

## Annex of the Country Assistance Policy

## Rolling Plan for the Republic of Moldova

As of April 2024

Basic Policy of Assistance	Sustainable Economic Development and Poverty Reduction
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Priority Area 1	Sustainable Economic Development														
Development Issue 1-1 Promotion of Sustainable Economic Development	[Background and current situation] The standard of living of Moldovan citizens remains at a low level due to two significant factors: one is the fact that the growth of the Moldovan economy has remained low due to an unfavorable business environment caused by widespread corruption and other negative factors; the other is that Moldova is facing more difficulties due to the COVID-19 pandemic since 2020 as well as the ongoing war in Ukraine since February 2022. As a result, the exodus of the labor force, especially among the younger generation, continues to be unstoppable. Although the agriculture sector is one of the major industries in Moldova, accounting for approximately 20% of the total labor force, it faces various challenges such as the limited international competitiveness due to lower productivity, vulnerability to unfavorable weather conditions, and so on. In other sectors, small and medium-sized enterprises (SMEs) that exist across industries also face problems such as insufficient labor force and investment. In addition to those, as Moldova heavily relies on energy sources from Russia, it is necessary to promote the diversification of industries focusing on non-agriculture sectors and energy suppliers as well as to develop environmentally friendly cities for more stable economic development.			[Strategy] Japan will provide support for industrial development through the improvement of business environment and the development of industrial human resources to increase inward direct investment. At the same time, efforts will be made to promote agriculture, a major industry in the country. In addition, Japan will contribute to securing the foundation for stable economic growth by providing assistance to improve the efficiency of energy use, promote the use of cleaner energy, and contribute to the development of environmentally friendly cities.											
	Japan's Assistance Program	Program Summary	Project	Scheme	Schedule						Assistance Amount (100 million JPY)	SDGs	Notes		
					Before JFY2022	2023	2024	2025	2026	2027					
	Program for Sustainable Economic Development	The program fosters and strengthens Moldova's key sectors such as agriculture and food processing as well as emerging sectors in which a significant growth is expected through human resources development and capacity building Ministries and other authorities: agriculture, SMEs, environment and energy. In addition, it aims at developing environment-friendly cities while securing stable energy supplies.	Project for Modernization of Agricultural Machineries and Equipment	LA								20.59	2,8	app. 19 mil USD	
			Advisor for Sustainable Agriculture Development	EXP										2,8	
			Advisor for Promotion of Small and Medium-sized Enterprises	EXP										8	
Sectoral Training Courses on Agriculture, the Promotion of SMEs, Environment and Energy			TR										2, 7, 9, 12, 13		
	Economic and Social Development Programme (Provision of fertilizer)	GR									3.00	1, 2, 8, 10	app. 2.2 mil USD		

Priority Area 2	Improvement of Standard of Living												
Development Issue 2-1 Improvement of Living Standard	[Background and current situation] The real income level of Moldovan citizens has declined due to higher inflation rates for various goods including gas/fuel attributed from the deteriorated situation in Ukraine, followed by supply chain disruption. In addition, the Moldovan government faces chronic financial difficulties and labor shortages in both the central and local governments, resulting in a lack of public services.				[Strategy] Japan will provide assistance in the fields of healthcare, education, and disaster prevention, etc. through institutional capacity building, human resource development and financial assistance in order to help improve the quality and efficiency of public services, which contributes to the improvement of living standard for Moldovan citizens.								
	Japan's Assistance Program	Program Summary	Project	Scheme	Schedule						Assistance Amount (100 million JPY)	SDGs	Notes
					Before JFY2022	2023	2024	2025	2026	2027			
	Program for the Improvement of Living Standard	The program aims to modernize healthcare services and to improve the educational system. In addition, the program will consider supporting the efforts aiming at providing effective and efficient public services, while avoiding duplication with the activities of other development partners.	Economic and Social Development Programme (Provision of medical equipment)	GA							1.00	3	app. 970,000 USD
			The Project for the Improvement of Fire Fighting Equipment	GA							15.49	11,13	app. 13.5 mil USD
			Program for Strengthening Medical System	GA							10.00	3	app. 8 mil USD
			Medical Equipment Maintenance Capacity Strengthening	EXP								3	
			Grant Aid for Grassroots Human Security Projects in the fields of Healthcare, Medicine, Education, Water and Sewage	GCP							0.82	3,4,6,11	636,737 USD
			Grant Assistance for Cultural Grassroots project in the field of Education	GCGA							0.08	4	70,814 USD
Sectoral Training Courses on Healthcare, Education, and Disaster Prevention, and DX			TR								3,4,9,11		
Priority Area 3	Improvement of Governance												

Development Issue 3-1 Improvement of Governance	[Background and current situation] In Moldova, critical level of corruption and the political influence by oligarchs (emerging conglomerates) are serious issues. In order to join the European Union by 2030, the Government of Moldova has been implementing various reforms in judiciary and other relevant fields with the aim of eliminating corruptions and further establishing democracy.			[Strategy] Japan will support the consolidation of democracy in Moldova through strengthening the capacity of legislative, administrative and judicial institutions by sharing Japan's relevant experience and knowledge.									
	Japan's Assistance Program	Program Summary	Project	Scheme	Schedule						Assistance Amount (100 million JPY)	SDGs	Notes
					Before JFY2022	2023	2024	2025	2026	2027			
	Program for the Improvement of Governance	The program promotes further democratization through supporting domestic reforms that have been undertaken by the Government of Moldova.	Sectoral Training Courses on Governance, gender, and evaluations	TR								5,6	
Human Resources Development on Public International Law			TR								16		

Legend: [PS] = Preparatory Survey, [DD] = Detailed Design, [TCP] = Technical Cooperation Project, [TCDP] = Technical Cooperation for Development Planning, [EXP] = Expert, [EQ] = Equipment, [CTR] = Country-focused Training, [TR] = Issue-based Training / Training Program for Young Leaders, [JOVCV] = Japan Overseas Cooperation Volunteers, [SV] = Senior Volunteers, [TEXP] = Third-country Expert, [TTR] = Third-country Training, [ICT] = In-Country Training, [STC] = Science and Technology Cooperation on Global Issues, [JPP] = JICA Partnership Program, [xx-TA] = Technical Assistance implemented by organizations other than MOFA and JICA, [PCP-TC] = Private Companies Proposed-Technical Cooperation, [GA] = Grant Aid, [GAF]=Grant Aid for Fishery, [FA]=Food Aid, [CGA]=Cultural Grant Assistance, [GCGP]=Grant Assistance for Cultural Grassroots Projects, [EGA]=Emergency Grant Aid, [GANP]=Grant Aid for Japanese NGOs Projects, [GGP]=Grant Aid for Grassroots Human Security Projects, [LA] = Loan Aid (ODA Loan), [BIS] = Basic Information Survey, [ML] =Multilateral Cooperation, [SSM] = Support for Small and Medium sized Enterprise, Solid Line [— — —] = Schedule, Dash Line [- - - -] = Tentative Schedule

【Sustainable Development Goals (SDGs)】 1. No Poverty, 2. Zero Hunger, 3. Good Health and Well-being, 4. Quality Education, 5. Gender Equality, 6. Clean Water and Sanitation, 7. Affordable and Clean Energy, 8. Decent Work and Economic Growth, 9. Industry, Innovation and Infrastructure, 10. Reduced Inequality, 11. Sustainable Cities and Communities, 12. Responsible Consumption and Production, 13. Climate Action, 14. Life Below Water, 15. Life on Land, 16. Peace, Justice and Strong Institutions, 17. Partnerships for the Goals