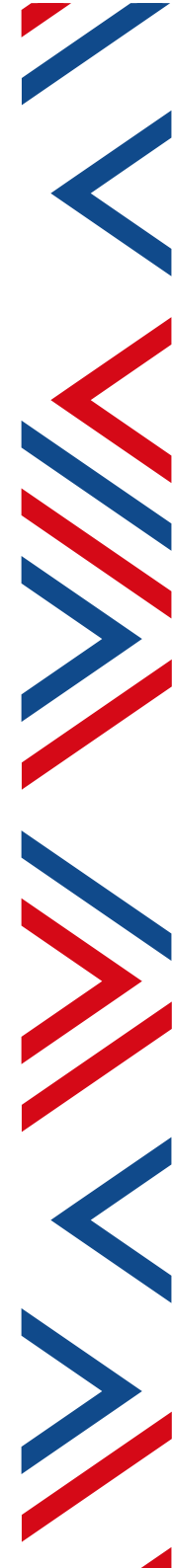


# Development Cooperation Programme of the Czech Republic with the Republic of Moldova **2024 – 2030**



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## 1. INTRODUCTION

The Republic of Moldova (“Moldova”) and the Czech Republic (“Czechia”) enjoy long-standing very good relations free of historical baggage. Czechia's good image in Moldova owes a lot to its development cooperation and humanitarian assistance, and to its overall supportive and understanding approach. The EU candidate status granted to Moldova in June 2022, the accession talks opened in 2023, as well as the way Moldova's government keeps on track to meet the relevant commitments, and the public support for the process – all this opens new opportunities to support Moldova by sharing Czechia's authentic experience of pre-accession transformation processes. Moldova appreciates the support received from Czechia in the EU.

Moldova has been a country of priority importance to Czechia's development cooperation (“Czech Aid”) since as early as 2005. Over the twenty years, development cooperation has come to play a significant role in mutual relations, hardly (if at all) affected by changing political landscapes in either country. Successful projects are part of Czechia's image in Moldova: for example, Czech projects promoting inclusive social development ushered in new policies to deinstitutionalise social services and improve care for persons with autistic spectrum disorders, among other issues. Czechia's development cooperation with Moldova is valued in the country and beyond, in the EU and broader international community.

In 2020 and 2021, many countries with a long history of supporting Moldova welcomed the rise of genuinely pro-Western Moldovan leadership as a window of opportunity and the right time to bring in more capacities, more funding, and more human resources. Russia's aggression against the neighbouring Ukraine (February 2022) and the subsequent decisions of the EU giving Moldova a European perspective (June 2022, December 2023) have been an important reminder that Moldova needs prompt and targeted support.



## 2. MOLDOVA'S DEVELOPMENT NEEDS AND PRIORITIES

### 2.1 Moldova's main medium-term priorities and their relationship to the implementation of the 2030 Agenda and the Sustainable Development Goals (SDGs)

The European Council granted Moldova the EU candidate status on 23 June 2022 following the country's application for EU membership. This was the crucial impulse for Moldova to carry with reforms and strengthen its stability and security. Moldova's government has built its programme around the reforms required in the accession process; however, it does not lose sight of the priorities of the **National Development Strategy “European Moldova 2030”** (NDS) approved in November 2022. The NDS presents a long-term strategic vision for the country's future development. It looks at Moldova's international commitments, including their priorities, objectives, indicators and targets, in the national context and, primarily, in the context of the EU Association Agreement. The NDS defines a medium- and long-term development vision to strengthen the country's resilience to future crises and create the basis for a sustainable and inclusive development. It draws a direct link between welfare aspirations, on the one hand, and the policies that will contribute to achieving these goals, on the other. At the same time, the NDS is Moldova's contribution to the achievement of the 2030 Agenda, adopted by the member countries of the UN in September 2015. Thus, the NDS transposes the targets and indicators of the 2030 Agenda, adjusted according to the national context of Moldova.

The **National Development Plan 2023–2025** (NDP) approved in February 2023 is the main document establishing the priorities of Moldovan government's public policies for a three-year period. It contains the priority directions and measures to implement the country's strategic objectives derived from the NDS, the international commitments, commitments arising from the EU candidate status, and the 2030 Agenda. It is synchronised with Moldova's budget planning framework. The NDP identifies the following medium-term political priorities for the 2023-2025 period<sup>1</sup>:

- 1) Increasing revenues from sustainable sources and mitigating inequalities;
- 2) Improving living conditions;
- 3) Ensuring relevant and quality lifelong education for all;
- 4) Raising the level of culture and personal development;
- 5) Improving the physical and mental health of the population through a modern and effective health care system responding to the needs of every individual;
- 6) Creating a robust and inclusive social protection system;
- 7) Ensuring efficient, inclusive and transparent governance;
- 8) Building a fair, incorruptible and independent judiciary;
- 9) Promoting a peaceful and secure society;
- 10) Ensuring a healthy and safe environment.

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<sup>1</sup> [https://www.legis.md/cautare/getResults?doc\\_id=136163&lang=ru](https://www.legis.md/cautare/getResults?doc_id=136163&lang=ru)



In Moldova, the onset of the war in Ukraine brought into the foreground the question of energy security. Building energy security, working towards energy independence and decarbonising the national economy became a matter of priority. Moldova undertook to achieve a 27 per cent share of renewable energy by 2030: this Programme responds by offering innovative and renewable energy projects. Digital transformation of society and digitisation of public services is another great priority at the top of the government's list: Moldova's Digital Transformation Strategy 2023–2030 sets out the government vision of digital development and makes digitisation a national priority. It promotes the development of digital solutions in non-ICT spheres and, most importantly, rapid digitisation of public services. This strategy document looks at all key sectors as well as cross-cutting issues such as health care, education, social services, agriculture, economy, business, public administration, or cyber security.

### **Specific targets for development priorities**

The four thematic priorities addressed by Czech development projects in the 2018-2023 programming period are still relevant to Moldova's current national development strategies. New topics opened by the political developments of the past few years, namely by the conflict in Ukraine, include the need to support energy security and provide humanitarian assistance in Moldova. Since achieving the EU candidate status, Moldova increasingly needs technical cooperation and programmes promoting the transfer of Czechia's experience (namely pre-accession experience) in the public administration, business and academic spheres.

Thematic priorities for the 2018–2023 programming period:

In the thematic priority of **good democratic governance**, Czech Aid has so far concentrated on fostering efficient, responsible and transparent institutions and promoting responsible, inclusive, participatory and representative decision-making at all levels. Today, support of Moldova's public institutions is just as vital as before – or even more so since the opening of the EU accession negotiations. Good governance also remains a key priority consistent with the NDP's general objective 7 (Ensuring efficient, inclusive and transparent governance). Czech development projects across all thematic priorities will help build the capacities of the non-profit sector and civil society.

In the thematic priority of **sustainable management of natural resources**, Czech Aid has so far sought to improve the protection, use and development of water resources and water quality, restore water resources, eliminate pollution, increase the availability of quality drinking water, and improve wastewater management, including systemic measures. All of this has relevance in the longer term. According to the NDP's general objective 2 (Improving living conditions), Moldova's strategic objective is to improve people's access to safe water sources and sewerage systems, specifically to ensure universal access to aqueducts and safe sanitation systems by expanding the water supply and sanitation infrastructure, as well as by strengthening the capacity of water-sewer operators to provide water supply and sanitation services at regional level. This shows that support in this sector remains important in the context of Moldova's needs. It would be desirable to engage the Czech National Development Bank as a funding platform for the implementation of these time- and cost-intensive infrastructure projects.



In the thematic priority of **inclusive social development**, Czech Aid has so far sought to create an adequate social protection system and to increase as well as improve social protection for vulnerable groups of the population. The projects aimed to improve the quality and accessibility of social services and to integrate vulnerable groups of the population. These interventions lose none of their relevance; moreover, they are consistent with the NDP's general objective 6 (Creating a robust and inclusive social protection system): the system should adequately support the population to overcome risk situations and become resilient, as well as to adapt to various shocks and risks at individual, household and community level. Today, with the number of needy local people rising steeply (refugee flows, rising energy costs, inflation, population ageing), there is even more reason to promote inclusive social development. Czech Aid has achieved visible and lasting impacts in this area.

In the thematic priority of **agriculture and rural development**, Czech Aid has so far concentrated on increasing the income of selected farmers by securing efficient production resources and inputs, the necessary knowledge, market access, and opportunities to create value added. Agriculture remains one of the principal sectors of Moldova's economy, and it also employs the greatest number of local people. The country's agri-food trade with EU countries is visibly on the rise, while trade with Commonwealth of Independent States (CIS) declines. Support of the agriculture and rural development sector remains highly relevant not only because of its importance for Moldova's economy but also because of today's food security challenges.

Moldova's National Strategy for Agricultural and Rural Development for the years 2023-2030 (NSARD) undertakes to reach a vision based on coherence between the economic, environmental and social areas, and to deal with key challenges in the agriculture and rural development sector.

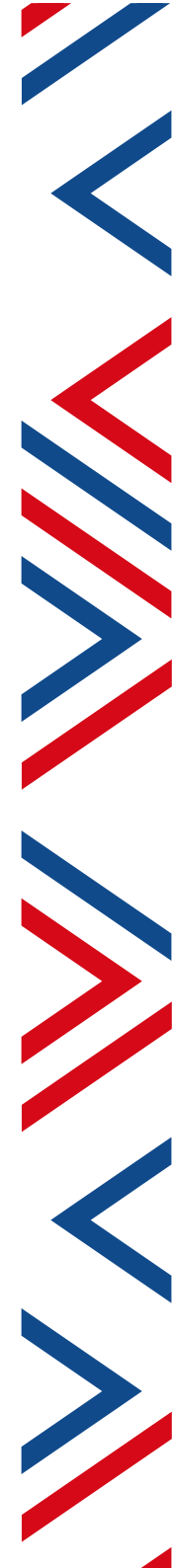
The NSARD has the following four broad goals:

- Overall strengthening of the agriculture sector, promotion of smart, sustainable and climate-resistant processes;
- Development of the food industry and market diversification;
- Support for sustainable socio-economic development of rural areas;
- Transposition and progressive implementation of the EU acquis in agriculture, rural development and food security.

### **Principal factors of the political, security, economic and other context in Moldova relevant to Czech Aid**

Moldova is a country just recovering from multiple crises and, at the same time, working towards EU membership. It is, and will yet be, a country of many vulnerabilities, and a country with a history of almost total energy dependence on Russia which ended only in 2021. Moldova has one autonomous region (Gagauzia). An unsettled dispute with Transnistria, a breakaway region, remains a stumbling block in Moldova's domestic as well as foreign policy.

Today, Moldova feels the impacts of Russia's armed aggression against the neighbouring Ukraine (since 24 February 2022), including the hybrid impacts that hit Moldova directly. It urgently needs to bolster its security –its energy security in the first place, because its long history of almost total dependence on Russian gas supplies is now being weaponised by Russia. Moldova's core challenge is to improve its energy efficiency, diversify its sources of supply and give greater prominence to renewables.



The war in Ukraine is also a reminder that Moldova needs to strengthen its border protection capability. Moldova has a 1,200 kilometres long border with Ukraine; one third is located in the breakaway region of Transnistria, outside Moldova's direct control. There is a risk of dangerous elements from the war-torn neighbouring country spreading across the border to Moldova and beyond, to the whole Europe. Just as importantly, Moldova needs support in strengthening its overall defence capability – including the capability to defend itself against disinformation and cyber-attacks. Humanitarian assistance is another enduring need, especially as Moldova deals with the influx of refugees from Ukraine. Since the beginning of the war, it has received hundreds of thousands of refugees and about a hundred thousand of them remain the country.

Moldova enjoys macroeconomic stability. In the past decade, it had a 4 per cent average year-on-year GDP growth rate and moderate budget deficits between 1 and 2 per cent of GDP. In 2020, the GDP growth rate dropped by 7 per cent but was expected to rebound, as the drop was attributable to the Covid-19 pandemic. Instead of that, the war in Ukraine caused another 5 per cent drop in 2022. The situation began to improve again in 2023. Economic indicators suggest a mixed economic performance with slightly growing GDP but declining foreign trade and wage levels.

Moldova still has an under-diversified economic structure and relies too heavily on the agri-food sector. It needs to expand its economic base and bring into play more sectors and industries. It needs to reduce the role of shadow economy in agriculture, including informal (illicit) employment of underpaid workers. Its construction sector is equally fraught with illicit employment practices. On the other hand, it is encouraging that the ICT sector makes an increasing contribution to the country's GDP. However, in the telecommunications, transport and energy sectors, the ownership interest held by the state and state-owned companies is still too big compared to the EU average. Deregulating these sectors and reducing the state's ownership interest is one of Moldova's core challenges in the economic area.

Moldova is confronted with a demographic crisis, population loss and ageing. The population loss is projected to continue at the average year-on-year rate of 0.6 – 1.6 per cent. Working-aged people are leaving the country for economic reasons and what remains is the elderly population; the birth rate declines as well. All of this put pressure on the pensions system, limits workforce availability, and harms Moldova's competitiveness in the longer term. The economy of Moldova is heavily dependent on remittances (12 per cent of GDP); however, Russia's war against Ukraine has stemmed this flow because many Moldovans used to work in Russia but by now they have left the jobs for various reasons.

In 2016, Moldova launched a sweeping reform of its public administration system. The time limit had first been extended until 2022, but later it was decided to continue beyond 2022 because the results were falling short of the mark. The EU's decisions to grant Moldova the candidate status (June 2022) and to open the accession talks (December 2023) increased even more the pressure for reform and opened a large space for bilateral cooperation, namely for transfers of Czechia's pre-accession and transformation experience relevant to specific areas of national legislation and the public administration system.



## INTERNATIONAL COOPERATION IN MOLDOVA

### Coordinating mechanisms

Czech Aid is coordinated by State Chancellery of Moldova; the national coordinator is the Prime Minister, who promotes, among external development partners, the external assistance priorities and projects/programmes approved within the Interministerial Committee for Strategic Planning and ensure the targeting and efficient use of external assistance, in order to achieve the priorities defined in national and sectoral development programmes and strategies. The State Chancellery is the national external assistance coordination authority and operates as a single point of contact/control with external development partners and public authorities on proposals for external assistance projects/programmes, acting through External Assistance and European Funds Coordination Department. Moldova's Ministry of Finance and the Ministry of Foreign Affairs examine the project in the pre-contract phase from the points of view of budgetary sustainability and objectives of foreign policy respectively. Sectoral coordination is the responsibility of the line ministry concerned. A government resolution requires line ministries to set up sectoral coordination mechanisms and to regularly present to donors their visions, priorities and needs. However, in reality, the level and intensity of coordination differs from ministry to ministry and in some sectors, it is the donor community who does the coordination. Czechia attends coordinating meetings regularly in accordance with its thematic priorities.

The UN holds coordinating meetings once a month and the EU Delegation once in every three months. Humanitarian donors began to coordinate at the beginning of the war in Ukraine and their meetings are mostly organised by the UNHCR. In addition, there are ad hoc coordinating meetings and some informal coordinating groups.

### EU activities: Czechia's involvement in joint programming and other EU cooperation formats

The framework for relations between Moldova and the EU is the Association Agreement including the Deep and Comprehensive Free Trade Area (DCFTA), signed in June 2014 and in force since 1 July 2016. The EU has been Moldova's biggest trading partner over an extended period. Exports to the EU represent about 60 per cent of Moldova's total exports. Assistance from the EU and its Member States has increased steeply over the past few years (especially since the onset of Russia's aggression in 2022). EU assistance includes trade concessions applicable to products from Moldova.

The European Council granted Moldova the EU candidate status in June 2022. In December 2023, the EU decided to open accession negotiations with Moldova, on the understanding that Moldova addresses nine reform steps in the administrative, social and economic areas. Moldova has the political will to comply with the conditions. It has embarked on the path of extensive reforms and harmonisation with the EU. The prospect of EU membership is now the central political topic in the country.

Moldova's biggest donors are the EU and its Member States together with international financial institutions (European Investment Bank, European Bank for Reconstruction and Development). According to the EU Delegation, all existing financing instruments have been deployed in Moldova, except for the EU





Instrument for Pre-accession Assistance (IPA). EU Delegation together with the EU Member States prepared the Joint Analysis document on the basis of which joint programming took place. Team Europe Initiatives (TEIs) address two priority areas – Local communities: youth, growth and jobs, and Strategic communication, media support and the building of resilience against disinformation. Czechia took an active part in the joint analysis and programming process as well as identifying the priorities for TEIs. The work done by TEIs has been incorporated into Czech Aid and other forms of cooperation.

The Economic Recovery Plan for Moldova announced by the European Commission in June 2021 aims to stimulate long-term socio-economic recovery, foster the green and digital transition and unleash the untapped economic potential of Moldova. It mobilises EUR 600 million in macro-financial assistance, grants and investments, supported by blending and financial guarantees. In March 2022, the EU decided to provide a new macro-financial assistance package worth EUR 150 million in the form of loans and grants to Moldova.

In 2022 and 2023, against the background of the war in Ukraine, the EU earmarked EUR 58 million for Ukrainian refugees and host families in Moldova. As the war continues, the EU provides additional financial packages in support of humanitarian assistance to vulnerable civilian populations. A portion of each package is allocated to Moldova to tackle the refugee crisis; the last allocation (in 2024) was EUR 66 million.

Since the beginning of the war in Ukraine, the EU has set out to bolster Moldova's resilience to a broad range of crises. The joint work is structured around three pillars: (I) Security and stability in Southeastern Europe; (II) Support of Moldova as an EU candidate country; (III) Support of Moldova in the context of Russia's military aggression against Ukraine.

Specific priority areas are set out in the Multiannual Indicative Programme 2021–2027 (MIP) as follows:

1. A resilient, sustainable and integrated economy – support sustainable economic development, integrated economy and trade, improvement of the business climate, and creation of decent employment and income opportunities for women as well as men;
2. Accountable institutions, the rule of law and security – promote good governance, and the rule of law promote institutions, most importantly the rule of law, governance, justice, the fight against corruption and improvement of public administration structures;
3. Environmental and climate resilience – address climate change and strengthen resilience, tackle major environmental challenges by stimulating circular economy and green growth;
4. A resilient digital transformation – support Moldova's digital transformation to stimulate growth and tackle social issues. Support e-services, innovation ecosystems in the private sector, improve Moldova's resilience and capability to respond to cyber incidents and cyber-crime;
5. A resilient, gender equal, fair and inclusive society – promote the development of a more resilient, fair and inclusive society through human capital development, youth empowerment, support of civil society organisations, support of independent media and the fight against disinformation, promotion of gender equality, culture, health and workers' rights, as well as facilitation of conflict settlement processes in the Transnistrian region.

The new programmes respond to the present energy crisis and refugee crisis; their focus is on energy efficiency and humanitarian assistance. The EU Delegation has earmarked funds to promote energy efficiency as well as to support Moldovan consumers who are facing steep price increases.



## **Czechia's cooperation with other donors**

Moldova's Ministry of Finance reported that the assistance provided by donors had reached EUR 1,367.9 million by 2022. The main thematic areas were support of the energy sector, road infrastructure, agriculture and rural development, civil protection, and improvement of the business climate.

In terms of payments, the leading donors are the International Monetary Fund (IMF), European Commission, European Bank for Reconstruction and Development (EBRD), European Investment Bank (EIB), and the World Bank (WB). The biggest bilateral donors are the United States Agency for International Development (USAID), France, Romania, Germany, Japan and Sweden. The UN has a strong presence in Moldova and Czechia works closely with some of the 20 UN agencies active on the ground.

UN Population Fund (UNFPA) – Czechia has been involved in UNFPA's population data collection and statistical work, and later also in social work. Transfers of Czech know-how made it possible to establish Moldova's first University of the Third Age. Czechia has also joined the UNFPA Humanitarian Appeal for Ukraine and neighbouring countries, including Moldova, focusing on health and life-saving services for Ukrainian refugees, with a special focus on women.

UN Development Programme (UNDP) – Czechia cooperates with the UNDP through the Czech-UNDP Partnership for the SDGs and its three components: 1) Expertise on Demand: Czech expertise is shared in the partner countries, 2) Challenge Fund: Czech solutions for SDGs, and 3) Knowledge Management: sharing of good practice learned from the implementation of projects.

United Nations Volunteers (UNV) – Support of young Czech volunteers sent to UN agencies and funds in partner countries, including Moldova, is a well-established component of Czech Aid. Czechia has been sending to Moldova at least one volunteer every year.

Following the onset of the war in Ukraine, Czech Ministry of the Interior contributed financially to UNHCR's work addressing the Ukraine refugee situation. Beside UN agencies, Czechia cooperated with other international donors: for example, it made a financial contribution to an OECD project supporting energy sector reform. Czechia cooperates with the International Centre for Migration Policy Development (ICMPD) on a project to support Moldova's border management.



Czechia's position is aligned with the priorities of most European countries. For example, Germany's project supporting the pro-European reform process in Moldova focuses on sustainable economic development, good governance, social progress, and climate and energy transition. Romania's development priorities for Moldova focus on strengthening bilateral ties and supporting Moldova's EU integration, with an emphasis on economic cooperation, energy security, good governance, and strengthening of Moldova's crisis response capability; cooperation in the education sector is important as well. France, a major donor, concentrates on decarbonisation of Moldova's economy, alignment with EU standards, and assists Moldova with the implementation of the Paris Agreement. Switzerland's cooperation strategy for the coming years will focus on the fight against corruption, equity in the political, economic and social spheres, dual education system, health care, and civil society. Estonia focuses on the development of democracy, governance, rural development, modern education, and security. Austria's priorities are rural development, agriculture, water, sanitation, social infrastructure, and humanitarian assistance. The Austrian Development Agency (ADA) provided a financial contribution to the United Nations Trust Fund in support of activities in the energy sector. Lithuania supports the strengthening of Moldova's administrative and institutional capacity, public sector reforms, strengthening public responsiveness to disinformation, and developing gender equality.

Czechia cooperates with bilateral donor across all thematic priorities. In the area of sustainable management of natural resources, it cooperated with Germany's GIZ on a project to prepare a feasibility study on solid waste management. In the area of water and sanitation, Czechia cooperated with Slovakia on Slovak-funded water and sanitation projects – most recently on a project for a refugee accommodation centre, where Czechia funded the overall thermo-energy rehabilitation of the centre and Slovakia improved the energy efficiency of the centre's water supply system. In the area of inclusive social development, Czechia again cooperated with Slovakia (Slovakia funded the establishment of client centres for the Czech Development Agency's project aligning the social care system in Gagauzia with EU standards) and with Germany's GIZ (EU delegated cooperation project); Czechia and Germany worked together to build a medico-social care services centre in Transnistria. In the area of agriculture and rural development, Czechia cooperated with USAID to develop a Vine and Wine Register and to promote organic farming. Cooperation with the EU Delegation included projects to promote organic farming and an ongoing project to improve control and testing capacity in the phytosanitary field.



## CZECHIA'S DEVELOPMENT COOPERATION WITH MOLDOVA

### Focus areas and results to date, recommendations and challenges

Czech Aid in Moldova amounted to EUR 6 million in 2022 (about 0.44 per cent of the total development assistance reported by Moldova's Ministry of Finance that year) but in 2023 it rose steeply to more than EUR 10 million as a result of increasing humanitarian and security cooperation. Czech Aid has successfully worked towards its four thematic priorities as listed above (see chapter 2.2) and engaged with a range of financing instruments. Czechia is a long-standing partner to some of Moldova's public administration institutions. Moldovan partners highly appreciate Czech projects: Czech Aid has achieved the greatest success in the sectors of inclusive social development or agriculture and rural development, and its long-term support for specific subsectors has been especially welcome. It has also been successful with projects implemented through the Czech-UNDP Partnership for SDGs, namely through the partnership's Challenge Fund bringing into play innovative solutions. Czech Aid keeps pace with emerging challenges and priorities such as the digitisation processes needed for some social or agricultural projects. In humanitarian and stabilisation assistance, Czechia has completed its first energy efficiency projects and will continue to support innovative energy and renewables projects.

Since 2023, the Czech Ministry of the Interior has cooperated with the General Inspectorate of Border Police of Moldova's Ministry of Internal Affairs to strengthen the resilience and capacities of the Border Police. Another project to strengthen the Border Police's operational capacities for border security was launched in 2024 to last until March 2026. The project is implemented in partnership with the International Centre for Migration Policy Development (ICPMD) and it has a budget of EUR 1 million, funded by the Czech Ministry of the Interior.

### Good democratic governance

Czech Aid promoted efficiency, modernisation, financial sustainability and better quality of services in government, local government and civil society. Long-term cooperation between the Czech Fire Rescue Service and Moldova's firefighters made a real difference and came to be the most visible part of Czech Aid; these projects keep opening new areas where it is useful to transfer of expertise (such as fire and flood response). The Czech Customs Administration cooperates with Moldova's Customs Service and Border Service in the field of canine. The overarching objective is to increase the capacity and resilience of public institutions. The demand for technical cooperation increases because this area will be important in the context of the present EU accession negotiations.

Another important objective is to promote the development of civil society and help build the capacities of the non-profit sector. This objective was mainstreamed across all thematic priorities. Moreover, Czech Aid promoted the development of professional associations bringing together the non-profit and business communities. It especially provided support to independent media and the fight against disinformation, mainly through Czechia's Transition Promotion Programme.



### Sustainable management of natural resources

In the water and sanitation sector, Czech Aid concentrated on building wastewater treatment systems and related infrastructure. Economic sustainability of wastewater treatment plants remains a challenge because Moldova's existing wastewater management policies tend to derail sustainability efforts. In the coming period, Czech Aid plans to use new financing instruments in this sector, namely loans from the Czech National Development Bank. The projects prepared in the previous programming period (access to drinking water for hospitals, wastewater treatment plans for Briceni, Strășeni and Hîncești) are to be completed under this new Programme and subject to the new terms and conditions. A related group of Czech projects helps remediate historic environmental contamination (decontamination of pesticide-contaminated hotspots, rehabilitation of a hazardous waste landfill). The implementers are mostly Czech companies, and the projects are a good addition to their portfolios of contracts enabling them to qualify for tenders organised by international institutions.

### Inclusive social development

Czech Aid concentrated on improving the quality and availability of social services and integrating the vulnerable groups of population. Long-term involvement in the development of home care services and help for children with the autistic spectrum disorder has brought tangible results. The intervention is systematic, Czechia is a visible donor and a respected partner to Moldova's Ministry of Labour and Social Protection. Another significant part of Czech Aid were projects supporting Moldova's Ministry of Labour and Social Protection in the reform process, and projects to transform and deinstitutionalise care for people with mental disorders. Czech Aid contributed to the development of telemedicine services in the country – it was in this area where the Czech Development Agency implemented its first EU delegated cooperation project. The sector remains challenging, as the number of needy people is on the rise due to population ageing, large Ukrainian refugee community, staggering energy prices and inflation.

Two home care projects were evaluated in 2022. The evaluators recommended Czechia to carry on with its support of home care and mainly to promote reforms of the system. They concluded that Czechia had a long track record of engagement in this sector, an insight into its context, problems and challenges, a sound position in the country and well-established relations with the key stakeholders.



## Agriculture and rural development

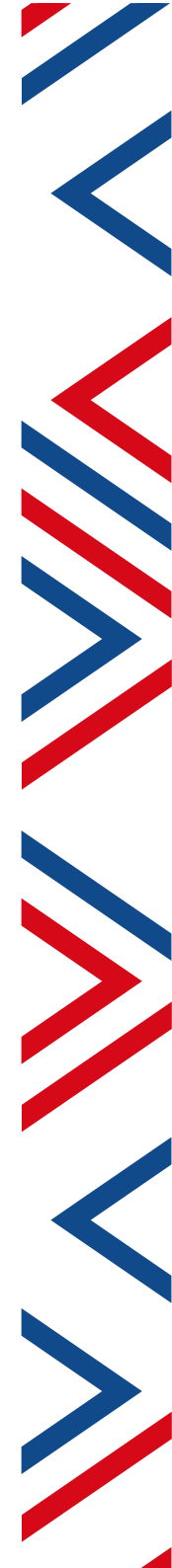
Czech Aid promoted diversification of production and adaptation to climate change, and helps Moldovan farmers gain better access to foreign markets. An important project was the Vine and Wine Register, now successfully established and in active use. Czech Aid has a long track record of promoting organic farming, both among farmers and in the public administration system – Czechia contributed a great deal to the development of Moldova's organic farming legislation. The evaluations of projects in this sector carried out in 2021 revealed several key issues. The topic of organic farming is very relevant for the Czech Aid, but it is necessary to take into account a longer time from the implementation of the project to the manifestation of effects to count on a long-term time horizon. The evaluators found that Czech implementers, experts and local actors form a robust and integrated network of contacts not limited to the project in question. To date, the cooperation has produced valuable results that lay the groundwork for future successful support of Moldova. The evaluators praised the way Czech organic projects contributed to the development of institutional and expert capacities of public institutions. They recommended that it should promote activities in support of evidence-based policies in organic farming, such as the building of IT systems.

In 2024 Czechia launched a long-term project to improve control and testing capacity in the phytosanitary field in accordance with EU requirements and the Association Agreement. The project will ensure the safety of Moldovan plants and plant products marketed in the EU.

The sector's main and enduring challenge is to ensure food security and increase production. In the future, it is advisable to focus on support of implementation of smart and sustainable agricultural processes and energy-efficient innovative solutions. It is also important to promote the development of specific value chains, which is another great opportunity to apply Czech technologies. Czech Aid initially worked with small- and medium-sized enterprises to help them gain better access to local and European markets; now it intends to work with larger companies.

The above is accompanied by ongoing small local projects, transformation projects, B2B projects, a programme strengthening the capacities of public universities in developing countries, and projects under the Czech-UNDP Partnership for SDGs. The Czech Ministry of Industry and Trade is present in Moldova with projects under its Aid for Trade programme and its Capacity Building for Ukraine programme (the latter includes support for relevant projects implemented in Moldova) and the Czech Ministry of the Interior with its Security Cooperation Programme. Czechia has funded humanitarian projects helping Moldova deal with the Covid-19 pandemic (since 2020) and with the refugee crisis caused by Russia's aggression in Ukraine (since 2022). Humanitarian projects with elements relevant to energy efficiency have been the first valuable experience of cooperation in the energy sector. It was in Moldova where the Czech Development Agency successfully implemented its first EU delegated cooperation project (as a junior partner of Germany's GIZ).

In all respects, it is only logical, and even beneficial to Czechia's security and trade interests, to keep Moldova on the list of priority countries for Czech Aid at least until 2030 subject, however, to appropriate revision of the target areas and nature of support so as to reflect the new geopolitical priorities and Moldova's need to strengthen the appropriate capacities.



## Thematic and geographical focus of future cooperation

The focus of development cooperation with Moldova is likely to move towards transfers of the know-how relevant to the country's reform process, which is where Czechia's contribution has a lot of value added in many respects. Sustainability and interlinking of projects will be more strictly required. There will be less direct financing for “hard” projects. The preference will be for multisource financing schemes, and the project beneficiary will have to contribute more. In some types of projects, it will be reasonable to look for synergies with the post-war reconstruction projects in Ukraine. The course of Moldova's socio-economic development will still be affected by the Ukrainian refugee crisis and its long-lasting impacts on the local population (for example, greater demand for social and health care services, education and employment). The thematic priorities pursued by Czech Aid to date are losing none of their relevance. However, this Programme looks beyond them to address the needs that emerge now, in today's geopolitical situation, and to bring into focus new topics (such as energy and digitisation). It responds to the needs Moldova has in the context of its EU accession negotiations. This Programme is consistent with Moldova's national strategies and the SDGs. Its geographic scope comprises the entire Moldova.

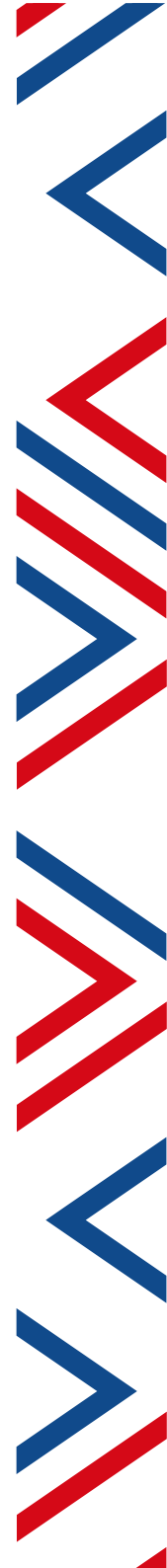
The Programme has the following thematic priorities.

### **PRIORITY 1: GOOD GOVERNANCE (SDGs 6, 7, 11, 13, 14, 15, 16)**

Support for the public administration system is as relevant as before – or even more so, since Moldova now has the EU candidate status. The priority is to improve the regulatory framework and align it with the EU, and to strengthen the capacities of public institutions at all levels. Czech Aid interventions should help Moldova remove the obstacles to economic growth and increase its resilience (including resilience to climate change). Czech Aid will continue with the support of institutions responsible for protecting Moldova's border and population; in this respect, it will build on the previous programming period but also respond to the increasingly urgent need for greater resilience to internal as well as external threats. Czech Aid will use the findings of its comprehensive sectoral study on the energy sector in Moldova and mainstream the energy aspect into its new projects.

#### Building democratic institutions

Czech Aid will support the building of accountable, efficient and transparent institutions at all levels of the public administration system. The projects will concentrate on the alignment of legislation and standards in the EU integration process, which is where Czechia's transformation experience will come in useful. The priority will be to strengthen the capacities of public institutions, develop ITC systems, promote digital transformation (including digitisation of the energy sector), modernise equipment, strengthen cybersecurity and increase the overall resilience of Moldova's institutions. The emphasis will be on technical cooperation.



### Promoting civil society

Czech Aid will promote civil society with the aim to consolidate the role of civil society as a partner to public institutions as well as to strengthen the non-profit sector in all respects. The projects will also support independent media and the fight against disinformation.

### Water and sanitation

Czech Aid will support the efforts of Moldova's public administration system to improve public water and sewerage services. This will involve building the capacities of public institutions as well as water and sewerage utility companies. The intervention will address the critical condition of water management infrastructure, including wastewater treatment plants. It will promote energy- and resource-efficiency (including the use of renewable energy) and apply innovative solutions to improve the quality of services. The Czech National Development Bank is to be involved in the funding of these cost-intensive infrastructure projects. The partners will be public institutions at all levels of the administrative system. The projects will use the new loan financing instruments and combine this financing with technical assistance. The drinking water and sanitation projects launched or prepared under the previous Programme will be completed if they are economically sustainable over a longer timeframe. Direct involvement in infrastructure projects is to be accompanied by technical assistance.

### Strengthening capacities for the environment

Czech Aid will support the efforts of Moldova's public administration system in the area of environmental monitoring and protection. It will promote the development of institutional capacities and regulatory framework to facilitate timely identification of problems and effective response. The projects will use innovative solutions for risk elimination measures, improve the regulatory framework and alignment of national environmental legislation with EU standards.

### Energy

The Czech Development Agency financed a comprehensive sectoral study on the energy sector in Moldova, completed in 2024. The study analyses the country's needs and proposes projects create room for the use of Czech solutions. Its findings will be translated into practice in the present programming period, using Czech (and European, where appropriate) financing instruments. Pre-existing Czech investments in Moldova's energy sector will be considered in the project selection process.





## **PRIORITY 2: INCLUSIVE SOCIAL DEVELOPMENT (SDGs 1, 3, 5, 10, 16)**

Czech Aid has been working over a long timeframe to reduce poverty as well as to ensure sustainable development and equal opportunities for vulnerable groups in society.

### Improving the quality and availability of social and health care services

Czech Aid will provide comprehensive support for social and health care services to improve their quality as well as availability, especially for disadvantaged and vulnerable groups of the population. The priority is to ensure access to standardised professional services, and to promote regionalisation of the services. Czech Aid will continue with its support of inclusive education and social development. This will involve, namely, improving services to and protection of children, elderly or disabled people in order to help them integrate in society. This Programme will follow up on the past projects to ensure that the outputs remain sustainable especially in areas such as home care and care for children with autistic spectrum disorder. Czech Aid will also promote the development of community planning, with special attention to financial sustainability of the services and overall alignment of the projects with the priorities of the relevant Moldovan institutions.

### Promotion of reforms and technical cooperation

Moldova's Ministry of Labour and Social Protection has embarked on reforms responding to the growing number of needy inhabitants. Czech Aid will support this ministry in the reform process. It will provide technical assistance and support the capacities of regional agencies for managing social services and other institutions. Transfers of Czech experience will help professionalise the services and make them sustainable. The emphasis will be also on the digitisation of the entire social system.



### **PRIORITY 3: AGRICULTURE (SDGs 1, 2, 8, 9, 10, 13)**

Czech Aid will support Moldova's agriculture sector and socio-economic development in rural areas. It will promote mechanisation of Moldova's agriculture and development of the local market, and it will help the country increase its export potential. This Programme will introduce innovative, energy-efficient, sustainable and climate-resistant processes. It will build on past successful interventions in areas such as environment-friendly agriculture, viticulture, dairy farming and plant health management.

#### Support of farmers and value chains

Czech Aid will help crop-oriented as well as livestock-oriented farmers gain better access to inputs and services in the agri-food sector and encourage them to refocus on higher value-added produce. The objective is to promote the development of the local market and help the country increase its export potential. This Programme will involve transfers of Czech experience and pilot application of Czech technologies. Czech Aid will promote energy efficiency and use of renewables in the sector.

#### Institutional support for the agriculture sector

Beside the support that will go directly to farmers, Czech Aid will work with Moldova's Ministry of Agriculture and Food Industry (and institutions under this ministry's direction and control) to help with the launch and efficient operation of essential government systems and public services for the agriculture sector. The aim of this intervention is to promote digitisation and improve food safety – namely, to set up government registration systems that will make it possible to standardise the quality of products and services, and to align Moldova's legislation with the EU. This Programme will involve transfers of Czech experience, capacity support, technical cooperation, and modernisation of equipment.

#### **Cross-cutting priorities**

##### Good governance and free civil society (SDG 16)

Czechia is confident that support and **building of a peaceful and cohesive democratic society** is a crucial prerequisite for security and stable international relations as well as a contribution to the prevention of conflicts. In this area, Czechia can make the most of its comparative advantage over many donors: the Czech experience and knowledge of political and economic transformation processes can be transferred and implemented in Moldova to promote the formation of a democratic society ruled by respect for human rights and equal access to justice for all. Czech Aid and humanitarian assistance will promote fair and equitable law enforcement and democratic functioning of public institutions. It will support the development and application of participative and transparent decision-making processes, legal framework and accountability of institutions. The implementation of this Programme and each of its projects will be guided by procedures transparent for all stakeholders and for the general public.



Environmental and climate protection (SDGs 6, 7, 11, 13, 14, 15)

Czech Aid and humanitarian assistance is guided by **environment- and natural resource-friendly approach**. It focuses on the environmental aspects of industry and agriculture, climate change adaptation, and protection of the population from the damaging impacts of climate change. It gives a significant role to transfers of environmental technologies and know-how. The projects take all due precautions to avoid harmful environmental impacts and maximise the positive ones. They promote climate change adaptation measures and integrated multi-sectoral approaches. This cross-cutting priority is of greatest relevance to the thematic priorities of Good Governance and Agriculture, but it has its place in all Czech Aid and humanitarian assistance projects.

Protection of human rights and gender equality (SDGs 5, 10, 16)

Czech Aid and humanitarian assistance regards the promotion and protection of human rights and gender equality as one of its main cross-cutting priorities in all areas of cooperation. Gender equality is achieved when all people have the same rights, the same life prospects and opportunities and the same power to shape society and their own lives. This Programme and its projects take precautions to avoid gender discrimination; they are guided by the principles of equal opportunities and equal treatment.



## Relevant Aid formats and instruments

To achieve the objectives of this Programme, Czechia will use the full range of instruments, including development and humanitarian instruments as well as the instruments of transformation, technical and economic cooperation. It will look for synergic effects and maximise the impacts of each intervention. Czechia will continue to support bilateral and multilateral projects, including security-building projects in the areas of energy security, border protection and fight against disinformation as well as projects strengthening Moldova's defence capability.

To achieve the objectives and results of this Programme, Czech Aid will use, as its main format, bilateral development cooperation complemented by trilateral cooperation projects co-financed with other donors and by EU delegated cooperation projects. In addition, it will support B2B projects, transformation cooperation projects within the remit of the Human Rights and Transformation Policy Department of the Czech Ministry of Foreign Affairs, and the project building the capacities of public universities in developing countries. Another format will be technical cooperation involving many Czech institutions: for example, the programme to build cyber security capacities in partner countries (CYBERVAC) implemented jointly by the Czech Ministry of Foreign Affairs and the Czech Ministry of Justice, the security cooperation projects of the Czech Ministry of the Interior, or the technical cooperation projects of the Czech Ministry of Finance. The humanitarian projects initiated since the Covid-19 pandemic, and especially since the onset of the war in Ukraine and the refugee crisis, in many cases follow up on past development projects and they are to continue under this Programme.

The bilateral development cooperation under this Programme will use, in the first place, project instruments improving the capacities of partners and beneficiaries, including know-how and technology transfers. The projects will address verified needs of local entities falling within the scope of this Programme. They will be funded through subsidies, public contracts, budget measures or financial donations to local entities. A special group are small local projects implemented under the direct supervision and control of the Czech Embassy in Chişinău and consisting in small-scale, precisely targeted development activities. The economic instruments of the Czech Ministry of Industry and Trade (feasibility studies, B2B investment or development partnerships and Aid for Trade projects) will contribute to the objectives of this Programme by mobilising private resources. Technical cooperation instruments, which will focus on know-how transfer and awareness-raising activities, will also have a direct link to the identified priority areas of development cooperation of his programme. Technical cooperation is gaining importance in the context of Moldova's EU accession negotiations. This Programme will provide enough room for transfers of Czechia's pre-accession and transformation experience, and for the sharing of experience with partners in the government, business and academic spheres. Czech Aid will also create synergies with other instruments such as Czech government scholarships, technical cooperation of the Czech Ministry of Finance, the Czech-UNDP Partnership for the SDGs (namely the Challenge Fund), the project building the capacities of public universities in developing countries, or the sending of volunteers under the UN Volunteers programme.

In the 2024-2030 programming period, Czechia intends to implement in Moldova the first pilot projects using the financing instruments of Czech financial institutions.



## **Czech humanitarian assistance in Moldova, complementarity with Czech Aid**

In 2020, Czechia stepped up its humanitarian assistance to Moldova in response to the Covid-19 pandemic. The aim was to strengthen the resilience of the healthcare sector and modernise its infrastructure. Since the beginning of the war in Ukraine, the volume of assistance has increased significantly. Since April 2022, Czechia has been providing emergency humanitarian assistance to help Moldova deal with the refugee crisis. In addition to emergency assistance through Moldovan and Czech non-governmental organisations or the UNHCR, Czechia has delivered in-kind assistance from its State Material Reserves system or from Czech companies.

Humanitarian assistance to Moldova is an integral part of Czechia's Humanitarian, Stabilization, Reconstruction and Economic Assistance Programme for Ukraine 2023-2025 (to be extended beyond 2025). This is consistent with the humanitarian-development nexus approach that has been emphasised by Czechia since the beginning. As before, the assistance is provided through the Czech Ministry of the Interior and Ministry of Foreign Affairs, and it consists in supplies of critical medical material as well as other forms of comprehensive support to Ukrainian refugees. At the same time, the humanitarian intervention does not fail to support local people in their situation of vulnerability caused by a combination of war, economic crisis and energy crisis. Czech humanitarian assistance thus reaches out to vulnerable groups of the local population as well as to refugees as a way to maintain social cohesion and stability.

Since the beginning of the refugee crisis, Czechia has kept its humanitarian assistance strategically interlinked with development cooperation. The emphasis has been on coordination along the humanitarian-development nexus and on strengthening the resilience of local communities and public institutions. In this spirit, long-term development cooperation supporting local children with autistic spectrum disorder and their families is complemented by humanitarian projects that make the support available to refugee families with children with special needs. Since the beginning of the war, humanitarian assistance has become an integral part of the services provided by home care centres. The home care centres created by Czech Aid were able to move very quickly into action and begin distributing humanitarian assistance to Ukrainian refugees. The next projects supported transfers of home care experience from Moldova to Ukraine and training of Ukrainian volunteers for the service.

Czech humanitarian assistance responded to new geopolitical challenges: it increased the level of importance, as well as the volume, of projects contributing to Moldova's energy security, border protection or defence capability. Several stabilisation projects helped improve the energy efficiency of strategic public buildings such as hospitals, schools and refugee centres. Czechia contributed to the Moldova's Energy Vulnerability Reduction Fund (EVRF) to mitigate the impacts of the energy crisis on the local population. Other Czech projects helped strengthen the resilience of the country's public institutions and improved its border protection and crisis response capabilities. A project in support of Moldova's Border Police involves capacity building activities as well as supplies of modern equipment. Czechia's integrated approach incorporates humanitarian assistance to Moldova in the humanitarian-development-peace nexus ("triple nexus") designed to help Moldova deal with the present crisis and build its resilience.



Climate change has brought disaster prevention activities into the foreground of Czech humanitarian assistance. In all its thematic priorities, Czechia will continue to emphasise activities and measures contributing to disaster prevention and improving the disaster preparedness and resilience of Moldova's population and local authorities in accordance with the Sendai Framework for Disaster Risk Reduction 2015-2030.

### **Options for an integrated approach, including the theory of change for the thematic priorities**

Czech Aid in Moldova has three thematic priorities, all consistent with the SDGs, and its interventions make a lasting difference in the sectors addressed. The long-term objective for Czech projects is to improve the quality of life, strengthen democratic institutions and develop sustainable economy. Czechia's integrated approach makes it possible to respond to emerging challenges such as the energy crisis, humanitarian crisis or deteriorating security situation – the humanitarian and security cooperation with Moldova has been increased significantly.

To achieve synergies and integrated solutions, it is important to ensure that projects and programmes get interlinked already in the preparatory stage. It is also important to ensure that all actors are on board and working together: as a rule, the implementation of a project hinges on cooperation between Czech and Moldovan government institutions and/or NGOs, international partners, and the private and academic sectors. This ensures that multiple approaches and instruments work in synergy to maximise the efficiency and impacts of the projects. The projects draw on all kinds of support: subsidies, public contracts, budget measures, financial donations, technical cooperation, or innovative financing mechanisms.

The theory of change for Czech Aid in Moldova is that long-term systematic support in key sectors will bring about improvement of the people's living conditions, strengthening of democratic institutions, and sustainable development in the economic as well as environmental sense of the word. One example are the inclusive social development projects working over a long timeframe to improve the quality and availability of social services. The comprehensive interventions have tangible impacts not only on the vulnerable groups of the population but also the institutional level (professionalisation of public institutions, introduction of new legislation). Another example are the projects for the agriculture sector, where Czechia advanced the development of organic farming: these projects brought together Czech and Moldovan private and non-profit sectors, public institutions, ministries and academics. Czech Aid makes the actors, instruments and financial flows work together, with an emphasis on the need to strengthen the capacities of local actors. It generates innovative solutions, builds integral value chains, and increases the long-term sustainability of its interventions.



## TECHNICAL CONDITIONS FOR THE COOPERATION

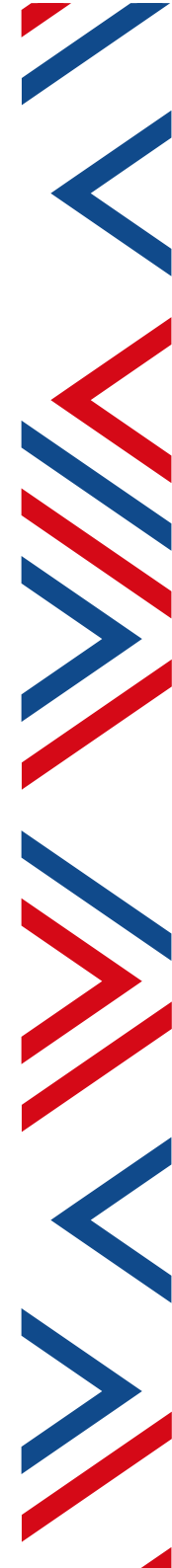
### Agreements applicable to Czech Aid

The Agreement between the Government of the Czech Republic and the Government of the Republic of Moldova on Development Cooperation concluded in November 2012 includes tax exemptions for Czech Aid implementers. Once the parties sign an agreement to implement a development project, the Czech Embassy in Chişinău registers the project through a special platform of the State Chancellery of Moldova, which approves the registration every three months. Registered projects are exempted from taxation, as required in Moldovan Government's Decision No. 246 of 8 April 2010 concerning the application of exemptions from taxes and customs duties charged in connection with the implementation of ongoing technical assistance and investment projects falling within the scope of international treaties to which the Republic of Moldova is a party.

Czechia is ready to revise the above Agreement as it enters the new programming period because (among other reasons) the Czech National Development Bank has prepared a new loan financing instrument. Moreover, the Government of Moldova has amended its Decision regulating the institutional framework and the mechanism of coordination and management of external assistance. The amendment streamlines the external assistance processes. It separates from the body of international treaties a special category of *contracts de stat* (external cooperation and assistance agreements concluded by the Republic of Moldova or by its government, ministries or other central public administration authorities with another State, government, international organization, financial institution or other entity). *Contracts de stat* are not governed by public international law, which will make them easier to conclude. As before, State loans and credits are regulated by Moldova's Act No. 419/2006 on public sector debt, state guarantees and state re-crediting.

### Actors and communication, monitoring and coordination mechanisms

Implementation of this Programme will involve many Czech as well as Moldovan actors. The intention is to interlink the actors and encourage them to form consortia in order to achieve deeper impacts and synergies. Implementers as well as beneficiaries should preferably look for partnerships bringing together non-profit, private, public and academic actors. Czech Aid coordinates all actors involved in each thematic priority. Czechia takes an active part in coordination meetings with Moldovan ministries, international organisations, bilateral donors and NGOs. This keeps development cooperation aligned with Moldova's needs and strategies and ensures cost and human resource efficiency. Coordination within the EU and participation in Team Europe Initiatives is of key importance.



Czechia will communicate on Czech Aid with the general public, government and international partners throughout the period for which this Programme is in force. The communication will comply with the annual Aid and Humanitarian Assistance Communication Plans of the Czech Ministry of Foreign Affairs. The Czech Embassy in Chişinău will be the focal point informing the public about project activities through its website and social networks (commencement/completion of important activities). Project implementers will organise press conferences, workshops and other public events relating to their projects. It will be particularly important to share the outcomes of projects (for example through the interactive online map of Czechia's development and humanitarian projects). Implementers will be required to use the CZECH AID brand and logo to raise public awareness of Czech Aid and humanitarian assistance.

Monitoring and evaluations of this Programme and its projects are vital processes ensuring that all actors keep track of the progress and results of their cooperation. The rules governing these processes are set out in the Development Cooperation Strategy of the Czech Republic 2018-2030 and the Guidelines for the Foreign Development Cooperation of the Czech Republic. The results of monitoring and, even more importantly, of project evaluations are the primary input for comprehensive evaluation of the intervention as well as for any decisions on future cooperation with Moldova that need to be taken on the strategic, programme and project levels.

In-process monitoring and evaluations will look at the development activities required under this Programme and the objectives as set out in the Results Matrix. The approach will be results-based, which means that the targets and outputs of each project will be part of the learning by doing process: they will serve to manage the intervention more efficiently and adjust it more flexibly according to changing conditions and lessons learned.





	Instrument	Purpose	Frequency	Competence
Programme level	Mid-term evaluation of the Programme	Review and readjustment of the Programme, evaluation of progress on indicators, redefinition of indicators where appropriate	1x per programming period	Ministry of Foreign Affairs (Development Cooperation Department)
	Final evaluation of the Programme	Comprehensive evaluation of the programme, stocktaking of results achieved to date (to be used as a starting point for planning the next cooperation programme if appropriate)	2030	Ministry of Foreign Affairs (Development Cooperation Department)
Project level	Project preparation Project implementation			
	Project monitoring	Monitoring of results, inspections to monitor implementation on site	As needed, but at least 1x per year	Czech authority responsible for the project + Embassy + local partners
	Evaluation	Evaluation according to OECD evaluation criteria	As needed (ongoing or upon completion of the project)	Ministry of Foreign Affairs (Development Cooperation Department) + local partners
	Audit		As needed	Czech authority responsible for the project
	Internal control mechanism (interim, annual and final reports)	Comprehensive report on the implementation and results of the project	At least 2x per year according to the type of report	Czech authority responsible for the project + Embassy
	Decision board - for comprehensive projects	Decision making on the direction the project is to take, modification of the logical framework	At least 4 x per year	Czech Development Agency (for bilateral projects)
	Advisory board - for comprehensive projects	Reporting on the current development of the project	At least 1 x per year	Czech Development Agency (for bilateral projects) + Embassy



## Assessment of the risks and opportunities arising from the political, security and economic situation in Moldova

### **Risks:**

Over the past few years, Moldova's reformist and pro-European leadership (elected in the 2020 presidential elections and 2021 parliamentary elections) has been striving to push ahead with its reform programme while dealing with a large refugee community, ongoing energy crisis, loss of crucial markets with all the attendant risks to national economy, rampant inflation, and an increasing incidence of hybrid attacks.

Today's main risks are escalation of the war in Ukraine, volatile energy markets, energy crisis, refugee crisis, global recession turning into economic crisis and driving up inflation, frequent periods of drought with agricultural production in danger, and hybrid threats originating from the Russian Federation.

Moldova's lasting problem is the high turnover of governments combined with extremely weak public institutions hardly able to retain employees. It is because of incompetence but also because of lack of capacities that the country's institutions have problems prioritising their needs and engaging in the implementation of projects as much as they should. The public administration system, especially some partner ministries, struggles under a burden that has now become even heavier due to the refugee crisis. Crises and needs are cumulating in the country.

Moldova's future political development is yet another risk factor, given the narrow result of the constitutional referendum on EU accession. The upcoming parliamentary elections will make or break the Moldova's future European orientation.

Another problem plaguing Moldova is massive outbound migration and demographic crisis with rural depopulation and workforce drain. The country suffers from population loss and ageing; only about 31 per cent of the population are economically active and their share keeps declining. A big problem is the inferior quality of education (including at universities), and brain drain as skilled professionals leave the country.

### **Opportunities:**

Stabilisation of the political situation in the region, better electricity and mobile internet connectivity with Romania, and making progress in the process of EU accession negotiations – all this is what Moldova urgently needs in order to achieve economic growth in the coming years. Once all these pieces fall into place, the synergistic effect may be huge, and it may attract investment to modernise the country.

The opening of EU accession negotiations has brought the greatest opportunities for Czechia to develop and deepen its cooperation with Moldova. Czechia can offer Moldova its own transformation experience and expertise; technical and expert cooperation is increasingly important.

New financing instruments, namely loans from the Czech National Development Bank, create new opportunities to take part in large infrastructure projects.

Moldova's progressive integration in the EU market opens up opportunities to develop economic cooperation and implement Czech technological solutions on a pilot basis. However, these opportunities can turn into reality only if Moldova continues along the path of European integration.



## RESULTS MATRIX

This Programme of the Czech Republic's Development Cooperation with Moldova will be in force for the 2024-2030 period. Its implementation will be evaluated regularly in accordance with the Development Cooperation Strategy of the Czech Republic 2018-2030 and with annual monitoring and evaluation plans. Where necessary and appropriate, this Programme will be adjusted with reference to the results of its evaluation. A comprehensive evaluation will be carried out by 2030 to decide on further cooperation.

The following results matrix contains the relevant objectives and targets of Moldova's National Development Plan 2023-2025 and National Development Strategy "European Moldova 2030". In the sections concerning agriculture and rural development, the results matrix refers to Moldova's National Strategy for Agricultural and Rural Development for the years 2023-2030.

The results matrix tentatively proposes the possible outputs and typical indicators for each Czech Aid intervention. The projects, however, must present accurate information on these aspects, including specification or addition of outputs, indicators and target values, and integrate it in the intervention logic.



Outcome	Indicator	Verification source	
<b>Thematic priority 1. GOOD GOVERNANCE (SDGs 6, 7, 11, 13, 14, 15, 16)</b>			
<b>Goal: Peaceful and cohesive democratic society (SDG 16), removing barriers to economic growth and a safer environment (SDGs 6, 7, 11, 13, 14, 15, 16)</b>			
<b>Objective 1.1 Building democratic institutions: Strengthening the capacity of state institutions, supporting the EU integration process</b>	Supporting EU integration: <ul style="list-style-type: none"> <li>Accountable, efficient and transparent institutions</li> <li>Safe and resilient society</li> </ul> Development of information systems	<ul style="list-style-type: none"> <li>Indicator: Transposition and implementation of the EU acquis Baseline: N/A, Target: 100 % (2030)</li> <li>Indicator 7.4.1: Voice and Accountability (World Bank Governance Indicator) Baseline: 48.31 percentile (2020), Target: 60 percentile (2025)</li> <li>Indicator 7 (75): Percentage of citizens using electronic access to public services Baseline: 49.4 (2021), Target: 65.4 (2025) / 75 % (2030)</li> </ul>	NDP / NDS World Bank
<b>Possible outputs:</b>	1.1.1 Persons/groups directly supported 1.1.2 Professional capacities strengthened 1.1.3 Methodological or legislative documents 1.1.4 Public addressed	Number of persons (disadvantaged groups) directly supported; type of support (Baseline 2024: 0) Number of persons trained; type, content and duration of their training (Baseline 2024: 0) Number, type and purpose of technical documents produced; target group(s) (Baseline 2024: 0) Number of persons reached by the awareness campaign; type of the awareness campaign (Baseline 2024: 0)	Project documentation
<b>Objective 1.2 Promoting civil society</b>	Public participation in decision-making processes, support for independent media, fight against disinformation	<ul style="list-style-type: none"> <li>Indicator 9 (92): Public perception of safety Baseline: 30.2 % (2021), Target: 40 % (2025) / 50 % (2030)</li> </ul>	NDP / NDS
<b>Possible outputs:</b>	1.2.1 Persons/groups directly supported 1.2.2 NGO capacities strengthened 1.2.3 Tools to fight disinformation 1.2.4 Forms of cooperation formalised 1.2.5 Public addressed	Number of persons or organisations directly supported; type of support (Baseline 2024:0) Number of persons trained; type, content and duration of their training (Baseline 2024: 0) Number and type of the tools to fight disinformation; users (Baseline 2024: 0) New forms of cooperation between state institutions and the non-profit sector (Baseline 2024: 0) Number of persons reached by the awareness campaign; type of the awareness campaign (Baseline 2024: 0)	Project documentation



<b>Objective 1.3</b> <b>Water and Sanitation:</b> <b>Ensure availability and sustainable management of water and sanitation for all</b>	Drinking water supply and sanitation: <ul style="list-style-type: none"> <li>• Population with access to water supply</li> <li>• Population with access to public sanitation</li> <li>• Proportion of wastewater safely treated</li> </ul>	<ul style="list-style-type: none"> <li>• Indicator 2.3.1: Percentage of population with access to water supply Baseline: 86.4 % (2021); Target: 90 % (2025) / 95 % (2030)</li> <li>• Indicator 2.3.2: Percentage of population with access to public sanitation Baseline: 33.2 % (2021); Target: 50 % (2025) / 65 % (2030)</li> <li>• Indicator 10.1.1: Proportion of safely treated wastewater discharged into watercourses Baseline: 14.11 % (2016); Target: 30 % (2025) / 40 % (2030)</li> </ul>	NDP / NDS
<b>Possible outputs:</b>	1.3.1 Access to water/sanitation newly provided 1.3.2 New/upgraded water treatment plants 1.3.3 New/upgraded WWTPs 1.3.4 Professional capacities strengthened 1.3.5 Methodological or legislative documents	Number of people/households with newly provided access to water or sanitation (Baseline 2024: 0) Number/location and capacity of new water treatment plants; volume of drinking water (Baseline 2024:0) Number/location and capacity of new WWTPs; volume of treated wastewater (Baseline 2024: 0) Number of persons trained; type, content and duration of their training (Baseline 2024: 0) Number, type and purpose of methodological or legislative documents produced; target group(s) (Baseline 2024: 0)	Project documentation
<b>Objective 1.4</b> <b>Capacity building in environmental protection</b>	Better environment: <ul style="list-style-type: none"> <li>• Better environmental protection</li> <li>• Use of renewable energy sources</li> </ul> Energy efficiency and security	<ul style="list-style-type: none"> <li>• Indicator 10.2.2: Percentage of protected areas Baseline: 5.8 % (2022); Target: 8 % (2025) / 10 % (2030)</li> <li>• Indicator 2.4.2: Proportion of renewable energy use Baseline: 23.8 % (2019), Target: 25 % (2025) / 27 % (2030)</li> <li>• Indicator: Energy poverty Baseline: estimated 65% of households (2020), Target: not specified (decline)</li> </ul>	NDP / NDS
<b>Possible outputs:</b>	1.4.1 Sites monitored or remediated 1.4.2 Specially protected areas 1.4.3 Technologies installed 1.4.4 Centres or institutions supported 1.4.5 Professional capacity strengthened 1.4.6 Methodological or legislative documents 1.4.7 Public addressed	Extent of sites monitored or remediated; nature of contamination (Baseline 2024: 0) Extent of specially protected areas newly established (Baseline 2024: 0) Number and capacity of renewable energy technologies (Baseline 2024: 0) Number of centres or institutions supported; method of support (Baseline 2024: 0) Number of persons trained; type, content and duration of their training (Baseline 2024: 0) Number, type and purpose of methodological or legislative documents produced; target group(s) (Baseline 2024: 0) Number of persons reached by the awareness campaign; type of the awareness campaign (Baseline 2024: 0)	Project documentation



**Objective 1.5  
Ensuring access  
to affordable,  
reliable,  
sustainable and  
modern energy  
sources for all**

- Increase share of renewable energy
- Increase energy efficiency
- Reduce greenhouse gas emissions

- Indicator 2.4.2: Share of renewable energy in total energy consumption  
Baseline: 23.8 % (2019), Target: 25 % (2025) / 27 % (2030)
- Indicator 2.4.3: Volume of investment in the energy efficiency sector as a share of GDP (%)  
Baseline: 0.03 % (2018), Target: 0.1 % (2025) / 0.5 % (2030)
- Indicator 10.4.1: Total direct greenhouse gas emissions per unit of GDP (equivalent tonnes of CO<sub>2</sub> / USD 1,000)  
Baseline: 4 t/ USD 1,000 (1990), Target: 5 t/ USD 1,000 (2025) / 7 t (2030)
- Indicator 10.4.2 (106): Total greenhouse gas emission reductions relative to the 2016-2020 average  
Baseline: 100 % (2016-2020 average), Target: 64 % (2025) / 70 % (2030)

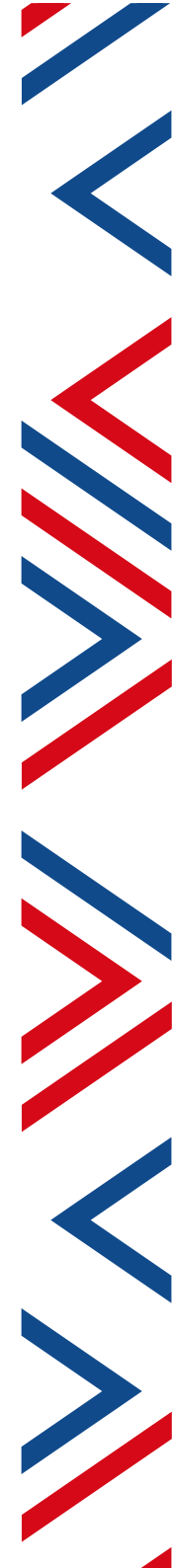
NDP / NDS

**Possible outputs:**

- 1.5.1 Entities supported - access to modern energy services
- 1.5.2 New energy sources installed
- 1.5.3 Energy saving measures implemented
- 1.5.4 Emission reduction measures implemented
- 1.5.5 New technologies and systems introduced
- 1.5.6 Professional capacities strengthened
- 1.5.7 Technical or legislative documents
- 1.5.8 Public addressed

- Number and type of entities supported; method of support - specification of energy services introduced (Baseline 2024: 0)
- Number and type of new energy sources; total capacity, number of users (Baseline 2024: 0)
- Number and type of measures; users, annual energy/cost savings achieved (Baseline 2024: 0)
- Number and type of measures; users, annual emission reductions achieved (Baseline 2024: 0)
- Type of new solutions (energy storage, smart networks, etc.); users (Baseline 2024: 0)
- Number of persons trained; type, content and duration of their training (Baseline 2024: 0)
- Number, type and purpose of technical documents produced; target group(s) (Baseline 2024: 0)
- Number of persons reached by the awareness campaign; type of the awareness campaign (Baseline 2024: 0)

Project  
documentation



**Thematic priority 2. INCLUSIVE SOCIAL DEVELOPMENT (SDGs 1,3, 5,10,16) – Reducing poverty, ensuring sustainable development and equal opportunities for vulnerable groups in society**

**Goal: Increase the quality and accessibility of social and health services, especially for socially vulnerable groups**

<p><b>Objective 2.1</b> Increasing the quality and accessibility of social and health services</p>	<p>Improving health and social care services:</p> <ul style="list-style-type: none"> <li>Supporting vulnerable and disadvantaged groups</li> <li>Supporting home care</li> </ul> <p>Reforming the comprehensive support system</p>	<ul style="list-style-type: none"> <li>Indicator 6.1.1: Percentage of the poorest population (20%) enjoying social benefits Baseline 10.7 % (2021); Target: 25 % (2025) / 35 % (2030)</li> <li>Indicator 6.1.3: Number of people with disabilities in institutional care Baseline: 1,766 (2022), Target: 1,400 (2025) / 1,000 (2030)</li> <li>Indicator 6.4.2: Proportion of children at risk Baseline: 1.8 % (2020), Target: 1.5 % (2025) / 1.2 % (2030)</li> </ul>	<p>NDP / NDS</p>
<p><b>Possible outputs:</b></p>	<p>2.1.1 Persons/groups directly supported 2.1.2 Professional capacities strengthened 2.1.3 Equipment provided 2.1.4 Methodological or legislative documents</p>	<p>Number of persons (disadvantaged groups) directly supported; type of support (Baseline 2024: 0) Number of people trained; type, content and duration of their training (Baseline 2024: 0) Type and quantity of equipment provided (Baseline 2024: 0) Number, type and purpose of methodological or legislative documents produced; target group(s) (Baseline 2024: 0)</p>	<p>Project documentation</p>
<p><b>Objective 2.2</b> Reform support and technical cooperation</p>	<p>Reform of the comprehensive support system: Functional centres and institutions</p>	<ul style="list-style-type: none"> <li>Indicator 6.2.1: Share of population covered by public social insurance Baseline: 87.8 % (2020), Target: 90 % (2025) / 92 % (2030)</li> <li>Indicator 6.3.1: Percentage of children aged 0-17 below the extreme poverty line Baseline: 10 % (2020), Target: 8.5 % (2025) / 6 % (2030)</li> </ul>	<p>NDP / NDS</p>
<p><b>Possible outputs:</b></p>	<p>2.2.1 Centres or institutions supported 2.2.2 Professional capacities strengthened 2.2.3 Equipment provided 2.2.4 Methodological or legislative documents</p>	<p>Number of centres or institutions supported; type of support (Baseline 2024: 0) Number of people trained; type, content and duration of their training (Baseline 2024: 0) Type and quantity of equipment provided (Baseline 2024: 0) Number, type and purpose of methodological or legislative documents produced; target group(s) (Baseline 2024: 0)</p>	<p>Project documentation</p>



**Thematic priority 3. AGRICULTURE (SDGs 1, 2, 8, 9, 10, 13)**

**Goal: Sustainable and climate-resilient agricultural practices, local market development and strengthening export potential, rural socio-economic development**

<b>Objective 3.1 Supporting farmers and value chains</b>	<p>Strengthening the potential of agriculture and promoting smart, sustainable and climate-resilient farming practices:</p> <ul style="list-style-type: none"> <li>• Increase in the area cultivated with high value crops</li> <li>• Application of good agricultural practices, including conservative ones</li> </ul> <p>Development of the food industry and diversification of markets:</p> <p>Diversification of local products and quality labelling of local products</p>	<p>Strengthening the potential of agriculture:</p> <ul style="list-style-type: none"> <li>• Indicator: New areas under high value crops (ha) Baseline: 0; Target: Growing trend (2030)</li> <li>• Indicator: Application of good agricultural practices, including conservative ones Baseline: not specified; Target: at least 150,000 ha of agricultural land (2030)</li> </ul> <p>Development of the food industry:</p> <ul style="list-style-type: none"> <li>• Indicator: Increasing the proportion of products with a quality label Baseline: not specified, Target: increase by 10% (2030)</li> </ul>	NSARD
<b>Possible outputs:</b>	<p>3.1.1 Persons/farms directly supported</p> <p>3.1.2 Professional capacities strengthened</p> <p>3.1.3 Methods/products newly introduced</p> <p>3.1.4 Technologies newly introduced</p> <p>3.1.5 Methodological or legislative documents</p>	<p>Number of persons/farms directly supported; type of support (Baseline 2024: 0)</p> <p>Number of people trained; type, content and duration of their training (Baseline 2024: 0)</p> <p>Types of new methods/products, area, volume of production (Baseline 2024: 0)</p> <p>Types and volume of new technologies; beneficiaries, number of users (if possible) (Baseline 2024: 0)</p> <p>Number, type and purpose of methodological or legislative documents produced, target group(s) (Baseline 2024: 0)</p>	Project documentation
<b>Objective 3.2 Institutional support for the agricultural sector</b>	<p>Food security and export promotion to the EU:</p> <ul style="list-style-type: none"> <li>• Professional capacities strengthened</li> <li>• Functioning registers</li> <li>• Increased exports to the EU</li> </ul>	<ul style="list-style-type: none"> <li>• Exports of agricultural food products to the EU (millions USD) Baseline: USD 588.1 mil. (2020); Target: increase by 15% (2030)</li> </ul>	NSARD
<b>Possible outputs:</b>	<p>3.2.1 Persons/organisations directly supported</p> <p>3.2.2 Professional capacities strengthened</p> <p>3.2.3 Equipment provided</p> <p>3.2.4 Registers created</p> <p>3.2.5 Methodological or legislative documents</p>	<p>Number of persons or organisations directly supported; type of support (Baseline 2024: 0)</p> <p>Number of persons trained; type, content and duration of training (Baseline 2024: 0)</p> <p>Type and quantity of equipment provided (Baseline 2024: 0)</p> <p>Nature of new or updated registers, number of users (Baseline 2024: TBC)</p> <p>Number, type and purpose of methodological or legislative documents produced; target group(s) (Baseline 2024: 0)</p>	Project documentation





**CROSS-CUTTING PRIORITIES – GOOD GOVERNANCE AND A FREE CIVIL SOCIETY (SDG 16), ENVIRONMENT AND CLIMATE PROTECTION (SDGs 6, 7, 11, 13, 14, 15), PROTECTION OF HUMAN RIGHTS AND GENDER EQUALITY (SDGs 5, 10, 16)**

**Goal: A peaceful and cohesive democratic society**

<b>Objective 4.1</b> <b>Good governance and free civil society, environment and climate protection, protection of human rights and gender equality</b>	Transparency in decision-making processes, environmentally friendly and climate resilient practices, access to justice for all, support for women and disadvantaged groups	<ul style="list-style-type: none"> <li>Indicator 7.1.3: Share of women in public institution leadership posts Baseline: 40.9 % (2020), Target: 45 % (2025) / 50 % (2030)</li> <li>Indicator 7.2.1: Percentage of people who have complete or partial confidence in the government Baseline: 18.5 % (2021), Target: 23 % (2025)</li> <li>Indicator 76: Quality of legal standards / -2.5 – +2.5 range (World Bank Regulatory Quality Indicator) Baseline: -0.04 (2020), Target: 1.0 (2025) / 1.5 (2030)</li> </ul>	NDP / NDS  World Bank
	<b>Possible outputs:</b> 4.1.1 Persons /groups directly supported 4.1.2 Professional capacities strengthened 4.1.3 Methodological or legislative documents 4.1.4 Public addressed 4.1.5 Cross-cutting principles in project implementation	Number of persons (disadvantaged groups) directly supported; type of support (Baseline 2024: 0) Number of people trained; type, content and duration of their training (Baseline 2024: 0) Number, type and purpose of methodological or legislative documents produced; target group(s) (Baseline 2024: 0) Number of people reached by awareness-raising campaign; type of awareness-raising (Baseline 2024: 0) Overview of cross-cutting principles emphasised in the implementation of the project (Baseline: N/A)	Project documentation

NDP – National Development Plan 2023–2025

NDS – National Development Strategy „European Moldova 2030“

NSARD – National Strategy for Agricultural and Rural Development for the years 2023-2030, 2023

