given to ensuring effective strategic communication about the EU's policies and support for Moldova, with a specific highlight placed on Team Europe umbrella communication¹². Enhanced and targeted support will foster media independence and pluralism, raise awareness about disinformation, and strengthen societal resilience against it, through developing media, information and digital literacy and critical thinking skills. Wherever appropriate, this will include enhanced EU support to empower civil society and build the capacities of the Moldovan government to communicate more effectively about the EU and to respond better to disinformation.

Fourthly, work beyond 2020 will also focus on the **digital and green transformations**. Deliverables will focus on impact and making a difference to people's lives. The Multiannual Indicative Programme will ensure that all Neighbourhood, Development and International Cooperation Instrument (NDICI) targets are met. Particular attention will be given to the NDICI climate target, which will be directly supported through interventions foreseen in the third priority sector, but also by mainstreaming climate support in the other priority sectors. This MIP will ensure complementarity and coherence with the Regional Multiannual Indicative Programme for the Eastern Neighbourhood as well as with other regional cooperation programmes, and mirroring EU priorities including the Green Deal¹³ and the Digital Agenda¹⁴. It will be complemented with other instruments such as the flagship Erasmus+ programme, which will continue to promote intercultural dialogue and awareness of European cultures and values, but also with other EU instruments as well as support provided through the European Civil Protection Mechanism (EUCPM).

In line with the EU gender action plan (GAP) III, **gender equality** will be mainstreamed throughout all programmes and actions.

1.4. Justification and context

Resilient, sustainable and integrated economy and green job creation

The COVID-19 pandemic has had a significant negative impact on the Moldovan economy, notably on SMEs, leading to a drop in GDP, a decrease of private consumption, increased gender inequalities, and a worsening fiscal situation. Following the gas crisis and the knock-on effects of Russia's invasion in Ukraine, Moldova's already vulnerable economy is set for further steep contraction. Rising energy prices, high inflows of refugees, and trade and supply chain disruptions exert additional inflationary pressure. Strengthening the economy is therefore crucial to help the country withstand the multiple crises, meet citizens' expectations, reducing inequality and making Moldova a place where Moldovans want to build their future. The aim is to boost economic development and economic integration, increase women's participation in the labour force, create decent jobs and economic opportunities for both women and men, ensure prosperity for all citizens, and promote geographically-balanced growth opportunities, thus addressing the root causes of migration.

Looking ahead, the EU will expand the efforts initiated as part of the **Economic Recovery Plan for Moldova**, in conjunction with assistance to be channelled under the regional umbrella ("EU4Business") and the EFSD+. Implementing further trade facilitation measures and support to customs remain

¹² Communication and visibility of the EU is a legal obligation for all external actions funded by the EU. Communication and visibility activities should be implemented in accordance with the EU communication and visibility requirements in force.

¹³ https://ec.europa.eu/info/sites/default/files/european-green-deal-communication_en.pdf

¹⁴ https://ec.europa.eu/info/sites/default/files/communication-shaping-europes-digital-future-feb2020_en_4.pdf; https://eur-lex.europa.eu/legal-content/en/TXT/?uri=CELEX%3A52021DC0118

important from the point of view of **boosting trade facilitation**, supply chain integration and addressing technical barriers to trade.

The EU will be investing in people, in particular youth, to **improve their employability** (including through vocational education and training). To promote decent work for all, the EU will also support strengthened labour rights and improved working conditions, in line with international standards and the EU acquis, as well as increased access to quality employment services. Human capital development and up-skilling the workforce remain a priority as well as creating economic opportunities in rural areas to decrease the urban-rural divide, promoting opportunities for reintegration of returning migrants and addressing the root causes of migration.

Additional support will be provided for transforming current economic structures into a **green economy**. Creating green jobs and green upskilling in different sectors will generate decent employment and income opportunities with a reduced environmental impact and an increased ability to cope with the challenges of climate change and scarce resources.

In terms of gender equality in the labour market, the focus should be on the following three priorities:

- 1. reducing the gender pay gap (currently disfavouring women by 14.4%)
- 2. bridging professional gender segregation (women dominate in lower-paid professions in education, health and social care professions while men prevail in higher-paid IT, financial and construction sectors);
- 3. addressing the unequal distribution of the care workload between men and women (women allocate twice as much time as men for household work, leaving women with fewer opportunities to engage into income-generating activities).

Although all sectors are characterised by substantial labour productivity gaps, agriculture is a particular concern, as it provides employment for about 20% of the population but generates only 10% of GDP. The causes of low productivity in the agricultural sector are complex and interdependent. Equally, the links between agriculture and industry are quite weak and their consolidation could have a substantial positive impact on both sectors.

The EU has paid particular attention in recent years to support for private sector development and services in specific 'focal regions' in the country, with a view to promoting smart specialisation, encouraging youth employment and reducing territorial disparities. Pilot programmes were launched in Cahul and Ungheni. The local dimension will continue to be an essential part of the present MIP, with support for local authorities and regional smart specialisation to be extended to other regions. These initiatives will also be used as tools to incentivise territorial reform.

These initiatives will contribute to EIP Flagship 1: Supporting a sustainable, innovative, green and competitive economy; and Flagship 2: Boosting EU-Moldova trade;

Related Sustainable Development Goals (SDGs): 1: No poverty, 2: End hunger, achieve food security and improved nutrition and promote sustainable agriculture, 5: Gender equality, 8: Decent work and economic growth, 9: Industry, innovation and infrastructure, Climate action

Accountable institutions, the rule of law and security

To ensure the good governance of public sector entities and to improve implementation of the rule of law, Moldova must strengthen the independence, accountability, professionalism and efficiency of its institutions. An independent judiciary governed by a legal framework in line with European standards and which implements them in practice will ensure that all state institutions abide by the law and that citizens have access to justice and can exercise their rights fully. It is also crucial for international cooperation and much needed economic development and improving the business climate, including

attracting foreign investment. EU support for justice sector reform therefore continues to be critical to strengthen the resilience of society as a whole.

While in recent years some progress has been made, a lack of political will and widespread corruption have prevented the design and implementation of genuine reforms. Moldovan civil society as well as private sector representatives have emphasised the need to improve results significantly in the governance area, notably the rule of law, the fight against corruption, money laundering, organised crime and the role of independent media and civil society. Under this priority area, the EU will support progressive reform agendas on anti-corruption and accountability, investigation of bank fraud asset recovery (including by the set-up of a new national asset recovery mechanism) and anti-money laundering measures.

The country has made some progress in the fight against corruption and money laundering since 2016. Specialised prosecution and investigation bodies have been established, as well as an e-declaration system for civil servants. However, new institutions and revised mandates, coupled with weak implementation still make it difficult to address high-level corruption and corruption in high-risk areas such as the health, education, agriculture and private sectors. The EU will support the integrity of the public sector, with a focus on effective assets control. In the field of money laundering, the Moneyval Committee of the Council of Europe adopted in 2019 the mutual evaluation report for Moldova against the 40 Recommendations of the Financial Action Task Force. Implementing these recommendations will further strengthen the national legislative framework in the country as well as the capacity of key investigation and prosecution bodies to fully implement the EU Anti Money Laundering Directives.

There is a need to strengthen the independence and effectiveness of the Constitutional Court, as well as continuing the reform of the public administration at central and local levels especially in line with the ongoing public finance management reform. The results-oriented agenda, supported by professionally independent, good quality official statistics for monitoring progress and in support of evidence-based decision-making, will therefore be reinforced in the future support for this priority area. Democratic consolidation including inclusive electoral reform and support for improved transparency and oversight in parliament is also important to strengthen the role and functioning of the parliament.

Future assistance will help Moldova to improve and strengthen local autonomy. There is a need to continue support for public administration reform at all levels. The ongoing improvement of public finance management, budgetary planning, execution and control are key elements of this support. Moreover, public investment, public procurement, and the efficiency and effectiveness of local administration through successful territorial reform and amalgamation, fostering fiscal decentralisation, will be important. There is also a need for support to strengthen gender budgeting and gender mainstreaming to ensure that reforms promote equality between women and men.

Moldova has ratified the Council of Europe Convention on preventing and combating violence against women and domestic violence (Istanbul Convention). Support is needed for its successful implementation.

Furthermore, the next period will introduce the external dimension of the EU Security Union Strategy in the EU's programming. This will include: working on protecting critical infrastructure in Moldova as a neighbouring country to the EU and on the exchange of information (legal and police cooperation), security sector reform; support for the fight against serious and organised crime, including fight against illicit drugs and corruption; addressing trafficking in human beings; fight against cybercrime; countering hybrid threats and strengthening cyber security, terrorism, firearm trafficking, and cooperation with Europol and the European Union Agency for Law Enforcement Training (CEPOL). An operational cooperation Agreement with Europol and a Working Arrangement with CEPOL are in force.

Related SDGs: 16: Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels, 5: Gender equality.

Environment and climate resilience

Moldova's green and blue economy potential will be unleashed through policy reform and strengthening environmental governance, enhanced connectivity, more sustainable transport policy, as well as an operational and competitive energy market in line with EU rules. All the activities will take inspiration from the European Green Deal and be aligned with the Paris Agreement as well as the 2030 Agenda for Sustainable Development, therefore embedding the principles of climate resilience and "doing no significant harm" to climate and environment as crosscutting elements.

The main areas for operations will be municipal and selected local/community infrastructure, including energy efficiency and renewables, support for introducing a carbon pricing system and other tools to limit greenhouse gas and air pollutant emissions. This will improve public service delivery by creating a conducive environment for green growth and sustainable development. Energy security will be addressed by strengthening transmission networks, energy efficiency and increased diversification of energy sources.

Assisting Moldova in fighting pollution (air, water) by developing emission inventories and monitoring systems will help the country improve the health of its citizens, meet its international commitments on climate and environment and approximate to the EU legislation.

The greening and climate adaptation of agricultural and maritime policies, where possible in line with the Farm to Fork (F2F) Strategy¹⁵, as well as biodiversity protection should be supported.

Sustainable management of transboundary water resources will receive particular attention. Climate adaptation will be framed by Disaster Risk Reduction, in line with the Sendai Framework for Disaster Risk Reduction 2015-2030¹⁶, as well as disaster risk management actions under the EU CPM.

As women have limited access to climate resilience decision-making and greener economic growth, it is important to more widely engage women in these processes to use their vision, experience and address climate-related problems experienced by women such as proper access to natural resources and utilities.

The EU will continue the strategic collaboration with International Financial Institutions. The EU will continue investing in blending finance to support 'green' investments and infrastructure, thereby addressing issues such as energy poverty, inefficient use of resources, land degradation, pollution and greenhouse gas emissions and strengthening environmental and climate resilience.

These initiatives will contribute to EIP Flagship 3: Increasing energy efficiency

Related SDGs: 2: End hunger, achieve food security and improved nutrition and promote sustainable agriculture; 3: Good health and well being; 6: Clean water and sanitation, 7: Affordable and clean energy, 9: Industry, innovation and infrastructure, 11: Sustainable cities and communities, 12: Responsible consumption and production, 13: Climate action, 15: Life on land

Resilient digital transformation

¹⁵ https://ec.europa.eu/food/horizontal-topics/farm-fork-strategy_en.

¹⁶ https://www.undrr.org/publication/sendai-framework-disaster-risk-reduction-2015-2030.

The Digital Agenda for Europe was established with a view to stimulating economic growth while at the same time addressing social challenges through information and communications technology. In both cases, gender is of particular relevance¹⁷. The achievements of Moldova in the field of information and communications technology (ICT) provide a good starting point for the digital transformation of its economy and the society. Dedicated programmes were initiated already several years ago¹⁸.

The Moldovan legal and regulatory system is relatively well aligned with the EU regulatory framework¹⁹. However, the assessment identified some areas for improvement in order to strengthen National Regulatory Authority organisational and financial independence.²⁰

Support will be envisaged for digital transformation, including e-government, broadband infrastructure, e-trade, e-health, digital skills, e-learning, digitalisation of traditional sectors and public services as well as innovative digital start-ups. The EU will support women's engagement in digital professions, since they currently only make up 19% of ICT professionals. In launching digital public services and solutions, it is critical to ensure that women and men equally benefit from them, and that no one is left behind digital transformations because of economic status, place of residence or digital literacy level. Concrete measures will be put in place to accompany those who are in need of support in the digital transformation, notably the elderly population.

Moldova already benefits from free and open access to space data and the services of the EU flagships Copernicus and Galileo. Moldova will also benefit from EGNOS, the European Geostationary Navigation Overlay Service, for safer and greener aviation. The objective is to support the capacity of the public institutions to use the EU space data and services to enable a smart, modern and digitalised economy and for evidence-based policy-making.

Furthermore, the EU will assist Moldova in strengthening its response to threats related to cyber security and cyber-crime, for instance through offering support to establish a robust cyber threats monitoring and reaction mechanism (Cyber Security Operation Centre and national CERT) to help identify possible cyberattacks and enable relevant authorities to launch and coordinate responsive action when necessary. In addition, the EU will support building and enhancing the central governmental agency (the National Cyber Security Centre) responsible for cyber security at the national level and work on strengthening cybersecurity of the whole governmental sector. Other policy objectives include aligning Moldova's legal framework to the EU Directive on security of network and information systems (NIS Directive 2016/1148).

Related SDGs: 4: Quality education, 8: Decent work and economic growth, 9: Industry, innovation and infrastructure, 11: Sustainable cities and communities

Resilient, gender equal, fair and inclusive societies

EU-Moldova bilateral cooperation will focus on human capital development and better matching skills supply to demand. Over the medium-long term, this will reduce brain drain and emigration rates. The EU will support the modernisation and reform of the Moldovan education system at all levels, and a stronger integration between higher education, research and innovation. This will boost employability

¹⁷ In terms of economic growth, the so-called knowledge economy is a key economic factor underpinning national and EU development. The World Bank suggests that every 10 % increase in access to broadband results in a 1.38 % rise in GDP in developing countries. https://eige.europa.eu/gender-mainstreaming/policy-areas/digital-agenda

¹⁸ Government Decision on the approval of the Strategy for the Development of the Information Technology Industry and the Digital Innovation Ecosystem for 2018-2023 and the Action Plan for its implementation, No. 904 of 09.24.2018.

¹⁹ Completed by "EU4Digital: supporting digital economy and society in the Eastern Partnership

²⁰ Report "Gap assessment of the Republic of Moldova regulatory system in the field of electronic communications", https://eufordigital.eu/wp-content/uploads/2021/04/Gap-assessment-of-Moldova-regulatory-system-in-the-field-of-electronic-communications.pdf

by investing in young people's skills development according to labour market needs. In complementarity with regional initiatives for the Eastern Partnership region, the EU will support youth empowerment and leadership as well as youth participation in policy-making. Furthermore, the education sector in Moldova is highly gendered: women outperform men in completing secondary education, accessing higher education or participating in lifelong learning. However, it does not translate into gender equality in the labour market, as women remain at greater risk of social exclusion, unemployment and low-quality jobs.

Engaging with civil society has been critical in ensuring effective reforms: this increases public accountability, advances human rights and local development, gender equality and ensures service delivery to the whole population, including people belonging to vulnerable groups. Targeted EU support to civil society will strengthen their capacities, ensuring that assistance also reaches grassroots organisations in rural areas. In particular, support should go to civil society platforms (Eastern Partnership platform and Association Agreement platform). The roadmap for engagement with civil society will ensure the internal coherence of the financial support allocated to civil society organisations. This assistance will particularly aim at increasing their capacity to perform their roles better:

- i) as independent actors of governance and development,
- ii) in promoting, communicating and disseminating information on European values and reform processes related to the implementation of the Association Agreement, including the implementation of the EU Gender Action Plan,
- iii) in supporting social entrepreneurship and job creation for vulnerable people,
- iv) further extending local development multi-stakeholder approaches to rural development (LEADER approach) or urban regeneration.

The visa-free regime is one of the main achievements in the EU-Moldova relationship. The Visa Liberalisation benchmarks and the recommendations in the regular Visa Suspension Mechanism Reports²¹ issued by the European Commission need to be continuously fulfilled. The cooperation on migration includes efforts to reduce the number of unfounded asylum applications lodged by citizens of Moldova²², to enhance the cooperation on return and readmission including the provision of reintegration support, strengthen border management, including cooperation with Frontex, promote legal migration while respecting existing national legislation and competences, notably in the context of the Talent Partnerships proposed under the New Pact on Migration and Asylum²³. In terms of prevention of irregular migration and fight against migrant smuggling, actions and initiatives should be stepped up in line with the renewed EU action plan against migrant smuggling (2021-2025). Moldovan society is heavily affected by migration (every year around 0.07% of women and 0.06% of men emigrate from Moldova²⁴).

High numbers of people at risk of marginalisation, especially from the older generation or children left behind (emigration is particularly heavy in the age of 25-44 years old²⁵), are exposed to poverty and exclusion. A main priority will be to support social services for those belonging to vulnerable groups, ensure gender equality and prevent violence against women and girls, including domestic violence.

²² In 2020 citizens of Moldova lodged 6440 asylum applications in EU; the rate of positive decisions was 1%.

²³ https://ec.europa.eu/info/strategy/priorities-2019-2024/promoting-our-european-way-life/new-pact-migration-and-asylum_en

 $^{{}^{21}\,}Latest,\,fourth\,report\,(2021)\,available\,at:\,https://ec.europa.eu/commission/presscorner/detail/en/qanda_21_3964\;.$

asylum_en .

24https://statbank.statistica.md/PxWeb/pxweb/en/20%20Populatia%20si%20procesele%20demografice/20%20Populatia%2

⁰si%20procesele%20demografice__POP__POP070/POP070400.px/?rxid=b2ff27d7-0b96-43c9-934b-42e1a2a9a774

25https://statbank.statistica.md/PxWeb/pxweb/en/20%20Populatia%20si%20procesele%20demografice/20%20Populatia%2

0si%20procesele%20demografice__POP__POP070/POP070400.px/table/tableViewLayout1/?rxid=b2ff27d7-0b96-43c9-934b-42e1a2a9a774

The health sector has proven to be vulnerable to the COVID-19 pandemic. The EU support in the next period will focus on assessing the needs to improve the resilience of health and education institutions, enhancing human resources' capacity to respond to emergencies and facilitating equitable access to quality health services. The health sector in Moldova is highly gendered. Women generally live longer than men (life expectancy at birth is 75.1 years for women and 66.8 years for men²⁶). However, fewer women are expected to live healthy life years than men.

In complementarity with regional initiatives for the Eastern Partnership region, the EU will support Moldova to maximise the potential of its cultural heritage and creative industries as catalysts of national cohesion and engines for sustainable social and economic development. The EU will promote the key role of culture to build openness and promote European values as well as to foster intercultural dialogue for peaceful inter-community relations.

The progress or stagnation of the Transnistrian conflict settlement can affect the overall security, economic development, customs or legal cooperation. The EU will continue its support for the conflict settlement at the political level, strongly supported by confidence-building measures, improving the living conditions of the population on both sides of the Nistru river through their mutual cooperation e.g. joint initiatives involving local authorities, civil society organisations and other stakeholders.

The EU should continue and increase, where appropriate, its support for independent media and journalists in Moldova, including in its Transnistrian region, to increase the quality and diversity of produced content, promote sectoral cooperation between the right and left banks and improve financial sustainability of media businesses in the whole country. Furthermore, sustained efforts will continue in the area of strategic communication and raising awareness of the target audiences on EU policies and support, show-casing Team Europe efforts and focusing on impactful public outreach. Opinion polls conducted in 2020 and early 2021 indicate a high susceptibility of the population to foreign disinformation as well as weak skills within the society to distinguish between false and true information. This calls for greater EU support to strengthen societal resilience to foreign information manipulation and interference, including through media and information literacy, fostering civil society initiatives aimed at addressing disinformation, as well as for enhanced and targeted support formedia independence and pluralism.

These initiatives will contribute to EIP Flagship 5: Human capital development

Related SDGs: 1: End poverty, 3: Healthy lives and well-being at all ages, 4: Quality education, 5: Gender equality, 8: Decent work and economic growth, 10: Reduce inequality; 11: Sustainable cities and communities, 16: Peace, justice and strong institutions.

1.5. Duration of the MIP and option for synchronisation

The duration of the MIP coincides with the Multiannual Financial Framework and the EU-Moldova Association Agenda and covers the seven-year period from 2021-2027. It will be subjected to a midterm review and possibly ad-hoc reviews, if needed. Synchronisation will be done through jointly agreed documents. In the case of a new or updated joint document, the MIP may be reviewed accordingly.

2. EU support per priority area and proposals of Team Europe Initiatives (TEIs)

In addition to the priority areas and TEIs, a series of flagship initiatives for Moldova have been included in the Joint Staff Working Document "Recovery, resilience and reform: post 2020 Eastern Partnership priorities". These are concrete priority projects with tangible results that have been jointly identified

²⁶https://statbank.statistica.md/PxWeb/pxweb/en/20%20Populatia%20si%20procesele%20demografice/20%20Populatia%20si%20procesele%20demografice_POPrec_POP020/POP020700rcl.px/?rxid=b2ff27d7-0b96-43c9-934b-42e1a2a9a774

with the partner countries, taking into account their priorities, needs and ambitions. They are closely linked with the priorities outlined in the MIP. The five flagships for Moldova are presented in Annex 3. Civil society will be engaged in the five identified priority areas, playing an important role in policy dialogue as well as in overseeing reform progress.

2.1 Priority area 1: Resilient, sustainable and integrated economy

The overall objective is to boost economic development, economic integration, create decent jobs and economic opportunities for both women and men.

2.1.1 Specific objectives related to the priority area

- S.O. 1. To strengthen economic competitiveness and boost exports through full implementation of the DCFTA:
- S.O. 2. To improve access to services and financing for SMEs through guarantee schemes, interest rate subsidies, investment incentives and equity in line with applicable rules on state aid;
- S.O. 3. To foster decent work and improve employability and capacity for increased access to the labour market, with a focus on regional development and gender aspects.

2.1.2. Expected results per specific objective

For S.O. 1:

- R 1.1: Continuous positive results achieved in bilateral trade and economic relations;
- R 1.2: Increased institutional capacities and support services for trade and export facilitation;
- R 1.3: New opportunities in high-growth potential areas such as agriculture, greening of the economy and digital markets are seized;
- R 1.4: Increase in access to high value market segments for agriculture produce, blue economy, and for value addition in the country;
- R 1.5: Start of implementation of Smart Specialisation strategy.

For S.O. 2

- R 2.1: SMEs, in particular those from rural areas and owned by women, are developed, including social enterprises, and they have broader access to financing and to services;
- R 2.2: Innovative and smart financing and business development programmes (including equity, venture capital, business angel, crowd funding and business advice) are available for start-ups and SMEs, using a gender-balanced approach (overcoming stereotypes against women in business, ensuring women's access to credit and services, addressing gender segregation of business niches) complying with applicable rules on state aid.

For S.O. 3

- R 3.1: Reduced disparities between regions and between urban and rural areas in Moldova;
- R 3.2: Young people's knowledge and skills match future labour market needs;
- R 3.3: Decrease in informal employment as a share of total employment;
- R 3.4: Improved conditions of work, including health and safety, and improved effective application of labour rights;
- R 3.5. Reduction in the difference between how much time women and men invest in unpaid work (care for family members, house chores);

R 3.6. Women and men in all their diversity have equal opportunities, equal access to
employment, decent work, equal pay for work of equal value in order to be economically
independent.

2.1.3. Indicators (including baseline and targets), per expected result

Key indicators include the following:

- Volume and/or value of trade with the EU;
- Number of innovative funding opportunities and amounts (in EUR) available for start-ups and SMEs:
- Employment rate at national level, sex-disaggregated;

2.1.4 Possible use of blending and guarantees for investment under EFSD+

Improvement of access to finance of SMEs will be implemented through blending and private guarantees under the Neighbourhood Investment Plan (NIP)/EFSD+ in line with applicable rules on state aid. Focus will be on supporting investments contributing to the green and digital transition in Moldova.

This priority links with the following Flagships of the EIP, to be funded under EFSD+ and, where appropriate, via bilateral or regional allocations under NDICI – Global Europe: Flagship 1: Supporting a sustainable, innovative, green and competitive economy – direct support for 50 000 SMEs; Flagship 2: Boosting EU-Moldova trade – construction of an inland freight terminal in Chisinau.

2.1.5 Risks

The overall **risks** to the sector intervention are:

- Political instability, exacerbation of the gas crisis, or escalation of Russia's war of aggression against Ukraine impacts the government's ability and commitment to implement provisions of the AA/DCFTA and to adopt needed economic development strategy and programmes;
- Corruption, the informal economy and a lack of financial capacity of SMEs increase the asymmetry of information between banks and SMEs and thereafter the cost and possibility of lending;
- Delays or failures to eliminate deficiencies in the financial-banking sector and the capital market, the system of legal protection of property rights etc., which limit (discourage) private investment for business start-up and development, infrastructure co-financing and public services;
- Insufficient and inadequate available labour force which limits economic attractiveness, professional horizontal gender segregation that channels women to lower-paid jobs;
- Constraints that women entrepreneurs face in terms of access to credit and support services for SMEs caused by stereotypes against women in business; gender segregation of business niches may prevent women from equally benefiting from the intervention.

The EU will closely monitor and react to mitigate the impact of any of the above-mentioned risks by, *inter alia*, allocating human, financial, technical and diplomatic resources and by reinforcing the policy dialogue and through the application of smart conditionality.

2.2. Priority area 2: Accountable institutions, the rule of law and security

The overall objective is to promote good governance and democratic institutions, the rule of law, effective anti-corruption policies, fight against organised crime, respect for human rights and

strengthening security. Civil society engagement will be supported in advancing rule of law reforms across the board and promoting public administration transparency, accountability, inclusive, evidence-based and gender-sensitive policy-making and integrity in both the public and private sector.

2.2.1. Specific objectives related to the priority area

- S.O. 1. To strengthen the rule of law and accountable institutions, including by supporting the independence, professionalism and accountability of the judiciary and prosecution in line with European standards. Promoting equal access to justice and prison reform by stepping up the fight against corruption and by supporting the Parliament to exercise effective oversight and promote accountability for government decisions and to ensure an open, transparent and participatory legislative process.
- S.O. 2. To improve the efficiency, effectiveness, governance, and equality at all levels of public administration through public administration reform at national and local levels and territorial-administrative reform, with a focus on public services, public finance management and capacity-building in key institutions, to strengthen the production of reliable and timely official statistics.
- S.O. 3. To combat organised crime and strengthen security, including the fight against money-laundering and terrorism-financing, countering hybrid threats, illicit drugs, smuggling of migrants, trafficking in human beings, violence against women, cyber-crime, terrorism and firearms trafficking, and to support Moldova's cooperation with Europol and CEPOL.

2.2.2. Expected results per specific objective

For S.O. 1:

- R 1.1: An independent, accountable and effective judiciary and prosecution system in line with European standards is in place and public trust in the judiciary increases;
- R 1.2: All state institutions abide by the law and ethical standards and citizens have access to justice and can exercise their rights fully;
- R 1.3: The penitentiary system and resocialisation programmes better comply with international standards and the legal aid service and capacities of lawyers and legal professions to defend citizens' rights are improved;
- R 1.4: Investigating and prosecuting corruption-related crimes becomes more effective and efficient, in particular regarding high-level corruption; and the overall perception of corruption in society decreases;
- R 1.5: The capacity of the criminal asset recovery agency and other relevant specialised authorities is strengthened and inter-agency cooperation mechanisms for asset recovery and management are established and implemented. Parallel financial investigations and international cooperation are improved;
- R 1.6: The institutional capacity of the Parliament of Moldova is strengthened including for more effective oversight, based on the existence of a majority strongly committed to reforms, not controlled by vested interest groups and demonstrably committed to implementing the Association Agreement.

For S.O. 2:

- R 2.1: The transparency and accountability of the public administration, including state-owned enterprises, are enhanced;
- R 2.2: Consolidate central public administration reform, improve policy development including performance-based budgeting and mid-term budgeting. Carry out local territorial reform;
- R 2.3: Higher consideration of gender equality in decision-making in all branches of the government at the national and subnational level;

- R.2.4: The quality, accessibility, efficiency and cost-effectiveness of public services, including e-governance services, both at national and local levels are enhanced;
- R 2.5: The quality and accountability in the governance of public finances at national and subnational levels and gradual approximation with relevant EU fiscal governance standards are improved. Public Finance Management and Public Expenditure and Financial Accountability strategies, including gender-responsive budgeting, are adopted;
- R 2.6: The coverage and quality of available statistics, including sex-disaggregated statistics, are improved and use of official statistics made for policy decisions is increased; reliable and timely official statistics are available for policy makers and end users.

For S.O. 3:

- R 3.1: Strengthened institutional capacity of Moldova to ensure the security of its population and to be more resilient to security threats;
- R 3.2: A solid and effective framework to fight organised crime is in place to ensure comprehensive and proportionate criminalisation of activities linked to organised crime, sufficient resources and expertise, appropriate access of competent authorities to information sources, adequate investigative techniques and effective channels for international cooperation;
- R 3.3: The National Antidrug Strategy 2020-27 is effectively implemented and full participation in the EU4Monitoring Drugs programme managed by the European Monitoring Centre for Drugs and Drug Addiction is ensured. The National Antidrug Agency is created and operationalised.
- R 3.4: National legislative, strategic and operational capacities to prevent, detect and counter the trafficking of firearms are enhanced;
- R 3.5: Enhanced capacity to prevent and fight against trafficking in human beings, as well as to ensure the early identification of victims; provision of proper assistance and support to all victims or potential victims of trafficking, and in particular vulnerable groups, including women and children;
- R 3.6: The Istanbul Convention is ratified and implemented, law enforcement authorities and the judiciary identify, investigate and prosecute cases of gender-based violence; public tolerance to violence against women is reduced;
- R 3.7: A functional and enforceable framework to fight cybercrime is in place;
- R 3.7: Cooperation in chemical, biological, radiological and nuclear defence (CBRN) related issues from the perspective of counter-terrorism, hybrid threats and disaster risk reduction is strengthened;
- R 3.9: Cooperation with Europol and CEPOL is enhanced.

2.2.3. Indicators (including baseline and targets), per expected result

Key indicators include the following:

- Level of implementation of the justice reform; level of compliance of the legal framework to European standards and Council of Europe (Venice Commission and GRECO) recommendations and level of implementation of the Justice Reform Strategy; number of corruption cases reported, disaggregated by source (State or non-State actors), as well as number of investigations and convictions in these cases;
- Results of the CEPEJ Eastern Partnership Dashboard and the World Bank Justice Surveys;
- Level of implementation of the territorial reform; budget transparency and oversight; use of statistics for evidence-based decision-making.
- Number of victims of human right violations directly benefitting from assistance funded by the EU, sex-disaggregated.

2.2.4 Risks

The overall **risks** to the sector intervention are:

- Political instability, exacerbation of the gas crisis, or further escalation of Russia's war of aggression against Ukraine has an impact on the government's ability and commitment to implement the provisions of the AA/DCFTA;
- Internal and external political tensions and macro-economic shocks divert the Government's focus, restrict the pace and direction of the public administration and justice and security home affairs reforms and inhibit the capacity of the Government to finance its reform agenda and make the necessary capital investments;
- A lack of political will and/or vested interests derail the public administration and justice and security home affairs reforms and efforts to fight against corruption; resistance within the public administration, the judiciary, prosecution services and border management services to the proposed reforms;
- Gender stereotypes against women in government and decision-making pervasive in Moldovan society constitute an obstacle to policy reform. Reluctance of law enforcement authorities and the judiciary to intensify persecution of perpetrators of violence against women, including domestic violence.

The EU will closely monitor and react to mitigate the impact of any of the above-mentioned risks, by, *inter alia*, allocating human, financial, technical and diplomatic resources and by reinforcing the policy dialogue.

2.3. Priority area 3: Environment and climate resilience

The overall objective is to address climate change and strengthen environment and climate resilience as well as to tackle major environmental challenges by stimulating a circular economy, enhanced sustainable transport, green and blue economy, in line with the zero-pollution ambition of the European Green Deal. Environmental and energy civil society organisations and think tanks and general population at large will be supported in their awareness raising, advocacy and quality expertise provision roles.

2.3.1. Specific objectives related to the priority area

- S.O. 1. To reduce air pollutant emissions in view of reducing impacts of air pollution on health and the environment and working towards the zero-pollution ambition;
- S.O. 2. To promote the development of a resource-efficient, clean and circular economy based on a more sustainable use of natural resources as well as promoting green public services, including sustainable transport connectivity, and the protection of nature and ecosystems;
- S.O. 3. To improve energy security and promote green and blue economy, including through promoting energy efficiency and renewable energies;

S.O. 4. To modernise relevant legislation and institutional frameworks with a view to engaging citizens and stakeholders in order to reinforce climate resilience (including both mitigation and adaptation policies), and disaster risk reduction efforts.

2.3.2. Expected results per specific objective

For SO 1:

- R 1.1: Establish and make operational a permanent system for air quality monitoring of air pollutant concentrations, in the framework of a broader air quality management system, and in line with EU Directives 2008/50 and 2004/107;
- R 1.2: Establish and implement air quality plans and measures in areas with excessive concentrations of air pollutants, and in line with EU Directives 2008/50 and 2004/107;
- R 1.3: Annual submissions of air pollutant emission inventories and projections, in line with the EU Directive 2016/2284 and the Air Convention Gothenburg Protocol requirements.

For SO 2:

- R 2.1: Rollout of pilot innovative projects, e.g. electric and hydrogen mobility, diffusion of biobased technologies and scale-up circular economy approach on secondary raw materials;
- R 2.2: Land restoration, extension of forested and protected areas, biodiversity protection and green measures, sustainable management of water and land resources (incl. sustainable irrigation) expanded;
- R 2.3: Introduce a carbon pricing mechanism compatible with the EU Emissions Trading Scheme:
- R 2.4: Improved resource and energy efficiency and increased coverage of drinking water, wastewater and solid waste treatment systems as well as enhanced service delivery;
- R 2.5: Improved and increased sustainable transport connectivity (including cooperation under the Eastern Partnership Road Safety Observatory) in road, rail, aviation (including under the EU-Moldova Common Aviation Area Agreement), maritime and waterborne sectors; increased safety and efficiency based on relevant international and EU standards; more sustainable urban mobility.

For SO 3:

- R 3.1: Increased energy security;
- R 3.2: Increased energy efficiency and higher share of renewable energies from local sources in the energy mix, increased market competition and transparency also through enhanced independence of the energy regulator and implementation of EU energy market and sustainable energy legislation;
- R 3.3: Integration of environmental and climate concerns in all sectors of the economy;
- R 3.4: New green and blue economic development and jobs created linked to the green transition, equally available to women and men.

For SO 4:

- R 4.1: Continued approximation with EU acquis with policy documents, laws and secondary legislation related to climate action and environmental legislation;
- R 4.2: Improved administrative set-up with the capacity to elaborate, implement and enforce environmental and climate-related legislation;
- R 4.3: A legal and regulatory framework in the fields of environmental and climate action which is more conducive to the engagement of citizens in general and women in particular;
- R 4.4: A reinforced civil society network on environmental and climate issues, with strong capacities to participate effectively in decision-making processes.

2.3.3. Indicators (including baseline and targets), per expected result

Key indicators include the following:

- Reduction of air pollutant concentrations and emissions per year;
- Number of new green jobs created, ratio of women and men employed at new green jobs;
- Completion of the strategic infrastructure projects on transport, gas and electricity connectivity with EU/Romania;
- Renewable energy generation capacity installed (Megawatt with EU support.
- Number of cities with climate change and/or disaster risk reduction strategies developed / under implementation with EU support;
- Number of micro, small and medium enterprises applying sustainable consumption and production practices with EU support.

2.3.4. Possible use of blending and guarantees for investment under EFSD+

Large-scale infrastructure would benefit from blending investments. EFSD+ could also address some infrastructure development, including at municipal level as well as green growth in general. The type of guarantees could be sovereign or sub-sovereign with some opportunity to foresee also guarantees for private investments on renewable energy development.

This priority links, inter alia, with the following Flagships of the EIP to be funded under EFSD+ and, where appropriate, via bilateral or regional allocations under NDICI – Global Europe: Flagship 3: Increasing energy efficiency - expanding the refurbishment of district heating systems in residential buildings in Chisinau and Balti; Flagship 4: Improving connectivity - anchoring Moldova in the TENT.

2.3.5 Risks

The overall **risks to** the sector intervention are:

 Political instability, exacerbation of the gas crisis, or further escalation of Russia's war of aggression against Ukraine has an impact on the government's ability and commitment to act in this area;

- Insufficiently mature, fundable infrastructure investment projects due to a lack of clarity on the prioritisation of investments among different line ministries;
- Lack of financial, technical and human resource capacities in the national and local public administrations to design, manage, monitor and co-finance development projects;
- Exclusion of women from processes related to climate resilience and greener economic growth;
- Climate impacts are addressed insufficiently in sectorial legislation and policies, even in highly climate-sensitive sectors such as agriculture, energy, forestry and health; nor are they sufficiently mainstreamed into legislation on disaster preparedness.

The EU will closely monitor and react to mitigate the impact of any of the above-mentioned risks by, *inter alia*, allocating human, financial, technical and diplomatic resources and by reinforcing the policy dialogue.

2.4. Priority area 4: Resilient digital transformation

The overall objective is to support digital transformation, including e-government, broadband infrastructure, e-trade, e-health, digital skills, digitalisation of traditional sectors and public services taking into account the principle of gender equality, and integration into the EU digital single market, ensuring a wide territorial coverage.

2.4.1. Specific objectives related to the priority area

- S.O. 1: To support the adoption of legal frameworks related to digital transformation in line with EU legislation and best practices and to strengthen e-governance.
- S.O. 2: To assist digital start-ups and SMEs to improve their access to finance, reach into EU markets, and link with EU innovation ecosystems;
- S.O. 3: To develop robust legal and policy cybersecurity frameworks and relevant institutional and operational capacities based on EU legislation and best practices.

2.4.2. Expected results per specific objective

For S.O. 1:

- R 1.1: Digital-related legal framework adopted or revised in line with EU legislation and best practices and then implemented;
- R 1.2. Citizens and businesses, including women-owned and in rural areas, have equal access to high quality electronic communications infrastructure and services;
- R 1.3: IT solutions increase efficiency, transparency and accountability for public administration;
- R 1.4: Space data and services are taken into consideration in policies and solutions for efficient agriculture, smart and safe transport, emergency response.

For S.O. 2:

- R 2.1 Digital start-ups ecosystem established in line with EU best practices;
- R 2.2 New digital start-ups created and increased access to finance for SMEs, including womenowned.

For S.O. 3:

- R 3.1: Cybersecurity legal and policy framework aligned with the EU legislation and best practices including with the Network and Information Security (NIS) Directive²⁷;
- R 3.2: Relevant cyber institutional and operational capacities are developed and operational;
- R 3.3: Cyberattacks effectively countered;

2.4.3. Indicators (including baseline and targets), per expected result

Key indicators include the following:

- Number of people (disaggregated by sex, geographic region, urban/rural, age group, type of connection, i.e. mobile or fixed) and companies (disaggregated by sex of owner and/or top manager)benefitting, through concrete measures to access to digitalised public and private services due to EU support;
- Number of new digital start-ups (disaggregated by sex of owner and/or top manager) supported;
- Number of cybersecurity-related policies/strategies/laws/regulations developed and/or revised to align with the EU legislative and policy framework, and /or implemented with support of the EU.

2.4.4 Risks

The overall **risks** to the sector intervention are:

- Political instability, exacerbation of the gas crisis, or further escalation of Russia's war of aggression against Ukraine has an impact on the government's ability and commitment to adopt needed economic digital transformation strategy and programmes;
- Enterprises and entrepreneurs are not making the necessary investments to adapt to the digital transformation era and do not have the necessary knowledge;
- There is a lack of political will and limited institutional and human capacities within the stakeholder ministries to formulate, manage and monitor the implementation of the digital transformation and cyber security policies;
- Insufficient and inadequate available labour force, limiting Moldova's economic attractiveness;
- Elderly people excluded from the digitalisation process, and experience it as an obstacle to their awareness/access to social benefit and health services.

2.5. Priority area 5: Resilient, gender equal, fair and inclusive societies

The main objective is to invest in human capital development and to improve the living conditions of the population, with a special focus on support to civil society organisations, mobility, youth participation, media, gender equality and social inclusion.

2.5.1. Specific objectives related to the priority area

S.O. 1. To enhance societal resilience through inclusive and equitable quality education, research and innovation, support to civil society, youth empowerment, development of media and information literacy and enhanced and targeted support for countering disinformation, media independence and pluralism;

²⁷ https://eur-lex.europa.eu/eli/dir/2016/1148/oj.

- S.O. 2. To ensure mobility and people-to-people contacts and reduce brain drain by strengthening social inclusion and quality of life and supporting the establishment of a conducive environment for labour mobility opportunities, diaspora engagement, reintegration of returning migrants; to strengthen Moldova's migration management capacities, supporting Moldova to continue fulfilling the visa liberalisation benchmarks, including to address the issue of unfounded asylum application in the EU and fight against irregular migration, enhance return and readmission, reinforce border management and promote legal migration;
- S.O. 3. To contribute to the facilitation of the settlement of the Transnistrian conflict by increasing confidence between both sides of the Nistru River through joint initiatives involving local authorities, civil society organisations and other stakeholders, and to address specific security-related concerns of men and women through the Women, Peace and Security Process.²⁸

2.5.2. Expected results per specific objective

For S.O. 1:

- R 1.1: Improved efficiency and effectiveness of the education system (including resilience to shocks) for better learning outcomes, including through eliminating gender stereotypes from textbooks and teaching processes and ensuring that social inclusion and equity are part of any digital education reform;
- R 1.2: More equitable access to quality education at all levels (primary, secondary, higher education and Vocational education and training (VET), reduced drop-out rates and gender stereotypes in the selection of future professions;
- R 1.3: Increased availability and presence of qualified and motivated teachers and education staff;
- R 1.4: Improved use of appropriate teaching and learning methods and resources, including digital resources;
- R 1.5: Improved access to, relevance and quality of lifelong learning;
- R 1.6: Improved integration between higher education, VET, research and innovation;
- R 1.7: Research-industry partnerships are fostered. The diversification of the economy is increased thanks to the growth of innovative sectors;
- R 1.8: Capacity of civil society organisations, including social partners, youth organisations and grassroots organisations in rural areas, to engage meaningfully in policy-making processes and policy dialogue is strengthened;
- R 1.9: Strengthened media, information and digital literacy and critical thinking skills of citizens;
- R 1.10: Strengthened media independence and pluralism;
- R 1.11: Established NGOs addressing the disinformation phenomenon.

For S.O. 2:

• R 2.1: Migration-sensitive approaches are promoted horizontally in all strategic sectors of the EU-MD AA and bilateral cooperation programmes;

²⁸ Please refer to UN Security Council Resolutions on Women, Peace and Security: https://www.peacewomen.org/security-council/WPS-in-SC-Council.

- R 2.2: Moldovan economy and society benefit from diaspora engagement, in-country investments from migrant remittances, labour migration and integration of returning migrants;
- R 2.3: Data management capacities of the national authorities (including in statistics services) are strengthened, and sex-disaggregated migration data are mainstreamed for evidence-based policy planning in all sectors;
- R 2.4: Social inclusion is enhanced through strengthened legal and policy frameworks of social protection and safety nets for minorities and groups at risk of marginalisation;
- R 2.5: Enhanced capacities on migration and mobility, including to enhance border management, also via cooperation with Frontex, to prevent irregular migration and fight against migrant smuggling, to reinforce the effectiveness of return and readmission procedure and their sustainability, to decrease the number of unfounded asylum applications, and to promote legal migration;
- R 2.6: Continued fulfilment by Moldova of the visa liberalisation benchmarks, including addressing the recommendations the recommendations in the regular Visa Suspension Mechanism Reports issued by the European Commission.

For S.O. 3:

- R 3.1: Improved livelihood on both sides of the Nistru River through strengthened connections and cooperation between the populations, economic development and decent job creation for women and men.
- R 3.2: Community development is enhanced through capacity building, small-scale initiatives by existing platforms for civil society organisations cooperation, specific security-related concerns of men and women are identified and addressed;
- R 3.3: Progressive rapprochement or alignment in pilot sectors (to be identified).

2.5.3. Indicators (including baseline and targets), per expected result

Key indicators include the following:

- Percentage of teachers in service who have completed nationally required training/qualification/certification program, disaggregated by sex;
- School/rationalisation policies for schools and universities adopted and implemented, according to national strategies;
- Learning outcomes: PISA results (OECD Programme for International Student Assessment);
- Share of VET and higher education establishment students by specialties (fields of study), disaggregated by sex;
- Amount of time dedicated to media and information literacy and development of critical thinking skills in school curricula
- Efficient and transparent regulatory bodies monitoring the information space;
- Independent Public Broadcaster fulfilling its public service role;
- Proportion of population below the international poverty line by sex, age, employment status and geographical location (urban/rural);
- Emigration and migration-returning rates, including the number of persons prevented from irregularly crossing the border; number of Moldovans illegally staying in the EU ordered to return and effectively returned; rate of issuance of travel documents following readmission

requests from Member States; number of unfounded asylum applications by Moldovans; number of returnees benefiting from reintegration support, disaggregated by sex;

- Number of individuals directly benefiting from EU support interventions that specifically aim to support civilian post-conflict, peace building or conflict prevention, EU International Cooperation and Development Results Framework (EURF)), disaggregated by sex;
- Number of capacity building projects on integrated border management, including with Frontex;
- Number of initiatives supported to promote legal migration;
- Number of visa liberalisation benchmarks and recommendations of Visa Suspension Mechanism Report respected/implemented;
- Number of institutions supported to prevent and fight against irregular migration (through capacity building, technical equipment);
- Number of individuals directly benefiting from EU supported interventions that specifically aim to support civilian post-conflict, peace building or conflict prevention, disaggregated by sex.

2.5.4 Possible use of blending and guarantees for investment under EFSD+

This priority links, inter alia, with Flagship 5 of the EIP to be funded primarily via bilateral or regional allocations under the NDICI – Global Europe instrument: Investing in human capital and preventing 'brain drain' — modernisation of school infrastructures and implementation of the national education strategy.

2.5.5 Risks

The overall **risks to** the sector intervention are:

- Failure of the Moldovan government to finance sufficiently its education, research and innovation, employment and VET strategies;
- Resistance within the education and research institutions to the introduction of revised management and quality assurance systems, career paths, qualifications and curricula;
- Social partners and civil society organisations are unwilling or unable to play a constructive role
 in the implementation of the sector policies or uptake of sector objectives; or conversely, the
 government engages insufficiently with civil society organisations in the formulation of sector
 policies;
- Political instability or further escalation of Russia's war of aggression against Ukraine and slow economic recovery further increase emigration and brain drain;
- The stagnation of the political/diplomatic process of conflict settlement in the Transnistrian region due to political instability or further escalation of Russia's war of aggression against Ukraine and lack of political willingness by either or both parties impacts the implementation of confidence-building measures.

The EU will closely monitor and react to mitigate the impact of any of the above-mentioned risks by *inter alia* allocating human, financial, technical and diplomatic resources and by reinforcing the policy dialogue.

2.6. Proposals of Team Europe Initiatives

2.6.1. Team Europe for local communities: youth, growth and decent jobs

Following a joint assessment of Moldova with the EU Member States, the wider Team Europe, and subsequent consultations with national authorities/development finance institutions (DFIs), private sector and the civil society, we have identified "local communities: youth, growth and jobs" as the main area where European partners can make a substantive impact by joining forces. This initiative was already piloted in 2020-21 and will provide a socio-economic response to the impact of COVID-19.

Context:

Rural areas in Moldova face particular challenges as regards growth, jobs and sustainability. As in the rest of Europe, rural areas of Moldova are extremely diverse, ranging from remote and suffering from de-population and decline to pre-urban areas under increasing pressure from urban centres. Lower coverage of basic services²⁹ and the lack of opportunities, communication and training infrastructure is also a particular problem for remote rural areas and especially for women and young people.

Due to large-scale active labour force emigration, the share of Moldova's economically active population is the lowest in the region. The rural population has the largest share of the total working population living abroad (70%), 37% of whom are aged between 25-34 years and 18% between 16 and 24 years.

Moldova has been affected by the COVID-19 outbreak across all of the country's regions. The pandemic adds important pressure on the already stretched health and social service delivery systems, exacerbating vulnerabilities of the affected populations. It also disproportionally affects population groups such as women (in terms of loss of access to income and intensified economic insecurity, increased burden of domestic and care work and higher incidence of domestic violence) or children (impacted by school closures and exposed to increased risk of violence and abuse) and the elderly living mostly in remote areas. Given this context, the action will also aim to mitigate the impact of COVID-19 in Moldovan local communities thus contributing to their longer-term social and economic resilience.

The main strategic planning document of the country, the National Development Strategy "Moldova 2030", defines long-term sectoral development priorities, focusing on improving the quality of citizens' lives in four pillars: 1. Sustainable and inclusive economy; 2. Strong human and social capital; 3. Fair and efficient institutions; 4. Healthy environment. Moreover, the principles of gender equality and women's empowerment underpin the implementation of the Moldova 2030 strategy.

In this context, the objective of this Team Europe initiative is to improve the quality of life in selected Moldovan local communities while addressing the economic and social consequences of COVID-19, thus contributing to their longer-term resilience. The activities carried out under this initiative will improve the quality and efficiency of public services, provide investment and capacity-building support to the development and rehabilitation of social, economic, and physical infrastructure, and improve access to services associated with these structures. They will also enhance business and decent job opportunities, strengthen community-led local development, and provide equal opportunities for all, regardless of gender, age, ability, or nationality, encouraging the greening of the economy, gender equality, and community-led private sector development. In line with the EU response to the COVID-19 crisis, they will also contribute to the long-term socio-economic resilience of the local communities.

TEI members:

The following EU Member States and partners have expressed their interest to join this TEI: Austria (Austrian Development Agency), the Czech Republic, France (including Expertise France and AFD),

²⁹ Only 55.3% of the rural households are connected to the water network and only 32.7% to the sewage system, compared with 93.5 and 86.2% of the households in urban areas (BNS 2019).

Germany (including GIZ and KFW), Latvia, Poland (including Polish Solidarity Fund and Polish national development bank BGK), Romania, Sweden, EIB and EBRD.

Various modalities and financial instruments will be explored – direct and indirect management, twinning, TAIEX as well as loans and guarantees including under the EFSD+.

2.6.2. Team Europe for strategic communication, media support and the building of resilience against disinformation

Following our joint assessment with the EU Member States and wider Team Europe of the situation in Moldova and subsequent consultations with national authorities, DFIs and the private sector, we have identified "Strategic communication, media support and the building resilience against disinformation" as an area where European partners can have a substantive impact by joining forces. This is also based on the best practices related to the joint communication of EU and Member States support during the COVID-19 pandemic

Context:

In the wake of growing disinformation on aspects related to EU values and EU support provided to Eastern Partnership countries, including Moldova, a call for a stronger, more impactful and strategic approach to communication has attracted much political attention in recent years. Renewed efforts therefore aim to strengthen the EU's strategic communications³⁰ in Moldova through clear, narrative-based, tailored and effective messaging, and by raising awareness of the positive impact of EU policies and actions, with an overarching message to be used by all implementing partners. Further activities in this sector should focus on consolidating the efforts undertaken thus far and enhancing the resources and capacities for strategic communication of EU actions and assistance in the country.

The work undertaken thus far on strategic communications of EU assistance has shown that a coherent and integrated effort with all relevant implementing partners provides greater impact and public outreach as well as better understanding of the target audience of the support provided by the EU and EU Member States for the citizens of the country.

Consistent work on increasing the role and cooperation of implementing partners in show-casing the EU's role and financing led to improved joint procedures and understanding of necessary efforts for visibility and communication. This work needs to continue with existing instruments, including the Digitool.

From 2013 to 2020, the media environment, including the overall media freedom situation in Moldova, has consistently deteriorated. The COVID-19 pandemic and related restrictions further impacted the media environment with serious financial setbacks, for example related to the fall of revenue from advertisement or other sources of income (e.g. revenue from organising conferences and events). Moldova's media remain diversified but extremely politicised and polarised. The phenomenon of concentration and lack of transparency in media ownership has not disappeared and the political context continues to influence the media landscape. Local content requirements, expansion of social and online media, coupled with the shrinking advertising market dominated by advertising agencies owned by politicians, contributed to independent outlets' financial fragility and increased their reliance on foreign donors. Online news portals and social media are popular in Moldova. Meanwhile, the local independent online portals are often understaffed, cover current events superficially (in-depth multimedia and/or video reporting is occasional or missing), face financial problems and rely on foreign media donors. Consistent support is required to develop locally created content in Romanian. Furthermore, Russian-

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³⁰ As defined in the EU Action Plan against Disinformation (December 2018), Joint Communication on Tackling COVID-19 Disinformation (10 June 2020), and European Democracy Action Plan (3 December 2020).

language mass media is underdeveloped with a large share of TV and radio content being re-broadcasted from Russia.

In this polarised and politically influenced media environment, it is crucial to build state and societal resilience to disinformation and increase demand for quality news media by equipping citizens with adequate critical thinking and media and information literacy skills. Significant efforts are needed to bring Moldovan practices in line with European standards in the field of media freedoms and plurality. This includes aligning the media-related legislation and reforming the Audiovisual Council to achieve greater political independence and impartiality. A central emphasis is needed to work with local media outlets to fill the existing gaps as identified in several studies. It includes support to enhance journalist professionalism, media business management skills, learning, adopting and implementing new media business models to increase the financial sustainability.

Activities in this sector should focus on raising awareness and countering foreign disinformation, as well as enhancing the support for developing abilities for investigative journalism.

TEI members

The Team Europe perspective will include all the EU Member States active in Moldova, by providing support from an EU-funded Technical Assistance project to enhance communication activities on Team Europe assistance. It is not foreseen for this action to be implemented by specific Member States, nor for it to receive financial support from other partners. It can be complemented by additional initiatives in direct or indirect management.

The following EU Member States and partners have expressed their interest to engage in additional initiatives which are complementary to this TEI: the Czech Republic, Finland, Latvia, Lithuania, Romania, Slovakia, Sweden, and EIB.

3. Support measures

3.1. Measures in favour of civil society

The EU recognises civil society organisations, including the social partners, as actors of governance and drivers of democracy. The EU will focus on promoting a conducive environment for civil society organisations, strengthening their participation in the reform processes (monitoring of the Association Agreement and implementation of the Association Agenda) as well as in Moldova's effective use of the EU assistance, and enhancing its role as a community development actor and service provider to the citizens. These ambitions are reflected in the EU Roadmap for Engagement with Civil Society in the Republic of Moldova (2021-2027)³¹. Core support to civil society is covered under priority 5 "resilient, gender equal, fair and inclusive societies", while civil society engagement is mainstreamed throughout all sectors.

3.2. Cooperation facility

A cooperation facility is foreseen to finance support measures encompassing policy dialogue, strategic communication and visibility, including fighting disinformation, public diplomacy activities, capacity building, technical preparation and any support to facilitate Team Europe coordination at country level. The facility will also finance approximation to EU legislation and technical standards through technical assistance and exchange of public expertise, such as TAIEX and Twinning as well as the participation of Moldova in EU programmes such as Horizon Europe, EU4Health, Customs and Fiscalis and

 $^{^{31}\,}https://euneighbourseast.eu/wp-content/uploads/2022/01/eu_roadmap_for_engagement_with_csos.pdf$

cooperation with EU agencies. It will support the implementation and evaluation of the EU's cooperation, including via technical assistance.

Strategic communication is crucial to ensure effective visibility of the EU, its values, policies, interests and its support to Moldova. In parallel, building state and societal resilience to foreign information manipulation and interference, strengthening the media environment need to be supported aiming at increasing pluralism and independence of media. A call for a stronger and more strategic approach to communication has gained high political attention in recent years, also in the wake of growing disinformation on EU values. Renewed efforts therefore aim to strengthen the EU's communication in Moldova through clear, narrative-based, tailor-made messaging, and raising awareness of the positive impact of EU policies and actions with the overarching message 'Stronger Together'.

Sustained efforts for increasing the strategic communication capacities and support, also from a Team Europe perspective, need to be continued. In addition to this, support for the media via bilateral actions will have a clear and tangible impact on the improvement of the media consumption culture in the country and content creation. The work undertaken thus far on strategic communication has shown that a horizontal approach, show-casing unity in actions and messages, provides a more efficient and impactful outreach to the target audiences.

4. Financial overview

Although the duration of this MIP is seven years, the indicative allocations for Moldova and for each of the priority areas and support measures laid down in the table below are provided for the 2021-2024 period only. The indicative allocations for 2025-2027, as well as the possible modification of other substantial elements of this MIP, will be subject to a decision by the EU. This decision should be preceded by a review of the implementation of this MIP, which should include a dialogue with the authorities and other Moldovan stakeholders.

Priority area 1: Resilient, sustainable and integrated economy	EUR 78 million	30%
Priority area 2: Accountable institutions, the rule of law and security	EUR 39 million	15%
Priority area 3: Environmental and climate resilience	EUR 52 million	20%
Priority area 4: Resilient digital transformation	EUR 26 million	10%
Priority area 5: Resilient, gender equal, fair and inclusive society	EUR 52 million	20%32
Support measures	EUR 13 million	5%
TOTAL for initial period	EUR 260 million	

Annexes

- 1. Intervention framework
- 2. Donor matrix showing the current indicative allocations per sector
- 3. Flagship Initiatives for Moldova

³² 5% of the indicative budget for priority 5 will be dedicated to support civil society organisations.

Annex 1 Intervention framework

Priority area 1: Resilient sustainable and integrated economy			
Specific objective 1: To strengthen economic competitiveness and boost exports through full implementation of the DCFTA			
Expected Results	Indicators	Means of verification	Baseline & targets
a) Continuous positive results achieved in bilateral trade and economic relations.	 a1) Volume and/or value of trade with the EU a2) Value of Foreign Direct Investment originating from the EU a3) Score of Moldova on the Trade across borders indicator of the WB Ease of Doing Business a4) Number of exported products/product categories 	Association Implementation Report	USD 2.01 billion, EU FDI
		World Bank Reports	
b) Increased institutional capacities and support services for trade and export facilitation.	1 777 (1 1)	Ministry of Agriculture, Rural Development and Environment Reports	
	b2) Contribution of SMEs in the GDP	ANSA Reports	
c) New opportunities in highgrowth potential areas such as agriculture, blue economy, greening of the economy and digital markets are seized.	c1) Number of SMEs which implemented European Standards,	Institute for Standardisation of Moldova Reports	10 % of SMEs implemented EU standards (2019)
	c2) Number of micro, small and medium sized enterprises applying sustainable consumption and production practices with EU support, with sex disaggregation of their owners as relevant	Reports	
	c3) Share of SMEs using digital sales platforms	Ministry of Agriculture, Rural Development and Environment Reports	
	a4) Number of agro-food operators with quality improvements (compliance with SPS standards) and value addition (as processing, branding, certification etc.) through EU support Number of social enterprises and survival rates	Ministry of Economy and Infrastructure Report	13 social enterprises created with EU support in 2020

capita productivity rates (incl. number of	Development and Environment		
ncing for SMEs through guarantee schemes, inter	est rate subsidies, investment in	centives, and equity in line	
Indicators	Means of verification	Baseline & targets	
a1) Number of business start-up supported and survival rates over 2 years, with sex disaggregation of their initiators as relevant		Survival rate 40.9% (2019)	
and amounts (in EUR) available for start-ups and SMEs	(OECD) Business Environment and Enterprise Performance Survey (EBRD) European Commission services (DG CONNECT, DG NEAR) Relevant MD Ministries,	27 programmes (2019) €144.13 million (2019)	
Specific objective 3: To foster decent work and improve employability and capacity for increased access to the labour market with a focus on regional development.			
Indicators	Means of verification	Baseline & targets	
	capita productivity rates (incl. number of enterprises certified (organic, geographic origin, etc.) and price premiums achieved) Indicators a1) Number of business start-up supported and survival rates over 2 years, with sex disaggregation of their initiators as relevant b1) Number of innovative funding opportunities and amounts (in EUR) available for start-ups and SMEs	Indicators a1) Number of business start-up supported and survival rates over 2 years, with sex disaggregation of their initiators as relevant b1) Number of innovative funding opportunities and amounts (in EUR) available for start-ups and SMEs Business Environment and Enterprise Performance Survey (EBRD) European Commission services (DG CONNECT, DG NEAR) Relevant MD Ministries, agencies ployability and capacity for increased access to the labour market with a focus or	

a) Reduced disparities between regions and between urban and rural areas in Moldova.	supported; a2) Number of new jobs created with EU support in rural areas outside agricultural production (incl. in agri-food processing and value addition); a3) Number of agro-tourism initiatives, including establishment of wine routes.	EBRD Reports EU4Business Reports Association Implementation Report Investment Agency Reports	19,531 SMEs supported 28.71% women-owned SMEs supported (2019) 21,930 new jobs created (2019) 3 wine routes (2020)
b) Young people knowledge and skills match future labour market needs.	institution or workplace based VET/skills	ANOFM Annual Report Ministry of Education, Culture and Research Reports	67 % women (2019) 868 persons (2019))
c) Decrease in informal employment as a share of total employment.	 c1) Employment rate at national level, sex-disaggregated c2) Share of informal employment in total employment 		52,4% (men) -2020 47,6% (women) - 2020 16,7% (2020)
d) Improved conditions of work, including health and safety, and improved effective application of labour rights.		Labour Inspectorate Annual Reports	1701 inspections (2020)
e) Reduction in the difference between how much time women and men invest in unpaid work (care for family members, house chores).	,	Social Protection reports, CSO reports, UN Women reports,	unpaid work: 45,2 % (women) 31,9% (men) (2019)
f)Women and men in all their diversity have equal opportunities, equal access to employment, decent work, equal pay for work of equal value in order to be economically independent.	supported;	Ministry of Health, Labour and Social Protection reports, CSO reports, UN Women reports, UNFPA reports	28.71% women-owned SMEs

Priority area 2: Accountable institutions, the rule of law and security

Specific objective 1: To strengthen the Rule of Law and accountable institutions, including by supporting the independence, professionalism, and accountability of the judiciary and prosecution in line with European standards. Promoting equal access to justice and prison reform by stepping up the fight against corruption, and by supporting the Parliament to exercise effective oversight and promote accountability for government decisions and to ensure an open, transparent and participatory legislative process.

Expected Results	Indicators	Means of verification	Baseline & targets
prosecution system in line with European standards is in place and public trust in the judiciary increased	a1) The level of independence, accountability, efficiency of the judiciary and prosecution services is increased a2) Level of compliance of the legal framework with Council of Europe (Venice Commission and GRECO) recommendations a3) Composite indicator Judicial independence (WEF) a4) Level of public trust in the prosecution services, the judiciary and the law enforcement agencies a5) Level of legal framework and practice of appointments, disciplinary proceedings, evaluation, transfer and promotion of judges and prosecutors in line with European standards a6) Level of court management improved and number of judges and prosecutors supported by EUfunded capacity-building programs	CEPEJ Reports	

b) All state institutions abide by the law and ethical standards	
and citizens	b2) Level of public trust in the prosecution services, User satisfaction and legal needs
have access to justice and can exercise their rights fully	the judiciary and the law enforcement agencies, sex-surveys
	disaggregated Statistics on ECtHR
	b3) Level of compliance with GRECO jurisprudence
	recommendations Public reports by international
	and local actors on the
	independence and efficiency of
	the justice system

	c2) Percentage of inmates participating in		

d) The existing competences on investigating and prosecuting		NAC annual reports	
corruption related crimes are revised to become more effective		GPO Reports	
and efficient, and corruption, in particular high-level	(c2) Number of files on which a verticit was reached	-	
corruption, conflicts of interest and perception of corruption	within 1y/2y/3y.	NIA Reports	
decrease	c3) Number of high-level corruption investigations	CSO mamonta	
	and verdicts.	CSO reports	
	c4) High-level corruption is actively detected and	Project Reports	
	investigated and liability for high-level corruption		
	investigated and liability for high-level corruption offences is effectively, independently and	Official statistics	
	impartially enforced. Criminal statistics on high-		
	level corruption are published analysed and used in		
	updating policy.		
	c5) The anti-corruption policy is up-to-date,		
	evidence-based and includes key corruption risk		
	areas		
	c6) The anti-corruption policy development is		
	inclusive and transparent and it is efficiently		
	implemented. Regular monitoring, coordination and		
	implementation is ensured.		
	c7) Number of cases of conflict of interest resolved		
	out of the total number of cases identified		
	c8) Asset disclosure in e-declarations is		
	comprehensive, regular and based on real market		
e) The capacity of the criminal asset recovery agency and other	d1) Dissuasive and proportionate sanctions are	CARA annual reports	
relevant specialised authorities is strengthened, and inter-	enforced	NILAG	
agency cooperation mechanisms for asset recovery and	d2) The functions of identification, tracing,	NIAS	
management are established and implemented. Parallel	management and return of illicit assets are		
financial investigations and international cooperation are		NIAC ampual mamanta	
improved	(a3) Identification and tracing of corruption proceeds	NAC annual reports	
	are effective and confiscation measures are enforced		
	in corruption and money laundering cases	CSO reports	
	d4) Management of seized or frozen assets is cost-	CSO reports	
	efficient and transparent		
	i e		1

f) The institutional capacity of the Parliament of Moldova i	, , , , , , , , , , , , , , , , , , , ,	
strengthened including for more effective oversight, based or	1 •	
the existence of a majority strongly committed to reforms, no	tf2) Level of accessibility of draft legal and sub-	
controlled by vested interest groups and demonstrably	legal acts;	
committed to implementing the Association Agreement.	f3) Number of consultation meetings at the	
	government and parliament level with all relevant	
	stakeholders including the Civil Society and non-	
	state actors.	

Specific objective 2: To improve the efficiency, effectiveness, governance, and equality at all levels of public administration through public administration reform at national and local levels and territorial-administrative reform, with a focus on public services, public finance management and capacity-building in key institutions; to strengthen the production of reliable and timely official statistics

Expected Results	Indicators	Means of verification	Baseline & targets
a) The transparency and accountability of the public administration, including state-owned enterprises, are enhanced	 a1) Budget transparency and oversight a2) Quality of the medium-term budgetary framework; a3) Quality of public debt management b4) Gender responsiveness of public financial management³³ a4) The number of green public procurement procedures 		2021 PEFA assessment PI scores
b) Consolidate central public administration reform, improve policy development including performance-based budgeting and mid-term budgeting. Carry out local territorial reform	reform b2) Increased completeness of financial estimates	Project Reports	

³³ https://www.pefa.org/gender

c) Higher consideration of gender equality in decision-making in all branches of the government at the national and subnational level	of Parliament; c2) Ratio of men and women among the Ministers and Deputy Ministers c3) Ratio of men and women among heads of	annual Global Gender Gap Report Data of the Parliament	
	 c4) Ratio of men and women among judges c5) Ratio of men and women among police and border guard officers 	Data of Central Election Commission National statistics	
d) The quality, accessibility, efficiency and cost-effectiveness			
of public services, including e-governance services, both a national and local levels are enhanced	d2) Number of new e-governance modules rolled out (number of accessible public services for citizens through internet);		
e) The quality and accountability in the governance of public finances at national and subnational levels and gradual approximation with relevant EU fiscal governance standards are improved. Public Finance Management and Public Expenditure and Financial Accountability strategies, including gender-responsive budgeting, are adopted.	e2) Quality of public debt management e2) Gender responsiveness of public financial management	PEFA assessments, MoF reports	2021 PEFA assessment PI scores
f) The coverage and quality of available statistics, including sex-disaggregated statistics, are improved and use of official statistics made for policy decisions is increased; reliable and timely official statistics are available for policy makers and end- users.	making and holding the government accountable f2) Number of statistical indicators collected by the	Bureau of Statistics	26 (2020)
Specific objective 3: To combat organised crime and stren migrants, trafficking in human beings, violence against w CEPOL			
Expected Results	Indicators	Means of verification	Baseline & targets

a) Strengthened capacity of Moldova to ensure the security of its population and to be more resilient to security threats.	 a1) Inter-agency coordination and cooperation within the Moldovan law enforcement community strengthened, especially with a view to distributions of powers, joint investigations and information sharing. a2) Increased emphasis on basic and in-service training that is operational in nature a3) Increased involvement in international operational cooperation (e.g. Joint Investigation Teams). a4) Ratio of men and women among police and border guard officers a5) Increased awareness of hybrid and cyber threats within the national government 	Internal Affairs (MIA), the General Police Inspectorate (GPI) and the Prosecutor's General Office (PGO). Council of Europe Reporting (cf. Budapest Convention on Cybercrime). EUROPOL reporting in the framework of the existing operational cooperation agreement	
b) A solid and effective framework to fight organised crime is in place to ensure comprehensive and proportionate criminalisation of activities linked to organised crime sufficient resources and expertise, appropriate access of competent authorities to information sources, adequate investigative techniques and effective channels for international cooperation	b1) Cooperation agreements with competent law enforcement authorities signed and implemented (e.g. on Joint Control with the Ukrainian authorities)	Internal Affairs (MIA), the General Police Inspectorate (GPI), the General Inspectorate of the Border Police (GIBP) and the General Inspectorate of Carabinieri (GIC). Reports from the Prosecutor's General Office (PGO). Ad-hoc reporting by EUBAM MD/UA CSO reporting	
c) The National Antidrug Strategy 2020-27 is effectively implemented, and full participation in the EU4Monitoring Drugs programme managed by the European Monitoring Centre for Drugs and Drug Addiction is ensured. The National Antidrug Agency is created and operationalised			

nanced	king of firearms are harmonized with the EU legislation, the Arms Trade Treaty and the UN Firearms Protocol	
nanced	d2) Small arms and light weapons strategy in place	
	d3) Number of cases, individuals concerned, and	
	quantity of misused and trafficked firearms,	
	ammunition and explosives (FAE) prosecuted and adjudicated in comparison to the number of law	
	enforcement reports on respective seizures	
	d4) Number of cases and quantity of FAE seized	
	inland compared to the number of cases and quantity of FAE seized at the external borders;	
	'	
	d5) Number of FAE for which export licenses were	
	issued by national competent authorities, and identified as diverted	
	d6) Firearms Focal Point (FFP) established and	
	operational in each jurisdiction, meeting the the	
	standards of the EU Best practice guidance	
	d7) Number of incidents involving firearms and	
	victims affected by the misuse of firearms,	
	disaggregated by sex and age, in each jurisdiction	
	d8) Number of firearms and ammunition voluntarily	
	surrendered, as well as firearms legalized or	
	deactivated	
	d9) Number of SALW/firearms and their	
	ammunition storage facilities in line with	
	international safety and security standards	
	d10) Number of reported SALW/firearms,	
	ammunition, and explosives (confiscated or surplus)	
	systematically destroyed	
	systematically destroyed	

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e) Enhanced capacity to prevent and fight against trafficking in			
human beings, as well as to ensure the early identification, of			
victims, and provision of proper assistance and support to all		G 1 11 /	
victims or potential victims of trafficking	e2) Number of persons charged and convicted of		
	trafficking in human beings and smuggling of		
	migrants, organised crime, smuggling and		
	counterfeiting, violence against women, including domestic violence		
	e3) Number of trafficking in human beings cases		
	investigated		
	e4) Number of trafficking in human beings victims		
	identified		
	e5) Number of trafficking in human beings child		
	victims that received specialised support, taking into		
	account their specific psychological, protection and		
	assistance needs.		
	e6) Number of specialized training sessions		
	provided to prosecution personnel aimed at avoiding		
	the inappropriate penalization for unlawful acts		
	traffickers compelled victims to commit.		
f) The Istanbul Convention is ratified and implemented, law		Police statistics	
enforcement authorities and the judiciary identify, investigate			
and prosecute cases of gender based violence, public tolerance			
to violence against women is reduced	survived domestic violence over the past 12 months,		
	sex-disaggregated (to be measured through social		
	poll/survey);		
g) A functional and enforceable framework to fight cybercrime			
is in place	g2) Increased involvement in international		
	cybercrime investigations (e.g. Joint Investigation		
	Teams).	(GPI) and the Prosecutor's	
		General Office (PGO).	
		Council of Europe Reporting (cf.	
		Budapest Convention on	
		Cybercrime).	
		EUROPOL reporting in the	
		framework of the existing	
		operational cooperation	
		agreement	
		agreement .	

h) Cooperation in CBRN related issues from the perspective of h1) Value of illicit goods, arms etc. seized			
counter-terrorism, hybrid threats and disaster risk reduction is	counter-terrorism, hybrid threats and disaster risk reduction is		
strengthened			
i) Cooperation with Europol and CEPOL is enhanced	i1) The Serious and Organised Crime		
	Threat Assessment methodology introduced in EaP,		
	number of operational actions carried out under the		
	European Multidisciplinary Platform Against		
	Criminal Threats (EMPACT), as action leader, co-		
	leader or participant;		
	i2) Number of participants in the European Union		
	Agency for Law Enforcement Training activities,		
	including within the Training and Operational		
	Partnership against Organised Crime (TOPCOP)		
	regional project, and number of joint investigation		
	teams.		

Priority area 3: Environment and climate resilience Specific objective 1: To promote the development of a resource-efficient, clean and circular economy based on a more sustainable use of natural resources as well as promoting green public services, including sustainable transport connectivity, and the protection of nature and ecosystems **Expected Results** Indicators Means of verification **Baseline & targets** a) Establish and make operational a permanent system Increase in the number of fixed monitoring stations Reporting by competent authorities for air quality monitoring of air pollutant concentrations, in the framework of a broader air quality management system and in line with EU Directives 2008/50 and 2004/107 b) Establish and implement air quality plans and Share of areas with excessive air pollution covered by Reporting by competent authorities measures in areas with excessive concentrations of air quality plans; reduction of air pollutant air pollutants, and in line with EU Directives concentration levels 2008/50 and 2004/107 c) Annual submissions of air pollutant emission Annual emission inventories submitted under the Air Emission inventory reviews under the inventories and projections, in line with the EU Convention and found to be of good enough quality in Air Convention Directive 2016/2284 and the Air Convention the emission inventory reviews Gothenburg Protocol requirements

protected areas, biodiversity protection and green measures, sustainable management of water and land resources (incl. sustainable irrigation) expanded		development and environment M&E reports Project reports	20 % of the total agricultural land
	Emissions Trading System or other carbon pricing		
	water and waste water systems, incl. to women who		75% of the population target: 90 % of the population 65% of the population target: 80 % of the population 60 % of the population 80 % of the population
·	located on the indicative extension of the TEN-T networks built, upgraded and regularly maintained; c2) Number of passengers using public transport in major cities; c3) Number of fatalities and serious injuries due to		Roads 415km (2019 SRA) & 1000km (2030 TEN-T Indicative Investment Plan) Railways 0km (2020) & > 200km (by 2025) 50% increase compared to 2020 50% reduction compared to 2020
Specific objective 2: To improve energy security and	d promote green growth, including through promot	ing energy efficiency and renewable en	ergy

Expected Results	Indicators	Means of verification	Baseline & targets
a) Increased energy security	a1) Completion of the strategic infrastructure projects on gas and electricity connectivity with EU/Romania; gas storage obligations and new synchronous connection with EU/Romania; Energy intensity a2) Proportion of the Moldovan population having acceptable access to diversified sources of energy.	National MRV system National Bureau of Statistics Project report	no gas transit currently gas pipeline fully used and electricity interconnection in place
b) Increased energy efficiency and higher share of renewable energy from local sources in the energy mix, increased market competition and transparency also through enhanced independence of the energy regulator and implementation of EU energy market and sustainable energy legislation	b2) Renewable energy generation capacity installed (MW) with EU support		Relevant EU acquis implemented 770 kgoe/1000 EUR to align with EU average, 120 kgoe/1000 EUR Energy intensity (TFES/ GDP) in thousand tons oil equivalent/USD PPP (baseline – 0.118 (2019); target to be established) CO2 emission from Fuel combustion, million tons (baseline -30.9 (2018), target to be established) Greenhouse Gas (GHG) emissions avoided (tons CO2eq) with EU support

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in all sectors of the economy	c1) Number of measures taken to integrate environmental and climate concerns in each sector of the economy and to promote the implementation of Green Growth Indicators and relevant national SDGs for policy making in Moldova. c2) CO2 emissions/other Greenhouse Gas emissions (tons CO2eq) (per capita and per unit of GDP	responsible for economy, climate and environment	Reduction in line with the updated NDC under the Paris
			agreement
d) New green economic development and jobs created linked to the green transition, equally available to		National Bureau of Statistics Project reports	30% of the total new jobs created
Specific objective 3: To modernise relevant legislat (including both mitigation and adaptation policies).			50% er to reinforce climate resilience
Expected Results	Indicators	Means of verification	Baseline & targets
a) Continued approximation with EU <i>acquis</i> with policy documents, laws and secondary legislation related to climate action and environmental legislation	to climate and environment transposed and	Reporting by Ministry responsible for climate and environment Project reporting	

b) Improved administrative set up with the capacity to			
elaborate, implement and enforce environmental and	indicators to measure environmental and climate	climate and environment	
climate-related legislation;	capacity		
		Environment Agency and Inspectorate	
	b2) Number of inspections completed, enforcement	reports	
	actions initiated, and penalties levied.		
	, 1		
c) A legal and regulatory framework in the fields of	e1) Number of citizens, especially women, having	Independent surveys/studies	
environmental and climate action, which is more	access to decision-making tools and to environmental		
conducive to the engagement of citizens in general and	information in the fields of environmental and climate		
	action		
d) A reinforced civil society network on	d1) Number the civil society network on	Project reporting	
environmental and climate issues, with strong	environmental and climate issues		
capacities to participate effectively in decision-making			
processes			
<u>u</u>			

Priority area 4: Resilient digital transformation

Specific objective 1: To support the adoption of legal frameworks related to digital transformation in line with EU legislation and best practices and strengthen e-governance

Expected Results	Indicators	Means of verification	Baseline & targets
a) Digital-related legal framework adopted or revised in line with EU legislation and best practices, and implemented		National Bureau of Statistics, MEI reports, Project reports	0(2021) / 1 (2022) / 3 (2027)
	 b1) Number of people with access to broadband internet with EU support (disaggregated by sex, geographic region, urban/rural, age group, and type of connection, i.e. mobile or fixed) b2) % of the territory with access to broadband internet with EU support. 		Tbd (2021) / tbd (2024) tb (2027)
c) IT solutions increase efficiency, transparency and accountability for public administration	c1) Number of people (disaggregated by sex, geographic region, urban/rural, age group, and type of connection, i.e. mobile or fixed) and companies (disaggregated by sex of owner and/or top manager) who benefit from access to digitalised public and private services due to EU support; c2) Number of digitalised government services included in interoperable platforms; c3) Share of population (disaggregated by sex, geographic		Tbd (2021)/ tbd (2024)/ tb (2027)
	region, urban/rural, age group) who report using digitalised		Tbd (2021)/ tbd (2024)/ tb (2027)

d) Space data and services are taken into consideration in policies and solutions for efficient agriculture, smart and safe transport, emergency response.		public services	Space data and services weren't taken into consideration in policies and solutions for efficient agriculture, smart and safe transport, emergency response in 2020 Uptake of Space Data and Services in 2025
Specific objective 2: To assist digital start-ups and SMI	Es to improve their access to finance, reach into EU mar	kets, and link with EU innovati	on ecosystems
Expected Results	Indicators	Means of verification	Baseline & targets
	a1) Action plan for the creation fully fledged digital start- ups eco-system adopted and implemented	MEI reports, Projects reports National Bureau of Statistics	,No AP/ AP adopted and implemented (2023)
b) New digital start-ups created and increased SMEs access to finance, including women-owned.	b1) Number of new digital start-ups (disaggregated by sex of owner and/or top manager) supported b2) Conversion ratio from the start-ups early stage to scale-upb3) volume of credits and grants disbursed to digital SMEs (disaggregated by sex of owner and/or top manager) b3) Volume of credits and grants disbursed to digital SMEs (disaggregated by sex of owner and/or top manager);		0 (2021) / 500 (2027) 0,06% (2021)/ 0,12% (2024)/ 0,30% 2027 0(2021) / EUR 30 million (2027)
Specific objective 3: To develop robust legal, policy and	operational cybersecurity frameworks based on EU legi	islation and best practices	
Expected Results	Indicators	Means of verification	Baseline & targets
a) Cybersecurity framework aligned to EU legislation and best practices, including alignment with the NIS Directive.		MEI reports, Government and National CERT reports, project reports	0(2021)/ 1(2024)/3 (2027) National CERT non-existing/ National CERT functioning (2023)
b) Cyberattacks effectively countered	b1) Number of cyberattacks countered per year and success ratio		Tbd (2021) / 10 and 80% (2024)/ 10 and 90% (2027)

Priority area 5: Resilient, gender equal, fair and inclusive societies pecific objective 1: To enhance societal resilience through inclusive and equitable quality education, research and innovation, support to civil society organisations, youth mpowerment, development of media and information literacy and enhanced and targeted support for media independence and pluralism			
Expected Results	Indicators	Means of verification	Baseline & targets
a) Improved efficiency and effectiveness of the education system (including resilience to shocks) for better learning outcomes, including through eliminating of gender stereotype from textbooks and teaching processes and ensuring that social inclusion and equity are part of any digital education reform.	ginvestments on teacher training, teacher incentives school upgrade/refurbishment, etc.) la2) School/rationalisation policies for schools and	Financial Accountability) and /or Annual National Budget analysis	is an improved value for mone (VfM) and cost/benefit analysi compared with the previou
b) More equitable access and quality education at all level (primary, secondary, higher education and VET), reduced drop-out rates and gender stereotypes in the selection of	dretention rates (disaggregated by sex, administrative	EMIS – Ministry of Education	b1)Baseline: GER 2019-20 ³⁴ Preschool (sex aggregated): 93,

 $\frac{^{34} \, \underline{\text{https://statbank.statistica.md/PxWeb/pxweb/ro/30\%20Statistica\%20sociala/30\%20Statistica\%20sociala}{2080 \, \underline{\text{https://statbank.statistica.md/PxWeb/pxweb/ro/30\%20Statistica\%20sociala/30\%20sociala/30\%20Statistica\%20sociala/30\%20Statistica\%20sociala/30\%20Statistica\%20sociala/30\%20Statistica\%20sociala/30\%20Statistica$

future professions;	etc.)	Preschool boys: 92,0
•	b2) Drop-out rates of children with disabilities,	Preschool girls: 96,0
	disaggregated by sex	Primary education (se
	b3) Number and dynamic of enrolment in VET and	aggregated): 106,2
	dual VET, with disaggregation by sex	Primary education boys: 105,2
		Primary education girls: 107,3
	b4) Share of VET and higher education	Secondary education (se
	establishment students by specialties (fields of	aggregated): 105,4
	study), disaggregated by sex;	Secondary education boys: 104,
		Secondary education girls: 106,
		Total school enrolment grade 1
		12 (absolute figure 2019-20)
		329230 ³⁵
		Target:
		GER (Improvement compare
		with previous period)
		Total school enrolment: increas
		compared with previous period.
		b2)
		Baseline: Not available (TBD)
		Target: TBD
		b3)
		Baseline ³⁶ : In VET in 2018-201
		total number of students: 44348
		In 2019-2020: 43564.
		Dual VET:
		enrolled in 2019: 1295
		enrolled in 2020: 1494
		In secondary technica
		vocational education:
		in 2018-2019 total number of
		students: 15306, enrolled in 2018: 7746.
		In 2019-2020: total number of
		students 14673,
		enrolled in 2019: 7223
	I I	pinonea in 2017. 1223

https://sime.md/ords/f?p=201:79:14955901505823::NO:::
 https://mecc.gov.md/sites/default/files/accesul la invatamantul profesional tehnic. analiza statistica anul de studii 2019-2020.pdf

			Target: in addition to
			quantitative aspects, given the
			high demographic variability due
			to natality and migration rates, it
			is important to observe
			qualitative aspects of the process
			and involvement of the actors.
c) Increased availability and presence of qualified and	c1) Percentage of teachers in service who have Na	ational statistics	c1)Baseline: 2020, about 75%
motivated teachers and education staff	completed nationally required EN	MIS - – Ministry of Education	Target: 100% by 2027
	training/qualification/certification program, Sci	chool registers	
	disaggregated by sex		c2) Baseline: in 2020 the average
	c2) Pupil/qualified teacher ratio		ratio across levels is 11,9 : 1
	c3) Average qualification of teachers at each		Target: ratio in the range 15-20:
	education level		1 by 2027
	c4) Number of teacher's application and recruitment		
	each year (disaggregated by sex)		c3)
			Baseline:
			in 2020 1170 graduates, 585
			placed, 280 hired.
			Target:
			in 2027: 1500 graduates, 1000
			placed, 500 hired.
d) Improved use of appropriate teaching and learning method	d1) Percentage of teachers trained and certified to EN		d1) Baseline: 20.000
and resources, including digital resources	use digital resources, disaggregated by sex		Target: 14.000/year
	d2) Percentage of teacher attending in-service		
	training/refreshment pedagogical training,		d2) Baseline: 24%
	disaggregated by sex		Target: 35%
	d3) Percentage of accredited teacher training		
	programs		d3) Baseline: qualitative
			Target: qualitative
e) Improved access to, relevance and quality of lifelon		_	e1) Baseline: 2020: 47 in 10
learning		lucation, Culture and Research	
	e2) NEET (people not in employment, education and and		Target: 2027: 500 in 30
		ata from Ministry of Labour	qualifications
	e3) Number of people who have benefited from		2) D 1: 37 400
	institution or workplace based VET/skills		e2) Baseline ³⁷ : 40%
	development interventions supported by the EU		Target: 30%
	(EURF), disaggregated by sex		0 P 1
			e3) Baseline: TBD

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³⁷ https://www.oecd.org/countries/moldova/Youth_Well-being_Policy_Review_Moldova.pdf

			Target: TBD
	universities and research institutes f2) number of international publications with joint authorship from universities and research		f1) Baseline: 52 Target: 80 f2) Baseline: in Horizon 2020, Moldovan entities have participated 97 times to 67 signed grants of collaborative, MSCA, ERC and SME Instrument actions of Horizon 2020, receiving 7.4 million euros of direct EU contribution Target: an increase by 40% for Horizon Europe f3) Baseline: 12 in 2020, 8 in first quarter 2021 Target: at least 30 by 2027 f4) Baseline: 0 Target: 1
diversification of the economy is increased thanks to the growth	31	Data from Ministries Data on participation of Moldova in Horizon Europe	g1) Baseline: 23 partnerships between public research organisations and entrepreneurs Target: at least 50 partnerships by 2027 g2) Baseline: 23 applied research projects and technology transfer projects Target: TBD

	(h.4) xx 1 0	1	
h) Capacity of civil society organisations, including social partners, youth organisations and grassroots organisations in			
rural areas, strengthened to engage meaningfully in policy-			
making processes and policy dialogue	dirough Lo support		
i) Strengthened media, information and digital literacy and	(1) amount of time dedicated to media and	Reports of MoE	
critical thinking skills of citizens	information literacy and development of critical		
	thinking skills in school curricula	NGOs reports	
	i2) number of NGOs involved in MIL and critical		
	thinking skills involved in the education process		
	i3) number of fact-checking NGOs and project	t	
	supported and working in the country		
j) Strengthened media independence and pluralism.	j1) Market share and number of media with sound		
	editorial policies and transparent ownership		
		EU, CoE monitoring reports	
	j2) transparent system of audience measurement and		
	advertising market j3) efficient and transparent regulatory bodies		
	monitoring the information space		
	j4) independent Public Broadcaster fulfilling its	,	
	public service role		
k) Capacity of civil society organisations strengthened to			
address disinformation, including monitoring, training and			
awareness raising activities.			
sSpecific objective 2: To ensure mobility and people-to-peo	ople contacts, and reduce brain drain by strengthe	ening social inclusion and qualit	y of life;
Expected Results			Baseline and Targets
a) Migration-sensitive approaches are promoted horizontally			a1. TBD
in all strategic sectors of the EU-MD AA and bilateral cooperation programmes		Data from Ministry of Interior	a.2 TBD
cooperation programmes	a2) Number of EU funded assistance interventions	and from European Commission	
	reporting improvement of compliance of Border	DG HOME	
	and Security Systems with EU/Schengen Acquis		
	(Result indicator 5.1.2, IPA PF 2.14)		
	a3) Number of formal high level dialogues at ministerial level per year (including on migration)		
	(Result indicator 4.3.1)		
	(Result indicator 4.5.1)		
b) Moldovan economy and society benefit from diaspora		Data from Ministry of Interior,	b1)
engagement, in-country investments from migrant remittances		Ministry of Economy, and EU	
labour migration and integration of returning migrants		services	

			,
	b2) Number of returning nationals benefitting from		Baseline ³⁸ : The return rate in
	reintegration support;		2019 decreased to 63%
	1.2) V-1f		(compared to 86% in 2018), with
	b3) Volume of remittances, investments from		4,720 Moldovan nationals
	remittances and migrants savings		effectively returned.
			Target: Increase in return rate.
			b2)
			Baseline: Remittances in 2019
			(1.9 Billion USD = 16% GDP)
			Target: TBD
			14.50.122
c) Data management capacities of the national authorities	c1) Number of migration management or forced	Data from Ministry of Interior	TBD
(including in statistics services) are strengthened, and sex-		and from European Commission	
disaggregated migration data are mainstreamed for evidence-			
based policy planning in all sectors	EU support (Result indicator 5.1.1, EURF 2.18, IPA)		
poney pranting in an second	PF 2.13)		
d) Social inclusion is enhanced through strengthened legal and		National statistics	TBD
policy frameworks of social protection and safety nets for			
	and economic inequality (Result indicator 3.4),		
	disaggregated by sex		
e) Enhanced capacities on migration and mobility, including		Frontex reports	2020/2019:
to enhance border management, also via cooperation with		Tontex reports	1.Issuance rate: 60% (40%)
Frontex, to prevent irregular migration and fight against			1.155dance rate: 0070 (1070)
migrant smuggling, to reinforce the effectiveness of return and		FIIRAM reports	2.Irregularly staying nationals:
readmission procedure and their sustainability, to decrease the		Eurostat	24 610 (16 480)
number of unfounded asylum applications, and to promote legal		Eurostat	24 010 (10 480)
	requests submitted by Member States (issuance		3. Return rate: 39% (63%)
	rate);		5. Return rate. 39% (03%)
	b4) Number of Moldovan nationals in the EU with		2020:
	no right to stay on the EU territory;		1. Rejected applications at first
	b5) Number of Moldovan nationals effectively		instance: 3,535
	· ·		mistance: 5,555
	returned following a return decision issued by a		O 1 milet musicut au 1991
	Member State (return rate);		2. 1 pilot project on legal
	b6) Number of unfounded asylum applications;		migration between Slovakia and
	Number of initiatives supported to promote legal		Moldova
	migration;		
	b7) Number of persons prevented from irregularly		
	crossing the border;		

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 $^{^{38}}$ COM(2020) 325 final 'THIRD REPORT UNDER THE VISA SUSPENSION MECHANISM', July 2020

	b8) Number of	institution	s suppo	rted to	prevent and	1			
	fight against ii	rregular m	igratio	ı (throu	igh capacity	7			
	building, technic	cal equipn	nent).						
f) Continued fulfilment by Moldova of the visa liberalisation	g1) Actions t	taken to	ensure	e the	continuous	EC Visa Suspension Mechanism	g.1) Baseline	: finding	s from the
benchmarks, including addressing the recommendations in the	fulfilment of the	e visa libe	ralisatio	on benc	hmarks and	Annual Reports	European	Commis	ssion 4 ^{tl}
regular Visa Suspension Mechanism Reports issued by the	to address the C	Commissio	n recor	nmenda	ations of the		Report on	Visa S	Suspension
European Commission.	annual reports	s under	the	Visa	Suspension	National statistics	Mechanism (2	2021)	
	Mechanism						Target: im	plement	ation of
							recommendat	ions	from the
							European Co	ommissio	on Annual
							reports on	Visa S	Suspension
							Mechanism (2	2021)	

Specific objective 3: To contribute to the facilitation of the settlement of the Transnistrian conflict by increasing confidence between both sides of the Nistru River through joint initiatives involving local authorities, civil society organisations and other stakeholders, and to address specific security-related concerns of men and women through the Women, Peace and Security Process.³⁹

Expected Results	Indicators	Means of verification	Baseline & targets
	from EU supported interventions that specifically aim to support civilian post-conflict, peace	Organizations data	a1) Baseline: TBD Target: at least 250 individuals benefitting directly and at least 25,000 indirectly from EU supported interventions by 2027 a2) Baseline: ~15% Moldovan population below the poverty line in 2020 Target: ~9 % Moldovan population below the poverty line by 2027
b) Community development is enhanced through capacity building, small-scale initiatives by existing platforms for civil society organisations cooperation, and having specific security-related concerns of men and women identified and addressed.	benefitting from (or reached by) EU support (Result		b1) Baseline: TBD Target: At least 5 CSO sectoral platforms supported, for a total of at least 20 grassroots level organizations involved in EU support

³⁹ Please refer to UN Security Council Resolutions on Women, Peace and Security.

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		b2) Baseline: TBD Target: TBD
c) Progressive rapprochement or alignment in pilot sectors (to be identified).	d1) Identified focal sectors and number and type of interventions successfully implemented (qualitative)	c1) Baseline: no specific pilot sector identified under CBM 2019-22, except two flagship projects in the area of cultural heritage. Target: at least 2 pilot sectors identified and 2 pilot projects implemented by 2027.

Annex 2. Donor matrix showing the current indicative allocations per sector 2021-2024

Sector of intervention	AT	BG	СН	CZ	DE	EIB	ES	FI	FR	HU	IT	LT	LV	NL	PL	RO	SK	SE	Total
1. Democratic Governance and Public Administration				х					Х				х	Х	х	х	х	х	8
2. Financial sector and Economic Governance						х						Х	×	x	X			X	6
3. Economic Development			х	Х	Х	Х							Х		Х		Х	Х	8
4. Local Governance	х		х		Х				х				х		Х	х	Х	X	9
5. Justice and Home Affairs				X					х			х	х	х	х			х	7
6. Social Protection and Health	х		х	х		х			х				х		х	х	х		9
7. Employment and Education	х		х	х	х	х			х						х	х			8
8. Culture and Media			х					Х	Х			Х	х	х	Х			X	8
9. Civil Society	х		Х					Х	х			Х	Х	х	Х			Х	9
10. Environment and climate change	х			х		х		Х							х	х		х	7
11. Energy and Transport				Х		Х						Х			Х				4
12. Agriculture, Food safety and Rural Development				х		х							х		х		х	X	6
13. Transnistria (cross cutting)			х	X	х			Х							X		х	х	7
Total	5		7	9	4	7		4	7			5	9	5	13	5	6	10	

Annex 3 Flagship Initiatives for Moldova

Flagship 1: Supporting a sustainable, innovative, green and competitive economy — direct support for 50 000 SMEs

Equity investments will accelerate the integration of Moldovan SMEs into wider EU value chains and help SMEs comply with EU standards. From 2021, the EU will roll out programmes to foster the overall competitiveness of the Moldovan economy, with a focus on the green and digital transitions. Simultaneously, investments in flanking measures will further develop the food testing system (laboratories) to adapt to DCFTA requirements. Overall support reaching SMEs: EUR 500M.

Flagship 2: Boosting EU-Moldova trade — construction of an inland freight terminal in Chisinau

In order to facilitate trade and reduce bottlenecks, and building on the logistics centre identified in the TEN-T investment plan, an inland freight terminal will be constructed in Chisinau (where 80% of all import/export operations take place), allowing for customs clearance and the provision of other essential freight services closer to the consumption and production centres. Estimated cost: EUR 30M.

Flagship 3: Increasing energy efficiency — expanding the refurbishment of district heating systems in residential buildings in Chisinau and Balti

Building on similar investments in the energy efficiency of public buildings, the heating grid will gradually be replaced to allow residents to regulate the heating in their own apartments. In addition, thermal insulation will be provided to further improve energy performance. This will boost energy efficiency and reduce CO2 emissions, create jobs, improve people's quality of life and reduce their electricity bills. Estimated investment: EUR 300M.

Flagship 4: Improving connectivity — anchoring Moldova in the TEN-T

A combination of technical assistance and investment in new and existing infrastructure will improve the roads and railways. From 2021, the Connectivity Facility will provide advisory services and technical assistance to help the partner countries plan, prepare and implement infrastructure projects relating to the TEN-T. The Road IV programme will cover Moldova's main road infrastructure, facilitating trade with the EU and strengthening the Government's capacity to maintain roads and protect physical assets through efficient axle load controls. Estimated investment: EUR 780M.

Flagship 5: Investing in human capital and preventing 'brain drain' — modernisation of school infrastructures and implementation of the national education strategy

Human capital underpins the sustainability of economic recovery and competitiveness. The EU will provide assistance to the Ministry of Education, Culture and Research in its efforts to implement the national education strategy. The aim is to improve access, relevance and quality of education via technical assistance, supply of equipment (analogue and digital learning materials in line with the updated curriculum) and the refurbishment of school infrastructure. Estimated cost: EUR 25M.