

**European
Joint Development Cooperation Strategy
(Joint Programming Document)**

For the Republic of Moldova

February 2018

1. Foreword

This European Joint Development Cooperation Strategy (Joint Programming Document) for the Republic of Moldova¹ (hereinafter referred to as "Moldova") reaffirms European development cooperation partners² continued support to Moldova in addressing its key development challenges.

This Joint Strategy reflects the revised European Neighbourhood Policy (ENP), the Association Agenda 2017-2019 and Eastern Partnership Priorities. The Joint Strategy builds on the Joint Analysis that was presented to the Government of Moldova in October 2016. It is structured in line with the European Union Single Support Framework 2017-2020. This Joint Strategy is aligned with Moldova's National Development Strategy ("Moldova 2020")³.

European development cooperation partners are fully committed to the United Nations 2030 Agenda for Sustainable Development and the 17 Sustainable Development Goals (SDGs). The European Consensus for Development is the EU's response to the UN 2030 Agenda and recognises the value of a Joint Programming approach which has the potential to strengthen coordination and visibility of assistance.

In this framework, the European development cooperation partners' substantial commitments to Moldova are expected to be met by comparable commitments from Moldova.

Jointly, the European Development cooperation partners and Moldova should

- Focus on delivering tangible and visible results for citizens
- Programme assistance within the framework of clear national sector strategies supported by costed action plans, consistent with the State Budget
- Ensure involvement of stakeholders, civil society and private sector
- Ensure communication awareness and visibility of the support provided by European donors and strengthen public diplomacy;
- Ensure constructive and effective policy dialogue

Assistance shall continue to be bound to strict conditionalities, which will be regularly monitored and evaluated.

This Joint Strategy reflects the efforts, consultations and contributions made by European Development cooperation partners in Chisinau over the past two years. We look forward to implementing this Joint Strategy in close partnership with the authorities in Moldova, civil society, private sector and other development partners.

¹ Hereinafter referred to as the "Joint Strategy"

² European Union Delegation, EU Member States + Switzerland

³ The National Development Strategy is currently being evaluated and is due to be revised/replaced

1. Overview

This document constitutes the European Joint Development Cooperation Strategy (Joint Programming Document). It integrates the programming priorities of the EU and its Member States, following their commitment *to strengthening the efficiency, coherence, transparency, predictability and visibility of the external assistance of the EU and its Member States*⁴. The Joint Strategy **does not replace the bilateral strategies at this stage but is instead complementary** and aims to provide an overview of the joint strategic approach taken by the EU, its Member States and Switzerland. As such, it aims to be a useful tool for the authorities in Moldova, partners and stakeholders.

The **Joint Programming Process** started in Moldova in 2015, when the EU, its Member States, and Switzerland agreed to conduct a Joint Analysis of the country's economic and social development context. The Joint Analysis was predicated on a common understanding of the political, economic and social challenges facing Moldova. It comprised a detailed analysis of the then current status of the reform process in twelve sectors within which, the resources of the European donors were pooled to review the policy environment and priorities, the relevant articles and commitments in the Association Agenda and the apparent opportunities for more effective programming. The analysis also concerned the Transnistria issue, based on the EU's commitment to assist in attaining a comprehensive, peaceful and sustainable settlement of the Transnistrian conflict, on the basis of the sovereignty and territorial integrity of the Republic of Moldova within its internationally recognised borders with a special status for Transnistria. The Joint Analysis was completed and presented to the Government of Moldova in October 2016. It is a public document⁵ and underpins this Joint Strategy.

The **Joint Strategy** builds upon the shared views and objectives, and the existing and future financial commitments of the European partners and is designed to ensure enhanced coordinated policy dialogue, and joint monitoring of reform implementation in accordance with the EU – Republic of Moldova commitments. The Joint Strategy aims to contribute to partnerships and policy dialogue with like-minded, pro-reform actors, particularly Government officials at national and local levels, civil society and the private sector. It is motivated by a mutual commitment to the common values of democracy, the rule of law, human rights and fundamental freedoms, gender equality, good governance, a functioning social market economy, and environmentally sustainable socio-economic development. The strategy is aligned with the Government's principal strategic document (*Moldova 2020*) and will support Moldova to capitalise upon the opportunities afforded by its Agreements with the EU (AA/DCFTA/VLAP).

There are at least 18 European donors active and present in Moldova. The overall volume of assistance provided is substantial. The EU alone provides more than half of the overall amount of non-reimbursable assistance. In addition, the EU's bank, the European Investment Bank (EIB), provides substantial amount of loan finance, often combined with EU grants.

⁴ Council Conclusions (12 May 2016 – Stepping up Joint Programming, p. 3) <http://data.consilium.europa.eu/doc/document/ST-8831-2016-INIT/en/pdf>

⁵ https://eeas.europa.eu/sites/eeas/files/joint_analysis_0.pdf

Taking this into account, the Joint Strategy is structured around four broad areas of intervention encompassing the common strategic objectives of the EU, EU Member States and Switzerland and is aligned with the new **EU-Moldova Single Support Framework (SSF) 2017-2020**⁶:

1. Economic development and market opportunities including sustainable and inclusive economic growth, social protection and health
2. Strengthening institutions and good governance including the Rule of Law and Security
3. Connectivity, energy efficiency, environment and climate change
4. Mobility and people-to-people contacts including support to the Visa Liberalisation benchmarks and to education, training and research.

There are also three cross-cutting priorities: civil society, gender equality and strategic communication.

It should be noted that the SSF remains the legal basis for EU support to the Republic of Moldova. It foresees an indicative allocation of EUR 284 million to EUR 348 million to the priorities of the Joint Strategy as follows: Allocation of EUR 99.4 million to EUR 121.8 million from SSF to priority 1, allocation of EUR 56.8 million to EUR 69.6 million to priority 2, allocation of EUR 71 million to EUR 87 million to priority 3, allocation of EUR 28.4 million to EUR 34.8 million to priority 4 and allocation of EUR 28.4 million to EUR 34.8 million to priority 5 (i.e. cross-cutting issues).

The remaining part of this document is structured as follows:

Section 2 below provides a brief overview of the development challenges in Moldova (that are addressed in more depth in the Joint Analysis)

Section 3 outlines the overall strategic approach, general principles of cooperation and areas of intervention

Section 4 provides more detail on the proposed approach in each of the four areas of intervention and cross-cutting issues.

Annex 1 provides an overview of the main areas of intervention of different European donors.

⁶ COMMISSION IMPLEMENTING DECISION of 13.9.2017 adopting a Single Support Framework for European Union support to the Republic of Moldova for the period 2017-2020

2. Development Context and Joint Analysis

The Joint Analysis carried out during 2016, and work carried out by other development partners has led to a common understanding of the context, challenges and opportunities facing Moldova. This section does not aim to repeat this in detail but instead provides an overview of the general context. More detail on the specific sectoral challenges to be addressed is found in **Section 4**.

Political – relative stability provides a basis for taking reforms forward. Credibility, transparency and accountability remain key challenges.

The current Government under Prime Minister Filip (Democratic Party) took office in January 2016. Relative stability of the country allowed for the re-starting of reforms addressing some of the concerns and recommendations expressed in the EU Council conclusions of February 2016. In November 2016, Igor Dodon (The Party of Socialists) was elected as President by popular vote.

However, Moldova's political and economic environment has not yet recovered from political upheavals following the banking crisis in 2014. The sheer magnitude and scale of the fraud remains in the forefront of the public's consciousness and only adds urgency to the need for continued reform. The banking crisis has fractured domestic and international confidence in Moldova's institutions, highlighting gaps in combatting corruption and ensuring accountability. The public administration reform process which has been initiated in 2017 presents both opportunities to improve the functioning of Moldova's institutions and also risks.

European Association and Economic Integration – a solid framework is in place. The new Association Agenda sets out short and medium term priorities to be pursued

Resilience and transition to democracy and a social market economy are the EU's main political priorities for Moldova, supporting the country's political, social and economic development opportunities in a manner benefitting its citizens. Political association and economic integration with the EU underpins these processes. More broadly, the EU Global Strategy adopted in 2016 states that "The EU will strengthen the resilience of states and societies by supporting good governance, accountable institutions, and working closely with civil society."

The Association Agreement signed between the Government of Moldova and the EU in 2014, ratified and in force since July 2016, provides the basis for this commitment towards fulfilling the mentioned objectives. The Association Agreement is built on shared priorities, emphasising democracy, rule of law, human rights, fundamental freedoms, good governance, a functioning market economy and sustainable development

The EU Council Conclusions of 15 February 2016 on Moldova recommend "accelerated implementation of the Association Agenda", especially given critical delays in implementation of a number of important reforms. Challenges to be tackled include addressing the politicisation of state institutions, systemic corruption and strengthening the governance of the financial sector. To

address those issues, the Government prepared in 2016 a first roadmap on priority reform actions. While several legislative measures foreseen in the roadmap have been adopted, the reform process should be continued, with a particular focus on genuine implementation of legislation and policies with the aim of improving citizens' life. In December 2016, the Government approved a national plan on the implementation of the Association Agreement /Deep and Comprehensive Free Trade Agreement 2017-2019. A second roadmap on reform priorities was endorsed in July 2017. In August 2017, the EU and Moldova agreed a new Association Agenda 2017-2019 setting out reform priorities. Implementing these reforms, taking advantage of both the Deep and Comprehensive Free Trade Area to access the Single European Market and visa free travel (since 2014), gives Moldova enormous opportunities for development and to improve livelihoods.

Economy – the IMF agreement has helped stabilise the economy which has returned to growth. Challenges remain in improving governance of the financial sector and the business environment.

Moldova is a lower middle income country with a nominal GDP per capita of EUR 1,700 or EUR 4,795 PPP in 2016. Moldova ranks 107th out of 188 countries on the Human Development Index (HDI-0.699 – 2016 HDI Report). Although the World Bank has reported that overall growth in the past years has been volatile it was also rapid which has resulted in a significant reduction of poverty. Real GDP grew at an average rate of 4.8% per annum in 2014, but the country slipped into recession at the end of 2015 (-0.5%), as a result of the banking crisis, a severe drought, declining remittances, and weaker external flows. The International Monetary Fund (IMF) reported that growth has returned in 2016 at 4.1% although forecasts that this is expected to moderate in 2017 (+3.5%).

Stabilisation of the economy depends on the implementation of the agreement approved by the IMF Board in November 2016. The economic reform programme is supported by a three-year Extended Credit Facility and Extended Fund Facility (ECF/EFF) arrangement, valued at approximately EUR 160 million. It frames future reforms efforts which should inter alia contribute to preventing fraud in the banking sector. Nevertheless, Moldova's economy faces a number of significant downside risks: the slowdown in the Russian economy and stagnation in the Eurozone will continue to impact upon export performance, weaker capital inflows and further reductions in remittances. These external pressures are compounded by poor revenue collection, a fragile banking sector, and structural problems in the non-banking financial sector. Despite this, the IMF assesses that Moldova's risk of debt distress remains low, with overall debt dynamics sustainable. Total external debt now stands at 97.2% of GDP (2016) and public and publicly-guaranteed external debt is currently 43.3% of GDP. The fiscal deficit was 2.1% in 2016.

Taking into account the residual financing needs under the IMF programme, the EU has prepared a macro-financial assistance operation to Moldova of up to EUR 100 million (EUR 40 million in grants and EUR 60 million in loans) to be disbursed in 2017-2018 provided that Moldova fulfils the conditions and provided that the IMF programme remains on track.

External Assistance – *substantial external assistance is on offer from European partners but this needs to be used more effectively by Moldova to support implementation of national strategies*

European development partners in Moldova account for close to two thirds of reported disbursements of Official Development Assistance (ODA) to Moldova, as reported in the OECD's Development Assistance Committee Database. Combined disbursements average just over €410 million annually. In 2015/16 following the banking crisis, both the World Bank and EU suspended Budget Support payments. These resumed at the end 2016, following the conclusion of the IMF agreement. No further EU budget support programmes are foreseen and instead, assistance is planned through other modalities and instruments. This means sharing expertise and providing technical support (including through technical assistance and Twinning with EU Member States), concrete support (in the form of supplies and investment into infrastructure), grants and credits (including to civil society and businesses).

In order to take full advantage of assistance available, systems for planning, coordinating, monitoring and implementing projects in Moldova should be strengthened. Priorities and indicative allocations for financial assistance from the EU are included in the 2017-2020 Single Support Framework (SSF) are connected to the priority actions set out by the new 2017-2019 Association Agenda. Overall development cooperation is aligned with Moldova's national development plan, Moldova 2020 and the global Sustainable Development Goals (SDGs).

Communication – *raising citizens' awareness of EU values, policies and assistance is key*

Raising awareness among the citizens of Moldova about the benefits expected from political association and economic integration with the EU, as well as tangible results of EU assistance provided to the country is of key importance. This should be undertaken in the framework of the Association Agreement and in cooperation with civil society and independent media. A strong need for information on the effectiveness of EU support has been identified among the target audiences. In addition to this, assisting the development of independent media outlets and regulatory framework of the audiovisual market according to the EU standards is necessary for the benefit of the citizens of Moldova.

3. The European Joint Strategic Response

Overall Vision

Following the conclusion of the **Joint Analysis**, it became apparent that development co-operation in Moldova must evolve beyond government-donor partnerships, and directly engage with citizens. The public must feel the benefits of reforms, and it must experience a demonstrable improvement in the quality of life, measured in improved public services (health, education, public transport, social services) enhanced employment opportunities and increased disposable income. This entails that programming **focuses on visible and tangible benefits** by building coalitions between citizens, civil society, private sector and public servants.

European donors provide almost two thirds of official development assistance (ODA) to Moldova. By working together and ensuring continued coordination with the Council of Europe, UN institutions, the World Bank, European Bank for Reconstruction and Development, USAID and other partners, European donors can help Moldova to improve effectiveness, ownership, alignment with Government policies and mutual accountability for results. This rationale was tested during intensive EU consultations with the Government on the 8th July and 21st September 2016 and civil society on the 23rd September 2016. There was a clear consensus that future programming must deliver visible and tangible benefits for the citizens of Moldova.

General Principles of Cooperation and Conditionalities

In this framework, the European development cooperation partners' substantial commitments to Moldova are expected to be met by comparable commitments from the Moldova.

Jointly, the European Development cooperation partners and Moldova should

- Focus on delivering tangible and visible results for citizens
- Programme assistance within the framework of clear national sector strategies supported by costed action plans, consistent with the State Budget
- Ensure involvement of stakeholders, civil society and private sector
- Ensure communication awareness and visibility of the support provided by European donors and strengthen public diplomacy;
- Ensure constructive and effective policy dialogue

The authorities in Moldova are expected to

- Ensure that they have sufficient capacity to coordinate, implement and monitor jointly agreed programmes and projects.
- Pursue strongly its objective of closer association and economic integration with the European Union and continue to implement policies pursuant of that objective and fulfil its obligations under the EU-Moldova agreements in a timely and efficient manner

The European Development cooperation partners also aim to

- Strive to speak with 'one voice' where feasible at sector and national levels
- Recognise that Government capacity is limited, as is that of international development partners: programming is more effective the more focused it becomes. Accordingly, resources should be concentrated around a smaller number of Areas of Intervention;
- Support own efforts of authorities in Moldova and make use of innovative forms of development financing, leveraging private sector investments and mobilising additional domestic resources for development

Assistance shall continue to be bound to **strict conditionalities**, which will be regularly monitored and evaluated.

Choice of Areas of Intervention

Taking this into account, the Joint Strategy is structured around four broad areas of intervention encompassing the common strategic objectives of the EU, EU Member States and Switzerland and is aligned with the EU-Moldova Single Support Framework 2017-2020 to allow for easy comparability of the documents:

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| 1. Economic development and market opportunities including sustainable and inclusive economic growth, social protection and health: indicatively 25-30% of assistance |
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The objective is to stimulate smart, sustainable and inclusive economic growth and development, reduce absolute and relative poverty through improving the business environment and investment climate, and create jobs and to facilitate trade with the EU. Also to support Moldova to provide adequate social and health services to the population.

Given the revised ENP, support for sustainable, inclusive and smart economic growth has emerged as the crucial issue in Moldova. The need to improve the business climate and to unlock innovation and investment potential is reinforced by the Association Agreement, including a DCFTA, and has been presented as a tool for modernisation and promoting prosperity.

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| 2. Strengthening institutions and good governance including the Rule of Law and Security: indicatively 10-15% of assistance |
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The objective is to promote good governance, democracy, the rule of law and human rights in the Republic of Moldova (in line with the Association Agreement), and to strengthen Moldova's state and societal resilience including against security threats, such as hybrid threats, and to secure Moldova's international borders and contribute to a comprehensive resolution of the Transnistrian conflict.

Effective and accountable public administration and justice are crucial not only to fulfil Moldova's reform aspirations and to effectively implement the EU-Moldova Agreements, but also for political stability and to gain citizen and investor confidence. The public perception of corruption among civil servants, including those serving in the judiciary, is very high. The security situation in Moldova leaves room for improvement, in particular with regard to organised crime and to the implementation of the security reform.

3. Connectivity, energy efficiency, environment and climate change: indicatively 25-30% of assistance

The objective is to support better connectivity with the EU in the areas of transport and energy, support energy efficiency, resilience and energy security of Moldova and to address environmental challenges and contribute to mitigation and adaptation to climate change.

Supporting better energy connectivity with the EU is essential to address the current low level of energy supply security and diversification. Developing the internal energy market and ensuring independence of the national energy regulator is also key. Transport infrastructure requires investment with a view to improving access of the population, especially in rural areas, to social services and access to markets. In addition, new transport infrastructure is needed to ensure greater connectivity with the EU and to stimulate economic activity and trade. Sustainable management of natural resources (including energy efficiency) is also underdeveloped in Moldova. Implementation of the commitments stemming from the Association Agreement, the Energy Community Treaty as well as the Paris Agreement on Climate Change will also be supported.

4. Mobility and people-to-people contacts including support to the Visa Liberalisation benchmarks and to education, training and research: indicatively 10-15% of assistance

The objective is to enhance and facilitate the mobility of citizens, develop the skills of the younger generation, strengthen the coordination between the education and training system and the labour market and stimulate competitiveness, research and innovation as enablers to economic development, while also targeting social inclusion in education and labour.

Moldova was the first Eastern Neighbour to benefit from visa-free regime with the EU. Development of stronger ties between the labour market and the education and training system and between the private sector and research are needed to support smart and sustainable economic development.

5. Cross-cutting issues including strengthening civil society, promoting human rights and gender equality and to improve communication with citizens: indicatively 10% of assistance

The objective is to strengthen civil society's capacity to play an effective role in policy dialogue, implementation and monitoring at national and local levels, and to contribute to private sector development, sustainable economic growth and social innovation; assistance will be provided to promote human rights and gender equality; greater emphasis will be placed on improving

communication with citizens by raising visibility and awareness of the tangible benefits resulting from European development assistance, and implementing public diplomacy campaigns.

The **specific objectives** of the **Joint Strategy** in each of the above areas are detailed in **Section 4** below.

4. Areas of Intervention and division of labour

4.1 Area of Intervention 1: Economic Development including Market Opportunities

The European donors presently active in this area include: Austria, the Czech Republic, the EIB, the EU, Estonia, Germany, Latvia, Lithuania, Poland, Romania, Sweden, Switzerland and the UK.

Business Environment and Trade – the DCFTA offers significant economic opportunities for business, but requires further development of an efficient and transparent regulatory environment and support to SMEs

The immediate challenge is to increase competitiveness and export potential, taking advantage of the opportunities offered by the DCFTA. Additional efforts are needed to improve investment attraction and protection as a main driver of competitiveness and export capacity. This in turn requires the proper and transparent functionality of the institutions involved in regulation and supervision of the business environment based on the rule of law (and in particular in the SPS, energy, competition and justice sectors).

The overall objective of this Area of Intervention is to assist Moldova to capitalise upon the opportunities afforded by the AA/DCFTA and facilitate access to EU markets. Trade, rather than remittances, is the basis for sustainable economic development, wealth creation, inclusive growth and the expansion of employment. A shared priority of the European donors and Moldova's Government is to ensure that such opportunities are equally accessible to men and women, and thus gender equality should be actively promoted in both policy and programming.

The timely and effective implementation of the DCFTA is therefore critically important. If Moldova is to exploit the opportunity to enter the European Single Market, it will need to tackle administrative and technical barriers to trade (customs, border management, standards, metrology, accreditation, food safety, sanitary, and phytosanitary measures), apply EU competition and state aid rules, and approximate legislation and Directives. In many instances, Moldova's agencies are ill-equipped in financial, technical and human resources to take on these challenges and are therefore reliant upon external assistance.

However, taking advantage of, and extracting greater value from the opportunities presented by the conclusion of the DCFTA, will require more than simply approximating legislation and building institutional capacity. Moldova will need to grow a vibrant SME sector capable of entering the European Single Market. This in turn will necessitate improving the regulatory environment for investment and business start-ups and growth. It will entail improving SME access to affordable finance, developing value chains, improving productivity, quality and value-added. The agriculture sector will need to diversify production and increase both the quantity and quality of outputs, while agri-businesses will need to improve their product ranges. Moreover, if Moldova is to compete not only on the European market, but also penetrate the global market more widely, it will need to ensure that its communication networks operate efficiently, hence the need to invest in the digital

economy. Special attention should also be paid to diversifying the labour market in rural areas, and curbing economic emigration, e.g. by tapping into local resources to generate non-agriculture revenue

Rural Poverty and Regional Disparities - more job opportunities at local and regional level are needed to tackle absolute and relative poverty

Agriculture accounts for 16.1% of GDP and 33.7% of the active labour population continue to derive their living from primary agriculture including subsistence activities (2016). In 2014, approximately 11.4% of the total population were estimated as living below the absolute poverty line. Absolute and relative poverty is particularly acute amongst the rural population, the elderly living alone and larger (5+) households in the urban areas. This reflects the continued dependence upon agriculture as a primary source of household income and the continued high levels of under-employment. The GINI coefficient stands at 26.8.

Rural poverty - Moldova's economy fails to provide sufficient income sources for its rural population. The poverty incidence among rural inhabitants is significantly higher than among the urban population. In rural areas, 18.8% of the population was poor in 2013. In urban areas, this figure was only 4.6%. Although poverty rates generally declined in recent years, the gap between urban and rural areas persists. In 2013, farmers and agricultural workers together accounted for 40% of Moldova's poor.

Regional disparity – Moldova's regional macroeconomic indicators show strong disparities of regional GDP per capita between different development regions. The growth rate of the Centre and North regions is around 5% while that of the South region is less than 1%. Agriculture is the commercial activity that generates the most value added outside of the Chisinau region. Only in the North region the value added generated by service activities slightly exceeds agriculture activities, mainly due to the contribution of commerce in the city of Balti. The Centre region compared to both North and South regions, show significant differences in agricultural productivity, revealing apparently two different productive systems.

Social Protection and Health – reform are needed in order to ensure financial sustainability of the systems

Moldova's social protection sector is undergoing major reforms aimed at transforming the category based social assistance into a more efficient poverty targeting system. One of the major reforms in the social sector area is the pension reform. The overall objective of the pension reform is to ensure the functioning of a fair and sustainable pension system that will guarantee a decent life for pension beneficiaries. The other important reform is targeting persons with disabilities. The disability evaluation method is changing from one based on medical criteria to a social model. Social service provisions shifted from institutional care to community care and expansion of the social services web now includes new vulnerabilities. However, finances available for the sector are decreasing and

social insurance fund has critical level of deficit. The existing social infrastructure is not adapted to the required changes.

Moldova's health system aims to ensure universal access of basic health services with equity and solidarity in health financing to all citizens. Expanding coverage with mandatory health insurance is a priority and essential to financial sustainability. Financial protection of Moldova's citizens should be strengthened through increased public expenditures on medicines. More efficient use of available resources at all levels of care is critical in this regard.

In order to improve the quality of services and ensure universal access of basic health services a series of reforms have been launched targeting: (i) hospital sector, including an updated hospital master plan and action planning; (ii) Primary Health Care (PHC) strengthening through development of a new PHC strategy; (iii) Public Health through a package of reforms, including reorganisation of structures, human resources, tasks and services at each administrative level; (iv) pharmaceutical sector, aiming at harmonise with the EU regulations, with special focus on the Law on Medicines, the Law on Medical Devices, and the Law on Pharmaceutical Sector Activity, and building the core regulatory capacities as well as addressing from a system perspective the selection and use, pricing and reimbursement and procurement and distribution of medicines; (v) health financing and provider payments, including strategic purchasing of services and payment for performance; and (vi) quality of care.

In this context, the European donors have targeted their interventions at the following:

Economic Development (Chapter 3 Joint Analysis)

- Improved quality of products and services
- Wider access to foreign markets and increased exports through reducing technical and administrative barriers to trade and ensuring compliance with sanitary and phytosanitary services (SPS) standards in the context of the DCFTA
- Enhanced national policies that allow sustainable and socially balanced employment and income growth
- Competitive ICT sector supported through consolidation of skills for ICT jobs to address market demand;
- Enhanced regulatory framework of the ICT sector
- Increase productivity of SMEs and production of higher value added products by SMEs, improved quality standards;
- Facilitated emergence of start-ups in strategic sectors including by using the potential of the digital economy, and enhanced innovation and technology transfer towards businesses;
- Developed rural SME sector with focus on micro/small /medium size enterprises through stimulation of job creation in less favoured areas, including in particular rural areas.

Agriculture, food safety and rural development (Chapter 12 Joint Analysis)

- Strengthening of the institutional capacity to pursue better policies and provide better services in agriculture and rural development

- Upgrading competitiveness of the agri-food sector
- Ensuring sustainable management of natural resources and responding to environmental and climate related challenges through mitigation and adaptation
- Improving living standards in rural areas

Social Protection and Health

- The most in need are covered by social services which are provided in an efficient way
- Adequate social support provided to most in need
- Health services are efficiently organised, of quality, patient focused and there is collaboration with social care services
- The health system is well managed and financed and protects population from excessive health expenditures
- Population reduces unhealthy behaviour and holds health services accountable

4.2 Area of Intervention 2: Strengthening Institutions and Good Governance

The European donors presently active in this area include: Austria, the Czech Republic, Estonia, the EU, France, Germany, Hungary, Italy, Latvia, Lithuania, the Netherlands, Poland, Romania, Slovakia, Sweden, Switzerland and the UK.

The objectives are to ensure the Rule of Law, continue the introduction of key judicial reforms, tackle corruption at all levels within the system, improve democratic governance at national and local levels, strengthen security and increase the Government's capacity to effectively respond to natural and man-made disasters.

Justice and Corruption – *there is an urgent need to tackle corruption and accelerate judicial reforms*

The Corruption Perception Index demonstrates low level of transparency (Moldova is ranked 123 out of 176 in 2016) which has decreased since 2012. Tackling corruption, particularly at the higher levels, ranks second to unemployment and low pay as the primary concern of citizens in Moldova. The prevention and punishment of corrupt practices is essential if Moldova is to become a fair and just democratic society. Whilst the Government has approved a new National Strategy on Anti-corruption (2017-2020), its development and actual impact on society remains to be analysed carefully. Key reforms in public administration and most notably in the rule of law sector are needed to ensure, among other elements, that: public employees are recruited through open, transparent and merit-based procedures; in the judiciary sector, defendants must have access to an effective legal aid system; improvements are made to the administration and technical infrastructure of the courts; and that court decisions are transparent, equitable and effectively enforced.

Democratic Governance and Public Administration Reform - *the implementation of the Public Administration Reform Strategy is essential to improve public services and public financial management*

Following the adoption of the Public Administration Reform Strategy (2017-2020) in June 2016, the Government has committed to reform the governance system in Moldova at all levels, increase accessibility, transparency, responsiveness and accountability, and enhance the range and quality of services provided to citizens. The first milestone was the reform of the Government (approved by the Parliament on July 2017). The second milestone will be the optimisation of Government structures. The third main milestone will be the local public administration reform, which is foreseen to be adopted before the local elections of spring 2019.

PAR reform will also entail improvements to economic governance, ensuring that commercial laws and regulations are applied rigorously and a level playing-field between public and private sector enterprises is established and maintained.

A vibrant democracy also requires the existence of a strong Parliament and Court of Accounts to provide oversight of Government policies and expenditures, an independent media to scrutinise and hold to account public bodies and officials, and an active citizenry, including vibrant civil society organisations eager to participate in public affairs. To perform these functions, people need unrestrained access to information and reliable data. Strengthening the range and quality of official statistics will be essential if citizens are to become more engaged and the Government is to achieve its goal of information-driven policy-making.

Economic Governance – *increased transparency and sound public financial management are critical to build confidence in how public resources are managed*

Whilst progress has been made in the implementation of the Strategy for Development of Public Finance Management 2013-2020, outstanding challenges faced by the public financial management system in the short run include: need to meet the budget calendar; need to improve the efficiency and transparency of the public procurement system; need to increase of efficiency of internal control and audit system as well as external audit; need to develop an effective parliamentary budget oversight. In the medium to long term the authorities should safeguard fiscal sustainability by making new fiscal rules effective and by developing government securities market. The medium term budget process needs to be improved to better reflect national strategies. There is a need to simplify tax and customs system and reduce tax avoidance and fraud as well as increase efficiency of tax and customs administrations. There is also a need to implement public sector accounting reforms in line with IPSAS and increase efficiency and transparency of State Owned Enterprises.

Human Rights – *key actions should be undertaken to improve the human rights situation*

During the last one and a half years the human rights situation in Moldova deteriorated, according to the Human Rights and Democracy Country Strategy 2016-2020. Progress is slow in the field of human rights due to a lack of awareness and understanding of issues, resources, capacities and willingness to mainstream the topic in policy. The previous action plan on Human Rights for 2011-2014 was not properly implemented and civil society organisations lack the capacity and necessary organisation to be an effective counter-weight. A new Action Plan on Human Rights 2018 – 2022 was adopted on 7 November 2017.

Moldova is periodically condemned by the European Court of Human Rights, mainly for length of proceedings and conditions of detention. The key EU priorities in the domain of human rights are: justice reform, fighting corruption, combatting torture and ill-treatment, including the establishment of a fully-fledged National Preventive Mechanism against torture, fighting discrimination, ensuring media freedom, deinstitutionalisation of children and guardianship reform.

Police Reform – adequate resources need to be made available by the authorities in Moldova to implement the ongoing reform

Following the adoption of the National Strategy for Police Development (2016-2020) in May 2016, which included an elaborate Action Plan, the Government repeatedly reconfirmed its firm intent on driving the reform forward. The exercise's main aim consists of shifting the Police force away from being a power organisation towards a more citizen oriented service. To do so, the Reform's first efforts are now focusing on strengthening the organisation's accountability, transparency, efficiency and professionalism.

A second important pillar concerns substantially improving, with the help of the international donor community, the basic and in-service training Police personnel receives. To that end, preparations are ongoing to establish a brand new Joint Law Enforcement Training that will meet these needs. Respect for victims' and police detainees' basic human rights will be a core part the future police training curriculum. A third major component aims at bringing the Police closer to the citizens in Moldova and at better catering to local needs. The main instrument to do so will be the implementation of the Community Policing concept.

Modern governments must be responsive to the risks posed by terrorism, cyber-crime and illicit trafficking in persons, drugs, firearms and hazardous materials. For the most part, these are trans-boundary issues and will necessitate close international co-operation in order to map potential risks and introduce prevention, adaptation and mitigation measures.

In this context, the European donors have targeted their interventions at the following:

Justice and home affairs (Chapter 5 Joint Analysis)

Sub-Sector 1: Judiciary and rule of law

- To consolidate the integrity of justice sector related professions
- To consolidate the court management and improve dispute resolution procedures

Sub-Sector 2: Police and law enforcement

- To strengthen Police's accountability, transparency, efficiency and professionalism
- Community policing concept implemented in line with the best international standards

Sub-Sector Human -Rights and minorities

- Enhanced national mechanisms for human rights protection and promotion
- Enhanced protection of minorities rights

Democratic Governance and Public Administration (Chapters 1 & 4 Joint Analysis)

- Democratic Governance is improved.

- Public Administration Reform is promoted for an efficient, effective, transparent and accountable public administration
- Public finance management is strengthened.
- Efficiency and transparency of public procurement are improved
- Transparency of management of public resources is improved.
- The corruption perceived in the Republic of Moldova is significantly decreased by strengthening the mechanisms for effective fight against corruption

Economic Governance (Chapter 2 Joint Analysis)

- Supervision, corporate governance and risk management in the financial sector are enhanced
- Transparency of management of public resources is improved

4.3 Area of Intervention 3: Connectivity, energy efficiency, environment and climate change

The European donors presently active in this area include: Austria, the Czech Republic, the EU, EIB, Germany, Latvia, Lithuania, Romania, Slovakia, Sweden, and Switzerland

The overall objectives are to support Moldova's capacity to extract maximum benefit from the increased trading opportunities offered by the conclusion of the DCFTA and the opening up of possibilities for greater regional integration; to ensure energy security, supply, efficiency and sustainability; to promote sound environmental stewardship, notably with respect to water, and solid waste management; and to manage the impact of climate change and extreme weather events through the development and implementation of adaptation and mitigation measures.

Transport – further investment is needed to upgrade infrastructure

In order to strengthen its trading position, Moldova will need to improve its local, national and neighbourhood transport and communications networks. This will entail significant investments in upgrading its road, rail and air transport infrastructure, and to a lesser degree in exploiting access to the Black Sea through the Giurgiulesti free port on the river Danube. It will also require the further development of supply and distribution chains and facilities. Moldova also has a poor road safety record and this needs to be addressed.

Energy – work is ongoing to build energy connections with the EU and improve energy efficiency

Moldova has limited domestic capacity to generate energy and historically has been largely dependent upon the importation of oil and gas from the Russian Federation. This has left the country vulnerable to disruptions in supply and politically-motivated price fluctuations. In recent years, the Government has pursued a number of policies designed to ensure energy security through the diversification of energy generation (biomass and wind), the identification of alternative supply sources (trans-boundary supply from Romania, oil and gas through Giurgiulesti) and improved energy efficiency (better performing district heating systems, more efficient usage of energy in public buildings). The European donors will continue to support Moldova in implementing measures targeted at energy security, cost-efficiency and diversification of supply sources including sustainable and renewable energy sources

Environment and Climate Change - Climate change and management of natural resources, especially water, are the main challenges in Moldova

The overarching effects of climate change coupled with degradation of soils and depletion of natural resources resulting from human activities are increasingly put pressure on the carrying capacity of the environment in Moldova. At the same time extreme events such as floods and droughts are expected to become more frequent with climate change and which would further undermine the overall resilience of eco-systems. In spite of the decreasing population, the poor management of

natural resources, especially water is the major challenge. This is due to the conflicting legitimate interests of protecting and exploiting the resources, but also due to limited investments in green infrastructure and protection measures. This eventually results in loss of valuable assets with direct negative economic effects and also represents a missed opportunity, for example in terms of green business or sustainable tourism. Air quality is so far the least addressed environmental issue in Moldova, with a very weak monitoring system in place and no clear policy.

The recent catastrophic snowfalls of April 2017 revealed how vulnerable Moldova is to extreme weather events and the vagaries of climate change. Moldova is committed to the Paris Agreement on Climate Change and is actively pursuing initiatives to reduce CO₂ emissions, develop a Greenhouse Gas Emission strategy, and develop climate change adaptation and mitigation measures. The Government is also developing and implementing water and waste management strategies and discussing trans-boundary water resource management issues with its neighbours. That said, Moldova's social and technical infrastructure is aged, inefficient and in urgent need of upgrading. This will require substantial financial investment and the sharing of expertise.

In this context, the European donors have targeted their interventions at the following:

Transport (Chapter 11 Joint Analysis)

- Full Transposition and practical Implementation of the EU-MD Common Aviation Area Agreement
- Improved Road Network and improved connections to the extended TEN-T network
- Railway sector rehabilitated and more competitive
- Maritime sector competitive and aligned with international standards

Energy (Chapter 11 Joint Analysis)

- Increased Energy Efficiency and Development of Renewable Energies
- Improved Market Functioning and Connection to EU Energy Market
- Ensuring independence of the national energy regulator

Environment and Climate Change (Chapter 10 Joint Analysis)

- *Water and Sanitation:* Supporting Moldova in the process of meeting the objectives of MD's National Water Supply and Sanitation Strategy (2014-2028)
- *Waste Management:* Supporting Moldova in the process of meeting the objectives of MD's National Waste Management Strategy (2013-2027)
- *Climate Change:* Supporting Moldova to meet objectives of the chapters on environment and climate (chapter 16 & 17) of the Association Agreement with EU
- *Environmental Protection and DRR:* Reduction of environmental risks

4.4 Area of Intervention 4: Mobility and People to People contacts

The European donors presently active in this area include: Austria, the Czech Republic, Estonia, the EIB, the EU, France, Germany, Italy, Latvia, Liechtenstein, Lithuania, the Netherlands, Romania, Slovakia, Switzerland and the UK.

The overall objectives are to assist Moldova to continue to fulfil the benchmarks of the Visa Liberalisation Action Plan and the Mobility Partnership; ensure safe movement of people across borders; engage with, and create opportunities for, young people; ensure synergy between the needs of the labour market and the skills and qualifications offered by the education, vocational education and training systems; promote cultural diversity and inter-cultural exchange; and support research and innovation.

Population and Migration - *continued outward migration poses demographic challenges and skills shortages in the labour market.*

The Labour market faces challenges in terms of matching demand and supply. Strong economic growth and new market related opportunities are not being sufficiently capitalised on, as the growth is often 'jobless' or even growth with shrinking employment opportunities and/or low level of decent and declared jobs 'creation. Official unemployment was at 4.2 % of the active population in 2016 and continues to decrease (4.9% in 2015) but at the same time the employment rate is low by European standards. The Labour force survey 2016 estimates undeclared work to be most common in Agriculture (40,8%) and trade activities (23,2%). Those trends seem to be difficult to reverse because of the labour migration which stays high. This has resulted in something of a vicious cycle, with remittances softening the blow of the government's inability to translate growth into livelihoods. Remittances fell by 27% in 2015 but levelled off in 2016 – still accounting for up to one quarter of total GDP. The problem is that as the trend continues, Moldova's population, as well as its productive capacity, is hollowing out, with an accordant impact on national revenue. An urgent national priority is thus the attraction of investment and the creation of high quality jobs.

Visa liberalisation – *offers real opportunities for study, tourism and business*

An Action Plan on visa liberalisation was adopted by the European Council and presented to the Moldova's Government in January 2011. The Government subsequently approved an internal agenda for the implementation of the Action Plan and achieved the benchmarks for Phase 1. The European Commission recommended that permission be given to proceed to the implementation of Phase 2 in June 2012. The implementation of Phase 2 was completed successfully in November 2013, when the European Commission reported that all benchmarks had been achieved. From the 28th April 2014, citizens of Moldova were granted the right to enter and travel throughout the

European Union without visas⁷. The challenge for Moldova will be to sustain the benchmarks of the Visa Liberalization Action Plan and fulfil the requirements of the Mobility Partnership.

Education and Youth – development of human capital and providing opportunities for young people is fundamental

The development of human capital will be fundamental to the future development of the economy in Moldova. Providing sustainable employment opportunities and equipping young people with the necessary skills and education to fill the jobs created, is central to countering labour migration and re-establishing social cohesion. Engaging young people in all spheres of society, (political, economic, cultural and social), is essential for the renewal and growth of Moldova.

Investing in formal and informal education and training is the basis for the development of vibrant, modern labour market. At present there is a substantial mismatch between the skills demanded in the labour market and educational throughput. If synergies are to be achieved, greater support will be required to strengthen labour market institutions, improve the quality of labour market data and forecasting and engage employers more directly in the development of curricula and the implementation of training programmes. Moreover, the vocational education and training system in Moldova needs to be more closely aligned with the needs of the labour market through the introduction of work-based learning, apprenticeships, life-long learning, adult and continuing education, the validation of non-formal and informal learning and strengthening of counselling services. These initiatives will need to be underpinned by active labour market measures married to social safety nets, in order to facilitate reintegration of job seekers into the labour market. Specific attention will also need to be paid to social inclusion, ensuring equitable access to the labour market for socially disadvantaged and marginalised groups.

Culture and Media

Culture is the foundation stone of social cohesion and intercultural exchange is the basis of inter-regional co-operation, stability and security. The EU and its Member States celebrate cultural diversity and intercultural dialogue and are investing in the restoration of buildings, the development of the creative industries and peer-to-peer exchange.

In addition to this, assisting the development of independent media outlets and regulatory framework of the audiovisual market according to the EU standards is necessary, for the benefit of the citizens of Moldova.

Research and Innovation

The EU Member States have learned that joint co-operation in research and development is not only cost-effective, but is an important stimulus for the development of innovative products and services.

⁷ This also includes non-EU members of Schengen (Iceland, Liechtenstein, Norway and Switzerland) but excludes UK and Ireland

Innovation is the bedrock of competitiveness in the global economy. If Moldova is to develop higher-value-added products and services, it will need to participate in joint Research and Development (R&D) activities with EU Member States and regional partners and quickly assimilate the results into the economy. In this respect it is important to increase synergies between research, innovation and the public and private sectors.

In this context, the European donors are currently targeting their interventions at the following:

Justice and home affairs (Chapter 5 Joint Analysis)

Sub-Sector Migration and Asylum (border management)

- Enhanced Migration Management
- Enhanced Border Management

Mobility

- Continued fulfilment of the benchmarks of the Visa Liberalisation Action Plan and the Mobility Partnership;
- Continued support to the development of Integrated Border Management, the work of EUBAM and the construction/reconstruction of Border Crossing Points.

Youth

- Initiatives to engage Moldova's youth in "people-to-people" activities within the EU and the neighbourhood;
- Targeted support to promote youth leadership, entrepreneurship and employability.

Employment and Education

- Improved Labour Market Governance
- Moldova's VET (Vocational Education and Training) system has higher relevance and is more attractive
- Moldova's VET system ensures equal opportunities for all learners
- Create adequate normative and institutional framework to encourage demand-driven VET, with a focus on dual VET

Culture and Media (Chapter 8 Joint Analysis)

- Fostering social cohesion through culture
- Creating an enabling environment for the development of cultural and creative sectors

Research and Innovation

- Development of R&D networks between Moldova, the EU and the neighbourhood;

- Elaboration of Research and Innovation policies designed to strengthen institutional capacity, build a supportive infrastructure and foster public/private research and industry partnerships

4.5 Cross-cutting issues

The European donors presently active in this area include: Austria, the Czech Republic, the EU, Poland, Slovakia, Sweden, Switzerland.

Civil Society - Legal constraints and poor institutional capacity impeding CSO development in the Republic of Moldova

The context of civil society organisations (CSOs) in Moldova is fragile. CSOs have an important role to play in policy development and monitoring as well as providing services to citizens. For the time being, foreign donors are the main source of income for CSOs in Moldova. Hence it is important to focus the attention on the improvement of the legislative framework which will enable local CSOs to access domestic funds through different mechanisms. Poor capacity is also hindering CSO development as there is lack of basic project management skills such as financial management, planning strategies and priorities, writing reports or fundraising. Moreover there is no overall vision, framework or action plan regarding capacity building at the national, regional and local levels. CSOs often deplore bureaucratic obstacles to their operations.

The civil society landscape in Moldova comprises a large number of formally constituted and registered urban-based organisations (10,296 in 2016) with limited financial and human resources and very low levels of activity. Approximately 80%-90% of them are financed by ODA. CSOs in Moldova face a number of challenges: They have little formal access to policy dialogue, limited financial capacities and citizens' trust in CSOs remains low. Only 24.2% of Moldova's citizens expressed 'some trust' or 'very much trust' in non-governmental organisations.

Within the framework of the European Neighbourhood Policy, two civil society platforms have been established to monitor the implementation of the Association Agreement: Moldova's National Platform for the Eastern Partnership Civil Society Forum (2011) and the EU-Moldova Civil Society Platform. The latter comprises nine CSOs, including trade unions and environmental organisations. The EU Delegation to Moldova has elaborated an *EU Country Road Map for engagement with Civil Society 2014-2017*, in order to guide its support to the strengthening of civil society's capacity to contribute to policy formulation and monitoring and service delivery at national and local levels. The Road Map is presently being updated.

The EU and Member States will provide support to strengthen the institutional and human resource capacities of CSOs in Moldova and ensure that they are sustainable and capable of mobilising their own resources. They will assist CSOs in playing a prominent role in overseeing government policies, legislation and use of public funds, increasing the transparency and accountability of central and local administrations, monitoring the implementation of policies, programmes and projects, and delivering services to Moldova's citizens. CSOs will also be encouraged to support the development of community-based activities and local leaders. For further information see also Chapter 9 Joint Analysis.

Gender - Violence against women and access to labour market remain major challenges

The legal framework for equality between women and men is fairly well developed in Moldova and Moldova scored 1.01 on the Gender Development Index (2016 HDI Report). However, although gender mainstreaming in public policies exists 'on paper' it is weak at implementation level. Impact of policies on gender equality is often overlooked by the authorities. Political will in promoting gender equality reforms is limited. Although Moldova performs well in some areas of gender equality, such as education, disparities persist in the health and employment areas. Women continue to face significant challenges in accessing decent work opportunities, equal remuneration, representation in the public, political and private sector decision-making levels. Violence against women is persisting and is of high prevalence. Several laws within the legal framework for gender equality in Moldova require amendments to meet European standards on non-discrimination.

In October 2015, the Gender Action Plan II (GAP II) was adopted by the European Commission and European External Action Service and endorsed by the Foreign Affairs Development Council. Its aim is to provide the framework during the period 2016-2020 for a common EU approach to gender equality in the EU's external relations. The objectives of GAP II are to ensure the physical and psychological well-being of women and girls and promote their economic and social rights; and to empower girls and women and strengthen their voice and participation in public affairs.

In September 2016, the EU Delegation prepared a gender analysis report outlining the gender situation in Moldova, the legal and institutional framework, gaps in legislation and policies. Together with Sweden and Austria, the EU Delegation developed a Gender Action Plan with the following thematic objectives:

- Girls and women are free from all forms of violence against them (VAWG) both in the public and in the private sphere;
- Equal access for girls and women to all levels of quality education and vocational education and training (VET) free from discrimination;
- Equal access by women to financial services, productive resources including land, trade and entrepreneurship;
- Equal access and control over clean water, energy, transport infrastructure, and equitable engagement in their management, enjoyed by girls and women;
- Equal rights and ability for women to participate in policy and governance processes at all levels.

These objectives are linked to projects that have a gender component within them. From 2017 onwards, progress will be monitored on an annual basis. For further information see also baseline study in the Joint Analysis.

Communication – raising citizens' awareness of EU values, policies and assistance is key

In February 2016, the European Council in its Conclusions stated that: *Effective, strategic communication, including in cooperation with civil society and independent media, on the reforms achieved and to be undertaken in the framework of the Association Agreement including its Deep and Comprehensive Free Trade Area, is of key importance to raise awareness among the citizens of the Republic of Moldova about benefits expected from political association and economic integration with the European Union*⁸. Currently communication of EU and Member State policies and co-operation programmes is rather diffuse and fragmented. It tends to be done through projects, which communicate their results and actions individually, often using traditional approaches, different messages, and simply targeting their immediate beneficiaries rather than the general public. There is a need to channel EU and Member State communication in a more strategic direction, with a greater focus on dialogue with the public, in order to draw attention to the tangible and immediate impact of EU and Member State support upon their daily lives, to highlight the contribution made by the EU and Member States to the reform processes, and to emphasise the value-added that closer political and economic integration with the EU will bring to Moldova.

⁸ <http://www.consilium.europa.eu/en/press/press-releases/2016/02/15-fac-moldova-conclusions/>

ANNEX 1: Overview of European Donors' main areas of intervention

Economic development and market opportunities including sustainable and inclusive economic growth, social protection and health		Strengthening institutions and good governance including the Rule of Law and Security		Connectivity, energy efficiency, environment and climate change		Mobility and people-to-people contacts including support to the Visa Liberalisation benchmarks and to education, training and research		Cross cutting issues including strengthening civil society, promoting human rights and gender equality and to improve strategic communication, including the one with citizens	
<u>Economic Development</u> <i>(Chapter 3 Joint Analysis)</i>	EU, Germany, Sweden	<u>Justice and home affairs (Chapter 5 Joint Analysis)</u>	Estonia, EU, France, Hungary, Latvia, Netherlands, Romania, Sweden, UK	<u>Transport (Chapter 11 Joint Analysis)</u>	EIB, EU, Romania	<u>Visa Liberalisation</u>	Estonia, EU, France, Hungary, Latvia, Netherlands, Sweden, Romania, UK	<u>Civil Society (Chapter 9 Joint Analysis)</u>	Austria, Czech Republic, EU, Finland, Germany, Slovakia, Switzerland, Romania, Poland, Sweden, UK
<u>Agriculture, food safety and rural development</u> <i>(Chapter 12 Joint Analysis)</i>	Austria, Czech Republic, EU, Latvia, Lithuania, Poland, Romania,	<u>Democratic Governance and Public Administration (Chapters 1 & 4 Joint Analysis)</u>	Austria, Czech Republic, Estonia, EU, Germany, Latvia, Lithuania, Netherlands, Poland, Romania, Switzerland	<u>Energy (Chapter 11 Joint Analysis)</u>	EIB, EU, Romania, Sweden	<u>Migration and Asylum (border management)</u>	Austria, Czech Republic, EU, Italy, Romania	<u>Gender</u>	Austria, EU, Lithuania, Sweden, Czech Republic
						<u>Mobility</u>	France, EU, Romania		
<u>Social Protection and Health</u> <i>(Chapter 6 Joint Analysis)</i>	Austria, Czech Republic, EIB, EU, Germany, Switzerland	<u>Economic Governance (Chapter 2 Joint Analysis)</u>	Austria, EU, Netherlands, Slovakia, UK	<u>Environment and Climate Change (Chapter 10 Joint Analysis)</u>	Austria, Czech Republic, EIB, EU, Germany, Slovakia, Switzerland, Sweden, Romania	<u>Youth</u>	EU	<u>Communication</u>	EU <i>The most active EUMS working to improve communication:</i> UK, Sweden, Germany
						<u>Employment and Education (Chapter 7 Joint Analysis)</u>	Austria, EU, Germany, Lichtenstein, Romania, Switzerland		
						<u>Culture and Media (Chapter 8 Joint Analysis)</u>	Czech Republic, France, EU, Romania, Switzerland, UK		
						<u>Research and Innovation</u>	EU		