

**REFORM AND GROWTH FACILITY FOR THE REPUBLIC OF
MOLDOVA**

MOLDOVA 2025 ANNUAL REPORT

TABLE OF CONTENTS

LIST OF ACRONYMS.....	3
1. OVERVIEW OF THE REFORM AGENDA IMPLEMENTATION IN 2025	4
1.1 Key achievements and developments	4
1.2 Engagement with relevant stakeholders	6
1.3 Communication and visibility	7
2. CONTRIBUTION TO THE ACHIEVEMENT OF THE REFORM AND GROWTH FACILITY GENERAL OBJECTIVES	8
3. CONTRIBUTION TO THE ACHIEVEMENT OF THE SPECIFIC OBJECTIVES OF THE REFORM AND GROWTH FACILITY.....	9
3.1 Specific objective 1: Rule of Law	9
3.2 Specific objective 2: CFSP alignment.....	10
3.3 Specific objective 3: Disinformation.....	11
3.4 Specific objective 4: Visa policy.....	12
3.5 Specific objective 5: Governance.....	12
3.6 Specific objective 6: Economic competitiveness	13
3.7 Specific objective 7: Economic integration	14
3.8 Specific objective 8: Connectivity	15
3.9 Specific objective 9: Green transition	16
3.10 Specific objective 10: Digital transformation and digital skills.....	16
3.11 Specific objective 11: Innovation, research and SMEs.....	17
3.12 Specific objective 12: Education and employment	18
3.13 Specific objective 13: Awareness raising.....	19
4 OVERVIEW ON THE FULFILMENT OF CONTROL AND AUDIT MEASURES	20
5 CROSS-CUTTING ISSUES.....	22
5.1 Gender equality mainstreaming	22
5.2 Climate change and environment mainstreaming	23
5.3 Democracy and human rights.....	23
6 OVERVIEW OF THE FULFILMENT OF THE GENERAL CONDITIONS FOR SUPPORT	24
6.1 Macro-financial stability	24
6.1.1 <i>Macroeconomic developments and risks</i>	24
6.1.2 <i>Fiscal developments and risks</i>	25
6.2 Public financial management, budget transparency and oversight	27
6.2.1 <i>Progress in public financial management reforms</i>	27
6.2.2 <i>Budget transparency and oversight</i>	28
7 ANNEXES.....	30
7.1 List of relevant stakeholders consulted, per policy area	30
7.2 The latest available Public Finance Management and Budget Transparency implementation report	34
7.3 Inputs for the Commissions' monitoring indicators.....	35

LIST OF ACRONYMS

ACER – EU Agency for the Cooperation of Energy Regulators
AML/CFT – Anti-Money Laundering / Countering the Financing of Terrorism
ATM – Average Time to Maturity
CERT – Computer Emergency Response Team
EBGL – Electricity Balancing Guideline
EPF – European Peace Facility
ERP – Economic Reform Programme
EUPM Moldova – EU Partnership Mission in the Republic of Moldova
G2B – Government to Business
SMEs – Small and medium enterprises
LNG – Liquefied Natural Gas
OPCOM – Romanian gas and electricity market operator
CFSP – European Common Foreign and Security Policy
GDP – Gross Domestic Product
PPZ – Intra-Day Market
CSDP – European Common Security and Defence Policy
PZU – Day-Ahead Market
RM – Republic of Moldova
SDAC – Single Day-Ahead Coupling
SIDC – Single Intraday Coupling
OPCML - Office for Prevention and Combating of Money Laundering
TCM – Terms and Conditions or Methodologies
VAT – Value Added Tax
EU – European Union

1. OVERVIEW OF THE REFORM AGENDA IMPLEMENTATION IN 2025

The Republic of Moldova has signed with the European Union *the Facility Agreement between the Republic of Moldova and the European Union on the specific arrangements for the implementation of Union support under the Reform and Growth Facility for the Republic of Moldova, ratified by Law No. 98/2025 (hereinafter referred to as the “Facility Agreement”)*, which constitutes the legal basis for financial cooperation between the European Commission and the Republic of Moldova, pursuant to Regulation (EU) 2025/535. The Agreement establishes the legal and institutional framework for the management, control, monitoring, evaluation, reporting and auditing of the funds related to the Facility, as well as for the prevention, detection and reporting of irregularities, fraud, corruption and conflicts of interest.

The Reform Agenda aims to strengthen sustainable economic growth by enhancing the competitiveness of the private sector, improving the investment climate and facilitating access to finance. It also seeks to reinforce economic resilience through the development of transport and digital infrastructure and by deepening interconnection with the European Union. The reforms are oriented towards improving the quality of economic governance by promoting transparency, institutional accountability and a fair competitive environment, as well as towards developing human capital and strengthening social inclusion. In parallel, the green transition and energy security are supported through environmental protection, energy efficiency and the diversification of energy sources.

The Reform Agenda also contributes to strengthening national resilience and accelerating convergence with the European Union, including through the gradual alignment with the Common Foreign and Security Policy, thereby enhancing the Republic of Moldova’s capacity to manage regional risks and to advance along its European integration path.

The implementation of the reforms is supported by strengthened institutional mechanisms for coordination, monitoring and reporting, integrated into the existing governmental structures, thereby enabling the tracking of progress, the early identification of risks and the transparent reporting of results to external partners.

In accordance with Article 25(7)(b) of the Facility Agreement, this annual report reflects the overall progress achieved in 2025 in the implementation of the Reform Agenda, within the 2025–2027 implementation period, with reference to the general and specific objectives of the Facility.

1.1 Key achievements and developments

The objectives of the Reform and Growth Facility for the Republic of Moldova are translated into concrete reforms and implementation steps aimed at aligning the Republic of Moldova with the values, standards and practices of the European Union. The implementation of these steps contributes to strengthening the rule of law, enhancing the efficiency of governance, promoting administrative transparency and increasing investment attractiveness, as well as to fostering a pluralistic and independent media landscape and reducing gaps vis-à-vis European standards.

Out of the total of 153 steps included in the Reform Agenda for the 2025–2027 period, 28 out of the 30 steps planned for 2025 were fully implemented, corresponding to an implementation rate of approximately 93%. A further 2 steps are in the process of finalisation, with completion expected by the end of the first half of 2026. This progress indicates a high level of reform implementation and a firm commitment to the obligations undertaken under the Facility Agreement. The steps implemented have covered key areas such as the functioning of the electricity market, the alignment of the fiscal framework with European Union legislation, the strengthening of mechanisms for the provision of electricity under the public service regime, and the advancement of regulatory and certification processes in the natural gas sector.

For 2026, 15 steps are scheduled for implementation by June and 40 steps by December 2026. Of the total of 55 steps planned for 2026, 54 are currently under implementation, while one step has been assessed as being at risk of non-completion. The year 2027 includes the largest share of steps, namely 22 steps planned for June and 46 for December. Of these, 62 have already been initiated and are recording a certain level of progress in their implementation.

Among the main achievements during the reporting period are the establishment and operationalisation of the AFCOS Network, through the designation of the national coordinator, the approval of the regulatory framework for the Anti-Fraud Coordination Platform, and the signing of 14 interinstitutional agreements aimed at strengthening the protection of the European Union’s financial interests.

The year 2025 consolidated the foundations of a more competitive and resilient economy through structural reforms aimed at reducing bureaucracy, stimulating productive investment and accelerating digitalisation. Progress in aligning with EU standards, modernising the relationship between the state and the business environment, and expanding the digital economy has strengthened the Republic of Moldova’s investment attractiveness and deepened its economic integration into the European market. In this context, the digital platform “Investment Map” was developed and launched, within which 12 investment profiles have been published, with the objective of expanding to at least 50 projects. The One-Stop Shop was also established and made operational, through which more than 13 investors have been served, receiving integrated support and assistance services. The process of establishing a standardised due diligence mechanism was initiated, with the objective of carrying out at least 75 assessments. Actions have been undertaken to strengthen the internal framework, provide training and enhance external cooperation, with a view to reducing investment risks and increasing investor confidence.

To strengthen the integrity and transparency of the judicial system, an external evaluation of judges and prosecutors was carried out, thereby reducing corruption risks and ensuring an appellate justice system based on professionalism and public trust.

Within the framework of the RESTART reform,¹ the institutional framework for employing child rights protection specialists was expanded. Starting from May 2025, 201 new specialists were hired and funded from the state budget, bringing the total number to 235 by the end of the year. This intervention has enhanced the system’s capacity to prevent, identify, and promptly address situations of vulnerability.

¹ Law No. 256/2023 amending certain normative acts (the “RESTART” social assistance system reform).

At the same time, investments were mobilised through development projects, including the Regional Hospital in Bălți, intended to provide quality medical services to approximately 900,000 people in the northern part of the country, and the Energy Efficiency Programme covering more than 40 public and residential buildings, with an impact on job creation, reduced energy consumption and increased productivity.

1.2 Engagement with relevant stakeholders

Throughout the implementation of the Reform Agenda, the State Chancellery, line ministries and other authorities responsible for implementing the reforms ensured the active involvement of stakeholders, in accordance with the provisions of Law No. 239/2008 on transparency in the decision-making process and Law No. 100/2017 on normative acts.

During the drafting of decision-making documents related to the reforms, the authorities published announcements on the initiation and consultation of draft normative acts on their official webpages and on the public participation platform “particip.gov.md”. Where appropriate, stakeholders were directly informed by email and online and offline public consultations were organised, thus guaranteeing stakeholders’ access to draft decisions and related materials.

i) Key contributions by relevant stakeholders

The Parliament of the Republic of Moldova played a key role in adopting the legislative framework necessary for the implementation of the reforms. The Government submitted to Parliament the priority list of draft laws deriving from the National EU Accession Programme, the roadmaps related to the accession process, the Reform Agenda and other commitments undertaken in the context of European integration, which were included on the legislative agenda and adopted on a priority basis in 2025. At the same time, the Government’s Legislative Programme for 2026 was submitted to the Parliament, ensuring the prioritisation of reform steps and other commitments under the Growth Plan within the legislative agenda.

Local public authorities were involved particularly in the implementation of steps with territorial impact, through consultations and interinstitutional coordination mechanisms. They also played an active role in the reporting process concerning the steps due in 2025, confirming the existence of a continuous cooperation framework between the central and local levels.

Civil society organisations contributed through monitoring, formulation of recommendations and provision of technical and thematic expertise, particularly in areas such as public administration reform, social protection, environment and good governance. Line ministries reported the active involvement of civil society representatives in the public consultations organised for decision-making drafts related to the Reform Agenda.

The proposals received from civil society, social partners, local public authorities, the business environment and other stakeholders were taken into account in the preparation of draft normative acts.

ii) Challenges in stakeholder engagement and plans for continuing / strengthening stakeholder collaboration

The main challenges identified relate to ensuring the active participation of all relevant stakeholders, particularly in the context of the tight implementation timelines of the reforms. In some cases, the technical complexity of the steps or the political sensitivity of certain reforms has limited the level of engagement or generated divergent positions among the parties involved, which have been addressed in a constructive manner.

To strengthen cooperation, the State Chancellery of the Republic of Moldova and line ministries will continue to organise public consultations, use interinstitutional coordination platforms and ensure transparent communication of progress. More active involvement of local public authorities, social partners and civil society will be encouraged during the implementation and monitoring phases of reform steps and investment projects.

1.3 Communication and visibility

In order to ensure communication, transparency and visibility of the reform implementation processes, the following tools have been developed:

- **The Communication Strategy**, prepared by the State Chancellery and submitted to the European Commission together with the first request for the release of funds;
- **The Communication Action Plan**, aimed at ensuring the final alignment of operational actions with the guidance and expectations of European institutions;
- **The dedicated webpage for the Growth Plan** – moldovaeuropeana.md – serving as the main public information platform on European Union support, the reforms undertaken and their tangible benefits for citizens;
- **Public consultation** of all draft normative acts related to the commitments under the Reform Agenda, in accordance with the provisions of the Law on transparency in the decision-making process.

The origin of European Union funding was communicated primarily through the umbrella campaign "Moldova Poate", which ensured a unified communication framework and distinct visibility of European support, consistently highlighting the EU's contribution as a central element in supporting reforms and investments. The visibility actions focused on key projects and reforms included in the Reform Agenda, with direct impact on citizens' daily lives, particularly in the areas of infrastructure and connectivity, energy security, healthcare system modernisation, public administration digitalisation and support for SMEs. These were promoted through thematic campaigns, digital content, informational materials and public events, both in the municipality of Chişinău and at local level.

The "Moldova Poate" campaign was financed from the state budget, with a total value of 9.45 million MDL, and included:

- over 1,500 TV and radio broadcasts (spots in Romanian and Russian, on 4 national TV channels and 6 national radio stations);
- over 4.2 million online impressions, a visibility rate exceeding 70% and more than 16,000 direct accesses;
- distribution of over 53,000 informational materials, 3,700 posters and 1,000 stickers to central and local public authorities;

- at local level: advertising displayed in more than 20 waiting stations, over 70 billboards installed, more than 14 LED screens, and the involvement of 151 interurban public transport units (85 routes), informing over 153,000 passengers.

The messages were presented in an accessible, impact-oriented format, tailored to the main target audiences and aligned with the visibility requirements applicable to European Union support.

2. CONTRIBUTION TO THE ACHIEVEMENT OF THE REFORM AND GROWTH FACILITY GENERAL OBJECTIVES

The implementation of the Reform Agenda under the Growth Plan of the Republic of Moldova confirms the country's strong commitment to the European path and the capacity of the authorities to manage a complex and multidimensional modernisation process. The results achieved so far outline a favourable evolution in relation to the objectives of the Reform and Growth Facility, contributing to strengthening institutional resilience, economic development and approximation to European Union standards.

With regard to the objective of *supporting the enlargement process by accelerating the alignment with Union values, laws, rules, standards, policies and practices ('acquis') through the adoption and implementation of reforms with a view to future Union membership*, the Reform Agenda has facilitated the adoption and implementation of the legislative, institutional and policy reforms necessary for compliance with EU norms, values and practices ("acquis"), ensuring that the Republic of Moldova is prepared for accession. The contribution to the overall objective of supporting the enlargement process was achieved through:

- harmonisation of the regulatory framework and development of the mechanisms necessary for its implementation in key areas (energy, taxation, economic governance, social protection, etc.);
- strengthening the rule of law, administrative transparency and efficient governance;
- strengthening the mechanisms for protecting the European Union's financial interests, including through the operationalisation of the AFCOS Network;
- enhancing administrative capacities for the implementation and monitoring of reforms.

The focus was not placed solely on the adoption of legislation, but also on the effective application and institutionalisation of implementation mechanisms, thereby contributing to the sustainability of reforms and increasing the credibility of the accession process.

Regarding the objective of *supporting the progressive integration of Moldova into the Union single market*, the implemented reform steps have supported the country's gradual economic integration into the European single market through actions aimed at increasing competitiveness and improving the investment climate. Reforms in economic regulation, digitalisation and investment facilitation, as well as the strengthening of energy market functioning, contribute to alignment with the rules of the internal market and to the reduction of structural barriers.

Through the development of mechanisms for attracting and facilitating investments and through the improvement of the regulatory framework, the conditions are being created for increasing trade and investment flows and for achieving deeper economic integration in the medium and long term.

Maintaining the pace of reforms remains necessary to ensure full compatibility with the mechanisms of the single market.

In relation to the objective of *accelerating the socio-economic convergence of Moldova's economy with the Union*, the reforms have focused on reducing development gaps through economic modernisation policies and the strengthening of social cohesion. The implemented steps support the structural transformation of the economy by stimulating social and economic investment, promoting innovation, increasing institutional efficiency and improving the quality of public services. Although the macroeconomic impact of the reforms is gradual, the overall direction is clearly oriented towards bringing socio-economic indicators closer to the EU average and fostering sustainable growth in the medium and long term.

The objective of *fostering good neighbourly relations with Member States and Union enlargement partners, as well as people-to-people contact*, is one of the major priorities for the Republic of Moldova. Strengthening cooperation with Member States and enlargement-process partners through the exchange of best practices, institutional dialogue and joint initiatives has reinforced the Republic of Moldova's profile as a responsible and credible partner. At the same time, the development of professional cooperation and interpersonal links supports the transfer of expertise and facilitates alignment with European standards, thereby accelerating the integration process.

Overall, the implementation of the reforms and projects indicates a positive trajectory towards achieving the general objectives of the Reform and Growth Facility, in accordance with Article 3(1) of Regulation (EU) 2025/535. The maintenance of this dynamic will be ensured through the consistent implementation of the assumed reforms, strengthening administrative capacities, making efficient use of the support provided by European partners, accelerating alignment with the EU acquis and supporting socio-economic convergence, so that the progress achieved can translate into lasting impact.

3. CONTRIBUTION TO THE ACHIEVEMENT OF THE SPECIFIC OBJECTIVES OF THE REFORM AND GROWTH FACILITY

The strategic objective of the Reform Agenda is to accelerate the economic growth of the Republic of Moldova, promote the inclusion of all social groups and regions in economic processes, and strengthen economic resilience by deepening economic, investment and trade relations with the European Union. The achievement of this objective is supported by the following specific objectives.

3.1 Specific objective 1: Rule of Law

In 2025, the objective of consolidating the rule of law was supported by steps aimed at reinforcing the independence of the judiciary, increasing institutional integrity and consolidating national capacity for preventing and combating money laundering and financial crime.

One of the achievements (step 7.2.7) was the external evaluation (vetting) of 100% of the judges of the Courts of Appeal of the Republic of Moldova. The process focused on verifying integrity and compliance with legal criteria, contributing to the strengthening of the independence and credibility of the judicial system.

The external evaluation of the ethical conduct and financial integrity of judges and prosecutors represents a central element of the rule of law reform in the Republic of Moldova, aiming to achieve concrete results in the vetting process and in the appointment of evaluated candidates. The results achieved were positively reflected in the 2024 and 2025 enlargement reports of the European Commission, as the mechanism introduced structured procedures, reasoned decisions, and enhanced transparency, contributing to the reduction of corruption risks and the strengthening of the system's credibility. In this context, by the end of 2025, the vetting of all 26 judges of the Courts of Appeal was completed, carried out pursuant to Law No. 252/2023 by independent evaluation commissions composed of national and international members, with the reports submitted to the Superior Council of Magistracy for examination. From an institutional perspective, the vetting of Court of Appeal judges constitutes an essential step in ensuring an appellate justice system grounded in integrity, professionalism, and public trust.

In the field of anti-corruption, Moldova has made tangible progress through the establishment of dedicated infrastructure within courts and the extension of integrity checks to judges serving on specialised panels. The legal and operational framework for the confiscation and investigation of assets derived from corruption and other serious offences has been strengthened, as has the national mechanism for investigating financial crimes, with continued efforts focused on delivering more robust results.

In the field of preventing and combating money laundering and terrorist financing (subdomain 7.3), the Office for Prevention and Combating of Money Laundering (OPCML) signed, on 1 October 2025, the Cooperation Agreement between the OPCML, the Academy of Economic Studies of Moldova and the National Institute for Economic Research, establishing the necessary framework for training activities in the area of preventing and combating money laundering and terrorist financing. With the support of the Council of Europe, activities were initiated to develop training programmes and the methodological framework for their operation, in line with international AML/CFT standards. In this context, a Training of Trainers programme was organised with the participation of representatives of several national institutions, in order to certify trainers specialised in AML/CFT.

In 2025, the expansion and use of the Electronic Case Management Information System (SI e-DJ) recorded significant progress, with 357 lawyers trained and a 110% increase in cases filed and a 197% increase in access requests submitted through the system compared to the first half of the year. These developments demonstrate the transition towards an integrated, secure, and user-oriented digital judicial ecosystem, with a focus on interoperability, cybersecurity, and the delivery of comprehensive electronic services capable of effectively supporting the administration of justice and responding to the demands of a digital society.

3.2 Specific objective 2: CFSP alignment

In the context of the European Union accession process, the Republic of Moldova continues to pursue the objective of fully aligning with all EU restrictive measures regimes. In 2025, the Republic of Moldova continued its progressive alignment with the European Union's Common Foreign and Security Policy (CFSP), including the restrictive measures regimes adopted at EU level.

By December 2025, the number of restrictive measures regimes with which the Republic of Moldova aligned reached 38 out of the total 41 regimes for which it had been invited to align.

At present, the Republic of Moldova is not aligned with three regimes:

- Sectoral restrictive measures in view of Russia's actions destabilising the situation in Ukraine (Council Decision 2014/512/CFSP);
- Sectoral and individual restrictive measures in view of the situation in Belarus and Belarus's involvement in Russia's aggression against Ukraine (Council Decision 2012/642/CFSP);
- Individual restrictive measures against the leadership of the Transnistrian region of the Republic of Moldova (Council Decision 2010/573/CFSP).

In the context of the European Union accession process, the Republic of Moldova maintains its objective of full alignment with all EU restrictive measures regimes. At present, an impact assessment is underway to evaluate the economic, legal and institutional effects of aligning with the three aforementioned regimes, following which a phased alignment calendar will be established based on the results.

According to the methodology applied by the European Union, the alignment rate of the Republic of Moldova in 2025 remained at a high level, reaching 86.67%. The Republic of Moldova aligned itself with all 35 EU declarations and with 82 out of 100 EU decisions concerning restrictive measures.

3.3 Specific objective 3: Disinformation

In 2025, the Republic of Moldova intensified its actions to counter disinformation, hybrid threats and external interference related to its European path, both from the perspective of implementing the Growth Plan and in the context of the electoral process, thereby contributing to democratic resilience and the protection of the integrity of state institutions.

Within the measures aimed at strengthening institutional resilience, inter-institutional coordination mechanisms for monitoring and countering informational manipulation and external interference were reinforced. The competent authorities enhanced information exchange and operational cooperation in order to identify and limit the impact of disinformation campaigns on democratic processes.

The Ministry of Internal Affairs undertook actions to counter destabilisation attempts by dismantling networks involved in electoral corruption and organised groups of protesters trained abroad to provoke violence in the context of public demonstrations and electoral processes. Enhanced measures were implemented to maintain public order and strengthen information monitoring, with a focus on preventing mass disturbances and protecting the integrity of democratic processes against external interference.

The institution strengthened operational cooperation with European partners and international agencies, including Europol and Frontex, to enhance border security and prevent illegal financial flows associated with hybrid threats.

In addition, the Strategic Communication and Countering Disinformation Center (Stratcom) has the mission of *strengthening interinstitutional efforts against disinformation, information manipulation and foreign interference that pose a threat or may endanger the achievement of national interests or national security objectives, in order to promote national interests, including European Union accession*. By strengthening analytical, methodological and interinstitutional coordination capacities,

as well as through partnerships with the academic sector and public institutions, the Center contributes systematically to increasing societal resilience and securing the information space. In this regard, the Center has initiated and is implementing several actions aimed at *developing instructions, guidelines, methodologies and procedures* applicable across the entire public system, implementing strategic communication campaigns oriented toward resilience (with civic and external partners), establishing a monitoring and evaluation mechanism (Institutional and Societal Resilience Index), providing support to the Ministry of Education (long-term preventive dimension), organizing training for civil servants and strengthening professional capacities, and developing and piloting the Training Module (an ecosystem of standards and tools) in cooperation with the National Institute of Justice.

These actions are aligned with EU best practices and the objectives assumed in the accession process, strengthening the national framework for preventing and countering information manipulation and foreign interference. Thus, the Republic of Moldova has contributed to mitigating the risks generated by the aggression war against Ukraine and to protecting sovereignty, democratic institutions and electoral processes, in accordance with the specific objective provided in Article 3.2(c) of the RGF Regulation.

3.4 Specific objective 4: Visa policy

In the reporting year, the Republic of Moldova made further progress in aligning its national visa policy with the *acquis* of the European Union, in accordance with Article 3.2(d) of the RGF Regulation. The Ministry of Internal Affairs contributed to aligning the regulatory framework with Regulation (EU) 2018/1806 by introducing visa requirements for citizens of Cuba and Ecuador starting from March 2025. This measure was reflected in Law No. 64/2025 amending Law No. 257/2013 on third-country nationals required to hold a visa and third-country nationals exempted from the visa requirement when crossing the state border of the Republic of Moldova, whereby the two states were reintroduced in the list of countries whose citizens must hold a visa for entry, exit and transit through the territory of the Republic of Moldova.

Through Law No. 305/2025, the Agreement on visa-free travel within the CIS was denounced, with its effects for the Republic of Moldova set to cease on 30 March 2026, including with regard to relations with Tajikistan and Kyrgyzstan.

These measures strengthen the compatibility of the national visa system with European Union standards and contribute to the efficient and secure management of migration flows.

3.5 Specific objective 5: Governance

In accordance with Article 3.2(e) of the RGF Regulation, the Republic of Moldova has continued its efforts to strengthen the effectiveness of public administration and the mechanisms for transparency and oversight of public funds, in line with European standards of good governance and public financial management of the European Union.

To professionalize the civil service, the information system for human resources records and management is under development, while the National Institute of Public Administration and Management was reorganized as a national training institution with an enhanced role in providing training for civil servants at central and local levels.

At the local level, projects were implemented to strengthen competencies in budget management, thereby increasing the capacity of local authorities to efficiently plan and manage public finances.

Public procurement reform continued through the adoption of the new *Law on Public Procurement*,² the amendment of the *Law on Procurement in the Water, Energy, Transport and Postal Services Sectors*,³ as well as other related normative acts. At the same time, the process of developing a new electronic public procurement system was launched. The system is designed to ensure the full management of the public and sectoral procurement lifecycle, from planning to contract execution and monitoring, while guaranteeing the publication of data in an open and interoperable format, and alignment with European and international standards in the field.

3.6 Specific objective 6: Economic competitiveness

The Republic of Moldova has pursued an ambitious modernization trajectory, implementing structural reforms aimed at strengthening economic competitiveness and accelerating integration into the single market of the European Union.

A broad deregulation package was adopted, including 35 regulatory measures designed to reduce excessive requirements for the business environment, eliminate certain authorisation acts and simplify administrative procedures. The measures will contribute to a measurable reduction of administrative burden, clearer compliance requirements and closer alignment of the regulatory framework with European practices.

To stimulate investment, green transition and the modernization of SMEs, the Organization for Entrepreneurship Development implemented several support programmes:

- through the *Greening Programme (Programul de ecologizare)*, 46 grants worth approximately MDL 15 million were awarded, generating a leverage effect of 1:2 on private investment;
- 119 enterprises benefited from MDL 90.7 million under the *Technological Modernization and Energy Efficiency Programme*;
- within the *Startup Support Programme for Digital Innovation and Technology 2025–2030*, launched in June 2025, 9 grants were awarded totalling MDL 3.5 million, providing financial support of up to MDL 0.5 million for the early stage and up to MDL 2 million for scaling.

To integrate SMEs into global value chains, in January 2025, with the support of the World Bank, the *Local Producers Competitiveness Growth Programme* was launched, offering grants for marketing, digitalisation, certification and innovation.

In the agricultural sector, *Law No. 39/2025 on agricultural chambers* and *Government Decision No. 630/2025 on the Agricultural Knowledge and Innovation System* were adopted, establishing the framework for the operationalisation of regional Agricultural Chambers and the provision of advisory services for agricultural SMEs. Progress was made in operationalising the *National Farmers' Register* as a basis for implementing the *Integrated Administration and Control System*, including the

² Law No. 325/2025 on Public Procurement.

³ Law No. 74/2020 on Procurement in the Water, Energy, Transport and Postal Services Sectors, amended through Law No 330/2025.

Land Parcel Identification System component, with the gradual introduction of conditionalities and public support control mechanisms.

In the financial sector, the National Bank of Moldova strengthened the regulatory and financial market development framework, including through the approval of the Sustainable Finance Roadmap, the signing of a Memorandum of Understanding between the relevant authorities and the initiation of the regulatory framework on sustainable finance taxonomy. These measures create the premises for directing financial flows towards sustainable economic activities and support the green transition.

Through these interventions, the Republic of Moldova strengthened economic competitiveness, supported the modernization of SMEs, enhanced sectoral resilience and advanced towards alignment with the European Union standards regarding a functional and sustainable market economy.

3.7 Specific objective 7: Economic integration

The Republic of Moldova has made progress in promoting economic integration with the single market of the European Union by stimulating investment, strengthening industrial infrastructure and aligning the regulatory framework with EU standards.

Industrial infrastructure development was advanced through the launch of Multifunctional Industrial Platforms and the finalisation of the decision-making framework for granting industrial park status, facilitating the use of public land and attracting investment to the regions.

On the large investment dimension, the regional state aid scheme for investment was operationalised by creating a framework compatible with European Union norms to mobilise private capital and channel investment towards higher value-added sectors. By 31 December 2025, 30 applications had been received and 20 grant agreements had been signed; the portfolio indicates planned investments of approximately MDL 2.04 billion and maximum support of about MDL 1.05 billion (tax incentives and grants).

Quality infrastructure was strengthened through the alignment of the standardisation, accreditation and conformity assessment framework with the EU acquis, reinforcing the role of the national accreditation body and clarifying market surveillance responsibilities. A new legislative framework on product safety was adopted, aligned with EU norms, extending safety requirements and establishing a rapid alert system compatible with the European one, thus facilitating the access of Moldovan products to the EU market.

In this context, during January-November 2025, exports of the Republic of Moldova totalled USD 3,431.2 million, with the European Union remaining the main trading partner, accounting for 68.1% of total exports and recording a 4.9% increase in shipments to the EU.

The European Union remains the main investment partner. Over 85% of foreign capital originates from EU member states, with investments increasingly concentrated in sectors that are transforming the structure of the economy: manufacturing, IT, green energy, logistics and agro-processing.

3.8 Specific objective 8: Connectivity

To stimulate trade flows, mobility and regional cooperation, the Republic of Moldova has advanced in integrating with the single market of the European Union by strengthening sustainable connectivity in the transport and energy sectors, in line with the trans-European networks TEN-T and TEN-E.

In the transport sector, the process of transposing Regulation (EU) 2024/1679 guidelines for the development of the trans-European transport network (TEN-T) was initiated, establishing the framework for aligning national investment prioritisation with TEN-T standards. At the same time, strategic projects were initiated to strengthen interoperability and cross-border connectivity, including:

- the preparation of the prefeasibility study for the development of the Chişinău–Ungheni railway corridor with European gauge, aimed at reducing technical barriers and facilitating integration into the EU interoperable railway system;
- the preparation of the Iaşi–Ungheni–Chişinău–Odesa highway project;
- the completion of the prefeasibility study and the launch of the feasibility study for the Chişinău municipality ring road, an essential investment for decongesting traffic and improving mobility.

These interventions reduce transport times, increase the reliability of logistics connections and create conditions for intensifying trade exchanges and people’s mobility.

In the electricity sector, the *Day-Ahead Market (PZU)*, *Intra-Day Market (PPZ)*, *Balancing Market* and *System Services Market* were operationalised, and the limited liability company *SRL „Operatorul Pieţei de Energie M”* was designated as the electricity market operator.

In December 2025, the secondary regulatory framework was adopted in accordance with Regulation (EU) 2017/2195 (EBGL), and the common methodologies (TCM) were approved, creating the premises for integration into the European mechanisms SDAC and SIDC, and for cooperation with OPCOM and ACER.

On the infrastructure side, strategic interconnection projects continued:

- construction of the Vulcăneşti–Chişinău 400 kV overhead power line;
- launch of the tender for the Suceava–Bălţi 400 kV overhead power line;
- preparation of the feasibility study for the Gutinaş–Străşeni interconnection.

In the natural gas sector, integrated capacity booking products were introduced on the Trans-Balkan pipeline in reverse flow, allowing capacity reservation along the entire route between LNG terminals in Greece and storage facilities in Ukraine, with discounts compared to separate bookings. The measure increases regional infrastructure utilisation and strengthens security of supply.

To support renewable energy integration, capacity quotas up to 2030 were approved, a Tender Commission for renewable energy and storage projects was established, and the obligation to include storage capacities for wind energy projects was introduced.

3.9 Specific objective 9: Green transition

In 2025, the Republic of Moldova advanced in accelerating the green transition, in line with the *Paris Agreement, the European Green Deal and the decarbonisation roadmap of the Energy Community*, by strengthening the regulatory and institutional framework needed to reduce greenhouse gas emissions and increase climate resilience.

The component on greenhouse gas emission monitoring and reporting from the Energy Community acquis was transposed into national legislation, establishing an installation-level monitoring, reporting and verification (MRV) system for emissions. These measures create the technical basis for developing a national carbon pricing instrument.

In parallel, the study “*Moldova Carbon Pricing Implementation Support*” was developed, analysing options for introducing carbon pricing mechanisms and their economic impact, particularly in the energy and agriculture sectors. The document provides the analytical foundation for the gradual introduction of economic decarbonisation instruments, with cross-sectoral applicability, supporting the transition towards a decarbonised, climate-neutral and climate-resilient economy, oriented towards circular economy principles.

The environmental governance framework was strengthened by clarifying institutional responsibilities in environmental authorization, chemical management, emission monitoring and environmental control. The development of an integrated environmental information platform was initiated, aimed at ensuring public access to standardised data and supporting evidence-based policy-making.

The institutional framework was reinforced by strengthening the management procedures of the National Environmental Fund⁴ and by enhancing the capacity of the National Office for the Implementation of Environmental Projects.

All interventions are designed in accordance with the “do no significant harm” (DNSH) principle and relevant European regulatory requirements, contributing to emission reduction, efficient resource use and the transition towards a decarbonised, resilient and circular economy, with the objective of achieving climate neutrality by 2050.

3.10 Specific objective 10: Digital transformation and digital skills

The year 2025 marked the transition from fragmented digitalisation to an integrated and secure digital ecosystem, transforming the Republic of Moldova into a regional leader recognised by European partners. A series of decisions aligned with European Union standards were adopted, aimed at strengthening cybersecurity, protecting critical infrastructure and increasing digital resilience at national level. Through these measures, the Republic of Moldova is enhancing its capacity to prevent, detect and respond to cyber threats, creating a secure and interoperable digital environment in line with European standards.

⁴ Government Decision No. 711/2022 approving the Regulation on the administration of the National Environmental Fund (as amended by Government Decision No. 166/2025)

A central element of this process is the operationalisation and strengthening of the role of the Agency for Cybersecurity, which becomes the national authority responsible for regulation, supervision, coordination and cyber incident management.

During the reporting year, within the Agency for Cybersecurity, the Cyber Incident and Crisis Response Directorate was established, and the Cyber Incident Management Platform was installed and is currently used by the CERT team. At the same time, the Agency was equipped with the necessary hardware and software infrastructure. Over the past year, 38 cyber incidents were recorded and were promptly resolved in accordance with the applicable standards.

Measures were also undertaken to strengthen the governance of digital public services addressed to businesses (G2B) and to accelerate the transition to the “life events” approach, by providing a common tool for standardising requirements and coordinating end-to-end service redesign across institutions. As a result, the share of digitalised public services for the business environment increased to over 75%, and during the year more than 80% of entrepreneurs’ interactions with state institutions were conducted online. This has led to reduced bureaucracy, shorter processing times and lower compliance costs for companies in the Republic of Moldova.

The EVO Platform⁵ has become the central infrastructure for accessing public services, enabling the online completion of administrative and customs procedures, including those related to exports. An important step towards European digital integration was also the initiation of the process for the mutual recognition of digital signatures with the European Union.

3.11 Specific objective 11: Innovation, research and SMEs

Support instruments for innovation, applied research and cooperation between academia and industry have focused on micro-enterprises, small and medium-sized enterprises (SMEs) and technology start-ups, with the objective of increasing productivity and supporting green and digital transitions.

On the market-oriented innovation component, the Government, through the Organization for Entrepreneurship Development, launched in June 2025 the *Digital Innovation and Technology Start-up Support Programme 2025–2030*.⁶ The programme provides grants for both early-stage development and scaling-up phases, with the involvement of private investors. In 2025, 9 grants were awarded, amounting to a total of MDL 3.5 million.

In parallel, support instruments for SME modernisation were activated, including for digitalisation, standardisation, certification and intellectual property protection, contributing to enhanced competitiveness and integration into value chains.

The information and communications technology sector and the *Moldova Innovation Technology Park* have continued to operate as a hub for innovation and entrepreneurship, facilitating the development and scaling of technological initiatives, orientation towards external markets and the diffusion of digital solutions across the economy of the Republic of Moldova.

⁵ EVO Platform - <https://evo.gov.md/acasa>

⁶ Government Decision No. 327/2025 approving the Digital Innovation and Technology Start-ups Support Programme 2025–2030

In the field of research and academia–industry cooperation, the implementation of the *National Smart Specialisation Programme 2024–2027 “Smart Moldova”*⁷ has provided the strategic framework for developing sectors with high competitive potential: agriculture and agri-food processing, information and communications technology, energy, biomedicine and biopharmaceuticals. The programme supports partnerships between research institutions and the private sector and promotes the economic applicability of research.

At the same time, the *National Fund for Innovation and Technology Transfer* was established, with a budget of EUR 1.75 million for the period 2025–2026, aimed at financing technology transfer projects and capitalising on research results within the private sector.

3.12 Specific objective 12: Education and employment

The Government of the Republic of Moldova is implementing a comprehensive reform process focused on modernising the education and vocational training system, with one of the main initiatives being curriculum reform. Its objective is to increase the quality, relevance and inclusiveness of education by improving access to pre-school, primary and secondary education and by strengthening key and transversal competences.

In 2025, curriculum development in the Republic of Moldova was oriented towards alignment with European Union standards and national strategic objectives, with the overarching goal of consolidating an inclusive education system that supports personal development, active and responsible citizenship, and responsiveness to labour market demands. The actions undertaken aimed at implementing the Council of the EU Recommendation on key competences for lifelong learning, as well as achieving the priorities set out in the National Strategy “Education 2030”.

In this context, efforts were made to reduce the gap between schools’ educational offer and labour market developments, particularly in vocational and higher education, in order to prepare graduates for the professions of the future. As part of this process, the *Curriculum Development Concept and the National Curriculum Reference Framework*, the *Curriculum Evaluation Methodology* and the *Curriculum Development Methodology for general education* were approved. To support curriculum development, training sessions for curriculum experts were organised and 31 subject-based working groups were established.

At the same time, emphasis was placed on strengthening the competences of teaching and managerial staff. The programmes “*Investing in Teachers*” and “*Investing in Directors. Leadership and Organisational Transformation*”, implemented with the support of the National Institute for Education and Leadership, ensured continuous training and professional development. In the field of digital competences, 4,100 teachers completed Level A training and an additional 2,300 teachers are currently undergoing Level B training (in line with the DigiEduComp Framework).

Progress is being made in modernising the infrastructure of educational institutions through the extension of the network of model schools by an additional 15 institutions, based on the Financing Agreement with the Council of Europe Development Bank, with a total value of EUR 35 million.

⁷ Government Decision No. 588/2024 approving the National Smart Specialisation Programme of the Republic of Moldova for 2024–2027 “Smart Moldova”

To stimulate investment in the youth sector, the *Government Programme for the Development of Youth Centres 2030* was approved.⁸ The programme aims to strengthen the quality of youth centre programmes, expand their territorial coverage, improve the internal policy and institutional governance framework, enhance infrastructure and accessibility of spaces and programmes, upgrade technical equipment, and develop 21st-century skills among young people, particularly in rural areas. The programme provides for annual investments of MDL 4.5 million for the period 2025–2030, dedicated to expanding and modernising the network of youth centres in the Republic of Moldova.

In the field of labour, the Republic of Moldova advanced in implementing measures to increase women’s participation in the labour market by facilitating access to early childcare services and strengthening the institutional framework for employment.

The National Programme “Public Kindergarten Services” – Second Edition was implemented, launching a call for proposals for the creation and expansion of kindergartens. Under projects implemented in 2025, 241 new places were created: 177 in public kindergartens financed from the state budget, 49 in public kindergartens supported by development partners, and 15 in the private sector with the involvement of development partners.

In the area of the right to work and participation in the labour market, *Law No. 311/2025 amending Law No. 140/2001 on the State Labour Inspectorate and Law No. 131/2012 on State Control* was adopted, with a view to aligning the legal framework with international labour standards and European best practices (ILO Conventions No. 81 and 129). The amendments introduced the possibility of conducting unannounced inspections, thereby strengthening the capacity to prevent and combat violations of labour legislation. In addition, a mechanism was established to monitor the implementation of compliance orders issued by labour inspectors and recorded in the inspection reports drawn up following controls, thus enabling effective follow-up of employers’ compliance and increasing the impact of enforcement actions.

At the same time, under active labour market measures, 1,394 unemployed persons benefited from support, of whom 65.71% were women and 12.5% persons with disabilities. Beneficiaries had access to vocational training, wage subsidies for job creation, one-off employment allowances for young people employed in strategic sectors, workplace adaptation support and mobility incentives. The budget allocated in 2025 amounted to MDL 67,170 thousand, including MDL 34,500 thousand for one-off allowances granted to young employees in strategic sectors.

3.13 Specific objective 13: Awareness raising

In support of the European path, the Republic of Moldova implemented a structured set of communication actions aimed at increasing citizens’ awareness of the benefits of the European Union accession process and the impact of reforms supported through the Growth Plan.

Communication activities focused both on promoting the concrete results of reforms and on explaining the stages of the European integration process in accessible language, with emphasis on the direct benefits for citizens.

⁸ Government Decision No. 21/2025 approving the Government Programme for the Development of Youth Centres 2030

A constant public presence was ensured through the publication of over 500 press articles and the organisation of 30 interviews and appearances in online media. Digital communication was supported by more than 1,400 social media posts, as well as the development of over 380 visual materials and 20 explanatory videos dedicated to the accession process, including the stages of the bilateral screening process. Information was disseminated through the official website and institutional communication channels, ensuring public access to updated and relevant information on the European path of the Republic of Moldova.

At the same time, information and education campaigns were implemented targeting different audience groups, including:

- *“EU and My Grandparents”* – an educational competition for students in grades V–VIII and their grandparents, promoting intergenerational dialogue about Europe;
- *“National EuroQuiz Competition 2025”* – addressed to students in grades IX–XII, including visits to European institutions and interactions with EU officials;
- *“Dictionary of European Integrations”* – a weekly series of explanatory materials on EU terminology;
- *“ABC of Moldova–EU”* – a campaign dedicated to explaining the bilateral screening process and the stages of accession.

These initiatives contributed to increasing the level of European literacy, especially among young people, and to promoting a fact-based understanding of the integration process.

4 OVERVIEW ON THE FULFILMENT OF CONTROL AND AUDIT MEASURES

In accordance with Annex A and Annex B to the Facility Agreement, the Republic of Moldova ensures the existence and functioning of national control and audit systems for the implementation of the Reform Agenda, as described in the “Control and Audit” chapter of the Reform Agenda approved by Government Decision No. 260/2025.

The national internal management and control framework applied by central public authorities enables the identification, assessment and management of risks associated with the implementation of reform steps. Managerial internal control within public authorities is organised on the basis of a set of robust national standards aligned with internationally recognised principles and good practices. The heads of public authorities assume responsibility for the implementation of the reform steps set out in the Reform Agenda, including ensuring the quality of their execution, the accuracy and reliability of reported information, and the effective functioning of internal control mechanisms.

To ensure full alignment with the verification requirements for the reforms undertaken under the Growth Plan, the Government has strengthened interinstitutional coordination, monitoring and audit mechanisms, clarified the responsibilities of the authorities involved in validating progress, and established uniform procedures for documenting, verifying and reporting the fulfilment of steps.

By the end of 2025, approximately 70% of the authorities responsible for implementing the Reform Agenda (33 out of 45) have functional internal audit capacity, either through their own internal audit units or through higher-level hierarchical authorities, making it possible to ensure the evaluation and auditing of reform steps implemented in subsequent periods. At the same time, 14 public institutions

were identified as requiring additional measures to ensure the full functionality of internal audit, either through the recruitment of specialised staff or through alternative forms of internal audit organisation, including outsourcing arrangements.

The analysis of the control and audit system identified the insufficient number of human resources in internal audit as a structural constraint, particularly in the context of the increased volume and complexity of the Reform Agenda. In order to mitigate this risk and ensure compliance with control and audit obligations for both the steps implemented in 2025 and those planned for 2026 and 2027, corrective and risk-mitigation measures were initiated.

In 2025, the restructuring process of internal audit units within all 14 ministries of the Republic of Moldova was completed, based on minimum sizing and functionality criteria. As a result of this process, the number of internal auditor positions within the central apparatus of the ministries increased by 48%, through the allocation of new staff positions and/or the centralisation of small-scale internal audit units within subordinate authorities. Following the restructuring, ministries intensified recruitment efforts to fill the newly created positions. In parallel, the strengthening of professional capacities of internal auditors is supported by the Ministry of Finance of the Republic of Moldova through the systematic organisation of training programmes, including within the national professional certification programme for internal auditors.

Between November and December 2025, a capacity-building exercise was conducted for the units responsible for internal managerial control and internal audit within the authorities involved in the implementation of the Reform Agenda. The exercise contributed to familiarising the responsible authorities with the specificities of auditing reform steps and to identifying aspects requiring clarification or adjustment in preparation for future audit exercises. In this context, interinstitutional coordination meetings were organised to discuss methodological approaches, clarify responsibilities and ensure the uniform interpretation of audit requirements applicable to reform steps. The lessons learned from this exercise will be used in preparing and conducting future audit exercises throughout the entire implementation period of the Reform Agenda.

Relevant progress under this chapter was also achieved through the full implementation of reform step 3.7.18 related to the negotiation process for Chapter 32 – Financial Control. In 2025, the AFCOS Network was established and operationalised through the official designation of the national AFCOS coordinator. By Government Decision No. 271/2025, the regulatory framework on the organisation and functioning of the National Anti-Fraud System, including the related Regulation and the list of entities reporting irregularities and/or suspicions of fraud, was approved.

The National Anti-Fraud System has been established as an integrated institutional mechanism consisting of the National Anti-Fraud Network, reporting entities and the Anti-Fraud Unit. The State Financial Control Inspectorate, subordinated to the Ministry of Finance of the Republic of Moldova, has been designated as the national Anti-Fraud Unit and the national contact point for cooperation with the European Anti-Fraud Office (OLAF).

To operationalise interinstitutional cooperation, 14 bilateral memoranda were concluded between the State Financial Control Inspectorate and key public administration authorities (Public Procurement Agency, National Integrity Authority, National Bank, State Chancellery, Court of Accounts, General Inspectorate of Police, General Inspectorate of Border Police, General Prosecutor's Office, State Tax

Service, Office for Prevention and Combating Money Laundering, Information Technology Service of the Ministry of Internal Affairs, Customs Service, Ministry of Justice and National Anticorruption Centre), establishing a functional framework for communication, information exchange and cooperation.

The implementation and operationalisation of the National Anti-Fraud System, together with the measures taken to strengthen internal control and internal audit, contribute to enhancing the state's capacity to prevent, detect, investigate and combat irregularities and fraud affecting the financial interests of the state, the European Union and external development partners.

5 CROSS-CUTTING ISSUES

5.1 Gender equality mainstreaming

Gender equality is mainstreamed across the implementation of steps under the Reform Agenda, in line with the requirements of Regulation (EU) 535/2025 and the commitments undertaken in the EU accession process. The reforms implemented in 2025 were aligned with EU values and international commitments on equal opportunities.

In 2025, the Republic of Moldova continued the implementation of the *Programme for the Promotion and Ensuring of Equality between Women and Men 2023–2027*⁹ and intensified the process of aligning the national legal framework with the European Union acquis in the field of gender equality. The transposition process is ongoing for Directive (EU) 2022/2381 on improving the gender balance among directors of listed companies and related measures, Directive 2010/41/EU on the application of the principle of equal treatment between men and women engaged in an activity in a self-employed capacity, and Directive 79/7/EEC on statutory social security. The reforms implemented focused on strengthening the legal framework and developing institutional mechanisms for integrating the gender perspective into public policies, including through the prevention and combating of harassment and gender-based violence in the workplace. The *Labour Code*¹⁰ was amended to align with ILO Convention No. 190, introducing clear procedures for preventing and reporting harassment, including in the online environment.

Measures were implemented to reduce gender disparities in the labour market, support women's economic empowerment, and expand childcare services, thereby contributing to the equitable participation of women and men in economic and social life. Efforts were also strengthened to promote balanced participation of women and men in decision-making processes, and the policies promoted incorporate an intersectional approach.

The integration of the gender perspective is further supported by the expansion of gender-responsive budgeting. In 2025, the gender dimension was included in seven sub-programmes of the Ministry of Labour and Social Protection and in eight sub-programmes of the Ministry of Agriculture and Food Industry. Objectives related to equal opportunities and the use of sex-disaggregated data were gradually integrated into the 2026 budgetary process, incorporating equal opportunities objectives, Reform Agenda step, and the use of sex-disaggregated data into the budget framework.

⁹ Government Decision No. 203/2023 approving the Programme for the Promotion and Ensuring of Equality between Women and Men in the Republic of Moldova for 2023–2027.

¹⁰ Labour Code of the Republic of Moldova No. 154/2003.

5.2 Climate change and environment mainstreaming

The implementation of the Reform Agenda has contributed to the progressive alignment of Moldova to the European Union standards on climate and environmental protection. The reforms have strengthened the regulatory framework on environmental impact assessment, strategic environmental assessment, biodiversity protection and environmental governance, as well as public access to information, in the spirit of the Aarhus Convention.

The institutional and financial framework has been consolidated, including through the reform of the National Environmental Fund and the launch of project calls dedicated to biodiversity protection and recycling. In parallel, energy sector reforms have supported the green transition by promoting renewable energy, energy efficiency and the thermal renovation of buildings.

Regarding climate action, the reform steps planned across various policy areas have been aligned with the objectives of climate change mitigation and adaptation, and integrated into national development planning, including energy, transport, agriculture, forestry and infrastructure strategies. The implemented steps will also contribute to achieving the greenhouse gas emission reduction targets established for different economic sectors under the Republic of Moldova's Nationally Determined Contribution (NDC 3.0).

By amending Government Decision No. 684/2022, all major public investment projects are subject to climate vulnerability assessment. The integration of climate considerations into environmental impact assessment and strategic environmental assessment procedures ensures the application of the “do no significant harm” principle and the consistency of investments with climate neutrality objectives.

5.3 Democracy and human rights

The Growth Plan contributes to the promotion of democracy and human rights in the Republic of Moldova, through the strengthening of public institutions, the expansion of social services and the alignment of the regulatory framework with European standards. The Reform Agenda includes steps dedicated to fundamental values, the implementation of which during 2025 generated progress in the area of judicial independence and respect for the rule of law. The extraordinary evaluation of judges through the vetting exercise and the institutional reforms associated with judicial reform supported the strengthening of the integrity and independence of the judiciary, directly contributing to guaranteeing citizens' right to a fair trial and free access to justice.

Significant progress was also recorded in the field of preventing and combating violence against women and domestic violence. Legislative amendments criminalised femicide, forced marriage and stalking, introduced the concept of the digital dimension of violence, and extended the duration of protection orders to up to six months, thereby strengthening victim protection mechanisms and access to justice. In the same context, the regulatory framework for specialised services was reinforced through the updating of regulations and minimum quality standards for services intended for victims of domestic violence and trafficking in human beings, as well as through the approval of new framework regulations for support services dedicated to victims of sexual violence and psychological assistance services for adult victims of crime, with a view to alignment with European standards. The operational dimension of protection for victims of domestic violence was strengthened through the

opening of two modern shelters in the north and south-east of the country, with the national network currently comprising 11 shelters funded from the state budget.

At the same time, the principle of promoting fundamental rights and freedoms is mainstreamed in the process of drafting normative acts and public policy documents, including those planned under the Reform Agenda, in accordance with Article 3 of Law No. 100/2017 on normative acts, which requires compliance with constitutional and international human rights standards.

6 OVERVIEW OF THE FULFILMENT OF THE GENERAL CONDITIONS FOR SUPPORT

The general conditions for support set out in the Regulation on the Reform and Growth Facility concern the safeguarding of macro-financial stability, the sound management of public finances, budgetary transparency, and the exercise of effective oversight.

Throughout 2025 and with a view to 2026–2028, the Republic of Moldova maintained a stable macroeconomic framework, pursued a prudent fiscal policy, and continued reforms in the field of public financial management, in line with the Economic Reform Programme 2026–2028 and the Reform Agenda related to the Growth Plan.

6.1 Macro-financial stability

6.1.1 Macroeconomic developments and risks

Medium-term growth prospects remain favourable, supported by ongoing reforms and the gradual strengthening of investment activity. However, the projections in the *Economic Reform Programme (ERP) 2026–2028*¹¹ have been revised compared to the ERP 2025–2027: GDP growth is estimated at 2.4% for 2026 and 3.3% for 2027, compared to 3.3% and 3.7% in the previous ERP. The revision reflects a more prudent assessment of the external and structural environment, including the persistent effects of the war in Ukraine, adverse demographic trends, modest total factor productivity, and expectations of weaker external demand amid geopolitical tensions. At the same time, the baseline scenario in the ERP 2026–2028 assumes an implementation rate of approximately 70% of the Growth Plan, with a supportive effect on investment, productivity and growth potential. The ERP also includes an optimistic scenario based on the full implementation of the Growth Plan, which is to be reflected in future forecasting rounds.

The implementation of the Growth Plan is expected to have a significant positive impact on medium- and long-term growth and to strengthen macroeconomic resilience and convergence with the European Union. According to simulations, the annual impact of the Growth Plan on economic growth is estimated at approximately 2.1–2.4 percentage points over the period 2026–2028, of which the reform package would contribute around 0.9–1.2 percentage points, while the associated investment projects would add approximately 1.2 percentage points per year. In practice, however, quantifying the impact of individual steps remains challenging, as many interventions are legislative or institutional in nature and produce their effects gradually.

¹¹ Economic Reform Programme (ERP) 2026–2028, available at <https://mf.gov.md/sites/default/files/ERP%202026-2028%20ENG.pdf>.

In terms of macroeconomic developments, in 2025 the economy continued its recovery: GDP increased by 2.0% in January–September, supported by broad-based sectoral contributions (agriculture +8.6%, construction +8.1%, energy +8.7%, financial and banking activities +2%, etc.). Investment rose by 22.4%, while final consumption made a positive contribution to growth. At the same time, external imbalances deepened: imports grew more rapidly (+12.2%) than exports (+0.5%), amid robust domestic demand and the high import content of investment. Structurally, over the past decade, the share of services in GDP has increased (from 51.5% in 2014 to 62.3% in 2024), while the shares of agriculture (from 14.1% to 7.1%) and industry (from 13.4% to 9.7%) have declined. Over the medium term, a gradual rebalancing of growth towards investment and productive sectors is anticipated, with gross fixed capital formation projected to rise to around 30% of GDP by 2028.

Inflationary pressures, which intensified at the end of 2024 and the beginning of 2025 (including as a result of energy tariff adjustments and adverse weather conditions), gradually subsided. Annual inflation declined to 6.8% in December 2025, supported by a good agricultural harvest, reduced pressures from administered prices, and the restrictive stance of monetary policy. A return to the target range is projected from 2026 onwards.

With regard to the external position, in January–September 2025 the current account deficit increased by 38% compared to the previous year, reaching EUR 2.6 billion (19.6% of GDP), thereby raising net external financing needs to 19.4% of GDP. Although the deficit is expected to remain elevated over the medium term (owing to the high import content of investment), reforms and investment are anticipated to strengthen productivity and domestic supply capacity.

As a small and open economy, Moldova is exposed to external risks and structural constraints. The key risks relate to: potential delays in the implementation of reforms and the underperformance of investment projects; an escalation of the war in Ukraine; recession in partner economies; energy price shocks; and adverse climatic conditions (with implications for inflation, competitiveness and incomes). Managing these risks remains essential for a credible and stability-oriented macroeconomic policy.

6.1.2 Fiscal developments and risks

According to preliminary data, the execution of the national public budget in 2025 closed with a deficit of approximately 4.0% of GDP, compared to the 2025 target of 5.2% of GDP.

In 2025, the state budget deficit was financed through positive net financing from both domestic and external sources, resulting in an increase in the nominal stock of public debt:

- domestic sources: net issuance of government securities on the domestic market amounting to MDL 8,015.0 million, of which MDL 7,594.3 million on the primary market and MDL 420.7 million via the eVMS platform¹²;
- external sources: external state loans amounting to MDL 12,221.3 million, of which MDL 9,283.0 million for state budget support and MDL 2,938.3 million for investment projects.

The financing structure entails exposure to exchange rate, refinancing and interest rate risks, which are continuously monitored by the Ministry of Finance within the limits set by the Medium-Term State Debt Management Programme.

¹² Electronic Platform eVMS.md - <https://evms.md/>.

With regard to risk and sustainability indicators, as of 31 December 2025, the indicators remained within the established thresholds, maintaining the debt portfolio at a sustainable level (with some minor deviations related to short-term domestic debt):

- share of domestic public debt: 39.2% (minimum 35%);
- share of debt denominated in a particular foreign currency: 41.3% (maximum 50%);
- share of debt maturing within one year: 31.8% (maximum 35%);
- average time to maturity (ATM): 6.8 years (minimum 6 years);
- public debt-to-GDP ratio: 37.8% (maximum 43%).

In 2025, progress was recorded in strengthening the legal and institutional framework for debt management, including measures aimed at developing the domestic government securities market and preparing the framework for accessing international capital markets.

The state budget for 2026 and the outlook for 2027–2028 are based on the medium-term macroeconomic forecast and on the implementation of the Growth Plan supported by the European Union (comprising 56 reforms structured into 153 steps). For 2026–2028, the main national public budget indicators are estimated as follows:

- revenue: 35.4% of GDP in 2026 and around 35.3% in 2027–2028;
- expenditure: 41.1% of GDP in 2026, 40.8% in 2027, 39.5% in 2028;
- deficit: 5.7% of GDP in 2026, 5.5% in 2027, and 4.2% in 2028.

Compared to the ERP 2025–2027, the budgetary aggregates for 2026–2028 are projected to increase as a result of incorporating the steps and actions under the Growth Plan: national public budget revenues are expected to rise by around 1.8 percentage points in 2026–2027, expenditure by 4.0–4.1 percentage points, and the deficit by 2.2–2.3 percentage points for those respective years.

With regard to the prioritisation of public investment, the budget provides for substantial additional allocations for investment and capital expenditure, with priority given to transport and infrastructure, economic development and business support, as well as agriculture and rural development. For the period 2026–2028, total allocations for investment and capital expenditure associated with the relevant pillars and projects amount to: MDL 5,583.7 million (2026), MDL 9,386.4 million (2027), and MDL 9,178.0 million (2028).

Fiscal policy objectives include: fiscal instruments aimed at attracting and retaining investment; adjustments to deductible expenses for employers; tax deductions for individuals (children’s education and vocational training); and the strengthening of tax and customs administration (including the VAT threshold, VAT refunds in agriculture, the avoidance of double taxation under certain customs regimes, and eligibility criteria for support programmes). Over the medium term, the Government intends to introduce a set of measures to strengthen budgetary discipline and create fiscal space for priority reforms (including wage reform), as well as to expand the reporting of revenues and expenditures of public entities financed partially or fully from own resources, in order to enhance transparency and align public finance statistics with European standards.

The main risk to achieving the targets is the low absorption of external funds and the under-implementation of investment projects. Under a pessimistic macroeconomic scenario (investment implementation at approximately 30% of plan), capital expenditure would decline significantly;

revenues would grow more slowly; and the deficit would decrease compared to the baseline scenario, but would remain relatively high.

As regards medium-term general government debt, an increase is projected, with the nominal stock reaching MDL 157,810.5 million in 2026 and MDL 202,311.7 million in 2028. The debt-to-GDP ratio is expected to remain sustainable, at 41.8% in 2026 and 46.0% in 2028, below the 60% reference threshold set out in the Maastricht Treaty. For 2026, the Medium-Term State Debt Management Programme 2026–2028¹³ establishes risk and sustainability parameters, including a ceiling of 45% for the share of state debt in GDP.

Overall, the combination of a stability-oriented fiscal policy, prudent monetary policy and sound debt risk management contributes to maintaining medium-term macroeconomic stability, in the context of intensified public investment associated with the Growth Plan.

6.2 Public financial management, budget transparency and oversight

6.2.1 Progress in public financial management reforms

Moldova is implementing a comprehensive reform strategy in the field of public financial management – *the Public Financial Management Development Strategy 2023–2030*.¹⁴ The Strategy includes clear monitoring and evaluation mechanisms: annual monitoring through an analytical report on the degree of implementation (reflected in the annual reports of the Ministry of Finance) and a mid-term evaluation in 2026, including impact analysis, assessment of the level of implementation, and identification of the system’s strengths and weaknesses.

During the reporting period, progress focused in particular on two dimensions that are essential for the credibility and relevance of the reforms:

(i) Strengthening public investment management and institutional capacity at ministerial level. By Government Decision No 753/2025, mandatory measures were introduced to reinforce the governance of public capital investments, including:

- the establishment in all ministries of a dedicated unit, or the designation of an official acting as sectoral coordinator responsible for the management of public capital investment projects;
- the mandatory monitoring of project implementation through the uploading of data into the information system “*Government Development Projects Management Platform*” (*project.gov.md*) by authorities implementing public capital investment projects;
- the alignment of the public capital investment framework (*Government Decision No 684/2022 approving the Regulation on public capital investment projects*) with the strategic planning framework (*Government Decision No 1070/2023 establishing the Interministerial Committee for Strategic Planning*).

This approach addresses a typical vulnerability of public finance systems – fragmented responsibilities and uneven monitoring of investment portfolios – and strengthens the capacity for

¹³ Medium-Term State Debt Management Programme 2026–2028, approved through Government Decision No. 838/2025.

¹⁴ The Public Financial Management Development Strategy 2023–2030, approved through Government Decision No. 71/2023.

managing and reporting on investments, including in the context of the increased investment volume associated with the Growth Plan.

(ii) Introducing periodic expenditure reviews and a stronger focus on efficiency. In line with the Reform Agenda, the absence of a legal obligation to conduct periodic expenditure reviews was addressed. Through Law No 327/2025 (amending the Law on Public Finance and Budgetary-Fiscal Responsibility No 181/2014), Article 21¹ was introduced, establishing the obligation to carry out expenditure reviews at least once every seven years in each sector. The amendment sets out responsibilities for approving and publishing the results of the analyses, endorsing efficiency measures, designating responsible authorities and setting implementation deadlines. In addition, the Ministry of Finance has drafted the Methodology on the expenditure review process, ensured its consultation with central public authorities, and submitted it for legal review.

The reforms undertaken reinforce critical strengths: more rigorous planning and monitoring of investments, mechanisms for improving expenditure efficiency, and instruments that enhance discipline and accountability at sectoral level. The main area of risk remains the variable institutional implementation capacity, particularly in the context of increased investment volumes and the need for intersectoral coordination; the 2025 package of steps (sectoral coordinators, digital monitoring, expenditure reviews) has been specifically calibrated to reduce these vulnerabilities.

With regard to the institutional response to corruption and fraud risks, the contribution focuses on budgetary governance instruments, investment management and expenditure reviews. Issues relating to the prevention and combating of fraud (including anti-fraud components and interinstitutional cooperation) are reflected in the control and audit chapters of the report, in line with the overall architecture of the Facility.

Assessment against programme objectives and lessons learned. In relation to the objectives of the 2023–2030 Strategy, 2025 delivered key instruments that strengthen the efficiency of resource allocation (expenditure reviews) and the quality of investment governance (sectoral coordinators, monitoring through project.gov.md). The main lesson learned is the need to standardise responsibilities and digitalise monitoring in order to manage the increase in public investment effectively without undermining budgetary discipline.

6.2.2 Budget transparency and oversight

The State Budget Law for 2026¹⁵ was adopted by Parliament on 29 December 2025. The drafting process prioritised the principles of participation, transparency and sustainability.

The draft state budget for 2026^{16,17} was published for public consultation on 2 December 2025 on both the website of the Ministry of Finance and the particip.gov.md portal. The 2026 budget dossier includes:

- the draft law with Annexes 1–9 (expenditure by organisational and functional classification, capital investments, personnel expenditure and transfers);

¹⁵ The State Budget Law for 2026 No. 322/2025.

¹⁶ The draft state budget for 2026: <https://mf.gov.md/ro/content/proiectul-legii-bugetului-de-stat-pentru-anul-2026-0>; <https://particip.gov.md/ro/document/stages/proiectul-legii-bugetului-de-stat-pentru-anul-2026/15596>.

¹⁷ Draft budget dossier (approved by the Government): <https://mf.gov.md/ro/content/bugetul-de-stat-2026>.

- the explanatory note with tables (1–19), including indicators of the national public budget and the state budget over a six-year horizon (actual execution for 2023–2024, approved 2025, draft 2026, and estimates for 2027–2028);
- programme-based budgets with performance indicators for each sub-programme (over a six-year period);
- the note on fiscal risks;
- the note on the financial monitoring of state-owned enterprises and companies with full or majority state capital.

The 2026 budget,¹⁸ adopted under Law No 322/2025, together with Annexes 1–9, was published on 31 December 2025. The tables and annexes are also published in Excel format, enhancing data accessibility and reuse by the public. In addition, to ensure transparency of allocations related to the Reform Agenda/Growth Plan, the standard tables attached to the explanatory note to the draft law were supplemented with Table 19 – Expenditure for measures related to the Economic Growth Plan.

To ensure broad access to budgetary information, the Ministry of Finance ensures the systematic publication of execution reports:

- monthly reports on the execution of the national public budget (on the Ministry of Finance website and on date.gov.md);
- a semi-annual report on the execution of the national public budget and its components, approved by the Government and submitted to Parliament (publicly available);
- an annual report on the execution of the state budget;
- the citizens’ budget report, which contains data on the execution of revenues and expenditures of the national public budget, state debt and external assistance.

*The report for 2024*¹⁹ was approved by the Government on 28 May 2025.

*The Citizens’ Budget report for 2024*²⁰ is available on the official website of the Ministry of Finance and on date.gov.md.

According to the assessment of the *Open Budget Survey 2023*,²¹ Moldova’s budget transparency score increased from 65 points in 2021 to 81 out of 100 in 2023, placing the country 5th out of 125 countries evaluated and above the global average of 45 points. This result reflects improvements in the disclosure and accessibility of budgetary documents.

With regard to oversight, external audit and legislative control, the Court of Accounts of the Republic of Moldova *audits the annual reports*²² on the execution of the state budget, the state social insurance budget and the compulsory health insurance funds, and submits the audit report to the Government and Parliament by 1 June.

¹⁸ 2026 Budget, adopted through Law No 322/2025, with annexes 1-9: <https://mf.gov.md/ro/content/bugetul-de-stat-2026>.

¹⁹ The report for 2024, approved by Government Protocol Decision No 18.20 of 28 May 2025:

<https://mf.gov.md/ro/trezorerie/rapoarte-privind-executarea-bugetului/rapoarte-anuale>;

<https://dataset.gov.md/ro/dataset/15932-raport-anual-privind-executarea-bugetului-de-stat>.

²⁰ The Citizens’ Budget report for 2024: <https://www.mf.gov.md/ro/trezorerie/rapoarte>;

<https://dataset.gov.md/ro/dataset/18540-raport-privind-executarea-bugetului-pentru-cetateni>.

²¹ Open Budget Survey 2023: <https://internationalbudget.org/open-budget-survey/country-results/2023/moldova>.

²² Audit reports are public and can be accessed at <https://www.ccrm.md/ro/decisions>.

7 ANNEXES

7.1 List of relevant stakeholders consulted, per policy area

The consultation process carried out during the development and implementation of public policies aimed to identify and involve relevant stakeholders, organised by policy area. In this context, central and local public administration authorities, sectoral public institutions, development partners, representatives of the business environment, civil society organisations, and other relevant actors were involved, depending on the specific nature of each policy area. The structuring by sectoral areas allows for a clear reflection of the level of involvement and the contribution of each stakeholder category to the definition of priorities, measures and implementation mechanisms. This process contributes to strengthening institutional accountability, improving the quality of public policies and ensuring the coherence of interventions at national level.

Pillar 1 Private sector development	Ministry of Economic Development and Digitalisation Ministry of Finance Ministry of Justice Ministry of Labour and Social Protection Ministry of Energy Ministry of Internal Affairs Ministry of Infrastructure and Regional Development State Chancellery Competition Council Public Services Agency Electronic Governance Agency National Food Safety Agency National Agency for Public Health Customs Service National Anticorruption Centre Congress of Local Authorities of Moldova National Confederation of Employers of the Republic of Moldova Chamber of Commerce and Industry of the Republic of Moldova American Chamber of Commerce in Moldova Foreign Investors Association European Business Association National Association of Milk and Dairy Producers “Lapte” National Association of ICT Companies Alliance of Small and Medium Enterprises of Moldova (AIM) Union of Transport and Road Workers Employers’ Federation “CONDRUMAT”
Pillar 2 Connectivity and digital infrastructure	Ministry of Economic Development and Digitalisation Ministry of Finance Ministry of Justice Ministry of Foreign Affairs Ministry of Defence Ministry of Infrastructure and Regional Development Ministry of Agriculture and Food Industry Ministry of Culture Ministry of Environment Ministry of Education and Research Ministry of Energy Ministry of Labour and Social Protection Ministry of Internal Affairs Ministry of Health State Chancellery National Bank of Moldova

	<p>National Bureau of Statistics National Anticorruption Centre Public Services Agency Public Property Agency Office of the President of the Republic of Moldova National Agency for Research and Development National Food Safety Agency Electronic Governance Agency Cybersecurity Agency National Energy Regulatory Agency Medicines and Medical Devices Agency National Regulatory Agency for Electronic Communications Information Technology and Cyber Security Service Security and Intelligence Service National Commission for Financial Markets National Centre for Personal Data Protection Congress of Local Authorities of Moldova</p>
Pillar 3 Economic governance	<p>Ministry of Economic Development and Digitalisation of the Republic of Moldova Ministry of Finance of the Republic of Moldova Ministry of Health of the Republic of Moldova Ministry of Labour and Social Protection of the Republic of Moldova Ministry of Infrastructure and Regional Development of the Republic of Moldova Ministry of Agriculture and Food Industry of the Republic of Moldova Ministry of Environment of the Republic of Moldova Ministry of Culture of the Republic of Moldova Ministry of Energy of the Republic of Moldova Ministry of Internal Affairs of the Republic of Moldova Ministry of Education and Research of the Republic of Moldova Ministry of Foreign Affairs of the Republic of Moldova Ministry of Justice of the Republic of Moldova Ministry of Defence of the Republic of Moldova State Chancellery of the Republic of Moldova Court of Accounts of the Republic of Moldova General Prosecutor's Office of the Republic of Moldova National Anticorruption Centre of the Republic of Moldova National Bank of Moldova Public Procurement Agency of the Republic of Moldova National Integrity Authority of the Republic of Moldova Service for Prevention and Combating Money Laundering of the Republic of Moldova Information Technology Service of the Ministry of Internal Affairs of the Republic of Moldova State Tax Service of the Republic of Moldova Customs Service of the Republic of Moldova State Financial Control Inspectorate of the Republic of Moldova General Inspectorate of Police of the Republic of Moldova General Border Police Inspectorate of the Republic of Moldova</p>
Pillar 4 Social capital	<p>Ministry of Labour and Social Protection of the Republic of Moldova Ministry of Justice of the Republic of Moldova National Anticorruption Centre of the Republic of Moldova State Chancellery of the Republic of Moldova State Labour Inspectorate of the Republic of Moldova American Chamber of Commerce in Moldova Association of Women Entrepreneurs of Moldova National Confederation of Trade Unions of Moldova National Confederation of Employers of Moldova European Business Association Moldova Foreign Investors Association of Moldova Equality Council of the Republic of Moldova International Centre La Strada Women's Law Centre Moldova National Coalition Life Without Violence Congress of Local Authorities of Moldova</p>

	<p>National Centre for Child Abuse Prevention Roma Voice Coalition Moldova Concordia Moldova NGO Caritas Czech Republic in Moldova CCF Moldova – Child Community Family Lumos Foundation Moldova Partnerships for Every Child Association Moldova Artemida Association Moldova Keystone Moldova Association HomeCare Association Moldova Each Contributes for Change NGO Moldova SOS Autism Moldova Casmed Association Moldova Positive Initiative Moldova NGO Union for Equity and Health Moldova HelpAge Moldova Alliance of NGOs in the Field of Child and Family Social Protection Moldova Association of Organizations for Persons with Disabilities of Moldova National Association of Community Mediators Moldova International Federation of Red Cross and Red Crescent Societies – Moldova Caritas Moldova Foundation Agapedia Moldova Foundation Diaconia Social Mission Moldova International Organization for Migration – Moldova Mission Council of Europe Office in Chisinau Office of the Ombudsperson of the Republic of Moldova People in Need Moldova Terre des hommes Foundation UNICEF Moldova UN Women Moldova United Nations Population Fund – Moldova United Nations High Commissioner for Refugees – Moldova Free International University of Moldova Ion Creangă State Pedagogical University of Chişinău</p>
Pillar 5 Green transition and natural capital	<p>Ministry of Environment of the Republic of Moldova Ministry of Economic Development and Digitalisation of the Republic of Moldova Ministry of Finance of the Republic of Moldova Ministry of Justice of the Republic of Moldova Ministry of Agriculture and Food Industry of the Republic of Moldova Ministry of Infrastructure and Regional Development of the Republic of Moldova Ministry of Energy of the Republic of Moldova National Anticorruption Centre of the Republic of Moldova State Chancellery of the Republic of Moldova National Environmental Project Implementation Office of Moldova Congress of Local Authorities of Moldova National Youth Council of Moldova EcoContact NGO Moldova EcoVisio Association Moldova Cutezătorul Association Moldova National Environmental Centre Moldova NGO Caroma Nord Association Moldova Association of Environmental Pro-Experts Moldova</p>
Pillar 6 Energy	<p>Ministry of Energy of the Republic of Moldova Ministry of Finance of the Republic of Moldova Ministry of Justice of the Republic of Moldova National Anticorruption Centre of the Republic of Moldova State Chancellery of the Republic of Moldova National Agency for Energy Regulation of the Republic of Moldova Operatorul Pieței de Energie M SRL Moldelectrica SE Energocom SA Moldovagaz JSC</p>

	<p>Vestmoldtransgaz SRL Consolidated Unit for Energy Projects Implementation and Monitoring of the Republic of Moldova National Centre for Sustainable Energy of the Republic of Moldova</p>
Pillar 7 Fundamentals	<p>Ministry of Justice of the Republic of Moldova State Chancellery of the Republic of Moldova General Prosecutor's Office of the Republic of Moldova Public Services Agency of the Republic of Moldova National Anticorruption Centre of the Republic of Moldova Chisinau Court of Appeal Bălți Court of Appeal Cahul Court of Appeal Superior Council of Magistracy of the Republic of Moldova Electronic Governance Agency of the Republic of Moldova State Tax Service of the Republic of Moldova</p>

7.2 The latest available Public Finance Management and Budget Transparency implementation report

The Ministry of Finance ensures compliance with decision-making transparency standards by publishing draft normative acts and budgetary documents, organizing public consultations, and facilitating access to relevant financial information.

*The Report on ensuring transparency in the decision-making process for 2025*²³ is published on the official website of the Ministry of Finance.

The implementation of public financial management reforms is carried out based on **Government Decision No. 71/2023**, which approves the Public Financial Management Development Strategy 2023–2030 and provides for annual monitoring, a mid-term evaluation (in 2026), and a final evaluation (in 2030).

For the implementation of the Public Financial Management Development Strategy, the following were developed:

- The Internal Public Financial Control Development Programme for 2024–2027, approved by Government Decision No. 165/2024.
- The National Public Procurement System Development Programme for 2023–2027, approved by Government Decision No. 625/2023.

The annual reports on the implementation of the Strategy and the Programmes are published on the official website of the Ministry of Finance.²⁴

²³ Report on ensuring transparency in the decision-making process for 2025:

<https://mf.gov.md/sites/default/files/Formular%20de%20raportare%202025%20fin.pdf>.

²⁴ Annual reports available at the following links:

<https://www.mf.gov.md/ro/managementul-finan%C8%9Belor-publice/achizi%C8%9Bii-publice>

<https://mf.gov.md/ro/content/controlul-financiar-public-intern>

<https://mf.gov.md/ro/ministerul-finan%C8%9Belor/activit%C4%83%C8%9Bile-ministerului>.

7.3 Inputs for the Commissions' monitoring indicators

#	Indicators	Inputs
1	Degree of readiness on accession negotiation chapter 23 (source: European Commission)	<p>Moldova has some level of preparation and has made some progress in the area of judiciary, the fight against corruption and fundamental rights.</p> <p>Moldova has some level of preparation in the area of the judiciary. The country made good progress in reforming the justice sector. The vetting and appointment of top judges and prosecutors continued. The specialised bodies of the Superior Council of Prosecutors are in full composition with vetted members, while appointments to the specialised bodies of the Superior Council of Magistracy are ongoing. Sufficient resources for these bodies must be guaranteed to ensure their effective functioning. Appointments to the Supreme Court of Justice from vetted candidates are still ongoing. This is delaying the implementation of the new regulatory framework on the reform of the Supreme Court of Justice. In parallel, the vetting process for other categories of top judges and prosecutors is ongoing. The new judicial and prosecutorial maps have entered into force, and their implementation is ongoing. More efforts are needed to reduce the length of proceedings across all areas and improve low clearance rates, in particular in criminal cases.</p> <p>Moldova has some level of preparation in the fight against corruption and has achieved some progress. The track record in the fight against corruption has improved. On the prevention of corruption, Moldova adopted amendments which strengthened the powers of the National Integrity Authority to enhance asset declarations, verifications and confiscations. However, interoperability between automated verification systems and state registries must still be strengthened and the services sufficiently staffed. A draft law to dissolve the two anti-corruption and organised crime prosecution institutions and create a new specialised prosecutor's office was discussed in Parliament but never adopted. The capacities of the relevant anti-corruption institutions should be strengthened and their cooperation reinforced, including clarifying the respective jurisdiction of territorial prosecutor's offices and the Anti-Corruption Prosecutor's Office. Targeted risk assessments and specific measures are needed to address corruption in the most vulnerable sectors.</p> <p>The legislative and institutional framework on fundamental rights is largely in place. Implementation of the national human rights action programme is ongoing. Detention conditions remain a concern, as does the treatment of people with disabilities in specialised institutions. Efforts to combat genderbased violence should continue.</p> <p>Moldova between having some and a moderate level of preparation in freedom of expression and has made good progress, notably in adopting new legislation on access to information, implementing the law on the Media Subsidy Fund, amending the audiovisual media services code (AVMSC) and on advertising, as well as on the protection of journalists. Rules for selecting members of the public service broadcaster and the Audiovisual Council have been reviewed. Media ownership concentration and political influence persist. The intimidation of journalists by private actors has increased, and no notable progress has been made on the protection of journalists in practice. Moldova worked intensively to address foreign interference and information manipulation (FIMI), however continuous vigilance is needed to ensure that efforts to counter FIMI are aligned with European standards on freedom of expression and opinion.</p>
2	Degree of alignment with Union Common Foreign and Security Policy (source: EEAS)	<p>Moldova has a good level of preparation in the area of foreign, security and defence policy. Good progress was made by continued intense political dialogue with the EU at all levels, significantly enhanced security and defence cooperation with the EU and its Member States and maintaining a high alignment rate with the EU's common foreign and security policy (CFSP). Moldova has further increased its participation in EU crisis management missions and operations under the common security and defence policy (CSDP).</p> <p>The institutional framework enabling the participation of Republica Moldova in the Common Foreign and Security Policy (CFSP) and the Common Security and Defence Policy (CSDP) is in place.</p>

		<p>In 2024, the alignment of Republica Moldova with the declarations made on behalf of the European Union by the High Representative and with the Council decisions on sanctions reached 91%. As of 24 October 2025, the alignment rate stood at 88%.</p> <p>The European Union has maintained a strong commitment, within the framework of the Common Foreign and Security Policy, to deepen cooperation with Republica Moldova in these areas. In 2024, Republica Moldova became the first country to sign a Security and Defence Partnership with the European Union. The EU Partnership Mission in Moldova continued to support Moldovan institutions in strengthening resilience, while assistance provided to the Armed Forces of the Republic of Moldova through the European Peace Facility reached EUR 197 million. In addition, the EU maintained a dedicated sanctions regime targeting individuals and entities seeking to destabilise Republica Moldova.</p>
3	<p>Media pluralism: Social inclusiveness composite indicator (source: Media Pluralism Monitor, Centre for Media Pluralism and Freedom).</p>	<p>In the Global Press Freedom Index, carried out by Reporters Without Borders (RSF), the Republic of Moldova ranks 31st out of 180 states. This represents a drop of three positions compared to the previous year, mainly due to the suspension of licences of several TV stations and the adoption of unclear regulations at the end of 2023. The media sector remains deeply polarised, influenced by political interest groups and the phenomenon of disinformation. In January 2024, the new Law on Access to Information of Public Interest (No. 148 of 9 June 2023) entered into force, but its implementation has been slow, particularly regarding the strengthening of public institutions' response capacities. In April 2024, Parliament adopted the Law on the Media Subsidisation Fund, establishing transparent rules for the direct allocation of subsidies to media institutions; however, the distribution process had not been implemented by the end of the year. Steps were taken to operationalise the Fund, including the selection of members of the Expert Council that will assess applications and approve the Council's operational rules. For the first time, the Government allocated indirect subsidies to the print press based on transparent criteria. Nevertheless, legislative and regulatory gaps persist, particularly regarding state advertising and transparency in the digital environment.</p> <p><i>The area entitled Fundamental Protections falls within the medium–high risk category.</i></p> <p>In 2024, the overall risk level in this domain is also classified as medium–high. Although the legal framework continues to provide a solid basis for protecting freedom of expression and access to information, major challenges remain in terms of implementation and structural conditions. The most problematic indicators are Journalistic Profession, Standards and Protection and Protection of Information Integrity, both assessed as medium–high risk.</p> <p><i>The area of Market Pluralism falls into the high-risk category.</i></p> <p>In 2024, the risk level for the Market Pluralism domain in the Republic of Moldova increased from medium–high risk to high risk, mainly due to methodological adjustments. Both main indicators – Media Ownership Transparency and Editorial Independence – continued to fall within the high-risk category. Although some progress was made in disclosing information about broadcasters' owners, major gaps persist in regulating the print and digital media sectors, which allows non-transparent ownership structures to remain in place. Editorial independence continues to be affected by the influence of owners and commercial interests, as legal and institutional safeguards remain limited. Although industry-level professional standards exist, they are largely based on self-regulation and are not applied uniformly, which undermines editorial autonomy.</p> <p><i>The Political Independence area recorded a score within the medium–low risk range.</i></p> <p>The Political domain showed a slight improvement, shifting to a low–medium risk level in 2024, depending on methodological adjustments and positive developments observed for some indicators. Both the Political Independence of the Media indicator and the Independence of the Public Service Media indicator were assessed as medium–high risk, while the Public Resource Regulation and State Support for the Media Sector indicator was rated as medium–low risk. In</p>

		<p>addition, a new indicator – Integrity of Political Information during Elections – was assessed as medium–low risk.</p> <p>The Social Inclusion area recorded a score within the medium–low risk range.</p> <p>In 2024, the assessment of this area was mainly based on the analysis of a single indicator – Universal and Inclusive Access to Media. The score was influenced by several key factors. One of the major positive aspects is the high accessibility of public service media, which covers the entire territory of the country. Approximately 98% of the population has access to the latest radio and television services, due to investments in modernising online platforms and expanding access to services.</p>
4	Degree of alignment with the EU visa policy (source: European Commission)	<p>The visa policy is not fully aligned with that of the EU, in particular the list of countries whose nationals require a visa to enter the EU. Moldova’s list of visa-free countries diverges by 11 countries (Armenia, Azerbaijan, Belarus, Kazakhstan, Kyrgyzstan, Qatar, Russia, Tajikistan, Türkiye, Uzbekistan, Vanuatu) whose nationals require a visa for short stays in the EU. The visa regime was reinstated for Cuba following an amendment that came into effect in March 2025. Further progress on visa policy alignment is required. Pending full alignment, a more rigorous screening of visa-free arrivals of third-country nationals, particularly those from countries presenting security or irregular migration risks, is necessary. The European Commission’s seventh report under the visa suspension mechanism, published in December 2024, concluded that Moldova continues to meet the visa liberalisation benchmarks.</p>
5	Degree of readiness on Public administration reform (source: European Commission)	<p>Moldova has some level of preparation in the area of public administration reform and some progress has been made. The Parliament approved the first two voluntary amalgamation processes by amending the law on territorial organisation of the country, after many preparatory and complementary activities undertaken at the local level in 2024/2025. Some improvements in the areas of civil service, strategic planning and policy design, accountability, and service delivery were achieved at the central level of administration.</p>
6	Degree of readiness on the economic criteria: the existence of a functioning market economy and the capacity to cope with competitive pressures and market forces within the Union (source: European Commission)	<p>Moldova has some level of preparation and has made good progress in creating a functioning market economy. Despite a challenging external environment, the authorities remain committed to pursuing macroeconomic stability and submitted the second economic reform programme in January 2025.</p> <p>Moldova is between an early stage of preparation and having some level of preparation and has made some progress to cope with competitive pressures and market forces within the EU.</p>
7	Share of exports to EU-27 countries in value of total exports (%) (source: European Commission).	<p>The European Union is the largest trading partner of Republica Moldova, accounting for 54% of the country’s total trade in goods in 2024, followed by Ukraine (11.1%) and China (9.8%). Trade between Republica Moldova and Russia declined significantly, reaching only 2.5% of total trade.</p> <p>Of the total exports of Republica Moldova, 65.6% are destined for the EU market. The country ranks 58th among the trading partners of the European Union, with total trade flows amounting to approximately €7.5 billion in 2024. EU exports to Republica Moldova amounted to €5.1 billion, mainly consisting of machinery and equipment, chemical products, and transport equipment. Imports from Republica Moldova into the EU remained stable compared to 2023, following a slight decrease (-7%) from the high levels recorded in 2022, reaching €2.4 billion. The main products imported by the EU from Republica Moldova include machinery and equipment, mineral products, and chemical or related products.</p>
8	European innovation scoreboard score	<p>Moldova is an Emerging Innovator, performing at 19.0% of the EU average in 2025. It ranks 39th among the EU and neighbouring countries. Its performance is below the average of Emerging Innovators in the EU and neighbouring countries (19.0% vs 46.0% of the EU average in 2025).</p> <p>Relative strengths:</p> <ul style="list-style-type: none"> • Foreign doctorate students as a % of all doctorate students • Non-R&D innovation expenditures • Knowledge-intensive services exports <p>Relative weaknesses:</p> <ul style="list-style-type: none"> • Venture capital expenditures

		<ul style="list-style-type: none"> • Employment in innovative enterprises • R&D expenditure in the business sector <p>Highest ranked indicators among the EU and neighbouring countries:</p> <ul style="list-style-type: none"> • Foreign doctorate students as a % of all doctorate students • Non-R&D innovation expenditures • Knowledge-intensive services exports <p>Lowest ranked indicators among the EU and neighbouring countries:</p> <ul style="list-style-type: none"> • R&D expenditure in the business sector • Scientific publications among the top 10% most cited • Public-private co-publications
9	Degree of readiness on accession negotiation chapters 19 and 26 (source: Commission annual enlargement report)	<p>Chapter 19 - The country is between having some and a moderate level of preparation in social policy and employment and made good progress during the reporting period. Measures were taken to increase employment and to strengthen cooperation between social assistance authorities and employment authorities.</p> <p>Chapter 26 - Moldova is moderately prepared in the area of education and culture. Good progress was made during the reporting period as the authorities advanced reforms to enhance the relevance, quality and inclusiveness of education and consolidate the school network both in general education and in vocational education and training (VET). Challenges remain in the implementation of impactful reforms for inclusive education, as well as effective measures to reduce the mismatch between vocational skills and labour market demands.</p>