



Unofficial translation

GOVERNMENT OF THE REPUBLIC OF MOLDOVA

DECREE no.684

of 29.09.2022

Chisinau

on public capital investments projects

Published: 21-10-2022 in the Official Gazette No 326-333 art. 787

Changed: GD 535 of 24.07.24, MO329-331/31.07.24 art.657; in force 31.07.24

NOTE: Throughout the text in the Regulation the words „budgetary authority”, to any grammatical form, are replaced by the text „AAPC” by GD no.535 of 24.07.24, MO329-331/31.07.24 art.657; in force 31.07.24

The Regulation is based on Law on Public Finance and Fiscal Responsibility no. 181/2014 (Official Gazette of the Republic of Moldova, 2022, no.326-333 art.787). Reference Article 41 DECIDES:

1. The Regulation on public capital investment is approved in accordance with the Annex.
 2. The local public authorities are advised to apply the provisions of this Regulation in the process of managing public capital investment projects funded entirely by local budget resources. [P.2 amended by GD no. 535 of 24.07.24, MO329-331/31.07.24 art.657; in force 31.07.24]
 3. The central public authorities to which the competency of administering development funds is assigned, shall adopt normative legal acts in the particular area according to the current decree. [P.3 amended by GD535 of 24.07.24, MO329-331/31.07.24 art.657; in force 31.07.24]
- 3¹ The Ministry of Finance will develop and approve the Instruction on [the evaluation](#) of public capital investment projects.
4. The Minister of Finance shall have responsibility and control of the execution.
 5. The Government Decision no. 1029/2013 on public capital investments (Official Gazette of the Republic of Moldova, 2013, no. 311, article 1157), as amended, is repealed.
 6. This Decree shall enter into force on the date of its publication.

PRIME-MINISTER

Natalia Gavrilita

**Countersigned:
Deputy Prime Minister,**

**Minister of Infrastructure and
Regional Development**

Andrei Spinu

Minister of Finance

Dumitru Budeanschi

No. 684. Chisinau, September, 2022.

*Approved by
the Government Decision no. 684/2022*

**REGULATION
on public capital investment**

I. GENERAL PROVISION

1. This Regulation on public capital investment projects (hereinafter – the Regulation) establishes a transparent and efficient mechanism for identifying, appraising, planning, approving, implementing, monitoring and managing public capital investment projects funded from the State Budget.
2. The purpose of the Regulation is to ensure a legal framework concerning the national procedures for the management of public capital investment projects eligible for financing from the State Budget.
3. The provisions of this Regulation shall apply to all public capital investment projects financed from the funds of the State Budget, including from the external sources and development funds, as well as the contribution of the state budget to the implementation of projects on the account of local budgets resources.
4. For the purpose of the Regulation the following definitions are applied.
public capital investments - budget expenditure aimed to create fixed assets, including construction;
[\[art.4 notion in the wording GD535/ 24.07.24, OG329-331/31.07.24 art.657; in force 31.07.24\].](#)
capital investment project – set of activities that have a common and clearly defined purpose, carried out over a certain period of time, the implementation of which results in reconstruction, expansion, and, restoration of existing fixed assets and creation of new fixed assets, including by construction;
[\[art.4 notion edited in the GD535 of 24.07.24, OG329-331/31.07.24 art.657; in force 31.07.24\].](#)
capital investment project cycle - a sequence of steps which includes: identification and preliminary assessment, preparation, technical and economic substantiation, examination and determination of the eligibility, selection and approval, implementation and monitoring, final appraisal and post-implementation evaluation of public capital investment projects;

cost-benefit analysis: analytical tool of economic technical justification that evaluates and compares the costs to the socio-economic and financial benefits of a capital investment project;

cost-effectiveness analysis - an analytical tool of economic technical substantiation that evaluates and compares the costs of alternative options, assuming that project benefits are similar;

efficiency – the use of the least amount of input to achieve the highest amount of output;

effectiveness – achieving expected results;

project documentation and project cost estimate s- a set of graphic and text technical and economic solutions to achieve the capital investment objective, necessary to substantiate and implement the project;

development funds - funds allocated annually from the state budget resources for the implementation of development projects and programs, funds allocations are used including for public capital investment projects;

[P.4 definition in the GD 535/24.07.24, OG 329-331/31.07.24 art.657; in force 31.07.24]

performance of the investment project - the intermediate or final results of the project appraised through specific quantitative indicators (output indicators), qualitative indicators (outcome) and efficiency indicators;

project in progress - capital investment project for which the decision of initiation was accepted, financial resources for implementation were provided and the project documentation and estimate were elaborated;

cost-quality ratio - analytical indicator that determines if the purpose of the capital investment project was achieved at a reasonable cost and the project resources are used economically, efficiently and effectively;

feasibility study - a document based on which project documentation is developed, which includes and provides information on the multidimensional impact of the project, as well as the economic viability and financial sustainability of the public capital investment project, analyses, substantiates and proposes at least two different technical-economic options, recommending justified and documented the optimal technical-economic option for achieving the investment objective.

II. BASIC PRINCIPLES IN PUBLIC CAPITAL INVESTMENT PROJECT MANAGEMENT

5. Expenditures for capital investments funded from the State Budget are planned, executed and reported as part of the budgetary process, in compliance with the budgetary procedures established by the legal framework in the area of public finances.
6. The public capital investment projects funded from the State Budget shall be planned, approved and managed in accordance with the following basic principles:
 - 1) *The strategic planning principle* foresees that the proposal of projects shall be subject to a prioritization process in terms of impact on policy priorities and the objectives established in the strategic planning documents for the medium term;
 - 2) *The principle of performance* foresees that the allocation of resources for projects and their implementation reports shall be based on the forecasted, intermediate and final results;
 - 3) *The principle of cost-quality ratio* foresees that project beneficiaries must ensure that they use budgetary resources economically, efficiently and effectively, ensuring a high ratio of cost-quality;

- 4) *The sustainability principle* foresees that in planning and approving the public capital investment projects, operation and subsequent maintenance costs after the project completion are also taken into account and can be financed;
- 5) *The realism principle* foresees that the availability of budgetary resources and the capacity to implement the project is taken into account in the planning phase.

III. RESPONSIBILITIES OF THE MINISTRY OF FINANCE IN THE AREA OF PUBLIC CAPITAL INVESTMENTS WHICH ARE INCLUDED IN THE ANNEX TO THE BUDGETARY LAW

7. In accordance with art. 20 of Law 181/2014 and following the principles established by art. 7-13 of the cited law, the Ministry of Finance is responsible for:
 - 1) establishing the spending limits for capital investments within the Medium-Term Budget Framework draft submissions and the annual State Budget Law;
 - 2) receiving and generalizing the proposals of the central public administrative authorities (*hereinafter* -CPAA) concerning the new and ongoing public capital investment projects funded from the State Budget;
[\[P.7 subp.2\) amended by GD 535/ 24.07.24, OG329-331/31.07.24 art.657; in force 31.07.24\]](#)
 - 3) ensuring the activity of the Ministry of Finance Working Group for public capital investments (*hereinafter* - *the Working Group*);
 - 4) determining the eligibility of public capital investment projects, based on the requirements established in Annex no. 2 to this Regulation;
 - 5) preparation of the portfolio of projects in progress and new projects eligible for public capital investments for the next 3 years;
 - 6) the inclusion of the eligible selected public capital investment projects in the draft of the Medium-Term Budget Framework/ (*hereinafter* - MTBF) State Budget law selected by the Interministerial Strategic Planning Committee (*hereinafter*-ISPC);
 - 7) Developing methodological guidelines and providing methodological support to the CPAA;
 - 8) ensuring the funding of capital investment projects based on the payment requests of the project beneficiaries;
 - 9) monitoring the implementation of public capital investment projects;
 - 10) ensuring the functionality of the Information System “Register of Public (capital) Investment Projects” (*hereinafter* – RPCIP).
8. The Ministry of Finance reserves the right to reassess and submit proposals to terminate a project at any stage of implementation to ISPC, if one of the following is observed:
 - 1) significant decrease in the expected demand for the deliverables of the project deeming the project no longer as planned;
 - 2) suspending the projects works for a period of more than 3 years;

- 3) documented cases of fraud or corruption, associated with the project, having been detected and confirmed according to the procedures established in the contravention Code of the Republic of Moldova no. 218/2008.

IV. WORKING GROUP FOR THE PUBLIC CAPITAL INVESTMENTS

9. The Ministry of Finance will manage the appraisal process of eligibility of public capital investment projects, based on proposals received from the CPAA, through the Working Group.
10. The composition of the Working Group shall be approved by the Minister of Finance. The nominal composition of the Working Group is updated annually as necessary at the beginning of the MTBF/annual budgetary law preparation process.
[\[P.10 amended by GD 535/24.07.24, OG329-331/31.07.24 art.657; in force 31.07.24\]](#)
11. The Working Group is chaired by the State Secretary responsible for the budget.
12. The Working Group is composed of:
 - 1) the heads of the Ministry of Finance directorates responsible for public capital investments, budget policies and synthesis, sectoral budgetary policies, public debt;
 - 2) a representative of the State Chancellery.
[\[P.12 in version of GD535/ 24.07.24, OG 329-331/31.07.24 art.657; in force 31.07.24\].](#)
13. The Working Group ensures the examination and decision on the eligibility of new public capital investment projects (to be included in the State Budget Law) on the basis of criteria established in Annex 2 to this Regulation.
[\[P.13 amended by GD535/ 24.07.24, OG329-331/31.07.24 art.657; in force 31.07.24\].](#)
14. The Working Group examines proposals for new projects only that have been submitted through the IS RPCIP platform.
15. The Working Group will convene meetings whenever necessary.
16. The issues, divergences discussed, and decisions taken by the Working Group will be recorded in minutes.
17. The secretariat and the logistical arrangements in the activity of the Working Group are provided by the Ministry of Finance.

V. THE BASIC STEPS OF PUBLIC CAPITAL INVESTMENT PROJECTS WHICH ARE INCLUDED IN THE ANNEX OF THE ANNUAL STATE BUDGET LAW

18. Every public capital investment project will undergo through the following sequential stages:
 - 1) identification of the project and preliminary assessment;
 - 2) preparation of documentation, elaboration and presentation the project proposals;
 - 3) review of proposed projects and determination of the project eligibility;
 - 4) select the projects and include capital investment projects in the draft MTBF/ annual State Budget Law;
 - 5) project implementation and monitoring;

- 6) final project evaluation and audit (post-implementation).

Section 1

Identification of the project and preliminary assessment

19. The identification of the project and preliminary assessment is the responsibility of the CPAA initiating the project.

20. In undertaking this task, it is necessary to consider:

- 1) proposals for new projects shall be submitted by any CPAA;
- 2) new capital investment projects result from the priorities of the Government/local public administration authorities (hereinafter – LPA), provided in the strategic planning documents;

[\[P.20 sub-item.2\) in the version of GD535/ 24.07.24, OG329-331/31.07.24 art.657; in force 31.07.24\]](#)

3) projects are identified in the process of analysis and strategic planning and are aimed at solving specific problems addressed in national strategies or sectoral development strategies to be taken into account at the stage of elaboration of the sectoral spending strategies included in the MTBF / the state budget law;

4) for new projects, the estimated cost of which exceeds 200 million lei, the allocation of financial resources from the state budget for the purpose of developing the feasibility study is carried out only with the agreement of the ISPC (Interministerial Strategic Planning Committee).

[\[P.20 subp.4\) amended by GD535/ 24.07.24, OG329-331/31.07.24 art.657; in force 31.07.24\]](#)

5) All proposals for new projects shall be mandatory submitted to the Ministry of Environment for examination and for the preparation of the opinion on the implications and climatic vulnerabilities of the project.

[\[P.20 sub-item.5\) introduced by GD 535 of 24.07.24, OG 329-331/31.07.24 art.657; in force 31.07.24\]](#)

Section 2

Preparation of documentation, elaboration and submitting of project proposals

21 The AAPC initiating the project is responsible for preparation of documentation (including the feasibility study and the opinion of the Ministry of Environment on the climate implications and vulnerabilities of the project), elaboration and presentation of proposals for new public capital investment projects.

[\[P.21 amended by GD535 of 24.07.24, OG 329-331/31.07.24 art.657; in force 31.07.24\]](#)

22 The final proposals will be submitted to the Ministry of Finance. The detailed requirements for the project eligibility are included in Annex 1 to this Regulation:

- 1) a summary of the proposed project including: the purpose of the project; relevant strategic policy/framework; project beneficiaries; location of the proposed project; possible sources of funding;

- 2) a technical analysis including:

- a) the required technical specifications and resources;
 - b) the existing available technology for the realisation of the proposed project;
 - c) an operational assessment confirming the realism and adequacy of the operations and schedules for implementation of the proposed project, and safeguards for the completion of the project within the foreseen timelines.
- 3) An economic-financial analysis including:
- a) *a business case section* with the general economic analysis relevant to the project, an analysis of the demand for the outputs/ services produced by the project, and the analysis of whether project deliverables will meet the estimated demand;
 - b) *financial study* - with the analysis of costs of implementation, operation and maintenance of the project assets, as well as the analysis of the financial sources, financial instruments and financing costs in case of projects funded from external sources;
 - c) in the case of new projects, the estimated cost of which does not exceed 10 million lei, for which the project documentation and cost estimates are not elaborated, a preliminary cost will be indicated, estimated by the CPAA initiating the project;
 - d) for new projects, the estimated cost of which does not exceed 10 million lei, it is not mandatory to elaborate the feasibility study;
 - e) for new projects with an estimated cost exceeding the value of 10 million lei, the elaboration of a feasibility study in line with the requirements defined in Annex 1 will be mandatory.
 - f) for new projects with an estimated cost which varies from 10 million lei to 200 million lei, it is not mandatory to include cost-benefit analysis as part of the feasibility study;
 - g) for new projects with an estimated cost exceeding the value of 200 million lei, the elaboration of a feasibility study will be mandatory, including cost-benefit analysis;
 - h) in case it is not possible to assess and quantify the benefits in projects of over 200 million lei, the cost-benefit analysis will be replaced by a cost-effectiveness analysis.
- 4) A legal assessment ensuring that the proposed project is not in conflict with legal requirements and other regulations.
- 5) An institutional and management assessment confirming the presence of institutional and management arrangements adequate for the effective implementation of the proposed project.
- 6) Social impact assessment describing the consequences (negative and positive) of the proposed project for the population, such as the effect on livelihoods, income distribution, poverty, unemployment, gender equality and minorities.
- 7) An environmental impact assessment describing the potential impacts (positive and negative) of the proposed project on the environment and on climate change possible measures to mitigate negative impacts.

At the same time, based on the opinion of the Ministry of Environment, the impact of climate change on the implementation and further operation of the project shall include the assesment of the vulnerability of the project to climate change, should be analyzed, as well as the possible actions to mitigate risks, increase resilience to negative impacts";

[P.22 subp.7) in version of GD 535/24.07.24, OG329-331/31.07.24 art.657; in force 31.07.24]

- 8) A risk analysis presenting the identified risks and risk-mitigation measures associated with the proposed project taking into consideration all the aforementioned areas.
- 23 Public capital investment projects suspended, for a period of maximum 3 years, consecutively, which are planned to be resumed, must go through the stages of the new project cycle and are reassessed in accordance with the provisions of this Regulation.
[P.23 amended by GD 535/24.07.24, OG 329-331/31.07.24 art.657; in force 31.07.24]
- 24 CPAA may choose to outsource (contract) some studies, analysis aforementioned work to specialized consulting services provided that costs associated with entering into a said service contract are planned and included in the Budget in accordance with foreseen procedures.
- 25 CPAA responsible for the project will present to the Ministry of Finance:
 - 1) proposals/submissions for public capital investment projects in progress according to forms developed from Methodological Instructions concerning elaboration, approval and amendments to the budget, approved by the MoF Order no. 124/2023;
[P.25 subp.1) amended by GD 535/ 24.07.24, OG 329-331/31.07.24 art.657; in force 31.07.24]
 - 2) the proposals of new public capital investment projects, according to Annex no. 1 to the present Regulation,
- 26 Proposals for new public capital investment projects shall be submitted to the Ministry of Finance, by uploading forms from Annex 1 in the RPCIP, the opinion of the Ministry of Environment on the climate implications and climate vulnerabilities of the project, and other relevant documents (feasibility study, general cost estimate, technical documentation verification report, etc.).

26¹The period of validity of eligible new projects, not included in budget laws for financing, is three years. After the expiry of this deadline, the CPAA responsible for the project shall consider the appropriateness of maintaining the proposal. In case of the need for promotion, the project will be repeated and will go through the stages of the cycle of a new project.

[P.26¹ amended by GD535/24.07.24, GD329-331/31.07.24 art.657; in force 31.07.24]

Section 3 **Examination of proposals by** **and determination of the eligibility of the project**

- 27 The examination of proposals of new public investment projects is the responsibility of the Working Group.

- 28 The Working Group will carefully examine the submissions made by CPAA and will determine eligibility in accordance with the requirements set up under this Regulation in Annex 2 to this Regulation.

Section 4
The selection of the projects to be included in the
MTBF/Draft State budget Law

- 29 Only projects from the list of eligible ones and uploaded in IS RPCIP will be taken into consideration at the stage of elaboration of MTBF and/or as a component part of the draft State Budget Law.
- 30 The selection of the new projects to be included in MTBF/draft State Budget Law shall be carried out by ISPC is going to be done in accordance with general budgetary planning procedures and provisions of Law no. 181/2014.

Section 5
Project implementation and monitoring

- 31 The implementation and monitoring of the project is the responsibility of the CPAA implementing the project.
- 32 In undertaking this task, it is necessary to take into account:
- 1) All procurement for public capital investment projects is governed by the CPAA implementing the project and is carried out in accordance with legislation and related regulations on public procurement;
 - 2) The implementation phase of the projects begins with the public procurement procedure specifications and the documentation, and of the public procurement procedure organization and publication;
 - 3) The funding of the projects will be undertaken in accordance with the limits of the allocations stipulated in the annex to the annual budgetary law concerning capital investments;
 - 4) In the implementation process of the project, the responsible CPAA will ensure:
 - a) accuracy in determining the volume of works completed and accepted;
 - b) correct disclosure of expenditures and keeping of accounting records in the manner prescribed in the approved standards;
 - c) rational, efficient and effective use of budget allocations.
 - 5) The CPAA responsible for the project will ensure the monitoring of project implementation against agreed timelines and deliverables.
 - 6) Monitoring the implementation of a project consists of submitting to the Ministry of Finance the Annual (until March,1st) and Quarterly Implementation Report according to the Annex 3, part of this regulation. Simultaneously with the submission of the annual report on monitoring the implementation of projects to the Ministry of Finance, it is placed on the official website of the respective CPAA;

- 7) Upon the completion of the project, the responsible CPAA will ensure that the project deliverables are placed in service or operation through a formal endorsement and commissioning of the project deliverables;
- 8) The responsible CPAA will ensure that the necessary resources are budgeted to ensure the funding of the operation and maintenance of the assets produced by the project.

Section 6

Final project evaluation and audit (post-implementation)

- 33 The final evaluation and audit (post-implementation) is the responsibility of the CPAA implementing the project.
- 34 In undertaking this task, it is required to consider:
 - 1) upon completion of the project implementation period, the responsible CPAA, will prepare an evaluation report on the completion of the project (according to Annex no. 4 to this Regulation) not later than one year from the formal endorsement and commissioning of the project deliverables to the Ministry of Finance and is placed on the official website of the respective CPAA;
 - 2) upon completion of the works, all mandatory public capital investment projects are subject to external financial audit and/or inspections. The results of the audit/inspection shall be communicated to the CPAA responsible for the project and to the Ministry of Finance.

VI. THE BASIC STAGES OF NEW CAPITAL INVESTMENT PROJECTS FUNDED FROM DEVELOPMENT FUNDS

- 35 Proposals for new projects shall be submitted to the institution responsible for the management of the respective development fund.
- 36 The institution responsible for the management of the development fund shall be uploaded in the IS RPCIP according to the Annex no. 1, performed by the CPAA initiating the project, *the opinion of the Ministry of Environment on the climate implications and climate vulnerabilities of the project, as well as other relevant documents (feasibility study, general cost estimate, technical documentation verification report, etc.).*
[\[P.36 amended by GD 535/24.07.24, GD329-331/31.07.24 art.657; in force 31.07.24\]](#)
- 37 The management authority of the development fund is responsible for examining proposals, establishing eligibility and selecting and monitoring new projects proposed for funding, according to the procedures approved by the specific normative acts.
- 38 The management authority of the development fund shall examine only the projects they have placed in the IS RPCIP.

to the Government Decree on Public Capital Investments

FORM
on identification and appraisal of the public investment projects
Section A: Summary information of submission

Project title	
Total cost (th lei)	
Implementation period	
Authority (Org. 1):	
Institution (Org. 2):	
Sector:	

Section B: Project feasibility information

No. d/o	Mandatory requirements	Description
1	2	3
1.	Project summary	
1.1. Purpose		State the strategic goals to achieve upon completion of the project
1.2. Strategic framework		Refer to the specific national / sectoral strategy, to which the Project is aligned with
1.3. Beneficiaries		List the potential beneficiaries of the Project
1.4. Location		State the location of the project (indicate the address)
1.5. Possible Source of funding		State the potential source of funding of the project: External (loan or grant) State Budget, Local Budget, External sources, others.
2.	Technical analysis <i>This section analyses technical aspects of the project.</i>	
2.1. Technical specifications and resources		Description and analysis of technical specifications, description and evaluation of technical resources (facilities, equipment, etc.)
2.2. Technology required		Description and analysis of the level of available existing technology, required for the realization of the project. In the case of long-term projects, relevant future technological advances could be included, and how these can be integrated into the existing technological infrastructure.
2.3. Operational assessment/functioning		Description of the proposed phases, proposed activities and schedules of the project. Assessment of whether their implementation is realistic and adequate for the completion of the project within the proposed timelines. The project proposal must include a credible estimate of the completion of each phase of the project (construction phase and / or operation phase, where applicable).

No. d/o	Mandatory requirements	Description
1	2	3
3.	<p align="center">Economic-financial analysis</p> <p><i>This section analyses the efficiency and effectiveness of the project. All assumptions supporting the analysis must be stated clearly. Information submitted must include:</i></p>	
3.1	<p>The Business Case Section: rational for the project.</p>	<p>a) Background and description; b) Analysis of the economic environment and the potential short-term and long-term socio-economic benefits; c) Demand analysis for the services provided; d) Statement if the asset created will generate income.</p>
3.2	<p>The Financial Case Section: costs and benefits of the project.</p>	<p>a) all project costs, including: project capital costs (ie costs to create fixed asset); operational and maintenance costs of the asset after the completion of the project; costs arising from contingency, including those for mitigation of the risks (see subsection 8 below on Risk analysis). If market prices or standards cannot be used, reasonable assumptions for the justifications of costs will be made; b) analysis of all lifecycle benefits of the project, direct and indirect, actual and projected. For quantifiable benefits if market prices or standards cannot be used, reasonable assumptions for their development will be made. For non-quantifiable benefits (like socio-economic benefits) a narrative analysis will be made explaining their nature and positive contribution; c) in case the most relevant costs and benefits can be assessed and quantified, the analysis will include the most performance appraisal metrics such as Net Present Value (NPV) and Internal Rate of Return, and if deemed necessary, comparisons of these metrics with the metrics of projects of similar nature; d) an analysis of the sources any instruments used for financing, such as loans. Where applicable, the analysis will include the cost for servicing the instruments, any consequences for failure to meet the obligations under the instruments and the situations under which the cost of financing could be changed.</p>
3.3.	<p>Cost benefit analysis/Cost Effectiveness Analysis</p>	<p>For projects greater 200 million MLD, and given that the most impacting benefits can be reliably assessed and quantified, a Cost-Benefit Analysis (CBA) will be performed. A comprehensive cost-benefit analysis will include the information required in subsections 3.1 and 3.2 and will further consider:</p> <p>a) Opportunity cost - The potential gain from the best alternative forgone should be assessed. The input, output and external effects of an investment project should be valued at their social opportunity costs, thus calculating the net return,</p>

No. d/o	Mandatory requirements	Description
1	2	3
		<p>which will represent the project's contribution to social welfare.</p> <p>b) Long-term perspective - Depending on the sector of intervention, a suitable time horizon is set (from 10 to 30 years). The defined time horizon should then be used for forecasting the future costs and benefits; adopting appropriate discount rates to calculate the present value of future costs and benefits, and considering project risks.</p> <p>c) Expression of economic performance in monetary terms - Monetary value is given to all positive and negative welfare effects of the intervention. These values are discounted and then totalled in order to calculate the net total benefit. The project overall performance is measured by indicators, namely the Economic Net Present Value (ENPV), expressed in monetary terms and the Economic Rate of Return (ERR), allowing comparability and ranking between competing projects or alternatives.</p> <p>d) Microeconomic approach – The projects impact on the society as a whole is assessed via calculating of economic performance indicators. A qualitative description of the indirect or wider effects realized by the project, that cannot be quantified and reflected in the ENPV (eg on the secondary market, public funds, employment, regional growth, etc.), should be provided to better explain the contribution of the project to the policy goals.</p> <p>e) Incremental approach - CBA compares a scenario “<i>with project</i>” <i>counterfactual</i> baseline scenarios “<i>without the project</i>” (“business as usual” or “do minimum”). The CBA should only consider the difference between the cash flows in with the project and the counterfactual scenarios. The financial and economic performance indicators are calculated on the incremental cash flows.</p> <p>In the case of projects with a value of more than 200 million MDL, where the most impacting benefits cannot be easily assessed or quantified, a cost-effectiveness analysis will be performed instead of a cost-benefit analysis (CBA). The focus will be on the relative effectiveness of the project, taking into consideration the costs involved, instead of the trade-off between costs and benefits.</p>
4.	Legal assessment	<p>Information submitted must include an assessment of whether the existing legal and regulatory framework is adequate for the implementation of the project. In case that legal amendments need to be made, an assessment of their gravity and an estimate of the time required for their completion is required.</p>

No. d/o	Mandatory requirements	Description
1	2	3
5.	Institutional and management assessment	Information submitted must clearly state the presence and describe in detail the institutional and management arrangements of the authority for the effective implementation of the project.
6.	Social impact assessment	Information submitted must include an assessment of the consequences (negative and positive) of the project for the population, such as the effect on livelihoods, income distribution, poverty, unemployment, gender equality and minorities where relevant.
7.	Environmental assessment	<p>Information submitted must include:</p> <p>a) analysis of the potential positive and negative impact of the project on the environment, law No. 86/2014 on environmental impact assessment and the possession of the corresponding environmental permit (Environmental Agreement or Decision on prior environmental impact assessment with their attachment) – according to Annex No. 1 and Annex No. 2 to Law No. 86/2014 on environment impact assessment;</p> <p>b) description of the potential significant environmental impact generated by the project, its size, period and, where appropriate, its reversibility (with a focus on the use of natural resources, in particular land, soil, water and biodiversity, taking into account, as far as possible, the sustainable availability of these resources; emission of pollutants, noise, vibration, light, heat and radiation, waste disposal and recovery, etc.);</p> <p>c) assessment of the project's impact on the climate, including the nature and extent of greenhouse gas emissions, technologies and substances used;</p> <p>d) the measures and alternative solutions envisaged to avoid, prevent, reduce or, if possible, offset the significant adverse environmental and climate change impacts identified;</p> <p>e) analysis of the vulnerability of the project to climate change, potential positive and negative effects on the implementation and further operation of the project;</p> <p>i) actions to mitigate risks, increase resilience to the negative impacts of hazards, climate shocks on the project.</p> <p>NB: The analysis should indicate whether some aspects may contravene or may have the potential of contravening environmental laws and possible remedies (link with Section 4.)</p>
8.	Risk analysis	<p>Information submitted must include:</p> <p>a) description of all significant risks and uncertainties, quantification of risks where possible;</p>

No. d/o	Mandatory requirements	Description
1	2	3
		b) risk scenario analysis: the likelihood of the risk materializing and the possible impact on the implementation of the project; c) proposals for risk monitoring and risk mitigation.

Head of CPAA/LPAA

(name, surname)

(signature)

Executed by

(name, surname)

(signature)

Date of completion

FORMS

Mandatory requirements to be included in the proposals of public investment projects

Mandatory requirements to be included in the proposals of public investment projects	
1.	Project Summary
1.1.	Purpose
1.2.	Strategic framework
1.3.	Beneficiaries
1.4.	Location
1.5.	Possible sources of funding
2.	Technical analysis
2.1	Technical specifications and resources
2.2	Technology required
2.3	Operational assessment
3.	Financial and economic analysis
3.1	Business case
3.2	Financial study
3.3	Cost-benefit / cost-effectiveness analysis <i>(for projects with a value greater than 200 million lei)</i>
4.	Legal assessment
5.	Institutional and management assessment
6.	Social impact assessment
7.	Environmental impact assessment
8.	Risk analysis

Note: The detailed description of the scoring method to be used for the assessment of public investment projects will be approved by the Order of the Ministry of Finance.

Report
on monitoring the status of implementation of public capital investment
projects in progress for the year ____

Name of the public capital investment project	Total cost estimate, thousand lei <i>(according to the project documentation and cost estimate)</i>		Total executed, thousands lei <i>(from project launch data to the end of the reporting year, including design works)</i>	Project execution level <i>(from date of launch to the end of the reporting year) (%)</i>	Budget allocations for the year ____, thousand lei <i>(all sources of funding)</i>			Progress recorded*
	initial	final/ adjusted			Appro ved	Specif ied	Execute d	
<i>1</i>	<i>2</i>	<i>3</i>	<i>4</i>	<i>5=4/3</i>	<i>6</i>	<i>7</i>	<i>8</i>	<i>9</i>
1.								
2.								

**Note: Information presented will be about: the stage of the project, the causes of project cost increase /decrease, the causes of the low level budget allocations absorption, solutions to overcome critical situations and other relevant information)*

Head of the CPAA

Name, surname

signatures

Head of Economic (Financial) Department

Name, surname

signatures

Executed by

Name, surname

signatures

Date _____

**Final evaluation/assessment report
of public investment projects finalised and put into operation**

Name of public capital investment projects	Project launch year <i>(from the period of design works)</i>	Year of completing the project <i>(completion)</i>	Total cost, estimated initially, thousand lei	Finalised project execution, thousands of lei <i>(from launch to commissioning, including design work)</i>	Description of the completed project *
<i>1</i>	<i>2</i>	<i>3</i>	<i>4</i>	<i>5</i>	<i>6</i>
1.					
2.					

**Note: information on results, benefits obtained: area, construction cost $1m^2$, the annual maintenance costs of the objective, the number of beneficiaries, the use of the objective according to the destination and other relevant information.*

Head of CPAA

name, surname

signature

Head of Economic (Financial) Department

name, surname

signature

Executed by

name, surname

signature

Date _____