

EUROPEAN COMMISSION

> Brussels, 16.12.2022 C(2022) 9686 final

COMMISSION IMPLEMENTING DECISION

of 16.12.2022

on the financing of the annual action plan in favour of the Republic of Moldova for 2022

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THE EUROPEAN COMMISSION,

Having regard to the Treaty on the Functioning of the European Union,

Having regard to Regulation (EU, Euratom) 2018/1046¹ of the European Parliament and of the Council of 18 July 2018 on the financial rules applicable to the general budget of the Union, amending Regulations (EU) No 1296/2013, (EU) No 1301/2013, (EU) No 1303/2013, (EU) No 1304/2013, (EU) No 1309/2013, (EU) No 1316/2013, (EU) No 223/2014, (EU) No 283/2014, and Decision No 541/2014/EU and repealing Regulation (EU, Euratom) No 966/2012, and in particular Article 110 thereof,

Having regard to Regulation (EU) 2021/947² of the European Parliament and of the Council of 9 June 2021 establishing the Neighbourhood, Development and International Cooperation Instrument - Global Europe, amending and repealing Decision No 466/2014/EU and repealing Regulation (EU) 2017/1601 and Council Regulation (EC, Euratom) No 480/2009, and in particular Article 23(2) thereof,

Whereas:

- (1) In order to ensure the implementation of the annual action plan in favour of the Republic of Moldova for 2022, it is necessary to adopt an annual financing Decision, which constitutes the annual work programme, for 2022. Article 110 of Regulation (EU, Euratom) 2018/1046 ('the Financial Regulation') establishes detailed rules on financing decisions.
- (2) The envisaged assistance should comply with the conditions and procedures set out by the restrictive measures adopted pursuant to Article 215 TFEU³.
- (3) The action provided for in this Decision contributes to climate mainstreaming in line with the European Green Deal⁴ and the inter-institutional agreement.
- (4) The Commission has adopted the Multiannual Indicative Programme for Moldova for the period 2021-2027⁵, which sets out the following priorities under the general heading of resilience: a resilient, sustainable and integrated economy; accountable institutions, the rule of law and security; environment and climate resilience; a resilient digital transformation; and resilient, fair and inclusive societies. These

¹ OJ L 193, 30.7.2018, p.1.

² OJ L 209, 14.6.2021, p.1.

³ <u>www.sanctionsmap.eu</u> Please note that the sanctions map is an IT tool for identifying the sanctions regimes. The source of the sanctions stems from legal acts published in the Official Journal (OJ). In case of discrepancy between the published legal acts and the updates on the website it is the OJ version that prevails.

⁴ COM(2019)640 final of 11.12.2019

⁵ Commission Implementing Decision C(2022)4323 of 29.06.2022 adopting a multiannual indicative programme for the Republic of Moldova for the period 2021-2027

priorities are fully aligned with the Joint Communication on 'Eastern Partnership policy beyond 2020'⁶.

- (5) The objectives pursued by the annual action plan to be financed under the Neighbourhood geographic programme of Regulation (EU) 2021/947 should enhance the Republic of Moldova's state and societal resilience as well as socio-economic recovery, with a particular focus on good governance, stability and peace, as well as providing opportunities for all in an inclusive manner.
- (6) The action entitled "EU4 Resilience and Governance" aims to support the Republic of Moldova's human capital development and advance gender equality, contribute to national stability and territorial integrity, strengthen agri-food systems, and implement support measures enhancing state resilience and inclusive economic development.
- (7) It is appropriate to authorise the award of grants without a call for proposals and to provide for the conditions for awarding those grants.
- (8) Pursuant to Article 26(1) of Regulation (EU) 2021/947 and article 62(1)(c) of the Financial Regulation, indirect management is to be used for the implementation of the action plan.
- (9) The Commission is to ensure a level of protection of the financial interests of the Union with regards to entities and persons entrusted with the implementation of Union funds by indirect management as provided for in Article 154(3) of the Financial Regulation.

To this end, such entities and persons are to be subject to an assessment of their systems and procedures in accordance with Article $154(4)^7$ of the Financial Regulation and, if necessary, to appropriate supervisory measures in accordance with Article 154(5) thereof before a contribution agreement can be signed.

The Commission, in accordance with Article 154(6) of the Financial Regulation, retains the financial management responsibilities laid down in point 4.3.3.4 of the Annex.

- (10) It is necessary to allow for the payment of interest due for late payment on the basis of Article 116(5) of the Financial Regulation.
- (11) In order to allow for flexibility in the implementation of the action plan, it is appropriate to allow changes which should not be considered substantial for the purposes of Article 110(5) of the Financial Regulation.
- (12) The action plan provided for in this decision is in accordance with the opinion of the Committee established under Article 45 of Regulation (EU) 2021/947.

HAS DECIDED AS FOLLOWS:

Article 1

The action plan

The annual financing Decision, constituting the annual work programme for the implementation of the annual action plan in favour of the Republic of Moldova for 2022, as set out in the annex, is adopted.

⁶ JOIN(2020) 7 final of 18.3.2020 – Joint Communication on 'Eastern Partnership policy beyond 2020'

⁷ Except for the cases referred to in Article 154(6) of the Financial Regulation, where the Commission may decide not to require an ex-ante assessment.

The action plan shall consist of the action set out in the annex : EU4 Resilience and Governance.

Article 2

Union contribution

The maximum Union contribution for the implementation of the action plan for 2022 is set at EUR 40 000 000, and shall be financed from the appropriations entered in budget line 14.020111 of the general budget of the Union.

The appropriations provided for in the first paragraph may also cover interest due for late payment.

Article 3

Methods of implementation and entrusted entities or persons

The implementation of the actions carried out by way of indirect management, as set out in the Annex, may be entrusted to the entities or persons referred to or selected in accordance with the criteria laid down in point 4.3.3 of the Annex.

Article 4

Flexibility clause

Increases⁸ or decreases of up to EUR 10 million and not exceeding 20% of the contribution set in the first paragraph of Article 2, or cumulated changes to the allocations of specific actions not exceeding 20% of that contribution, as well as extensions of the implementation period shall not be considered substantial within the meaning of Article 110(5) of the Financial Regulation, provided that these changes do not significantly affect the nature and objectives of the actions.

The authorising officer responsible may apply the changes referred to in the first paragraph acting in accordance with the principles of sound financial management and proportionality.

Article 5

Grants

Grants may be awarded without a call for proposals in accordance with the conditions set out in the Annex. Grants may be awarded to the bodies referred to in the Annex selected in accordance with point 4.3.1.3 of the Annex.

Done at Brussels, 16.12.2022

For the Commission Olivér VÁRHELYI Member of the Commission

⁸ These changes can come from external assigned revenue made available after the adoption of the financing Decision.





THIS ACTION IS FUNDED BY THE EUROPEAN UNION

ANNEX

of the Commission Implementing Decision on the annual action plan in favour of the Republic of Moldova for 2022

Action Document for EU4 Resilience and Governance

ANNUAL ACTION PLAN

This document constitutes the annual work programme in the sense of Article 110(2) of the Financial Regulation, and action plan in the sense of Article 23(2) of NDICI-Global Europe Regulation.

1. SYNOPSIS

1.1. Action Summary Table

1. Title	EU4 Resilience and Governance			
OPSYS	Annual action plan in favour of the Republic of Moldova for 2022			
Basic Act	OPSYS business reference: NDICI-GEO-NEAR/2022/ACT-61535			
	ABAC Commitment level 1 number: JAD.1121752			
	Financed under the Neighbourhood, Development and International Cooperation Instrument (NDICI-Global Europe).			
2. Team Europe Initiative	No			
3. Zone benefiting from the action	The action shall be carried out in the Republic of Moldova.			
4. Programming document	Multiannual Indicative Programme (MIP) 2021-2027 for the Republic of Moldova ¹			
5. Link with relevant	Priority 1: Resilient, sustainable and integrated economy			
MIP(s) objectives/expected	Priority 2: Accountable institutions, the rule of law and security			
results	Priority 3: Environmental and climate resilience			
	Priority 5: Resilient, gender equal, fair and inclusive societies			
PRIORITY AREAS AND SECTOR INFORMATION				
6. Priority Area(s), sectors	Education (110), Government & Civil Society-general (151), Conflict, Peace & Security (152), Other Social Infrastructure & Services (160), Agriculture (311)			
7. Sustainable Development Goals (SDGs)	Main SDG:			

 $^{^{1}}$ C(2022) 4323 final of 29.6.2022 on adopting a multiannual indicative programme for the Republic of Moldova for the period 2021-2027

	governanceAid to environmentGender equality and women's and girl's empowermentReproductive, maternal, new- born and child healthDisaster Risk ReductionInclusion of persons with DisabilitiesNutritionRIO Convention markers				
	Aid to environmentGender equality and women's and girl's empowermentReproductive, maternal, new- born and child healthDisaster Risk Reduction Inclusion of persons with				
	Aid to environmentGender equality and women's and girl's empowermentReproductive, maternal, new- born and child healthDisaster Risk Reduction				
	Aid to environment Gender equality and women's and girl's empowerment Reproductive, maternal, new-				
	Aid to environment Gender equality and women's and girl's empowerment				
	-				
	governance				
	Participation development/good governance		\boxtimes		
10. Markers (from DAC form)	General policy objective	Not targeted	Significant objective	Principal objective	
	 ☑ Human Rights, Democracy and Governance 				
	⊠ Gender □ Biodiversity				
	 □ Climate ⊠ Social inclusion and Human Development 				
9. Targets	□ Migration				
8 b) Main Delivery Channel	42000 - European Commission				
8 h) Main Daliwary	31100 – Agricultural development 4%				
	15210 – Security system managen	nent and reform	15%		
	15150 – Democratic participation 16080 - Social dialogue 19%	and civil society	/ 13%		
	15110 – Public sector policy and administrative management 23%				
8 a) DAC code(s)	11110 – Education Policy and administrative management 26%				
	 learning opportunities for all Other significant SDGs: SGD 1: End poverty in all its forms SDG 5: Achieve Gender Equality and Empower Women SDG 8: Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all SDG 10: Reduce inequalities SDG 12: Ensure sustainable consumption and production patterns SDG 13: Take urgent action to combat climate change and its impacts SGD 16: Promote peaceful & inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels. 				

	Biological diversity				
	Combat desertification	\boxtimes			
	Climate change mitigation				
	Climate change adaptation				
11. Internal markers and Tags	Policy objectives	Not targeted	Significant objective	Principal objective	
	Digitalisation				
	Tags	YES	NO		
	digital connectivity	\boxtimes			
	digital governance		\boxtimes		
	digital entrepreneurship		\boxtimes		
	digital skills/literacy	\boxtimes			
	digital services		\boxtimes		
	Connectivity		\boxtimes		
	Tags	YES	NO		
	digital connectivity	\boxtimes			
	energy		\boxtimes		
	transport		\boxtimes		
	health		\boxtimes		
	education and research	\boxtimes			
	Migration	\boxtimes			
	Reduction of Inequalities		\boxtimes		
	COVID-19		\boxtimes		
	BUDGET INFOR	MATION			
12. Amounts	Budget line(s) (article, item): 14.020111 Eastern Neighbourhood				
concerned	Total estimated cost: EUR 40 000 000				
	Total amount of EU budget contribution EUR 40 000 000				
MANAGEMENT AND IMPLEMENTATION					
13. Implementation	Project modality				
modalities (type of financing and	Direct munigement unough.				
management mode)	- Grants				
	- Twinning grants				
	- Procurement				
	Indirect management with the entities identified or to be selected in accordance with the criteria set out in section 4.3.3.				

The Action will support resilience, recovery and reform in the Republic of Moldova in line with the Association Agenda 2021-2027, agreed in 2022. It aims at enhancing state and societal resilience as well as socio-economic recovery, with a particular focus on good governance, stability and peace, as well as providing opportunities for all in an inclusive manner.

The Action delivers on two of the Flagship actions of the Economic and Investment Plan for the Eastern Partnership², namely Flagship 1: Supporting an innovative and competitive economy – direct support to 50 000 SMEs (specific objective 3) and Flagship 5: Investing in Moldova's human capital and preventing "brain drain" – modernisation of school infrastructure and implementation of the National Education Strategy (specific objective 1).

The four specific objectives of this Action are:

- 1. Support the country's human capital development and advancing gender equality and women's empowerment for better matching the labour market demands through inclusive and gender-responsive policies and improved employment and labour policies and institutional capacities.
- 2. Contribute to national stability and territory integrity, in a deteriorating regional security environment through the reinforcement of national human, institutional, operational and societal capacities.
- 3. Agri-food systems are strengthened, more sustainable and resilient to external shocks and crisis.
- 4. Support measures encompassing policy dialogue, public diplomacy activities, capacity building, technical preparation and any support to facilitate Team Europe coordination at country level, as well as the implementation and evaluation of the EU's cooperation are implemented.

These outcomes are directly linked to the policy objectives outlined in the Joint Communication on the future of the Eastern Partnership³ and in line with the policy targets of the Joint Staff Working Document 'Recovery, resilience and reform: post 2020 Eastern Partnership priorities'⁴ with contribution to the priorities 'Together for resilient, sustainable and integrated economies', 'Together for accountable institutions, the rule of law, and security', 'Together for environmental and climate resilience', and 'Together for resilient, gender-equal, fair and inclusive societies'.

The Action is also coherent with the new National Priorities set in the National Development Strategy "European Moldova 2030" and the EU-Republic of Moldova Multiannual Indicative Programme (MIP) 2021-2027⁵. This Action is a direct contribution to Sustainable Development Goals 4 (inclusive and equitable education), 5 (gender equality), 8 (sustainable employment) and 16 (promote peaceful and inclusive societies).

2. RATIONALE

2.1. Context

The Republic of Moldova is a small country (33.850 km²) located between Ukraine and Romania, with an estimated 2.6 million inhabitants, with women making 52% of total population, and men, 48%. It is one of the

 ² SWD(2021) 186 final – Joint Staff Working Document 'Recovery, resilience and reform: post 2020 Eastern Partnership priorities'
 ³ JOIN(2020) 7 final

⁴ Joint Staff Working Document – Recovery, resilience and reform: post 2020 Eastern partnership priorities – SWD(2021) 186 final - <u>https://www.eeas.europa.eu/sites/default/files/swd_2021_186_f1_joint_staff_working_paper_en_v2_p1_1356457_0.pdf</u>

⁵ Commission implementing decision of 29.06.2022 adopting a multiannual indicative programme for the Republic of Moldova for the period 2021-2027 - C(2022) 4323

poorest countries in Europe. The primary sector represents 30% of employment and 15% of its GDP. More than 30% of the population works in the informal economy, and poverty affects mostly young people with low educational achievements, and people from rural areas. In 2014, the World Bank estimated that 41% of the population lived below the poverty line of USD 5 a day⁶ and 18% of household income depends on remittances. The Moldovan National Bureau of Statistics reported **for 2021 that 24.5% of the population live in absolute poverty**, a decrease of 0.7 percentage points compared to 2019 (25.2%). Moreover, although gas is accessible mostly throughout the country, a sign of the persistent energy poverty is that a sizeable share of the population uses firewood for heating, despite having access to gas⁷. This is in part explained by already higher gas costs in Moldova than in other countries across the Eastern Partnership. A significant proportion of the Moldovan population is therefore **highly vulnerable to the increase in gas, electricity and food prices**.

Against this background, the EU and the Republic of Moldova set ambitious medium-term priorities to achieve the objectives of the 2021-2027 EU-Moldova Association Agenda as well as the five policy objectives of the Eastern Partnership.⁸ In the medium to long term, the EU continues to work together with Moldovan authorities to implement the Economic and Investment Plan (EIP). The EU supports Moldova with concrete investments to help post-pandemic recovery and improve the lives of Moldovan citizens. Under the EIP, the EU will mobilise around EUR 3.4 billion in public and private investments.

Moreover, in response to Moldova's application for EU membership, on 23 June the European Council recognised Moldova's European perspective and granted Moldova the status of EU candidate country⁹. Moldova is expected to take a number of steps, as outlined in the Commission's Opinion of 17 June, to meet the conditions of the process¹⁰. Among the key conditions is an expectation to strengthen the fight against organised crime, as well as strengthen the protection of human rights and sustain its commitment to enhance gender equality and fight violence against women.

The global increase in gas prices, which is affecting Moldova more acutely than other countries in the region, will result in a significant strain on the budget, curtail future economic growth and jeopardise the economic recovery from the COVID-19 pandemic. Before the current gas crisis, the economy was gaining momentum on account of increased political stability, resilient remittances, the positive fiscal impulse (higher public wages, increase in pensions and transfers) and the economic recovery of main trading partners.

The limited resources of the country, low level of social services, and limited prospects has led to significant waves of emigration. As a result, it is estimated that the Moldovan diaspora represents a total of 25 % of the overall population, and those emigrants – both women and men – are mainly below the age of 35 years (which are key human drivers for healthy and dynamic economic development). Furthermore, due to the country's migration profile, with a decreasing birth rate, emigration flows and increased medium age, the population is expected to decrease. The diaspora is not only an important source of remittances for the households (18%) and economic investments thought the country, but it also played a significant role in the recent election of both pro-reform President and Parliament.

This political change has raised hopes for both population residing in Moldova and abroad, with high-level expectations in bringing Moldova closer to the EU standards, in combatting high-level corruption, fostering

⁶https://documents1.worldbank.org/curated/en/168451467995808859/pdf/105722-WP-P151472-PUBLIC-Moldova-Poverty-Assessment-2016.pdf

⁷ <u>https://eap-csf.eu/wp-content/uploads/Energy-Poverty-2019-WEB.pdf</u>

⁸ Joint Communication: "Eastern Partnership policy beyond 2020: Reinforcing Resilience – an Eastern Partnership that delivers for all" - JOIN(2020) 7 final

⁹ European Council meeting (23 and 24 June 2022) – Conclusions (EUCO 24/22) –

https://www.consilium.europa.eu/media/57442/2022-06-2324-euco-conclusions-en.pdf

¹⁰ Communication from the Commission: Commission Opinion on the Republic of Moldova's application for membership of the European Union - <u>https://neighbourhood-enlargement.ec.europa.eu/opinion-moldovas-application-membership-european-union_en</u>

inclusive human capital development, economic growth and employment and as well as improving key public service delivery for employment, education, security, as well as access to healthy and nutritious food.

The government have demonstrated determination to implement reforms in line with the Association Agreement (signed between Moldova and the EU in 2014)¹¹, to defeat the overall mistrust in public authorities and improving the quality of public services, while giving special attention to those most vulnerable.

The difficult economic situation has been exacerbated by the deterioration of the regional security context. Russia's aggression against Ukraine has led to the mass displacement of refugees in Moldova, disrupted transport corridors and supply chains (imports and exports) involving 'traditional' Eastern markets (especially for agricultural products as fertilizer and seeds, fruits, cereals, meat and dairy products), that heavily affected the national economy and resulted in consumer price inflation (31.83% in June 2022¹²).

Although Moldova has immediately responded to the refugee crisis with the significant support of the EU and donor community, it will have to facilitate the socio-economic integration of those refugees who will remain in the country, by promoting employment opportunities and ensuring access to public services: education, employment, housing, security, food, health, and social services, including protection. Since 24 February and as of 26 July, the Republic of Moldova registered 549,333 entries¹³ at the borders between Ukraine and Moldova and there are currently 77,779 foreigners remaining in its territory (including 74,010 Ukrainian citizens), of whom 53 % are children. This puts severe strain on the country's infrastructure and services.¹⁴ The Bureau for Asylum and migration also registered 7,898 asylum seekers applications since 24 February. A potential deterioration of the regional security situation may lead to additional flows of refugees, as well as high likelihood of Moldovan citizens (mainly those with the highest socio-economic background) emigrating.

The Russian aggression against Ukraine is impacting women, including those facing intersectional discrimination, in specific ways and is exacerbating pre-existing inequalities. Women and girls are particularly at risk during humanitarian and displacement crises, as they continue disproportionately to be the victims of discrimination based on gender norms and gender-based violence.¹⁵

In addition, the Republic of Moldova shares a 1202 km border with Ukraine¹⁶, and an administrative line of 453,5 km with the Transnistrian region. The territory of the Transnistrian region is under the control of the de facto Transnistrian authorities, and has become a grey economic, political and security area in the proximity of EU's external borders. Since 24 February, all Border Crossing Points (BCPs) with Ukraine on that segment are closed. The attempt to destabilise the Transnistrian region at the end of April 2022 exposed additional security concerns and vulnerabilities. Continued dialogue and confidence-building measures aimed at improving the lives of the populations on both sides of Nistru river and bringing them closer, are essential for long term peace and stability.

Moldova faces the significant adverse effect of the uncertainty of the geopolitical context combined with the numbers of refugees passing through and settling in Moldova, and the continuing rise in energy prices. The

¹¹ Association Agreement between the European Union 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 of 30.08.2014 – I. 260/4 - <u>https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:22014A0830(01)</u>

¹² <u>https://www.bnm.md/en/content/inflation</u>

¹³ <u>https://data.unhcr.org/en/situations/ukraine#:~:text=Share%20this%20page%3A-</u>

[,]Ukraine%20Situation%3A%20Moldova%20Refugee%20Border%20Monitoring,(14%2D03%2D2022)&text=Almost%20three%20million%20refugees%20have,displaced%20to%20Moldova%20(UNHCR)

¹⁴ The impact of the war against Ukraine on women. European Parliament resolution of 5 May 2022 on the impact of the war against Ukraine on women (2022/2633(RSP)). <u>https://www.europarl.europa.eu/doceo/document/TA-9-2022-0206_EN.html</u>

¹⁵ The impact of the war against Ukraine on women. European Parliament resolution of 5 May 2022 on the impact of the war against Ukraine on women (2022/2633(RSP)). <u>https://www.europarl.europa.eu/doceo/document/TA-9-2022-0206_EN.html</u>

¹⁶ The republic of Moldova shares 1,885 km borders with its two neighbouring countries, with Romania: 683 km, and with Ukraine: 1202 km.

country is focusing on self-reliance, strong, and reliable state services (security, education, prospects for employment) and diversifying the economy to increase resilience to external shocks.

2.2. Problem Analysis

Priority 1 - Improved human capital matching better the labour market demands

This priority contributes directly to EIP Flagship 5: Investing in Moldova's human capital and preventing "brain drain" – modernisation of school infrastructure and implementation of the National Education Strategy.

Investing in human capital underpins the sustainability of economic recovery and competitiveness. As part of this flagship, modernising the education system, improving school infrastructure, matching skills development to labour market demand – with a focus on green and digital jobs – and ensuring the attractiveness of teaching profession are key. The annual action plan in favour of the Republic of Moldova for 2022 and 2023 are planned to contribute to the EUR 25 million estimated overall cost of the programme mentioned for this flagship¹⁷.

Component 1.1: Improved quality and relevance of education and lifelong learning opportunities for all

The education system in Moldova is in a modernisation process since the adoption of the new Education Code in 2014¹⁸, with increasing focus on consolidating the sector Governance, the relevance of education and the quality of teaching and learning. However, the reform process has been facing challenges at all levels of the general education, as well as in vocational education and training (VET) and life-long learning.

In the 2021/22 academic year, Moldova's education system was comprised of 1,346 education institutions¹⁹, with 336,713 students enrolled in primary and secondary education (170,702 boys and 166,011 girls)²⁰, representing 91.8% (90.7% for boys and 93.0% for girls) of the population aged 7-18 years normally resident in the country²¹.

Although Moldova has one of the highest pre-school enrolment rates (93.1% for both sexes, 93.0% for boys, 93.1% for girls²²) among countries in the sub-region, the education system is negatively impacted by urbanrural discrepancies, with almost one third of children in rural areas not attending early education opportunities, compared to almost universal access to kindergartens in urban areas²³. Apart from failing to provide equal

 ¹⁷ SWD(2021) 186 final – Joint Staff Working Document 'Recovery, resilience and reform: post 2020 Eastern Partnership priorities'
 ¹⁸ EDUCATION CODE OF THE REPUBLIC OF MOLDOVA. No. 152 dated July 17, 2014. Published on October 24, 2014 in the Official

Gazette no. 319-324, article no. 634. Date of entry into force: November 23, 2014. Available here:

https://mecc.gov.md/sites/default/files/education_code_final_version_0.pdf

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²³ UNICEF Moldova, Early childhood development Report.

opportunities to children in rural areas, this disproportion also negatively affects women as primary caregivers, since they are prevented from engaging into productive and paid activities.

Moldova has almost universal primary and secondary education completion rates for boys and girls. Whilst enrolment rates for primary, secondary and tertiary education witnessed steady increase in the last decade with (sex aggregated) 2021-22 Gross Enrolment Rate (GER) in primary education as 107,1 % (disaggregated: 107,6% boys and 106,6% girls)²⁴, access to good quality primary and secondary education remains relatively low compared to other countries in the region. Issues related to quality of education and barriers to access for children with disabilities and special educational needs persist, as well as integration of Roma children and other minorities. Another vulnerable group are children who have at least one parent residing abroad. In 2020, single-parent families represented 8.0% of all families with children. In the urban environment, the share of single-parent families was 3.8 percentage points higher compared to the rural environment (10.1% versus 6.3%)²⁵.

According to demographic projections, by 2035 the population aged under 24 will decrease by almost 33%, compared to the situation in 2014, due to sharp decreased fertility rates, and high emigration rates²⁶. The decline in the number of students in recent years has had a negative impact on the efficiency of the education system, forcing the optimisation of school infrastructure (widely incomplete) and introduction of per-capita financing. In turn, this has led to a decrease in Government spending on education as a share of GDP from 9% in 2009 to 5.5% in 2021²⁷.

As much as 53.3% of employed persons with higher education are women and 46.7% are men in 2021²⁸. Among employed women, 31.3% have higher education and 18.0% have secondary specialised education. Among employed men, 24.8% have higher education and 10.6% have secondary specialised education²⁹. At the same time, 55% of women and 52.5% of men have lower or upper secondary and general secondary education³⁰. According to research more young women choose higher education because of an intent to have a profession that would help them emigrate³¹. It proves that Moldova has large education potential of women. As long as it is paired with development of managerial and entrepreneurial skills and knowledge in starting up and running business, it can help more women to launch their ventures or build careers in economy.

Despite the implementation of efficiency measures like the per-capita financing, shrinking of the child population has not been followed by rationalisation of teaching and non-teaching school staff. As a result, in the last few years, Moldova has improved its student-to-teacher ratio, which now stands at 11.9:1 on average³². In 2021-2022 school year, for primary and general secondary education institutions this indicator stands at 13.0:1³³. An optimisation in staffing levels is necessary and will likely require more time and effort to further streamline efficiency through redistribution of wage bills towards a system of standards and career

³⁰ Ibid.

²⁴

https://statbank.statistica.md/PxWeb/pxweb/en/30%20Statistica%20sociala/30%20Statistica%20sociala_07%20INV_INV010/I NV010300rcl.px/table/tableViewLayout1/

²⁵ https://statistica.gov.md/newsview.php?l=ro&id=7002&idc=168

²⁶ Analysis of population situation in the Republic of Moldova, Centre for Demographic Research, Chisinau, 2016

²⁷ <u>https://statistica.gov.md/newsview.php?l=ro&idc=168&id=7324</u>

²⁸

https://statbank.statistica.md/PxWeb/pxweb/en/30%20Statistica%20sociala/30%20Statistica%20sociala_03%20FM_03%20MU N_MUN010/MUN110500.px/table/tableViewLayout1/

https://statbank.statistica.md/PxWeb/pxweb/en/30%20Statistica%20sociala/30%20Statistica%20sociala_03%20FM_03%20MU N_MUN010/MUN110500.px/

³¹ Government of the Republic of Moldova. Ministry of Health, Labour and Social Protection. National Level Review on the Fulfilment of Commitments Taken under the Beijing Declaration and Platform for Action (Beijing+25), 2020, p.16, https://unece.org/fileadmin/DAM/Gender/Beijing_20/Moldova.pdf

³² UNITED NATIONS MOLDOVA, COMMON COUNTRY ANALYSIS 2020 ³³

https://statbank.statistica.md/PxWeb/pxweb/en/30%20Statistica%20sociala/30%20Statistica%20sociala_07%20INV_INV030/I NV030600reg.px/

progression: (i) higher salaries for more qualified and competent teachers, and (ii) increased allocations for training and retraining of teachers. Additionally, the potentially favourable student-teacher ratio deriving from the demographic trends is not reflected in improvements in pupils' performances. According to PISA 2018 students in Moldova scored lower than the OECD average in reading, mathematics, and science³⁴. Furthermore, there are clear disparities in performance according to the socio-economic status of the child's family, while children in rural areas perform worse than their peers in urban settings, and girls usually outperform boys.

Inadequate curricula and poor teaching quality are probably the most important contributing factors to poor learning outcomes and performances of students. The latest school-level data from the National Bureau of Statistics show that 26,900 teachers are employed in the country's general education institutions, 75% of whom hold some sort of pedagogical certification and 19.5% of whom are of post-retirement age. The share of teaching staff of retirement age has more than doubled in the last decade, indicating a rapid ageing of the profession. Teaching staff engaged in pedagogical work for 20 years and over accounted for 56.9% of the total number of people employed in the education system.

Yet another important problem is gender segregation in specialisations/fields of study. According to data from 2017, women with university degree greatly outnumbered men in the sectors related to jobs of business and administration professionals (81%) and administrative and commercial managers (66.7%). At the same time, women made less than 32% of employees with a STEM (Science, Technology, Engineering and Mathematics) tertiary education level, namely 31.6% of Science and engineering professionals and 27.3% of ICT (information and communications technology) professionals. More than 50% of employed women with tertiary education studied education, accounting or policy administration, while men studies science and engineering (including farming, forestry and fisheries advisers; mechanical engineering; electrical engineering), as well as law and economy³⁵.

The curriculum of all education levels is reviewed quite regularly and adjusted to the emerging learning needs, in an attempt to align the supply of skills with the labour market demands. However, essential skills for enabling green transition are still only partially embedded in the study programmes in both general and vocational education. Teaching and learning of specific STEM competences in the area of low-carbon, as well as overall young people awareness on responsible consumer behaviours in climate and environment issues have wide room for improvement.

The capacities of the education system to overcome gender stereotypes among children should be also utilized. Currently, gender stereotypes in the education materials and processes are considered to be the major reason for sex-biased selection of occupations and underrepresentation of women in public processes. Gender examination of textbooks, training to teachers to increase their gender sensitivity and special courses on gender equality and human rights in secondary and tertiary education curricula are necessary in this regard.

According to projections, about 2,300 teachers will be missing for optimal distribution in the upcoming years, with a particularly difficult situations for primary school teachers and science teachers in secondary school. A system of financial and non-financial incentives (paid annual in-service teacher training and allowances) has been recently initiated for young graduates accessing the teaching job. These measures have resulted in a modest rise of the number of new teachers in the past 2 years. However, a strong effort to improve the entire teacher professional development system, from pre-service training throughout in-service, accompanying the career progression is currently missing, thus hampering the children of Moldova fully benefit from structural changes derived from the 2014 modern Education Code. Extreme feminization of teaching profession should be also balanced. Currently, 87.4% of teachers are women, while women occupy 91.8% of management positions³⁶. More men should be supported to become teachers.

³⁴ OECD, 'Programme for International Student Assessment (PISA), Results from PISA 2018: Country Note for Moldova', 2018.

³⁵ World Bank Group. Gender Inequalities in Moldova's Labor Market, 2018, p. 18.

³⁶ The activity of primary and general secondary education institutions in the 2019/20 academic year', 2019. <u>https://statistica.gov.md/newsview.php?l=ro&idc=168&id=6549</u>

Complementary to the demand for highly qualified teachers and high-quality curricular resources, the unknown unfolding of epidemiological situation in the Republic of Moldova and the risks of similar events in the future are elements of concerns for the Moldovan education system, who is still not equipped for optimal distance learning processes, with a significant number of students and teachers at risk of being left behind due to lack of sufficiently stable internet connectivity or for lack of IT equipment (computer or tablets). In this context, the digitisation of educational institutions and the increase of digital capacities of teachers (Digital Literacy of Teachers) remain a priority for the whole education system.

According to the data³⁷ collected at the beginning of the school year 2020-21, there are obstacles for proper roll-out of online training due to the lack of Internet connectivity or IT equipment.

As concerns higher education and its ties with research and innovation, following the reform of the Science Code in 2017 also the governance of the Moldovan research and innovation system is in a modernisation path, with a rational distribution of roles and responsibilities between the policy maker – Ministry of Education, Culture and Research - and an independent implementing agency – the National Agency for Research and Development. The ground is set for further integration of research and higher education, especially in view of progressively reducing the fragmentation experienced at present. Higher education defragmentation has started by some limited university fusions, however for a high and relevant impact this process should continue with stronger emphasis, despite political risks associated with it. Opportunities for youth and student exchanges (including through Erasmus+), and stronger investment in research capacities to build the human capital and to integrate research and innovation systems are much needed for socio-economic development.

Russia's aggression against Ukraine and the refugee crises generated by it as from February-March 2022 has produced additional challenges on the Moldovan education systems, emphasising existing structural shortcomings and creating new ones. As of mid-May, the Republic of Moldova hosts around 45,000 refugee children with only 1,800 children enrolled into the national education system. The findings and recommendations from various mapping and assessments that are being carried out in second quarter 2022 by UN Agencies will allow to better plan for the medium and long-term education interventions for refugee children and specifically to ensure children continue to learn during the crisis and are integrated into the national education system.

Among the bottlenecks that need to be addressed to ensure refugee children are fully integrated in the mediumlong run there are: 1) the introduction in the legislative and institutional framework of mechanisms to provide facilitated, free-of-charge access to refugee children in spite of their current status at all levels of education in Moldova, 2) the lack of transitional measures to integrate learners into mainstream education, such as spaces for providing non-formal and formal learning, summer camps to catch up with missed learning, language classes and others; 3) insufficient number of teachers to deal with the increased number of students, provide materials, training, and equipment to ensure all students can benefit from learning equally and throughout the country.

Addressing these shortcomings in education requires an intervention at system level, aligned with the Moldovan national strategic policies and targets, especially those in human rights sector, and complementary with financial commitments of the national authorities and other development and humanitarian partners.

The priorities of the Moldovan human capital development are outlined in the National Education Strategy 2030, which has been drafted and revised in 2021 and 2022 and is currently awaiting final approval. As a result of the implementation of the National Education Strategy 2030, the national education system in 2030 will be able to provide high quality, inclusive and equitable education to all citizens throughout life, at all levels of education, it will meet the needs of those learning and society, will become more resistant, flexible, offering education without interruption under the always social, economic, demographic conditions, will become a real factor of ensuring sustainable, social and economic development, by forming quality human

³⁷ Data from Ministry of Education, Culture and Research.

resources and will be an essential factor for the development of knowledge-based society.³⁸ The National Education Strategy 2030 will be implemented through a multiannual Implementation Plan (Education Sector Plan ESP), which focuses on equitable access, quality and relevance of Education, as to address priority needs highlighted in the Education Sector Analysis (ESA) carried out in 2019 and updated with additional surveys in the subsequent years, including a diagnostic study on selected domains of the Education Sector that the OECD is currently carrying out under a EU-supported initiative, with an emphasis on strengthening the nexus between policy design and policy implementation.

The main institutional stakeholders are:

- Ministry of Education and Research of Moldova;
- ANACEC (National Agency for Quality Assurance in Education and Research), in charge of study program and institutional evaluation in VET and higher education, including teacher training;
- National Erasmus+ Office in Moldova (a non-governmental organisation);
- Pre-primary, primary and secondary schools and higher education Institutions;
- National network of Institutions for initial training of teachers;
- Network of centers for continuous teachers' training³⁹.

Other relevant stakeholders and target groups are:

- Pupils and students enrolled in general education, final beneficiaries of the intervention;
- Teachers and perspective teachers;
- teacher education providers and teachers' professional organisations;
- The whole school network of the country, which will be involved in the action as they are the institutions closest to the direct beneficiaries. The school network is constituted by about 3000 educational institutions (pre-school, general education and VET, universities).

Component 1.2: Improved legal framework, policies and capacities, for increased access to the labour market and better working conditions

The guiding documents for the identification of employment policy options for the period 2022-2026 is provided by: (i) available macroeconomic and employment projections, and (ii) the policy priorities established by the draft National Development Strategy 2030. In addition, a 2022 - 2026 Employment programme is being prepared by the Ministry of Labour and Social Protection.

The policy priorities to improve overall employment touch upon education and training, private sector development, labour market policies, human rights and social protection. Their interaction with macroeconomic, fiscal and investment policies is expected to improve both the quantity and quality of employment.

While considerable progress has been made in relation to women's labour market participation over the past years, deeply entrenched inequalities persist. They are the result of discriminatory norms and attitudes, the unequal distribution of care responsibilities in the household, the limited access to pre-school day-care/kindergarten (notably for children with disabilities) for both local and refugee population, and the way institutional structures consider and integrate gender. The slow tempo of changes in the sharing of unpaid work represents a serious constraint for women's equal access to the labour market and their equal control over economic resources.⁴⁰

The labour market in the Republic of Moldova is characterised by a prevalence of poor quality and low paid jobs – often in the informal economy – and considerable labour migration outflows. Over the last ten years

³⁹ A comprehensive list can be found at <u>https://mecc.gov.md/ro/content/centre-de-formare-continua-0</u>

⁴⁰ Employment. Relevance of gender in employment. <u>https://eige.europa.eu/gender-mainstreaming/policy-areas/employment</u>

the labour market situation has not improved significantly. The unemployment rate decreased from 7.3% in 2005 to 3,2% in 2021 (3,8% for men and 2,5% for women⁴¹), but so did labour force participation and employment-to-population ratios. By 2020, over one quarter of the economically active population (25.7%) had emigrated. In 2021, the unemployment rate was 9.2% among people aged between 15 and 24 and 5.7% among people aged between 15 and 29. The workforce in the country increased to 843,400 in 2021 (443,000 men and 400,400 women⁴²), compared to 834,200 in 2020 (434,500 men and 399,700 women⁴³). Young people are at clear disadvantage compared to the adults, both in terms of quantity and quality of employment opportunities. Women dominate among those employed at low-paid jobs, although women outperform men in completing secondary education, accessing higher education or participating in lifelong learning. It does not translate into gender equality at the labour market, as women remain at greater risk of social exclusion, unemployment and low-paid jobs. Over the last two decades, the gender pay gap in Moldova has slightly increased – from 12.2% in 2011⁴⁴ to 13.7% in 2020.⁴⁵ The sector with the highest wage gap is financial and insurance activities where women earned 42.9 percent less than men (2019) followed by information and communications (35.7 percent). In industry, the gender pay gap is 20.9 percent; in manufacturing; 17.8 percent; in construction, 15.6 percent, in water supply; sewerage, waste management and remediation activities; 6.1 percent; and in transportation and storage, 10.6 percent. That is, the sectors where more men are employed also offer higher salaries, thus reinforcing gender divide in the sectors of employment and the earnings.

The legacy of the economic, health and refugees crises that hit the country in the last decade is reflected in public sector and government expenditure cuts. Since the beginning of the decade, the human resources of the National Employment Agency decreased by roughly 30% and the annual investment in active labour market policies (at 0.02 % of gross domestic product) is still five times lower than the average recorded in peer South-East European countries. In 2020, the budget allocated for employment services and active labour market measures was 40 million lei (EUR 1.9 million).

In February 2019, the Law No. 105 on the promotion of employment and unemployment insurance entered into force introducing new employment services for jobseekers and employers, new active labour market policy measures, functions of implementing institutions – an essential one being the National Employment Agency (NEA). The Agency was reorganised and a new package of employment measures has been introduced which implies the focus of territorial agencies on the provision of services to the unemployed and employers, the control of the labour market at the local/regional level. In addition, the Labour Market Observatory was created within the Agency, carrying out analysis in the economic, employment, demography, human resources and labour market forecasts areas.

During the COVID-19 crisis, the National Employment Agency had a crucial role, being responsible for granting unemployment benefits, training the unemployed, and assisting with active labour market programs, of which wage subsidies were the most popular. In 2020, the number of people addressing to the NEA territorial offices had doubled. During the state of emergency, 46 000 people applied for unemployment benefits. The NEA has limited capacities for implementing properly the new employment law and some of the active labour measures, which are partially implemented, include the support to self-employment and support in creation of jobs in rural areas. Comprehensive staff development programmes need to be established and applied as a regular activity of the NEA.

⁴¹http://statbank.statistica.md/PxWeb/pxweb/en/30%20Statistica%20sociala/30%20Statistica%20sociala_03%20FM_03%20M_UN_MUN060/MUN160100.px/table/tableViewLayout1/?rxid=b2ff27d7-0b96-43c9-934b-42e1a2a9a774_

⁴² <u>https://statistica.gov.md/public/files/serii de timp/forta de munca/serii anuale/FM 2021.xlsx</u>

⁴³ https://statistica.gov.md/public/files/serii_de_timp/forta_de_munca/serii_anuale/FM_2020.xlsx

⁴⁴https://statbank.statistica.md/PxWeb/pxweb/en/50%20Statistica%20gender/50%20Statistica%20gender___GEN01/GEN012700sa 1.px/table/tableViewLayout1/?rxid=9a62a0d7-86c4-45da-b7e4-fecc26003802

⁴⁵https://statbank.statistica.md/PxWeb/pxweb/en/50%20Statistica%20gender/50%20Statistica%20gender___GEN01/GEN012400sa 1.px/table/tableViewLayout1/?rxid=9a62a0d7-86c4-45da-b7e4-fecc26003802

Employment patterns in Moldova are highly gendered. Namely, the economic activity rate of men is 45.1%, and of women, 36.1%. In terms of employment of people aged 15 years and over, the difference is also significant – 43.1% men against 35.0% women are employed. For some groups, the employment rate is even lower: for example, only 15% Roma women aged 15 years and over are employed. When it comes to unemployment, it is higher among men (4.3 against 3.2%, respectively). Among women aged 15-24, 19.7% are not in employment, education or training (NEET), compared to 15.6% for men.

Thus, since women are under-represented in the labour market, the active labour market policy should be addressed for their involvement. At the same time, lack of sex-disaggregated statistics, including data on the number of beneficiaries of active labour market policy and COVID-19 related unemployment benefit, jeopardizes the quality of labour market policy analysis, planning and implementation. Another gender problem of the labour market is gender professional horizontal segregation. Women are still under-represented in highly paid and in-demand sectors and are mostly employed in lower-paid jobs in economic sectors such as public administration, education, health and social assistance, and trade, hotels and restaurants. Namely, the share of women among those employed in public administration, education, transport and communications they make 8.7 and 24.5%, respectively. Therefore, development of these sectors will benefit from better engagement of women's talent, which should start from stereotype-free career guidance programmes that will encourage more women to pursue education and careers in science, technology, IT, engineering and other innovative sectors of the economy.

Another important institution for the implementation of labour market policies is the State Labour Inspectorate. In 2017, the Moldovan government undertook a major reform to restructure the state control system, aiming to create favourable conditions for business in the country. As a result, the control function in the field of occupational health and safety (OSH) was transferred from the State Labour Inspectorate (SLI) to ten sectoral inspection bodies. This reform has resulted in a fragmentation of OSH inspection functions and the limitations to the role and efficiency of labour inspection.

In December 2020, the Republic of Moldova adopted a new law that restores the functions of the State Labour Inspectorate as the control body of occupational safety and health (OSH) and the investigation of work accidents (Law No 191, 19 November 2020). This was a first step towards ensuring the functional integrity of the State Labour Inspectorate in accordance with international labour standards, in particular, ILO Labour Inspection Convention No 81 and ILO Labour Inspection (Agriculture) Convention No 129. The Republic of Moldova ratified Convention No 81 in 1996 and Convention No 129 in 1997.

In this regard, the proposed intervention will focus on strengthening the capacities of the key labour market institutions, namely the National Employment Agency and its 35 regional offices, the Ministry of Labour and Social Protection and the State Labour Inspectorate. It will aim to increase the access of jobseekers to qualitative employment services through technical support to improve the institutional coordination and cooperation with the regional offices of the National Employment Agency (NEA) and strengthen the local-level service delivery. It will also support the creation of a continuous training centre/digital platform for the employees of the NEA, and the implementation of the new employment law, including active labour market measures and the upcoming 2022-2026 Employment programme. The intervention will further support the elaboration and implementation of policies for preventing and combating undeclared work; and the practice of paying salaries "in envelope". Another focus of the intervention will be on labour inspections, including the improvement of the regulatory framework and its compliance with the Conventions of the International Labour Organization and other international acts to which the Republic of Moldova is a party, increasing the effectiveness and quality of labour inspection activities in order to contribute to prevention of accidents at work and occupational diseases, and of labour rights violations, as well as the logistical and communication capacities of the State Labour Inspectorate.

The main objectives of the Republic of Moldova for the future are outlined in the National Development Strategy "Moldova 2030" (currently pending approval), based on which a comprehensive sectorial programme on employment is in drafting phase, expected to be endorsed in the course of 2022.

As concerns the employment facilitation component, key stakeholders are:

- Vulnerable groups, particularly unemployed, NEETs (Not in Education, Employment, or Training), refugees, migrants and households led by women, women over 50, people with disabilities, the Roma minority, unskilled young people, people working in the informal sector. Social inclusion is a principal goal of this action, and rigorous efforts will be made to support these groups.
- National Employment Agency (NEA), with 35 regional offices, provides labour market information (labour market observatory), employment counselling and career guidance, and administers active and passive labour market schemes and measures, in line with the principles of ILO Employment Service Convention (C88), 1948 ratified by Moldova in 1996.
- State Labour Inspectorate (SLI) ensures at national level the observance of the normative acts in the field of labour relations and occupational safety and health, exercises state control over the observance of legislative acts and other normative acts in the field of labour relations at enterprises, institutions and organizations, with any type of property and legal form of organization, at natural persons who hire employees, as well as at the public administration authorities from central and local level.
- Ministry of Labour and Social Protection in charge of elaboration, promotion and implementation of the state policies in the field of labour, equal opportunities and social protection.
- Civil society organisations focusing on labour issues and gender equality, including the social partners (workers' and employers' organisations).

Component 1.3: Improved gender equality and women's empowerment by enabling women and girls to equally contribute and benefit from gender responsive policies, socio-economic development results and building a society free from violence and harmful social norms

Progress towards advancing gender equality in the Republic of Moldova has been important in the past four years, yet not sufficient to achieve the projected targets in the key national strategic documents and not with equivalent pace in all priority sectors. A significant achievement was the ratification of the Council of Europe Convention on preventing and combating violence against women and domestic violence⁴⁶ (known as the Istanbul Convention) in 2021, with the Convention entering into force on 1 May 2022. The action will support Moldova's efforts in implementing Istanbul Convention by strengthening and establishing existent and new general and specialised services on violence against women that are survivor-centred, gender sensitive and coordinated at local and national levels in line with the national regulatory framework.

The mid-term evaluation of the country Strategy for gender equality conducted in 2020 has highlighted important progress in areas of women's participation in decision-making, moderate progress in employment, social protection and health and little progress in education. The ambition and progress in security and defence not traditionally perceived as pertinent to gender equality has been assessed from moderate to high, while the overall success towards gender mainstreaming and gender budgeting low to moderate. The mid-term evaluation of the Strategy identified an insufficient level of relevance and ambition to address root causes to gender inequalities which led to achieving lower level of impact. Besides the deeply rooted and persistent gender norms and stereotypes, including in the education at all levels, the following are the three main reasons are holding back the progress towards achieving equality: a) lack of systematic approach to gender mainstreaming in policies and budgets; b) limited economic opportunities for women, due to the lack of care services, high burden on unpaid care labour on women and limited employment/business policies and measures tailored to women's needs and c) high prevalence of violence against women.

⁴⁶ Council of Europe Convention on preventing and combating violence against women and domestic violence (CETS No. 210) - <u>https://www.coe.int/en/web/conventions/full-list?module=treaty-detail&treatynum=210</u>

a) Lack of systematic gender mainstreaming in policies and budgets

The disproportionate progress in some areas with regards others results from the lack of systematic gender mainstreaming in policies and budgets. Although the Law no. 5/2006 provides for both Central and Local authorities to institute gender units and gender coordination groups, these are not functioning. Gender units lack a clear institutional mandate underpinned by clear procedures, as well as clear accountability lines, their work is not properly recognized, valued and remunerated and up until now there has been little political willingness to strengthen them and make them functional.

b) Limited economic opportunities for women

Women in Moldova are more at risk to face poverty. The latter stems from three mains channels: (i) the unequal division of family responsibilities (raising children and caring for family members in need), where mainly women are involved, which leads to a partial or total withdrawal from the labour market and from social and educational activities, (ii) lower employment of women, especially mothers with pre-school children that causes limitations in benefiting from career advancement and fair remuneration, and (iii) inequity in pensions, which has a higher impact on the financial deprivation of older women in Moldova.

c) High prevalence of violence against women

Despite some progress, still deeply rooted gender norms and stereotypes lead to a) gender segregation in education and in the workplace, b) unequal power relations in private and public space, c) inequality and discrimination that lead to gender based violence. While the awareness of gender based violence being a punishable crime under the law has increased and reporting has improved, still this is below the expected outcomes. The improved legislation enabled better protection, increased trends of issuance of temporary protection and restraining orders against perpetrators in the past 3 years.

Main stakeholders:

The key stakeholders for this Action will be the concerned ministries, other central executive bodies, local public authorities, relevant civil society groups and, although indirectly, the donor community.

- The key national authority in the coordination of external assistance is the Ministry of Finance, whereas the political oversight of the Association Agreement implementation is done by the Ministry of Foreign Affairs and European Integration and policy coordination by the State Chancellery.
- The Ministry of Labour and Social Protection is responsible for the formulation and implementation of the Action Plan on gender equality as well as support for anti-discrimination.
- The State Chancellery is the main government body responsible for development of national policies and the oversight of their implementation, while the Ministry of Finance drives the planning and execution of the public finances and budgetary processes. All efforts on achieving sustained and systematic mainstreaming of gender equality in policies, programmes and budgets needs to be developed and approved by these two main entities.
- Additional stakeholders are key line Ministries working on Gender Equality, such as the Ministry of Education and Research, the Ministry of Health, the Ministry of Culture, the Ministry of Internal Affairs, the Ministry of Defence, the Ministry of Justice, the Ministry of Agriculture and Food Industry, the Ministry of Infrastructure and Regional Development, the Ministry of Economy, the Ministry of Environment, which are involved in adopting and implementing the policy, legal, and regulatory framework on gender equality in their respective sectors.
- The National Bureau of Statistics has a key role in the collection and use of gender-disaggregated data for policy development and monitoring. The Bureau for Diaspora Relations plays an important role through its work with migrant women.
- Selected districts will be included in the targeted action with the aim to translate central level government efforts at regional and local level, but also to expand best practices on local governance,

budgeting and ending violence against women applied in several districts in the country, including Cahul, Ungheni and Drochia.

- A number of Civil Society Organizations are active in the field of gender equality and combatting violence against women, with the presence of two main platforms: the National Coalition "Life without violence" (22 organizations) and the Gender Equality Platform (26 organisations). Other women's sectoral networks are also active, such as "Women's Network in Agriculture" or women's business associations. Organizations working with most excluded groups and dealing with multiple and intersecting forms of discrimination against women, such as women with disabilities, women living with HIV, Roma women, LGBTIQ, women living in rural areas will also be encompassed through the targeted action.
- Cooperation with international and regional organizations will be fostered in specific areas of women's access to decent work and employment, ending violence against women, eliminating gender stereotypes and gender segregation in education. The type of partnership will be determined based on specific expertise and experience required to match with UN Women expertise and secure stronger impact to final beneficiaries, such as women and men, and girls and boys in Moldova.

Priority 2: Contribute to national stability and territory integrity, in a deteriorating regional security environment through the reinforcement of national human, institutional, operational and societal capacities

Component 2.1: Improve human capital and operational capacities for the delivery of professional security, disaster risk management and migration service for the benefit of all residents in Moldova to the highest EU standards

The Republic of Moldova has been involved in the last decade in modernising its national security sector and adapting further its migration related policies to the highest EU and international standards. The intensive efforts led to the implementation of dedicated and sectorial strategies and policies, enabling legislation reforms while reinforcing the human and operational capacities across state services. Although almost all key development strategies falling under the Ministry of Internal Affairs have ended in 2020, with to some extent significant achievements, efforts in this transformational process needs to be continued and further supported to align with EU requirements/standards, as embedded in the Association Agenda and the Opinion of the Commission on Moldova's application for membership of the EU⁴⁷.

Strengthening the modernisation process of the Ministry of Internal Affairs are key enablers for stability and growth of the country. It is also considered from the EU perspective as an important step toward achieving modern state service for the benefit of the citizens and the society as a whole, contributing to a better quality and accountability of services delivery, increasing trust from citizens and ensuring human rights.

Remaining challenges include providing better conditions for personnel and ensuring the coverage all key services across the country to meet citizens' expectations:

- Besides Human resources challenges which are being characterised by a high turnover, poor attractiveness of vacant positions, and low numbers of women in key positions, the continuous professional competence (operational, analytical) to maintain and further develop remain a key objective to enable a fruitful transformational process across sectors and avoid at all costs the decline of qualitative human resources;

⁴⁷ Communication from the Commission: Commission Opinion on the Republic of Moldova's application for membership of the European Union - <u>https://neighbourhood-enlargement.ec.europa.eu/opinion-moldovas-application-membership-european-union_en</u>

- In addition, insufficient or inadequate equipment (including digital) as well as old infrastructure are not responding to the expected standards for the conduct of daily missions of state representatives, in a deteriorating security environment;
- The modernisation and digitalisation of internal processes is considered as a priority to improve the operational ability of the institution to conduct its mission throughout the territory. It shall not only enable fast, secured communication across services throughout the country, but also facilitate the exchange of data in the framework of international cooperation, with EU agencies, EU Member States (MS) and relevant international stakeholders to better respond to transnational-organised crime. The digitalisation process should also contribute to reduce existing bureaucratic processes as well as fasten decision-making;
- While the Republic of Moldova is considered as a key partner in combating organised crime and is making good progress as mentioned in the last Visa regime report, it shall continue strengthening its related capacities in solving complex transnational crime cases currently operating in Moldova, but also contributing to prevent the implementation of new criminal actors, which posed an increased threat since the beginning of Russia's aggression against Ukraine;
- Equally in the field of public order and safety, remaining challenges need to be addressed to complete the reform process engaged with the 2016-2020 former Police Security Strategy. Community policing is to be continued to further contributing to reinforce the link between community, citizens and state representatives; rapid response team should increase their operational capacities to deliver service for all in a timely manner and public order shall be continued and further supported to reach the objectives set in the previous Police development strategy;
- Dialogue, transparency and cooperation with civil society, including women's rights organisations, has been also considered as a major pillar of the former development strategy and should be further strengthened. Promoting open, transparent dialogue between key actors is essential in any democratic society. It can be a powerful mean to improve national public policies conducted, led and own by national actors. It is also an important mean through which analysts, citizens may contribute to the improvement of security public policies by informing decision and policy makers, as well as citizens;
- To enable the modernisation process, continued attention to enhanced inter-service agencies approach and inter-ministerial coordination is key to support the past efforts conducted over the last decade;
- It shall also continue promoting and implementing throughout a service based on a human-right approach in the delivery of security and migration related services.

In addition to these medium-long term challenges, the Republic of Moldova is to concomitantly respond to those urgent needs, threats and risks posed by the multiple layers of crisis it is being faced with. The severe budgetary constraints (resulting from the economic crisis) and the deterioration of the security situation along with the unprecedented inflows of refugees since the 24 February, called for a sequenced, gradual modernisation process all in view to not jeopardize the intensive past decade efforts undertaken by the national authorities and the EU.

The immediate threats and risks to address have to integrate the fast-evolving and volatile situation in its neighbouring:

- Increased entries (regular and irregular) into its territory as well as increased population living in Moldova (Moldova has the highest refugees per capita);
- Increased transnational organised crime (crossing, operating within the territory);
- Increased risk of radicalisation, violent extremism infringing national unity and stability, including;
- Potential risk of further destabilisation in Ukraine as well as in the Transnistrian region (with additional inflows of refugees, and increased criminal activities).

In the context of the longstanding EU-Moldova cooperation in the security/disaster risk management/migration sectors, the EU immediately responded to the impact of Russia's aggression against Ukraine in Moldova, and immediately delivered urgent assistance not only respond to the humanitarian needs, but also to support where needed the Moldovan authorities in the civil protection and security field: so far, the

Union Civil Protection Mechanism has channelled assistance from 19 Member States and Norway 19 Member States and Norway providing shelter capacities, medical aid, ambulances, power generators and fuel. Furthermore, the extension of EUBAM's mandate, the signature of Status Agreement with Frontex along the deployment of 64 standing corps officers, an additional Crisis Response Measure to strengthen cyber security and a new substantial allocation through the European Peace Facility are the illustration of the EU rapide and comprehensive response in the exceptional circumstances. At the political level, this was complemented by launching a high-level political and security dialogue in March 2022.

Further to the Council Decision of 4 March 2022 activating the application of the Temporary Protection Directive 2001/55/EC, the European Commission estabilished a Solidarity Platform, with a view to coordinate the cooperation and the exchange of information among Member States. The Solidarity Platform has been facilitating the mobilisation of relevant EU instruments, coordinating the matching of offers for solidarity with the needs identified and coordinating the transfer of persons between Member States and where relevant to third countries. To alleviate Moldova's overstretched reception capacity, one of the very first concrete outcome of the work initiated under the Solidarity Platform has been the coordination of voluntary transfers of vulnerable persons displaced from Ukraine to Moldova, towards EU Member States, since the end of March. The EU also launched the 'EU Support Hub for Internal Security and Border Management in Moldova' at the informal Justice and Home Affairs on 11 July. This is an additional and direct response to the Moldovan request which intends to mobilize all EU actors engaged in home affairs (EU institutions and EU MS) and provide a platform for reinforcing the EU-Moldovan operational dialogue on internal security and border management.

The EU, in complement, supported on 6 April the organisation of the First Policy Council on Home affairs and called for all donors and friends of the Republic of Moldova to contribute to the urgent security and migration needs but also to keep in mind the requirement to continue supporting the medium long-term reform process. A process (modernisation of its strategies and related programmes) in which the government since its entry into office has set as a priority to deliver cultural and other changes across sectors in line with the Association Agenda (organised crime, public order, border management, emergency service, asylum and migration). A momentum and requirement for the EU to contribute to the security needs of the citizens, deliver security services for all with a human-right based approach and tackling the emerging and increased new threats posed to the Republic of Moldova, while addressing the remaining challenges of its former development strategy.

The EU through this Action shall continue to support the modernisation process of the Ministry of Internal Affairs through the implementation of its upcoming strategy, and related programmes while addressing as relevant and needed the immediate threats posed by the deteriorating security environment.

Through a dual approach, it will contribute to:

- 1. Improve human capital for the delivery of professional security/disaster risk management/migration service for the benefit of all residents in Moldova to the highest EU standards;
- 2. Improve operational capacities throughout the Ministry of Internal Affairs based on European best standards to better respond to external and internal security threats posed to all residents in Moldova in light of the new regional security environment.

The main stakeholders:

The Action under this priority area shall support, associate the Ministry of Internal Affairs and its subordinated Directorates/services to support further the modernisation process and the implementation of the new strategy, namely: Police (General Police Inspectorate); Border Police (Border Police Directorate); General Inspectorate for Emergency Situations; General Carabineer Inspectorate; Bureau of Migration and Asylum; Information Technology Service; Service for Internal Protection and Anticorruption; and Police Academy "Stefan cel Mare". It will also involve civil society.

Component 2.2 "EU support to Confidence Building Measures"

The breakaway region of Transnistria is a strip of land between the Nistru River and the eastern Moldovan border with Ukraine, but also includes the city of Bender and other localities on the right river bank. Since the end of the armed conflict in 1992, the region is controlled by a non-recognized de facto administration covering all sectors⁴⁸. After the ceasefire agreement in 1992, the official peace process had been comparatively dynamic, including some basic consensus on the broad parameters for negotiations, but is far from being finalized, making it one of the oldest post-soviet unresolved conflicts, and a "silent threat" to long-term stability in this part of Europe. The already stagnating Transnistrian conflict settlement process has been further impacted by the Russian aggression against Ukraine, and has exposed additional challenges for reintegration.

The overall regional outlook has worsened since 2014 following the outbreak of the war in neighbouring Ukraine, and clearly even more in consequence of the Russian aggression against Ukraine in 2022, combined with a significant decrease in Russian subsidies to the region. Considerable migration and a degrading quality of basic services led to a growing development disparity between both banks. The widening gap is also due to people in the Transnistrian region not fully benefitting from the opportunities provided by donors' assistance to institutions and citizens living in the territory controlled by Chisinau, due to administrative obstacles and to issues related to the unsettled status.

At the same time, despite political divergences, over the last 15 years, the economy of the Transnistrian region has become more closely integrated with EU economies. The territory has benefited from the EU's autonomous trade preferences, which have made products from Transnistrian region (exported to the EU as Moldovan products) more competitive on European markets. With the onset of the Deep and Comprehensive Free Trade Agreement (DCFTA), the exports increased even more, although the extent to which de facto authorities are able or willing to implement DCFTA-related conditions, as well as help SMEs benefit from its provisions might still hamper mid-term growth.

Notwithstanding decades of separation and several key differences,⁴⁹ the two riverbanks share considerable similarities in terms of structural barriers to economic development. Practically all exporting companies from the Transnistrian region are permanently or temporarily registered companies with Moldovan national authorities, benefitting from the opportunities provided by DCFTA. At the same time, the business environment is characterized on both banks by challenges related to regulatory uncertainty, restricted competition, consistent application of legislation and regulations, excessive regulation and controls which lead to high transaction costs, that reduce possibilities for Foreign Direct Investments (FDIs). This situation undermines the performance of exporting enterprises and hampers the badly needed growth in capital investments.

While the economic environment of the Transnistrian region is considered to be more restrictive and inflexible, characterised by high political influence of larger businesses, there are signs of change. A long-discussed tax reform to introduce VAT to the territory for the first time could be implemented, which would allow the authorities to remove import duties (as required by the DCFTA) while maintaining income for the regional budget. The authorities appear to have seen the potential of SMEs to contribute to job creation and economic growth, with registration of small businesses seeing a boom. Access to credit, however, is limited, especially for women and vulnerable groups, due to the limitations of the post-conflict situation affecting cross-river banking transactions and small size of the local market, leading to very large interest rates, reduced

⁴⁸ The Russia – Moldova ceasefire agreement (1992); Organization for Security and Cooperation in Europe (OSCE): CSCE Report No 13: https://www.osce.org/files/f/documents/4/b/42307.pdf

competition and lack of access to foreign finance. Thus, the environment does not provide as many stimuli as it could to promote entrepreneurship. Youth, in particular, have difficulty finding employment opportunities.

The two banks of the Nistru River have diverging paths of development in the field of social protection and associated services, culture and mass-media. The Transnistrian region has benefited of only a modicum of the comprehensive assistance programs provided to Moldova by international donors in these fields, and is more affected by a deteriorated infrastructure, and obsolete policies, which contribute to the falling quality of life in general. Migration rates, both temporary and permanent, are even higher than on the right bank Moldova, and the situation is similar related to the natural increase rate indicating tremendous pressure on public expenditures and poor prospects for improvement of social service without external support. The health system in the Transnistrian region suffers from insufficient coverage with qualified and affordable services, impaired on the one hand by relatively qualified medical staff with very limited access to professional upgrading curricula and on the other hand by a large outflow of specialists.

Most inhabitants from the left bank, due to having Moldovan citizenship, have the right to access right-bank health system and facilities. However access to quality medical care in the left bank is not always easy, with urban-rural discrepancies and other inconstancies across the region. This is particularly problematic in the case of emergencies or services for vulnerable groups, which cannot afford comparatively long travel. Despite improvements in their accessibility, proven by increased number of beneficiaries from the left bank in medical services on the right bank, more needs to be done in this regard also closer to the places of origin of the patients on the left bank.

At the same time, community empowerment and cross-river sectoral platforms already supported under previous iterations of the EU Confidence Building Measures (CBM) program demonstrated a positive synergetic effect⁵⁰. The small infrastructure projects, as well as the small grants provided to help their interconnectivity, brought much needed assistance to vulnerable communities and second, due to their reliance on joint efforts, contributed to rebuilding communication and cooperation channels at community level, creating an atmosphere conducive to reconciliation. Such a shared approach to development issues, delivering tangible benefits on both banks, builds on previous important achievements, establishing a positive cooperative dynamic between the two sides. Support to cooperation platforms should thus continue in parallel with the promotion of community development through direct support to local development initiatives which foster cross-river cooperation, such as the Small Grants Programme.

Human Rights protection has significantly worsened in the last few years, with a number of individual case of unjustified detention in the prisons of the region.⁵¹

From the perspective of culture, both banks of the river are very similar in both the structure of cultural institutions, as well as their chronical underfinancing and the challenges they face. A support to the cultural sector, with a focus on maintaining the historical common heritage, can provide an essential investment in the country's future and can serve as, if done in a conflict-sensitive manner, as a pre-condition to development and to conflict resolution.

The main stakeholders are:

- Bureau for Reintegration of the Republic of Moldova: The mandate of the Bureau for Reintegration is to promote the Government's policy of territorial, political, economic and social reintegration of the Republic of Moldova. The bureau has to conduct consultations and negotiations to resolve the

⁵⁰ The EU Support to Confidence Building Measure started in 2009 and is currently in its 5th iterations, covering the implementation period from January 2019 to mid-2023. For a complete view of the most recent EU-CBM programmes see the Commission Decisions ENPI/2013/024-401 "Confidence Building Measures (Moldova AAP 2013)" and ENI/2018/041-309 "EU Support to Confidence Building Measures V (2019-2023)".

⁵¹ https://moldova.un.org/en/14329-statement-senior-un-human-rights-expert-thomas-hammarberg-conclusion-his-visit-28-may-1-june

Transnistrian conflict, to develop the legislative framework and to provide the necessary assistance to the Deputy Prime Minister responsible for reintegration.

- Various line-Ministries, such as (non-exclusive list): Ministry of Education and Research, Ministry of Infrastructure and Regional Development, Ministry of Economy, Ministry of Health, Ministry of Labour and Social Protection.
- Coordination Council for Humanitarian and Technical Assistance (Tiraspol): In 2017, the de facto authorities in Tiraspol have professionalized the aid coordination structure under the Coordination Council for Humanitarian and Technical Assistance. This council is directly under the authority of the de facto "government". The two objectives of this Council are: (i) to attract the greatest number of donors willing to provide funds for the implementation of socio-economic and infrastructure projects; and (ii) to coordinate activities between donors and aid recipients in the region.
- Municipalities and local administration: Local authorities/municipalities are essential institutional partners for activities related to local community development.
- Civil Society: Civil society has a fundamental role in CBMs, and includes Civil Society Organisations (CSOs) and Non-Governmental Organisations (NGOs) working in various sectors, as well as other relevant organizations/structures, such as Education establishments, business associations, including chambers of commerce, from both banks, and social partners.

Priority 3: Sustainable agri-food systems

This priority contributes directly to EIP Flagship 1: Supporting an innovative and competitive economy – direct support to 50 000 SMEs. In particular, the activities planned under component 3.1 'Improved enabling environment that promotes a transition towards sustainable food systems' will help support SMEs in the agriculture sector.

Component 3.1: Improved enabling environment that promotes a transition towards sustainable food systems

Losing 'eastern' export markets (Russia, Ukraine, Belarus), increased transport and production costs are severely impacting the competitiveness of the Moldovan agriculture sector: after the export ban of Russian fertilizers (in previous years over 75% of fertilizers imports), prices more than tripled in April 2022. Increased energy costs (for greenhousing, cool storage, processing) and fuel prices as well as longer transport routes and transaction costs for substitution of the Odesa port are significant challenges.

Limited availability or affordability of farming inputs is expected to reduce domestic food production. Reduced food imports of grains/cereals, meat and dairy products from Ukraine will further increase final consumer food prices. Import substitution, increasing domestic food production, supporting economic resilience of smallholder family farmers, sustainable agricultural practices and reducing the vulnerability to climate change are gaining importance in the development strategy of the agricultural sector.

In this context, monitoring and evaluation of sector progress towards strategic goals to inform policy making and strategic investment of public resources, for example the subsidy measures of the National Fund for agriculture and rural development⁵², is of increasing significance.

The main stakeholders are:

- The Ministry of agriculture and food industry (MAFI) and respective agencies, esp. the Agricultural Intervention and Payments Agency (AIPA)
- The Ministry of environment and the Global Environmental Fund (GEF)

⁵² The National Agricultural and Rural Development Fund (FNDAMR) is administered by the National Agricultural Intervention and Payments Agency (AIPA). Its annual budget has been steadily increasing over the past years. The 2021 budget amounted to MDL 1535 million, approx. EUR75million. The fund serves predominantly micro, small and medium farmers, but also includes rural development measures, contributions to the National Fund for Vine and Wine.

- National Bureau of statistics
- Research and development organizations
- Agricultural producers, producer groups, cooperatives, Associations and Federations,
- Civil Society organizations, platforms and networks
- Development partners and Member state agencies

Priority 4: Cooperation facility

Component 4.1: The level of capacity by national authorities of the EU approximation process and the implementation of the Association Agreement and Agenda has been significantly increased.

Component 4.2: Moldova's participation in EU programmes has been supported.

Component 4.3: Inclusive economic development in Moldova is supported by increasing the potential of the digital economy and enhancing regional competitiveness.

The European Union's partnership will remain focused on delivering tangible benefits to the Moldovan institutions and citizens as outlined in the Multiannual Indicative Programme (MIP) 2021-2027 for the Republic of Moldova⁵³. The EU remains committed to working with the Republic of Moldova for supporting the reform process that is at the core of the Association Agreement⁵⁴, and the candidate country status granted in June 2022. The EU will continue to base its relationship with the Republic of Moldova on the principle of conditionality and respect for the rule of law and democratic standards. Over the past decade, EU assistance and support for democratic reforms have delivered tangible benefits to Moldovan citizens. However, there are many open issues connected with the implementation of the AA/DCFTA which will be supported by measures proposed in this action document. To support this process, cooperation must encompass policy dialogue, public diplomacy activities, capacity building, technical preparation and any support to facilitate Team Europe coordination at country level.

A cooperation facility is foreseen to finance support measures encompassing policy dialogue, public diplomacy activities, capacity building, technical preparation and any support to facilitate Team Europe coordination at country level, including in the justice sector. The facility will also finance approximation to EU legislation and technical standards through technical assistance and exchange of public expertise as well as the participation of Moldova in EU programmes such as Horizon 2020, Creative Europe, COSME, Health for Growth, their successors in the period 2021-27 such as Horizon Europe, and entirely new ones under the Multiannual Financial Framework (MFF) 2021-2027 and cooperation with EU agencies. It will support the implementation and evaluation of the EU's cooperation, including via technical assistance.

2.3. Lessons Learned

The intervention will seek to optimise the best practices, lessons learnt from programmes that have similar thematic, geographical scope of intervention. The objective is to increase the complementary and continuity of on-going and past actions, be it EU-funded or supported by the donor community. All initiatives shall capitalise on past dialogue initiatives with civil society to better empowered them, raise the concerns from the citizens and newly arrived populations (refugees) and ensuring that gender is mainstreamed throughout all

⁵³ Commission implementing decision of 29.06.2022 adopting a multiannual indicative programme for the Republic of Moldova for the period 2021-2027 - C(2022) 4323 final

 $^{^{54}}$ Association Agreement between the European Union 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 of 30.08.2014 – I. 260/4 - <u>https://eurlex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:22014A0830(01)</u>

actions. It is of utmost importance to reinforce the link between state and society to better respond to citizens' aspirations and concerns and deliver support to the population that is service oriented.

Reforms promoted through sectoral budget support operations require a well-articulated and coordinated national policy framework. This must be translated into a sound implementation strategy with appropriately resourced (financial and staff resources) and a clear monitoring and evaluation (M&E) framework. As these are not yet entirely in place, complementary measures are required, especially in form of external technical expertise.

In a low resource – low capacity environment, where political instability and staff turnover is relatively high, the provision of appropriate advisory services and strategic capacity building measures are key-drivers to improve sectoral governance and to mainstream reform processes at systems level. However, the risk to create (or perpetrate) dependency on externally driven technical assistance is high, without effectively building the capacity of the national institutional stakeholders.

Sectorial reform processes require clear communication strategies creating awareness and buy-in from the citizens, coupled with concrete actions and results at decentralized local levels improving the populations living conditions. A critical factor in the implementation and level of achievement of external assistance in the area of human capital development relates to the absorption capacity of the Government of Moldova and sector institutions.

Promotion of good agricultural practises and conservation agriculture techniques should be coupled with technology and innovation (attractive to youth, decent work), demonstrating economic/cost-benefits and addressing labour availability constrains in rural areas. Creating institutional partnerships and networking opportunities between education and research institutions in-country with other institutions in the region increases the sustainability of project support in the medium and longer term.

Peer learning of 'practitioners' on eye-to-eye (farmer to farmer, B2B) is the most effective to promote innovation and change of practises and attitudes. Access to finance for small agricultural producers and SMEs is not only constrained by the limited availability of tailor-made financial products (considering seasonality of farming, collateral requirements etc.), but demands needs to be established through promotion of new technologies and support to formulation of fundable proposals (incl. financial literacy) in proximity and close cooperation with the potential beneficiaries.

3. DESCRIPTION OF THE ACTION

3.1. Objectives and Expected Outputs

The Overall Objective (Impact) of this action is to enhance state and societal resilience and socio-economic recovery, with a particular focus on stability and peace, as well as providing opportunities for all in an inclusive manner.

The Specific(s) Objective(s) (Outcomes) of this action are to:

- 1. Support the country's human capital development and advancing gender equality and women's empowerment for better matching the labour market demands through inclusive and gender-responsive policies and improved employment and labour policies and institutional capacities.
- 2. Contribute to national stability and territory integrity, in a deteriorating regional security environment through the reinforcement of national human, institutional, operational and societal capacities.

- 3. Agri-food systems are strengthened, more sustainable and resilient to external shocks and crisis.
- 4. Support measures encompassing policy dialogue, public diplomacy activities, capacity building, technical preparation and any support to facilitate Team Europe coordination at country level, as well as the implementation and evaluation of the EU's cooperation are implemented.

The Outputs to be delivered by this action contributing to the corresponding Specific Objectives (Outcomes) are:

- 1.1 contributing to Outcome 1 (or Specific Objective 1): Improved quality and relevance of education and lifelong learning opportunities for all
- 1.2 contributing to Outcome 1 (or Specific Objective 1): Improved legal framework, policies and capacities, for increased access to the labour market and better working conditions
- 1.3 contributing to Outcome 1 (or Specific Objective 1): Improved gender equality and women's empowerment by enabling women and girls to equally contribute and benefit from gender responsive policies, socio-economic development results and building a society free from violence and harmful social norms.
- 2.1 contributing to Outcome 2 (or Specific Objective 2): Improved human capital and operational capacities for the delivery of professional security, disaster risk management and migration service for the benefit of all residents in Moldova to the highest EU standards
- 2.2 contributing to Outcome 2 (or Specific Objective 2): Improved confidence between communities on both banks of the Nistru River through joint initiatives involving local authorities, civil society organisations, business actors and other stakeholders
- 3.1 contributing to Outcome 3 (or Specific Objective 3): Improved enabling environment that promotes a transition towards sustainable food systems
- 4.1 contributing to Outcome 4 (or Specific Objective 4): The level of capacity by national authorities of the EU approximation process and the implementation of the Association Agreement and Agenda has been significantly increased.
- 4.2 contributing to Outcome 4 (or Specific Objective 4): Moldova's participation in EU programmes has been supported
- 4.3 contributing to Outcome 4 (or Specific Objective 4): Inclusive economic development in Moldova is supported by increasing the potential of the digital economy and enhancing regional competitiveness.

3.2. Indicative Activities

Activities related to Output 1.1: Improved quality and relevance of education and lifelong learning opportunities for all

- Legal framework improvement and capacity building, including mobilisation of specialised expertise and exchange of good practices for education system strengthening in the areas of (non-exhaustive list) evidence-based and gender-sensitive analysis and planning, improved efficiency of education institutions national network, education management information system (EMIS), development of quality assurance framework, training of education staff at central and decentralised level.
- Human resources strengthening, including training and capacity building for planning, design, validation and administration of curricular resources free from gender stereotypes (textbooks, e-textbooks, manuals, teaching and learning materials, digital educational resources and e-learning tools)

for all levels of general education and VET, from early childhood education to secondary level, for a re-conceptualisation of conducive ecosystem aligned with modern curriculum and syllabi.

- Assistance and exchanges of good practices for innovative pedagogy (including digital pedagogy) and education technology and continuous professional development of teachers and school leaders, reconceptualising the process of pre-service and in-service training, including through the use of elearning platforms, prioritising the government distance learning platform, improving the efficiency and effectiveness of the existing practices and capitalise on the know-how of the national network of teacher education providers. Provide assistance to undergraduate and graduate pedagogy programs in upgrading and improving the training programs for future teachers; develop digital pedagogy curriculum and training courses to be included in the undergraduate and graduate pedagogical training.
- Design and implementation of strategies to improve the attractiveness of the teaching profession and the management of the teaching workforce with a focus on gender balance across teaching staff, stimulating sustainable employment and retention of teachers in the system, reinforcing the existing incentives measures and redefining the role of the teachers in society.
- Support to digitalisation of the education system, including provision of ICT equipment for children and teachers, especially the most vulnerable, and refurbishment of IT laboratories; teacher training on digital skills, digital pedagogy, and education technology to streamline the implementation of digital learning methodologies, development of quality standards for digital educational content and support the development of the actual digital textbooks and digital educational materials free from gender stereotypes;
- Engage school communities in the assessment of their own digital preparedness, development of their digital strategy, and development of their own efficient digital culture for improving the quality of education;
- Support to the modernization and optimisation of school management processes through implementing and/or upgrading existing digital infrastructure at school, local, and central levels and digitalizing education governance and management processes;
- Reduce the regional and urban-rural digital divide and enhance digital inclusion by ensuring equal access to quality education among teachers and pupils through supporting the creation of regional online learning platforms;
- Upgrade of learning environments, including WASH (Water, Sanitation and Hygiene) facilities, hygiene standards and behaviours, with provision of relevant teaching and learning resources from pre-primary to secondary level and VET, including textbooks, digital educational content and tools. Redesign and upgrade existing science and IT labs, equip them with modern equipment in order to create a conducive, interactive and fun learning environment for children;
- Support the implementation of policies and activities aimed at enhancing the attractiveness of STEEAM (Science, Technology, Engineering, Entrepreneurship, Arts, Maths) education, particularly among girls;
- Promote the integration of environmental protection and climate change (including disaster risk reduction) in the curriculum from early childhood, primary and secondary through to vocational and higher education, across a broad set of subjects. This includes support to the development of essential skills for enabling green transition and low-carbon development, as well as overall young people awareness of consumer behaviours on climate and environment. Specific activities in this aspects will include (explanatory and non-exhaustive list): teacher training on green economy and climate change topics; students projects on STEM subjects under teachers' leadership; school clubs on green economy and climate change;
- Support to processes and extension of practices for recognition of acquired competences in a strategic approach to lifelong learning, including a perspective of re-integration of returning migrants and inclusion of immigrants from other countries;

- Support to the implementation of the national programme for advancing the digital skills among adults (lifelong learning);
- Support targeted efforts to enrol and retain vulnerable children, including out-of-school children and Roma children into primary and secondary schools and to provide entrepreneurship courses, linked to the current demands of the labour market to boost their employability when they reach the relevant age group.
- Support to strengthen sectoral and cross-sectoral development partners' coordination mechanisms in the domain of Human Capital Development in compliance with strong ownership and leadership by the Government of the Republic of Moldova.

In addition, a specific set of activities will be carried out to support the National response to the refugee emergency in education and facilitate the integration of refugee-children and teachers in the Moldovan system. Activities will be coordinated with the existing sectoral response coordination to ensure harmonisation and complementarity with ongoing efforts by other partners. Specific refugee-related support in education will complement and bridge over the medium-term the already ongoing EU and other international partners' emergency-support, in coordination with existing sectoral emergency coordination mechanisms, notably the Inter-Agency Education Working Group (chaired by the Ministry of Education and Research and co-chaired by UNICEF in cooperation with the United Nations High Commissioner for Refugees (UNHCR).

Additionally, all indicative activities under this Action that aim to support the integration of refugees and retention in the Moldovan formal education system will be harmonised as necessary with the activities already implemented in the short-term by other EU-specific actions (particularly the humanitarian assistance as from the second quarter of 2022 and support to sectoral-support from FPI (Foreign Policy Instruments) in the area of child/social protection and health as from August 2022 for 18 months). Specific support to the National response to the refugee crises under this Action may be (also depending on how the crises unfold in the period of implementation of the Action, which is widely unpredictable now), may be in the following areas (explanatory and non-exhaustive list):

- Equitable access to Early Childhood Education (ECE) and general education for all children, including for children with disabilities and children with special education needs, including through procurement of digital devices, internet connectivity and other innovative tools.
- Skills development programmes for children, adolescents and youth through non-formal education activities focusing on catch up language courses, arts and sports therapies, social development, resilience building and volunteering, in safe child-friendly spaces in municipal and community centres.
- Provide capital investments in schools that do not offer appropriate WASH facilities, including equipment and hot meals hosting refugee children, particularly in vulnerable communities.
- Ensure the quality of education provision of kits (stationery, backpacks, etc) and specialized academic integration counselling to through Capacity Development of the educational cadres, including Ukrainian recruited teachers.
- Develop the capacity of teachers on child-centred methodologies, inclusion, classroom management, resilience, prevention of bullying and violence, and teaching Romanian as a second language. Beneficiaries will include both Moldovan and Ukrainian teachers/education personnel staying in the country.
- Organized access to Mental Health and Psychosocial Support (MHPSS) for the individual integration of every child; for teachers, education personnel, families, children and adolescents in coordination with Child Protection and Health front line workers.

Activities related to Output 1.2 (for the following public institutions): Improved legal framework, policies and capacities, for increased access to the labour market and better working conditions

- Ministry of Labour and Social Protection
 - Support to bring the national employment and labour legislation in line with the EU *acquis* and ILO standards;
 - Assist reforming of labour inspection, adoption of actions to tackle undeclared work;
 - Consolidate the supervisory capacity of the Ministry of Labour and Social Protection to ensure a clear mandate for the SLI and ensure gender mainstreaming in SLI activity.
- National Employment Agency
 - Support reforming of functional and organizational structure and rethink the division of labour between central and local level employment offices;
 - Enhancing the management capacities and invest in staff development;
 - Creation of a continuous training centre for the National Employment Agency (ANOFM) employees;
 - Assist development of web-based tools that target the needs of younger and better educated jobseekers and deploying client outreach strategies (multi-channelling approach to service delivery);
 - Support to implement the provisions of the employment law, including the active labour market measures;
 - Provide technical assistance in the implementation of the policy document for Employment programme 2022-2026.
- State Labour Inspectorate
 - Support to align the legal framework on labour inspection with the international standards, including by implementing the comments of the ILO supervisory bodies;
 - Strengthening the institutional capacity of the State Labour Inspectorate to conduct more effective workplace inspections in both women and male dominated workplaces, including risk-assessment practices;
 - Assist introduction of a quality management system covering all essential activities of the SLI;
 - Improve collection and reporting of occupational diseases by an electronically management IT system;
 - Establish an internal multiple-level training system with a professional examination as a part of it and provide massive training for labour inspectors;
 - Facilitate development of effective IT platform as a part of the e-Government system;
 - Organise information campaigns in the field of occupational safety and health.

Activities related to Output 1.3: Improved gender equality and women's empowerment by enabling women and girls to equally contribute and benefit from gender responsive policies, socio-economic development results and building a society free from violence and harmful social norms.

- Strengthen the capacities of gender machinery at national and local level to enable the systematic implementation of gender equality agenda.
- Provide support to the State Chancellery in building and institutionalising internal capacities for the development and review of policy documents from gender equality perspective.
- Provide comprehensive support to selected central and local public authorities (LPAs) to pilot gender responsive budgeting (GRB).
- Provide support to the Ministry of Finance to implement Public Expenditure and Financial Accountability (PEFA) recommendations

- Support women and girls, especially from underrepresented groups and women-led enterprises, focusing where possible on science, technology, engineering, and mathematics (STEM), to navigate in a business environment affected by regional and global crises.
- Implement advocacy activities to develop tailor-made programs for enterprises run by women.
- Engage policy actors on advocacy to integrate and mainstream gender equality in policy development, legal framework and institutional mechanisms on women economic empowerment.
- Provide advocacy and communication support to pursue the implementation of childcare solutions benefiting local and refugee population, by state and private sector.
- Pilot alternative childcare services in partnership with the private sector in line with the regulatory framework.
- Increase knowledge among women and girls of their legal rights and recourse mechanism and inform them on the availability and location of specialised services, in line with Istanbul Convention.
- Conduct behavioural change campaigns aiming at stopping all forms of violence, including sexual harassment, before it occurs, by applying non-traditional and innovative tools.
- Support the development of stronger gender sensitive educational systems to prevent violence against women and girls (VAWG) and partner violence, trough systematic integration of education modules in schools and advocacy work in communities.
- Strengthen /establish existent/new general and specialised services on violence against women (VAW) that are survivor-centred, gender sensitive and coordinated at local and national levels (for LPAs/duty bearers) in line with the national regulatory framework.
- Support mentoring activities for local and national specialised civil society organisations (CSOs) and women led CSOs to promote "zero tolerance" towards VAW and sustain coordinated interventions (legal, psychological, economic and social) in the area of service provision based on best practices.

Activities related to Output 2.1: Improved human capital and operational capacity for the delivery of professional security, disaster risk management and migration service for the benefit of all residents in Moldova to the highest EU standards

Through the provision of expert advice, analysis, peer review exercises, field activities, training and equipment, tools and techniques indicative activities under output 2.1 intend to:

- Support managerial reform process and improve inter-agency coordination;
- Strengthen human resources capacities and training capacities (initial and continuous) for all staff, including government distance learning platform features use;
- Assist the implementation of regulatory reform;
- Provide technical assistance in the implementation of the new MIA strategy document for 2022-2030;
- Support the monitoring of new Strategy for the Development of Home Affairs implementation (strategic communication, link with civil society).
- Consolidation of police capacities and abilities in the fight against crime, especially organised crime, all form of violence, human trafficking, armament smuggling and counterfeiting, giving a focus on mobile units and joint investigation Teams;
- Support the continuous monitoring of the situation at the border crossing points, areas and along the green border in order to ensure public order, fight against organised and cross border crime;
- Strengthen intelligence led policing resources to monitor, analyse, share and intervene;
- Continuation of improvement of efficient police intervention capacities, including through the support to digitalisation , while respecting the personal data protection standards;

- Improvement of forensic capacities and abilities (such as laboratory, tools and technology, certification) to secure evidence and to deal with new types of crime;
- Improve intervention capacities to respond to any type of situation while continuing ensuring public order and safety;
- Implementation of capacities of MIA subdivisions to participate in international missions and EU crisis management operations;
- Development and implementation of prevention of crime capacities and abilities as an important part of Police reform.

The indicative activities to be deployed shall as much as possible and when relevant ensure the synergy and complementarity with existing coordinating mechanisms between EU and the Republic of Moldova (which could include the Support Hub for Internal Security and Border Management in Moldova).

Indicative activities under Outputs 2.2: Improved confidence between communities on both banks of the Nistru River through joint initiatives involving local authorities, civil society organisations, business actors and other stakeholders

Economic development and decent job creation for women and men on both sides of the Nistru River:

- Advisory services, capacity building and financial support for business associations, and business service providers, developing cooperation streams between economic actors from both riverbanks and promoting the opportunities provided by the DCFTA;
- Promotion of jobs creation for youth and women in business sectors with high employability potential on both banks, through specialised technical assistance and financial support for start-up and innovative business ideas.

Enhanced cross-river thematic cooperation between the civil society from both banks:

- Provision of advisory services and capacity building to empower the cross-river thematic CSOs platforms to design and implement specific joint solutions and exchange experience in their key areas of expertise;
- Small grants programmes to support the implementation of joint projects of CSOs from both riverbanks, including specific programs and post-crises interventions to support refugee crises response or other emergencies in the context of Russian aggression against Ukraine.

Community Development and small-scale social infrastructure support:

- Support to small infrastructure projects with high confidence building potential, benefitting people on both riverbanks (e.g.: small scale roads/access roads rehabilitation, schools and kindergartens, health and sport facilities, police units, fire fighter units, etc...) with respect of gender equality principle.

Promotion of cultural heritage (material and immaterial):

- Support to conservation/rehabilitation of historical monuments for public and archaeological sites identified by local communities on both banks of the Nistru River; Support to joint cultural, artistic and audio-visual initiatives by organisations and professionals from both banks of the Nistru river (including concerts, art expositions, training and capacity building, documentaries, etc...) with respect of gender equality principle.
- Support to product development, data, quality management, tourism education and training as well as specific form of tourism such as rural and culinary tourism including wine tourism, and cultural.

Cross-river rapprochement in the health and social care sector:

- Modernisation of socio-medical sector on the left bank of the Nistru river and progressive alignment with the standards of the right bank through knowledge transfer and cross-river peer-to-peer exchange formats;

- Support to establishment of multidisciplinary socio-medical service mechanisms with outreach to both vulnerable layers of population and Ukrainian refugees, within an enlarged geographical coverage through mobile teams and informal sector mobilisation.

Activities related to Output 3.1: Improved enabling environment that promotes a transition towards sustainable food systems

- Provide expertise to improve agriculture sector performance monitoring and evaluation, e-governance and data management⁵⁵
- Provide technical expertise to support the Ministry of Agriculture and Food Industry and Ministry of Environment for greening and promoting climate change mitigation and adaption in its strategy, policies and interventions/subsidy measures (aligned to the EU Green Deal⁵⁶, Farm to Fork Strategy⁵⁷, the EU Biodiversity Strategy for 2030⁵⁸, and the Updated National Determined Contribution NDC), and in close cooperation with other Line Ministries.
- Facilitate training events, exchange visits and other experience sharing and learning events.
- Provide capacity building for institutional development towards an accredited EU Paying agency for agriculture and rural development.

Activities related to Output 4.1: The level of capacity by national authorities of the EU approximation process and the implementation of the Association Agreement and Agendas has been significantly increased.

- Provide technical expertise.
- Provide capacity building.
- Support policy dialogues between the EU and the Republic of Moldova.
- Assist in the identification, formulation and implementation of performance monitoring and reporting
- Contribute to reinforcing the Country' systems in line with EU best standards.

Activities related to Output 4.2: Moldova's participation in EU programmes has been supported

- Support to the participation of the Partner country in EU programmes such as Horizon 2020, Creative Europe, COSME, Health for Growth, their successors in the period 2021-27 such as Horizon Europe, and entirely new ones under the MFF 2021-2027.

Activities related to Output 4.3: Inclusive economic development in Moldova is supported by increasing the potential of the digital economy and enhancing regional competitiveness.

- Contribute to construction works.
- Finalisation of the construction works of the EU4Innovation Centre in the city of Cahul.
- Other relevant activities aimed at inclusive economic development in Moldova and enhancing regional competitiveness.

⁵⁵ E.g. support to establish the Integrated Administration and control system (IACS); establish an Agriculture Stress Index System (ASIS) for monitoring and assessing climate risks for the agriculture sector, evaluation of impact (esp. calculating damages and losses caused by draught, hail etc.) and support policy makers in defining the adaptation and mitigation measures.

⁵⁶ <u>COM(2019) 640 final</u>

⁵⁷ COM(2020) 381 final

⁵⁸ COM(2020) 380 final

3.3. Mainstreaming

Environmental Protection, Climate Change and Biodiversity

The screening concluded that there is no need for a Strategic Environmental Assessment (SEA), Environmental Impact Assessment (EIA), or Climate Risk Assessment (CRA). Relevant climate change and environmental issues will be addressed during the design of the projects. Further details can be found in the mainstreaming annex.

Gender equality and empowerment of women and girls

As per OECD Gender DAC codes identified in section 1.1, this action is labelled as G1. This implies that the principles of gender equality and women empowerment are significant objectives to this Action. The principle of gender equality will be embedded in the activities related to employment promotion and making the system of education more gender-sensitive. Minimum share of female beneficiaries will be fixed in the indicators targets to be achieved. According to National education database in 2018/2019 32 875

teachers were working in non-university education, out of which 27 880 were women (i.e. 84,8%). Women make 33% of entrepreneurs in Moldova. At the same time, significant imbalances are observed in terms of women and men ratio among students of STEM, engineering and IT specialties (fields of study). It translates into gender professional segregation at the labour market, as well as the gender pay gap. Another critical challenge is that the education system currently perpetuates gender stereotypes among children.

The project will hence have a direct impact on women as main final beneficiaries of the action. It will encourage men to embrace teaching careers and women, to pursue education and careers in STEM, engineering and IT. The implementation of this Action will be guided by the principles and objectives of the EU Gender Action Plan III⁵⁹. The outcomes of the Action will be disaggregated along gender lines. Specifically, all the data that relate to persons will be collected with sex disaggregation, and impact of the Action on the status of men and women will be analysed.

Human Rights

All activities included in this Action will be designed and implemented in accordance with the principles of rights-based approach, good governance, democracy and human rights, gender equality, environmental sustainability and protection, climate resilience and the inclusion of socially or economically deprived groups. This Action promotes non-discrimination and equal access to all services, focusing on people living in vulnerable situations. It also intends to pay special attention to budget allocations towards greater quality and inclusivity of public services. Emphasis on good governance will be placed through capacity-building of national and sub-national public services authorities. Human rights and inclusion will be promoted through the reinforcement of affordable, quality public services for all.

Disability

As per OECD Disability DAC codes identified in section 1.1, this Action is labelled as D1. This implies that disability is a significant objective. The project will focus on improving the quality of public services and ensure that people with disabilities benefit from it. According to the Moldovan National Bureau for Statistics "the estimated number of people with disabilities in the Republic of Moldova is 182,000, including 11,700 children aged 0-17 years. Persons with disabilities represent 5,1% of total population of the country, and children with disabilities constitute approximately 1,7% of all children from Moldova".

Democracy

The capacity building aspects of this programme will focus on supporting and strengthening the commitment of the Moldovan Government to the principles of public administration developed by the European Commission in close cooperation with the OECD/SIGMA.

⁵⁹ JOIN(2020) 17 final

Conflict sensitivity, peace and resilience

The 'do no harm' principle and conflict-sensitivity are embedded in the Action. Three components of the Action to concrete "benefits of peace" for the broader society which are important to support more comprehensive conflict transformation and longer- term socio-economic development and resilience. A closer attention will be given to conflict sensitivity in the priority area related to security and stability, including EU confidence building measures approach, as reflected in the Conflict Analysis Screening conducted in 2021.

Disaster Risk Reduction

Disaster Risk Reduction will be addressed under the Priorities 2 and 3, in full coherence with Sendai Framework: preventing, prepare and better respond to disaster, as well as to better adapt to climate change. The capacity building activities will also incorporate Disaster Risk Reduction as part of the systemic green transformation.

Other considerations

The proposed intervention is aligned with the European Green Deal⁶⁰ and the Farm to Fork Strategy^{61,62} and is consistent with the European Commission communication of 23 March 2022 'Safeguarding food security and reinforcing the resilience of food systems'⁶³ and builds on current and previous interventions implemented by the EU and its member states in Moldova.

Innovation will be encouraged. Participative approach should be used as much as possible to embed final beneficiaries in the modernisation process. Innovation will also be encouraged in the implementation of the concrete activities of this action (e.g. digitisation, innovative products and services, new sales markets, innovative teaching methods, etc.).

3.4. Risks and Assumptions

Category	Risks	Likelihood (High/ Medium/	Impact (High/ Medium/	Mitigating measures
		Low)	Low)	
External environment	Resistance to conduct reform process and weak implication from state representatives	M	H	 Formalise national authorities' commitments to the modality of activities' implementation. Maintain a joint EU-MD concertation framework throughout the implementation of activities.
External environment	Limited institutional and human resource capacities within the stakeholder Ministries and public institutions to formulate, manage and monitor the implementation of	Μ	Η	Capacity building and training sessions for staff within relevant institutions. Two ongoing technical assistance projects help to improve the PAR strategic framework as well as the conditions of public employees.

⁶⁰ <u>COM(2019) 640 final</u>

⁶¹ COM(2020) 381 final

⁶² 20% reduction in the use of fertilizers by 2030 and a reduction of nutrient loss by 50%, while ensuring no deterioration of soil fertility.

⁶³ COM(2022) 133 final

	their respective sector policies			
External environment	Delay in state and societal delivery services leading to mistrust of population vis-à-vis the State representatives; leading to an increased political instability and to populations looking further at emigration opportunities.	Μ	Н	 Encourage the information diffusion to key stakeholders on calendars, objectives and activities. Incorporate integration of measures to reinforce dialogue with all stakeholders (national and societal).
External environment	Mass departure of Moldovan to EU Member States due to deterioration of regional and national security, including worsening situation in Ukraine leading to increased refugee numbers.	L	Н	 Deploy the activities with proper sequencing and appropriate communication strategy to reach out and associate beneficiaries at early stage of implementation phase. Work closely within the framework of established political and operational dialogues with national and donor stakeholders.
External environment	Weak coordination between the government and the donors, and/or between donors, leading to a duplication of efforts, and/or incompatibility of deployed means to the fast-evolving operating context.	L	Н	- Mobilise the whole EU tool box and encourage EU Member States contributions in coherence with formal and informal Team Europe initiatives with the objective to respond to the priority needs identified.

3.5. Intervention Logic

The underlying intervention logic for this action is that:

In coherence with the EU approach to humanitarian, development and peace nexus, the action starts from the premise that:

- If increased human capital and opportunities for current and future generations are offered through appropriate delivery of gender-sensitive socio-economic services (Specific Objective 1);
- If national authorities are able to better address security threats as well as mass-displacement influx within its territory (with upgraded organisational, analytical, operational capacities) (Specific Objective 2);
- If external and internal shock related to food security as well as climate change are properly addressed (Specific Objective 3);
- If national, societal and economic entities are better equipped through support measures (Specific Objective 4);

So societal and state resilience will be reinforced creating thus necessary conditions for a stable, democratic, sustainable development of Moldova, addressing the drivers of vulnerabilities, inequalities and emigration.

3.6. Indicative Logical Framework Matrix

Results	Results chain: Main expected results	Indicators	Baselines (values and years)	Targets (values and years)	Sources of data	Assumptions
Impact	To enhance state and societal resilience and socio- economic recovery, with a particular focus on stability and peace, as well as providing opportunities for all in an inclusive manner.	Global Competitiveness Index: - Global Competitiveness ranking of the Republic of Moldova - Global Competitiveness score of the Republic of Moldova - Global Peace Index score of the Republic of Moldova	86 (2019) 56,7 (2019) 62 (2022)	70 (2024) 61 (2024) 59 (2024)	Global Competiveness Report of the World Economic Forum Global Peace Index (Report from the Institute for Economics & Peace)	Not applicable
Outcome 1	Supported the country's human capital development and advanced gender equality and women's empowerment for better matching the labour market demands through inclusive and gender-responsive policies and improved employment and labour policies and institutional capacities	 1.1 PISA results (OECD - Programme for International Student Assessment) 1.2 Employment rate by sex 1.3 NEET rate by sex 	<i>1.1</i> PISA 2018: Moldova ≤ OECD average PISA 2022: TBD <i>1.2</i> Men 44,7% (2021), Women 35,4% (2021) 1.3 23,2% - men	<i>1.1</i> PISA 2025: Moldova ≈ OEACD average 1.2 Men 45,7% (2026), Women 36,4% (2026)	OECD PISA reports PISA National Statistics ETF reports	Political will and conducive environment for reforms and implementation of sector strategies in education and employment as well as promote a consolidated strategic cross-sectorial approach.

		1.4.NationallegislationamendedandinstitutionalmechanismsonEndingViolenceagainstwomen,includingdomesticviolence, are in placetoimplementprovision of IstanbulConvention	34,8% -women (2019) 1.4. Civil legislation on EVAW aligned with Istanbul Convention; referral mechanisms in cases of domestic violence adopted (2022) 2.1 0 (2021)	 1.3 20 % -men 30 % - women (2026) 1.4. Criminal legislation amended in line with Istanbul Convention; Institutional mechanism in place 2.1 -5 % (2026) 	Government reports on implementation of National EVAW strategy, Parliamentary sessions reports on implementation of Istanbul convention.	
Outcome 2	Contributed to national stability and territory integrity, in a deteriorating regional security environment through the reinforcement of national human, institutional, operational and societal capacities	 2.1 Number of victims of serious organised crime 2.2 Proportion of seized, found or surrendered arms whose illicit origin or context has been traced or established by a competent authority in line with international instruments 	2.1 0 (2021) 2.3 0 (2021)	2.2 + 20% (2026) 2.3 - 5% (2026)	Government Decision National, civil society and project reports	The beneficiary institutions properly staffed and with necessary absorption capacity to receive and benefit from the proposed actions

		 2.3 Number of victims of human trafficking 2.4 Population Perception of corruption amongst security service provider 2.5 Number of grassroots civil society organisation benefitting from (or reached by) EU support 	2.4 0 (2021) 2.5 0 (2021)	2.4 – 10% (2026) 2.5 10 % (2026)		
Outcome 3	Agri-food systems strengthened, more sustainable and resilient to external shocks and crisis.	Number of public policies and interventions developed and/or revised, with internal and external consultations with national and local stakeholders, with EU support	3.1 0 (2021)	3.1 2 Implemented (2026)	National, civil society and project reports, legal acts and regulations	The beneficiary institutions properly staffed and with necessary absorption capacity to receive and benefit from the proposed actions

Outcome 4	Supported measures encompassing policy dialogue, public diplomacy activities, capacity building, technical preparation and any support to facilitate Team Europe coordination at country level, as well as the implementation and evaluation of the EU's cooperation are implemented.	4.1. Number of reform policies renewed or in place thanks to the Action	4.1. 0 in 2021	4.1 20 % (2026)	National , civil society and project reports	The beneficiary institutions properly staffed and with necessary absorption capacity to receive and benefit from the proposed actions
Output 1 related to Outcome 1	1.1 Improved quality and relevance of education and lifelong learning opportunities for all	1.1.1 Pupils/students enrolment, completion and retention rates (disaggregated by sex, administrative sub-regions, location – urban/rural, wealth quintile, etc.)	1.1.1 GER (Gross Enrolment Ratio) 2020-21 Preschool: 93,9 % (boys: 92,0, girls 96,0) Primary education: 106,2 % (boys: 105,2, girls: 107,3) Secondary education: 105,4 % (boys: 104,9,	 1.1.1 GER (Gross Enrolment Ratio) ≈ of by 2026: 96% for Preschool; 98% for Primary education and Secondary education 	Education Statistics for the National Bureau of Statistics EMIS data (Education Management Information System Reports from other International Partners (UN, WB, etc.)	The Ministry of Education and Research, and other line Ministries, Departments and Agencies is committed towards modernisation reforms of the education sector

Ι		≈ 1000			1
t v r t t	1.1.2 Percentage of teachers in service who have completed nationally required training/qualification program, disaggregated by sex and citizenship	girls: 106,0) 1.1.2 2021: about 75%			
t c	1.1.3 Percentage of teachers trained and certified to use digital resources, disaggregated by sex	1.1.3 2021: ≈ 20,000 in total	1.1.2 2026: 85%		
t s t F	1.1.4 Percentage of teacher attending in- service training/refreshment pedagogical training, disaggregated by sex and citizenship	1.1.4 2021: 24%	1.1.3 2026: 5 000-6000 per year (in 2024, 2025 and 2026) 1.1.4 2026: 35%		
F F C i 1	1.1.5 number of people that validate prior learning, disaggregated by sex in improved lifelong learning national system	1.1.5 2020: 40 individuals in 10 qualifications	1.1.5 by 2026: 300 individuals in 30 qualifications		

I	Γ		T	
 1.1.6 number and type of teaching and learning materials provided through EU support 1.1.7 ratio of women and men at different fields of study in tertiary education 1.1.8 Enrolment rate of vulnerable children, including out-of-school children and Roma children 1.1.9 Number and type of learning environments improved/refurbished under the Action, including WASH (Water, Sanitation 	 1.1.6 2020: 0 1.1.7 no official statistics available 1.1.8 TBD at project inception 1.1.9 2022: 0 Qualitative and quantitative assessment of the school 	 1.1.6 2026: TBD (qualitative and quantitative) 1.1.7 TBD 1.1.8 TBD at project inception 1.1.9 TBD at project inception 		
Ũ				
refugees benefitting directly and	project inception.	1.1.10 TBD		

		indirectly from specific emergency- response activities under the Action	1.1.10 2022: 0			
		1.2.1 Status of the Employment Programme 2022 – 2025	1.2.1 Approved (2022)	1.2.1 Implemented (2025)		
		1.2.2 Number of active labour measures implemented;	1.2.2 3 (2022)	1.2.2 5 (2026)	Project Progress	
Output 2	1.2 Improved legal framework, policies and capacities, for increased	1.2.3 Number of trainings developed with the EU support for the unemployed,	1.2.3 0 (2022)	1.2.3 5 (2026)	Project Progress Reports ANOFM Annual Reports	The National Employment Agency is committed to implement the new law
related to Outcome 1	access to the labour market and better working conditions	including on the development of digital skills			MLSP Annual Reports SLI Annual Reports	on employment and to modernise the services provided to different categories of
		1.2.4 Percentage of staff of the National Employment Agency trained,	1.2.4 0% (2022)	1.2.4 70% (2026)	National Statistics	unemployed.
		disaggregated by sex 1.2.5 Percentage of unemployed people trained by the Action, including from	1.2.5 0% (2022)	1.2.5 20% (2026)		

		 vulnerable groups , disaggregated by sex and citizenship 1.2.6 Number of information and awareness campaigns 	1.2.6 1 (2022)	1.2.6 4 (2026)		
		for people employed in the informal sector	1.2.7 0 (2022)	1.2.7 500 (2026)		
		1.2.7 Number of unemployed people from rural areas participating in active labour market measures,				
		disaggregated by sex 1.2.8. Percentage of staff of the Labour Inspection trained, disaggregated by sex	1.2.8 0 (2022)	1.2.8 80% (2026) 1.2.9 2 (2026)		
		1.2.9 Number of services/processes provided by the State Labour Inspectorate digitalized	1.2.9 0(2022)			
Output 3 related to Outcome 1	1.3 Improved gender equality and women's empowerment by enabling women and girls to equally	1.3.1. Number of central level institutions that apply gender	1.3.1. a) 0 (PEFA Assessment 2021)	1.3.1. a) at least 2	National reports/statistic	Political will and conducive environment for gender responsive reforms across sectors

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CO	ontribute and benefit from	mainstreaming and			Center for	
	ender responsive policies,	gender responsive	b) 0 (PEF	A b) at leas	Partnership	
Ū.	ocio-economic	budgeting in	Ássessment	,	Development	
	evelopment results and	a) policy planning	2021		reports on Gender	
	uilding a society free from	b) budgeting based			Mainstreaming	
	olence and harmful social	on specific needs of			Index;	
	orms	women and men.			,	
					Progress reports	
					from MLSP and	
		1.3.2. Number of	1.3.2. 42 (3	8 1.3.2. 52	State Chancellery	
		local government	rural and		on implementation	
		institutions	urban)		of GE Programme,	
		(urban/rural) that	(2022)		8 ,	
		integrate gender			CEDAW	
		equality in local			implementation	
		strategies/budgets			plan.	
		1.3.3. Number of	1.3.3.	1.3.3.	1	
		a) regulatory			MLSP/reports on	
		b) policy frameworks	a) 2	a) 3	domestic violence	
		on women's	b) 1	b) 2	Assessment report	
		economic	(2022)		on specialist	
		empowerment,			services	
		including on unpaid				
		care work,			GREVIO reports	
		revised/developed.			for Moldova	
		1.3.4. Number of	1.3.4. 10	0 1.3.4.30	Reports from the	
		women and girls,	women		Ministries;	
		including those from	(2021)			
		most excluded			CEDAW report	
		groups, who receive				
		tailored support for				
		employment and				
		skills development,				

		including in STEM area 1.3.5. Number of specialist services for survivors of gender- based violence, including sexual violence, in line with Council of Europe minimum standards, established and strengthened.	1.3.5.0 (2022)	1.3.5. at least 2 specialist services (public or CSO led)		
Output 1 related to Outcome 2	2.1 Improved human capital and operational capacities for the delivery of professional security, disaster risk management and migration service for the benefit of all residents in Moldova to the highest EU standards	 2.1.1 Status on update of relevant Strategy for the Development of Home Affairs and related programmes; 2.1.2 Number of reforms conducted with the EU support 2.1.3 Perception of national population on the reform, ethic and performance of security service provider 	2.1.1 2021 (0) 2.1.2 2021 (0) 2.1.3 2021 (0) 2.1.4 2021 (0)	2.1.1 2026 (45%) 2.1.2 2026 (5) 2.1.3 2026 (+ 15%) 2.1.4 2026 (+15%)	National statistics, reports EU Project reports Civil society reports Other International Organisations data	Political will and conducive environment for reforms and implementation of sector strategies in security and migration

		 2.1.4 Number of organised crimes, including serious 2.1.5 Number of joint investigation conducting in the field of fight against organised crime 2.1.6 Number of persons trained with EU support 	2.1.5 2021 (0) 2.1.6 2021 (0)	2.1.5 (+15%) 2.1.6 (+15%) 2026		
Output 2 related to Outcome 2	2.2 Improved confidence between communities on both banks of the Nistru River through joint initiatives involving local authorities, civil society organisations, business actors and other stakeholders	 2.2.1 Number of individuals reached (directly and indirectly) from EU-CBM interventions (infrastructures, small grants, jobs creations, etc.) disaggregated by sex 2.2.2 Proportion of population below the international poverty line by sex, age, employment status and geographical location (urban/rural) 	2.2.1 Approximately 110,000 under the previous EU-CBM (2019-23) 2.2.2 ~15% Moldovan population below the poverty line in 2020 (regional data TBD at	2.2.1 At least 40,000 in 2023- 25) 2.2.2 Population below the poverty line $\leq 15\%$ by 2025	EU projects' reports National statistics WB, UN, and other International Organisations data	The situation in the security zone across the two riverbanks do not deteriorate in consequence of the Russian aggression against Ukraine and/or other external factors The relations between the Autorities of Chisinau and Tiraspol remain conducive for dialogue and cooperation

 1 ¹ , 1 1	• .		
, disaggregated by	project		
region	inception in		
	2023)		
2.2.3 Number of		2.2.3 At least the	
grassroots civil	2.2.3 5 CSOs	existing 5 CSOs	
society organisation	cross-river	cross-river	
benefitting from (or	sectoral	sectoral platforms	
reached by) EU	platforms	continue to be	
5,	supported	supported in the	
support	under the	period 2023-26,	
	previous EU-	for a total of at	
	CBM		
		least 20 grassroots	
	programme	level	
	(until mid-	organizations	
	2023) for about	involved from	
	15 grassroots	both riverbanks	
	organisations		
	from both		
	riverbanks in		
	stable		
	cooperation		
2.2.4 Number and	_	2.2.4 At least 6	
type of social and	2.2.4 2 flagship	new cultural	
cultural	cultural	heritage projects	
infrastructures	heritage	and 10 new social	
restored/rehabilitated	projects, 10	infrastructure	
under the programme	smaller scales	projects	
	cultural	implemented	
	heritage	under the EU-	
	U	CBM VI in the	
	projects, and ~ 20 social		
		period 2023-2026	
	infrastructure		

		2.2.5 Improved socio-health care services in the left bank region, better aligned with policies and practices of the right bank	projects implemented under previous EU-CBM (2019- 2023) 2.2.5 2 day- care centres established, with properly trained staff, on the left bank under the previous EU- CBM (2019- 23)	2.2.5 At least 2 additional day- care centres established, with properly trained staff, on the left bank, with improved regulatory framework in the period 2023-26		
Output 1 related to Outcome 3	3.1 Improved enabling environment that promotes a transition towards sustainable food systems	 3.1.1 Status of strategy/ policy reform updated with EU support 3.1.2 Strategy for data management and information systems of the Ministry of Agriculture and Food Industry formulated and in implementation 3.1.3 Number of persons trained with EU support (disaggregated by 	3.1.1 0 (2021) 3.1.2 0 (2021) 3.1.3 0 (2021)	 3.1.1 Implemented (2026) 3.1.2 1 strategy formulated and implementation initiated 3.1.3 TBD (2021) 	National (MAFI/AIPA) annual reports, EU project reports	There is sufficient institutional and absorption capacity to ensure longer-term sustainability

		sector/institution and sex)				
Output 1 related to Outcome 4	4.1 The capacities of national authorities relating to the EU approximation process and the implementation of the Association Agreement and Agenda have significantly increased.	 4.1.1 % of reform goals of EUHLAs achieved 4.1.2 % of EU regulation approximated and effectively implemented coming from AA requirements 4.1.3 Number of staff in the justice sector trained with EU support 	4.1.1 2022 (TBD) 4.1.3 2022 (TBD)	 4.1.1 50-80% increase (TBD) 4.1.3 2026 (TBD) 	 4.1.1 National Mechanism for Reporting and Planning 4.1.2 Available data from the MFAEI, State Chancellery and Ministry of Finance 4.1.3 National reports, project reports 	The Government remains committed and able to allocate sufficient resources to implementation of the AA reforms and strategies, as well as to EU candidate status's strategies. The beneficiary institutions properly staffed and with necessary absorption capacity to receive and benefit from the proposed actions.
Output 2 related to Outcome 4	4.2 Moldova's participation in EU programmes has been supported	4.2.1 Number of EU programmes in which the Republic of Moldova participates including in gender equality related	4.2.1 Four EU programmes supported by partial reimbursement of entry tickets	4.2.1 At least five EU programmes receive support in terms of partial reimbursement of	4.2.1 Programmes Participation agreements / MoU	Memoranda of Understanding between the EU and the Republic of Moldova for the participation in

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		topics, and amount of financial support received through bilateral envelop for entry ticket reimbursement	paid by Moldova for the years 2018- 19 (Horizon 2020, Creative Europe, Health for Growth, COSME)	entry tickets paid by Moldova	4.2.2 Narrative and financial reports	EU programmes are in place where necessary
Output 3 related to Outcome 4	4.3 Inclusive economic development in Moldova were supported by increasing the potential of the digital economy and enhancing regional competitiveness	 4.3.1 The construction works of the EU4Innovation centre in the city of Cahul are finalised and the Centre is operationalized 4.3.2 At least two additional relevant activities aimed at inclusive economic development in Moldova and enhancing regional competitiveness are implemented 	 4.3.1 The Centre is under construction (2023) 4.3.2 0 (2022) 	 4.3.1 The construction works are finalised and the Centre is fully operational (2024) 4.3.2 2 (2026) 	Documentation Inventory list Quarter and annual regional reports Internal regulations and offers	The infrastructure to be supported aim to function as an independent body. The team will ensure all activities are realised with maximum commitment possible from all parties. No technical or legal barriers beyond those known impact the creation. There will be no additional price's increase. Attract public funds with a sustainable approach

4. IMPLEMENTATION ARRANGEMENTS

4.1. Financing Agreement

In order to implement this action, it is envisaged to conclude a financing agreement with the Republic of Moldova.

4.2. Indicative Implementation Period

The indicative operational implementation period of this action, during which the activities described in section 3.1 will be carried out and the corresponding contracts and agreements implemented, is 72 months from the date of entry into force of the financing agreement.

Extensions of the implementation period may be agreed by the Commission's responsible authorising officer by amending this financing Decision and the relevant contracts and agreements.

4.3. Implementation Modalities

The Commission will ensure that the EU appropriate rules and procedures for providing financing to third parties are respected, including review procedures, where appropriate, and compliance of the action with EU restrictive measures⁶⁴.

4.3.1. Direct Management (Grants)

4.3.1.1. Grants

a) **Purpose of the grant(s)**

The Grant will contribute to the achievement of Specific Objective (Outcome) 2, Output 2.1 'Improved human capital development for the delivery of professional security, disaster risk management and migration service for the benefit of all residents in Moldova to the highest EU standards' which is aiming at increasing capacity of public institutions and reinforcing the link between the society and the state.

b) Type of applicants targeted

The beneficiary of the grant will be one or a network of NGO(s) and/or think tank(s) with proven experience, expertise and sufficient operational capacities to implement complex programmes in the field of security and migration while both engaging with national authorities and the public at large, as referred to in Output 2.1.

4.3.1.2. Twinning Grants

a) **Purpose of the grant(s)**

The Grants will contribute to the achievement of the Specific Objective 3 'Agri-food systems are strengthened, more sustainable and resilient to external shocks and crisis', notably to Output 3.1 'Improved enabling environment that promotes a transition towards sustainable food systems'.

b) Type of applicants targeted

⁶⁴ www.sanctionsmap.eu Please note that the sanctions map is an IT tool for identifying the sanctions regimes. The source of the sanctions stems from legal acts published in the Official Journal (OJ). In case of discrepancy between the published legal acts and the updates on the website it is the OJ version that prevails.

Applicants must be EU Member State administrations or their mandated bodies.

4.3.1.3. Grants: (Republic of Moldova's participation in EU programmes)

a) **Purpose of the grant(s)**

The grant supports the participation of the Republic of Moldova in Union programmes. Agreements signed between the European Commission and the Government of the Republic of Moldova provide for financial support to the Republic of Moldova for the participation in the EU programmes that have a valid Memorandum of Understanding or framework agreement in force. This support to the grant under this financing decision is in the form of partial (up to 50% for the years 2020-2023) reimbursement of the fees paid by the Government of Moldova for the participation in the EU programmes. These grants will contribute to achieving Output 4.2 'Moldova's participation in EU programmes has been supported'.

b) Type of applicants targeted

The applicants targeted for the grants aiming to reimburse the participation fees in EU programmes are the relevant public authorities from the Republic of Moldova, as per the bilateral agreements signed between the European Commission and Government of the Republic of Moldova for each EU programme.

c) Justification of a direct grant

Under the responsibility of the Commission's authorising officer responsible, the grant may be awarded without a call for proposals to the relevant public authorities of the Republic of Moldova invited to participate in the related sectors of the EU programmes.

Under the responsibility of the Commission's authorising officer responsible, the recourse to an award of a grant without a call for proposals is justified because, in accordance with Article 195(c) of the Financial Regulation, as the entities involved are bodies with a de jure monopoly.

The relevant grant beneficiary institutions are designated by Moldova in each respective Memorandum of Understanding for being in charge of the respective EU programme.

4.3.2. Direct Management (Procurement)

Procurements will contribute to the achievement of the Specific Objective 4 (**Outcome 4, Output 4.1**) which aim at increasing capacity of public institutions to support the participation of Moldova in aligning with EU *acquis* as well as to strengthen the cooperation between the Republic of Moldova and the EU in the context of the Association Agreement and Agenda.

4.3.3. Indirect Management with a pillar-assessed entity

4.3.3.1. Indirect Management with a pillar-assessed entity

A part of this action may be implemented in indirect management with the international organisations:

- United Nations International Children's Emergency Fund (UNICEF) and
- United Nations Development Programme (UNDP).

This implementation entails the activities under Outcome 1.1 'Improved quality and relevance of education and lifelong learning opportunities for all'.

The envisaged entities have been selected using the following criteria:

- UNICEF is widely recognised as leader organisation within the UN system for inclusive and quality education, currently implementing actions in more than in over 190 countries and territories to save children's lives, to defend their rights, and to help them fulfil their potential, from early childhood through adolescence. It has been providing education-policies advice in the Republic of Moldova since the independence of the country in the early 90s and is currently the Coordinating Agency of the education development partners, directly supporting the Ministry of Education and Research and other relevant MDAs to elaborate the Education Strategy 2030, to which also this Action contributes. Additionally UNICEF has proven expertise as implementing agency of EU-funded programmes in Moldova.
- UNDP is leader in Moldova in implementing complex programmes and actions funder by the major donors worldwide, including the EU, in a variety of sectors over the last two decades. UNDP has operational capacity to manage grants and procurements of services, supplies and works, with sound financial management principles according to the highest standards. It currently cooperates with UNICEF in the education sector, implementing pilot initiative for digital learning in some districts of the country, which offer opportunities for efficient upscale under the proposed Action.

A consortium between UNICEF and UNDP, guarantees the right set of sectoral and cross-sectoral competences, expertise, in- country experience and management capacities that are necessary to implement the education component of this Action, in close cooperation with the Government of the Republic of Moldova.

If negotiations with the above-mentioned entity fail, that part of this action may be implemented in indirect management with a consortium of EU Member State Agencies, comprised of Gesellschaft für Internationale Zusammenarbeit (GIZ) and Austrian Development Agency (ADA). The implementation by this alternative entity would be justified because of the following criteria:

These organisations have multiannual in-country experience in implementing projects in the area of human capital development, particularly Vocational Education and Training.

In case the envisaged entity and the replacement entity mentioned above would need to be replaced, the Commission's services may select another replacement entity using the same criteria. If the entity is replaced, the decision to replace it needs to be justified.

4.3.3.2. Indirect Management with a pillar-assessed entity

A part of this action may be implemented in indirect management with a pillar assessed entity, which will be selected by the Commission's services using the following criteria:

- proven knowledge and expertise, operational and technical capacities required to efficiently achieve the envisaged outputs,
- value added and synergy with ongoing EU and other development partner interventions,
- transparency,
- absence of conflict of interest.

The implementation by this entity entails to provide support to the Ministry of Labour and Social Protection and other relevant public authorities to bring the national employment and labour legislation in line with the EU *acquis* and ILO standards and assist in reforming the labour inspection, including to provide support to adopt actions to tackle undeclared work and to consolidate the supervisory capacity of the Ministry of Labour and Social Protection to ensure a clear mandate for the SLI and ensure gender mainstreaming in SLI activity. In addition, the entity will provide support to the National Employment Agency to implement the Employment Programme 2022-2025, which will contribute to the Output 1.2 'Improved legal framework, policies and capacities, for increased access to the labour market and better working conditions'.

4.3.3.3. Indirect Management with a pillar-assessed entity

A part of this action may be implemented in indirect management with a pillar assessed entity, which will be selected by the Commission's services using the following criteria:

- proven knowledge and expertise, operational and technical capacities required to efficiently the envisaged outputs,
- value added and synergy with ongoing EU and other development partner interventions,
- transparency,
- absence of conflict of interest.

This implementation entails to conduct the activities under Output 1.3 'Improved gender equality and women's empowerment by enabling women and girls to equally contribute and benefit from gender responsive policies, socio-economic development results and building a society free from violence and harmful social norms'.

4.3.3.4. Indirect Management with a pillar-assessed entity

A part of this action may be implemented in indirect management with the EU decentralised agency CEPOL (European Union Agency for Law Enforcement Training).

This implementation entails the activities under Outcome 2, notably Outputs 2.1 'Improved human capital and operational capacities for the delivery of professional security/migration service for the benefit of all residents in Moldova to the highest EU standards, limited to the activities concerning the components related to the strengthening of the human, managerial, institutional and operational capacities of the Ministry of Internal Affairs.

The envisaged entity has been selected using the following criteria:

- Extensive experience and solid knowledge in implementing projects in sensitive context across NEAR sub-regions in security, while promoting EU expertise;
- Capacity to build on actions already implemented in the field of security in the Republic of Moldova.

The implementation by this entity entails to build on lessons learnt and already tested implementation arrangements that proved effective and efficient in the sensitive and specific context in the Republic of Moldova as well as in other Partner countries.

In case the envisaged entity would need to be replaced, the Commission's services may select a replacement entity using the same criteria. If the entity is replaced, the decision to replace it needs to be justified.

4.3.3.5. Indirect Management with a pillar-assessed entity

A part of this action may be implemented in indirect management with the United Nations Development Programme UNDP.

This implementation entails the activities under Outcome 2, Output 2.2 'Improved confidence between communities on both banks of the Nistru River through joint initiatives involving local authorities, civil society organisations, business actors and other stakeholders', limited to the activities concerning :

- Economic development and decent job creation for women and men on both sides of the Nistru River:
- Community Development and cross-river CSOs' thematic platforms:
- Small scale social infrastructures projects
- Promotion of cultural heritage.

The envisaged entity has been selected using the following criteria:

- Extensive experience and widely acknowledged leadership of UNDP in implementing projects in post conflict situation in Moldova, as an UN agency, neutral and not involved in the political negotiation between the sides of the Transnistrian unresolved conflict;
- Follow up of actions already implemented under previous EU-Confidence Building Measures programmes in Moldova. The proposed action will build on lessons learnt and already tested implementation arrangements that proved effective and efficient in the sensitive specific context. UNDP has developed since 2009 in Moldova specific implementing methodologies and projects in the framework of Confidence Building Measures.

4.3.3.6. Indirect Management with a pillar-assessed entity

A part of this action may be implemented in indirect management with a pillar assessed entity, or a consortium of pillar assessed entities, which will be selected by the Commission's services using the following criteria:

- previous experience as implementer of at least one multiannual initiative (at least 2 consecutive years) to promote the exchange of practices and the transfer of know-how between the two banks of the Nistru river in the area of health or social care;
- proven management capacities to implement actions for the organisational development of non-state actors (non-governmental organisations and/or local authorities) in the Transnistrian region;

This implementation entails the activities under Outcome 2, Output 2.2 'Improved confidence between communities on both banks of the Nistru River through joint initiatives involving local authorities, civil society organisations, business actors and other stakeholders', limited to the activities concerning the cross-river rapprochement in the health and social care sector.

4.3.3.7. Indirect Management with a pillar-assessed entity

A part of this action may be implemented in indirect management with a pillar assessed entity, which will be selected by the Commission's services using the following criteria:

- proven knowledge and expertise, operational and technical capacities required to efficiently achieve the envisaged outputs;
- value added and synergy with ongoing EU and other development partner interventions.

The implementation by this(ese) entity(ies) entails strengthening capacity of public institutions in the justice sector to support the aligning of relevant legislation with EU *acquis*, to strengthen its implementation as well as to further facilitate the cooperation between the Republic of Moldova and the EU in the context of the Association Agreement and Agenda (Outcome 4, Output 4.1 - The level of capacity by national authorities of the EU approximation process and the implementation of the Association Agreement and Agendas has been significantly increased).

4.3.3.8. Indirect Management with a pillar-assessed entity

A part of this action may be implemented in indirect management with a pillar assessed entity, which will be selected by the Commission's services using the following criteria:

- proven knowledge and expertise, operational and technical capacities required to efficiently achieve the envisaged outputs;
- value added and synergy with ongoing EU and other development partner interventions,
- transparency;
- absence of conflict of interest.

The implementation by this(ese) entity(ies) entails strengthening the national capacities for development of sustainable economic development (Outcome 4, Output 4.3 'Inclusive economic development in Moldova is supported by increasing the potential of the digital economy and enhancing regional competitiveness').

4.3.4. Changes from indirect to direct management (and vice versa) mode due to exceptional circumstances

The preferred implementation modality under section 4.3.3.2 is indirect management with a pillar-assessed entity. If negotiations with the selected entrusted entity fail, this action may be implemented in direct management (procurement) in accordance with the implementation modalities identified in section 4.3.2.

4.4. Scope of geographical eligibility for procurement and grants

The geographical eligibility in terms of place of establishment for participating in procurement and grant award procedures and in terms of origin of supplies purchased as established in the basic act and set out in the relevant contractual documents shall apply, subject to the following provisions.

The Commission's authorising officer responsible may extend the geographical eligibility on the basis of urgency or of unavailability of services in the markets of the countries or territories concerned, or in other duly substantiated cases where application of the eligibility rules would make the realisation of this action impossible or exceedingly difficult (Article 28(10) NDICI-Global Europe Regulation).

Indicative Budget components	EU contribution (amount in EUR)
Implementation modalities – cf. section 4.3	
Objective 1 'Improved human capital development matching better the labour market demands' composed of	17 000 000
Indirect management with UNICEF and UNDP (output 1.1) – cf. section 4.3.3.1	10 000 000
Indirect management with a pillar-assessed entity (output 1.2) – cf. section 4.3.3.2	2 000 000
Indirect management with a pillar-assessed entity (output 1.3) – cf. section 4.3.3.3	5 000 000
Objective/Outputs 2 'national stability and territory integrity' composed of	11 000 000
Grants (direct management) (output 2.1) – cf. section 4.3.1.1	500 000
Indirect management with CEPOL - (output 2.1) – cf. section $4.3.3.4$	5 500 000
Indirect management with UNDP	4 000 000

4.5. Indicative Budget

(output 2.2) – cf. section 4.3.3.5	
Indirect management with a pillar assessed entity - cf. (output 2.2) – cf. section $4.3.3.6$	1 000 000
Objective/Output 3 'Agri-food systems' composed of	1 500 000
Twinning Grants (direct management)	1 500 000
(output 3.1) – cf. section 4.3.1.2	
Objective/Output 4 'Cooperation Facility' composed of	10 500 000
Procurement (direct management)	5 500 000
(output 4.1) – cf section $4.3.2$	
Indirect management with a pillar-assessed entity	1 500 000
(outputs 4.1) – cf. section $4.3.3.7$	
Grants for participation of Moldova in EU programmes (direct management)	2 500 000
(output 4.2) – cf. section 4.3.1.3	
Indirect management with a pillar-assessed entity	1 000 000
(outputs 4.3) – cf. section 4.3.3.8	
Total grants – cf. section 4.3.1	4 000 000
Total procurement – section 4.3.2	5 500 000
Evaluation – cf. section 5.2	will be covered by
Audit – cf. section 5.3	another Decision
Communication and visibility – cf. section 6	N.A.
Contingencies	N.A.
Totals	40 000 000

4.6. Organisational Set-up and Responsibilities

The Delegation of the European Union to the Republic of Moldova, represented by the relevant programme officers from the Delegation's Cooperation section, will be responsible for supervising the implementation of the projects.

The implementing entities will be responsible for the day-to-day management of the projects and mobilisation of all needed resources. The implementing entities will assist the Project beneficiaries in establishing the Project Steering Committees to guide the project implementation. The Project Steering Committees will oversee and validate the overall direction and policy of the project (or other responsibilities to be specified). The implementing entity will report regularly to the Project Steering Committee, which will review the project progress and give guidance on key issues. The Project Steering Committees shall meet on a regular basis, indicatively once or twice a year. Ad-hoc meetings can be convened in case of need. The Project Steering Committee shall be made up of representatives of key stakeholders.

As part of its prerogative of budget implementation and to safeguard the financial interests of the Union, the EU Delegation may participate in the above governance structures set up for governing the implementation of the action.

5. PERFORMANCE MEASUREMENT

5.1. Monitoring and Reporting

The day-to-day technical and financial monitoring of the implementation of this action will be a continuous process, and part of the implementing partner's responsibilities. To this aim, the implementing partner shall establish a permanent internal, technical and financial monitoring system for the action and elaborate regular progress reports (not less than annual) and final reports. Every report shall provide an accurate account of implementation of the action, difficulties encountered, changes introduced, as well as the degree of achievement of its Outputs and contribution to the achievement of its Outcomes, and if possible at the time of reporting, contribution to the achievement of its Impacts, as measured by corresponding indicators (sex-disaggregated where relevant) using as reference the logframe matrix.

The Commission may undertake additional project monitoring visits both through its own staff and through independent consultants recruited directly by the Commission for independent monitoring reviews (or recruited by the responsible agent contracted by the Commission for implementing such reviews).

Roles and responsibilities for data collection, analysis and monitoring:

- <u>Baselines setting</u>: Baselines, targets and sources of data have been partially defined in the logframe. These will be reconfirmed or amended if necessary at the time of the contracting. If needed, additional studies will be commissioned.
- <u>Data collection and reporting</u>: Data collection and reporting will be under the responsibility of the implementing partners.
- <u>M&E Capacities:</u> M&E capacities of the partner country are strengthened through a dedicated intervention. While this action doesn't foresee specific support on M&E, it will certainly require active involvement of the country M&E system.
- <u>Active and meaningful participation of stakeholders:</u> This action has been designed based on consultations with a large group of stakeholders, including the Government, the business sector and the civil society. It is in line with many of the priorities identified as a result of the consultation and with Government strategies and programmes. It is expected that a large number of stakeholders will benefit from it and will be actively supporting it. Due care will be taken to raise awareness about the action and its benefits to ensure active stakeholders' participation.

5.2. Evaluation

Having regard to the nature of the action, a final evaluation will be carried out for this action or its components via independent consultants contracted by the Commission.

It will be carried out for accountability and learning purposes at various levels (including for policy revision), taking into account in particular the fact that follow up actions may be launched under some of the priorities.

The Commission shall form a Reference Group (RG) composed by representatives from the main stakeholders at both EU and national (representatives from the government, from civil society organisations (private sector, NGOs, etc.), etc.) levels. If deemed necessary, other donors will be invited to join. The Commission shall inform the implementing partner at least 30 days in advance of the dates envisaged for the evaluation exercise and missions. The implementing partner shall collaborate efficiently and effectively with the evaluation experts, and inter alia provide them with all necessary information and documentation, as well as access to the project premises and activities.

The evaluation reports shall be shared with the partner country and other key stakeholders following the best practice of evaluation dissemination. The implementing partner and the Commission shall analyse the conclusions and recommendations of the evaluations and, where appropriate, in agreement with the partner

country, jointly decide on the follow-up actions to be taken and any adjustments necessary, including, if indicated, the reorientation of the project.

Evaluation services may be contracted under a framework contract.

5.3. Audit and Verifications

Without prejudice to the obligations applicable to contracts concluded for the implementation of this action, the Commission may, on the basis of a risk assessment, contract independent audit or verification assignments for one or several contracts or agreements.

6. STRATEGIC COMMUNICATION AND PUBLIC DIPLOMACY

All entities implementing EU-funded external actions have the contractual obligation to inform the relevant audiences of the Union's support for their work by displaying the EU emblem and a short funding statement as appropriate on all communication materials related to the actions concerned. To that end they must comply with the instructions in the 2022 guidance document <u>Communicating and raising EU visibility: Guidance for external actions</u> (or any successor document).

This obligation will apply equally, regardless of whether the actions concerned are implemented by the Commission, the partner country, service providers, grant beneficiaries or entrusted or delegated entities such as UN agencies, international financial institutions and agencies of EU Member States. In each case, a reference to the relevant contractual obligations must be included in the respective financing agreement, procurement and grant contracts, and delegation agreements.

For the purpose of enhancing the visibility of the EU and its contribution to this action, the Commission may sign or enter into joint declarations or statements, as part of its prerogative of budget implementation and to safeguard the financial interests of the Union. Visibility and communication measures should also promote transparency and accountability on the use of funds. Effectiveness of communication activities on awareness about the action and its objectives as well as on EU funding of the action should be measured.

Implementing partners shall keep the Commission and the EU Delegation/Office fully informed of the planning and implementation of specific visibility and communication activities before the implementation. Implementing partners will ensure adequate visibility of EU financing and will report on visibility and communication actions as well as the results of the overall action to the relevant monitoring committees.