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Commission Opinion on the Republic of Moldova's application for membership of the European Union

A. INTRODUCTION

In the past two years, the Republic of Moldova (hereinafter Moldova) has taken a decisive step towards reforms, with a clear mandate from its citizens. Following the 2020 presidential and 2021 parliamentary elections, there is a clear alignment of the presidential, executive and legislative powers on a pro-reform, anti-corruption European path for the first time since independence. This follows a period where the independence of key institutions was seriously compromised.

The Russian war of aggression against Ukraine is having serious effects on Moldova. In a real spirit of solidarity and upholding European values, Moldova is actively supporting those fleeing Ukraine, hosting the highest number of refugees *per capita*. Despite this challenge, the Moldovan government is strongly committed to delivering on its clear reform goals – notably as regards judicial reform, public administration reform and the modernisation of the economy – to benefit the people of Moldova. Recent Eurobarometer survey results show increased support for EU integration and that the EU is the most trusted foreign organisation.

a) Application for membership

On 3 March 2022, the Republic of Moldova presented its application for membership of the European Union. The application was tabled in the context of Russia's war of aggression against Ukraine. On 7 March, the Council of the European Union invited the Commission to submit its Opinion on the application. EU Heads of State and Government endorsed this decision at the informal leaders' meeting in Versailles[1]. Moldova received questionnaires on 11 April 2022 (on the political and economic criteria) and on 19 April (on the EU *acquis* chapters) and provided its replies on 22 April and on 12 May, respectively.

Article 49 of the Treaty on European Union states that *'Any European State which respects the values referred to in Article 2 and is committed to promoting them may apply to become a member of the Union. The European Parliament and national Parliaments shall be notified of this application. The applicant State shall address its application to the Council, which shall act unanimously after consulting the Commission and after receiving the consent of the European Parliament, which shall act by a majority of its component members. The conditions of eligibility agreed upon by the European Council shall be taken into account'.*

Article 2 of the Treaty on European Union states that *'the Union is founded on the values of respect for human dignity, freedom, democracy, equality, the rule of law and respect for human rights, including the rights of persons belonging to minorities. These values are common to the Member States in a society in which pluralism, non-discrimination, tolerance, justice, solidarity and equality between women and men prevail'.*

This is the legal framework within which the Commission submits the present Opinion.

In June 1993, in Copenhagen, the European Council concluded that:

'Accession will take place as soon as a country is able to assume the obligations of membership by satisfying the economic and political conditions required.
Membership requires:

- *that the candidate country has achieved stability of institutions guaranteeing democracy, the rule of law, human rights and respect for and protection of minorities;*

[1] 20220311-versailles-declaration-en.pdf (europa.eu)

- *the existence of a functioning market economy, as well as the capacity to cope with competitive pressure and market forces within the Union;*
- *the ability to take on the obligations of membership including adherence to the aims of political, economic and monetary union'.*

In December 1995, in Madrid, the European Council referred to the need *'to create the conditions for the gradual, harmonious integration of [the applicant] countries, particularly through the development of the market economy, the adjustment of their administrative structures and the creation of a stable economic and monetary environment'.*

In December 2006, the European Council agreed that *'the enlargement strategy based on consolidation, conditionality and communication, combined with the EU's capacity to integrate new members, forms the basis for a renewed consensus on enlargement'.*

In this Opinion, the Commission assesses Moldova's application on the basis of its capacity to meet the criteria set by the European Council in Copenhagen in 1993, as well as in Madrid in 1995, notably regarding the country's administrative capacity. The Opinion also takes into account Moldova's efforts in implementing its obligations under the Association Agreement (AA) including a Deep and Comprehensive Free Trade Area (DCFTA). The Commission will assess the impact of Moldova's accession on the EU policy areas at a later stage.

b) Relations between the European Union and Moldova

EU-Moldova relations date back to the independence of Moldova in August 1991. In November 1994 a Partnership and Cooperation Agreement was signed which entered into force in July 1998. Political and economic cooperation was enhanced with the beginning of negotiations on an Association Agreement in 2010.

The Association Agreement, including a Deep and Comprehensive Free Trade Area, was signed in June 2014[2] and fully entered into force on 1 July 2016. This agreement is the key bilateral legal instrument serving as the basis for deepening political ties, stronger economic linkages, promotion of common values and enhanced cooperation in areas of mutual interest. In its preamble, the EU acknowledged the European aspirations and European choice of Moldova, including its commitment to building a deep and sustainable democracy and a market economy. Based on the AA/DCFTA, Moldova has carried out a number of challenging reforms and successfully aligned its legislation with the EU in many areas. The EU-Moldova Civil Society Platform (CSP) is one of the bodies set up under the Association Agreement. It enables civil society organisations on both sides to monitor the implementation process and prepare recommendations to the relevant authorities.

The subsequent Association Agendas agreed between the EU and Moldova establish clear priorities in order to implement the Association Agreement and its DCFTA. Adoption of the Association Agenda (2021-27), which focuses on democracy, human rights and good governance; freedom, security and justice; and economic, trade and sectoral cooperation, is imminent.

The EU remains fully committed to support a comprehensive, peaceful and sustainable settlement of the Transnistrian conflict, based on the sovereignty and territorial integrity of the Republic of Moldova in its internationally recognised borders, with a special status for Transnistria.

[2] https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:22014A0830(01)&from=EN

The EU's commitment to supporting Moldova is long-standing and has delivered results. The EU provides significant financial assistance, which over the years 2014-2021 amounted to EUR 512 million in grants under the European Neighbourhood Instrument, and EUR 160 million under the Macro-Financial Assistance programme in the form of loans and grants to support socio-economic development. The EU provides its support through policy development and comprehensive reforms, with strong involvement from Member States in a Team Europe spirit. Among the key programmes are support for pre-vetting of judges and prosecutors, support to increase Moldova's energy security, and a team of High Level Advisers to the Moldovan government in areas of particular importance.

EUR 7 million from the European Peace Facility have been allocated in 2021- to strengthen the capacities of the military medical service and engineering battalion.

Since the energy crisis in autumn 2021, threatening security of supply and tripling energy prices, and the beginning of Russia's war of aggression against Ukraine, the EU has stepped up its support for Moldova's overall economic, social and financial resilience, with emergency macro-financial assistance worth EUR 150 million and EUR 60 million in budget support in response to the energy crisis. The EU provided humanitarian assistance to help Moldova to face the flow of refugees from Ukraine. The Economic and Investment Plan for the Eastern Partnership[3] seeks to unlock EUR 3.4 billion in public and private investments for economic development of the country, including tailored flagship investments.

The EU and other financial institutions work hand in hand to assist Moldova. Since 2014, the European Investment Bank and the European Bank for Reconstruction and Development have allocated EUR 425 million and EUR 777 million respectively in loans. The EU is also working in close cooperation with the World Bank and the International Monetary Fund, which have been key partners supporting Moldovan reform efforts since 2014.

Citizens of Moldova benefit from visa-free travel to the Schengen area since April 2014. A Readmission Agreement entered into force in January 2018.

Moldova is a contracting Party to the Energy Community Treaty and the Agreement on the Common Aviation Area, and a member of the Central European Free Trade Agreement, all of which assist in approximating Moldovan legislation to EU *acquis*. Moldova is a member of the United Nations, the Council of Europe, and the Organization for Security and Co-operation in Europe (OSCE).

Since 2014, Moldova has progressively extended its participation in EU programmes. It currently takes part in Horizon Europe, and organisations and individuals from Moldova can also benefit from certain actions of the Erasmus+ and European Solidarity Corps Programmes. There are regular Ministerial level dialogues between Moldova and the EU on Trade, Energy and Security. Moldova participates in several Interreg programmes and is a member of the EU macro-regional Strategy for the Danube region.

Moldova has concluded working arrangements, cooperation agreements or memoranda of understanding with a number of EU agencies such as the European Border and Coast Guard Agency (Frontex); the European Union Aviation Safety Agency (EASA); the European Union Agency for Railways (ERA), the European Union Agency for Criminal Justice Cooperation (EUROJUST); the European Fisheries Control Agency (EFCA), the European Agency for Safety and Health at Work (EU-OSHA), the European Environment Agency (EEA), the European Food Safety Authority (EFSA), the European Centre for Disease Prevention and

[3] SWD(2021) 186 final

Control (ECDC), the European Union Agency for Law Enforcement Training (CEPOL), the European Training Foundation (ETF), the European Monitoring Centre for Drugs and Drug Addiction (EMCDDA), the European Union Intellectual Property Office (EUIPO), the European Police Office (Europol), and the European Maritime Safety Agency (EMSA).

Moldova is a participant in the Eastern Partnership (EaP). The EaP is based on the principle of inclusivity and differentiation. Russia's war in Ukraine has shown that multilateral cooperation and cohesion is now more important than ever, as is strengthening the resilience of the region. A focus on bilateral relations will also be important going forward, to allow Moldova to implement key reforms including in the field of governance, justice and rule of law.

B. CRITERIA FOR MEMBERSHIP

1. POLITICAL CRITERIA

This assessment is based on the Copenhagen criteria relating to the stability of institutions guaranteeing democracy, the rule of law, human rights and respect for and protection of minorities.

1.1. Democracy

As established by its Constitution, Moldova is a **parliamentary democracy:** legislative powers are exercised by the parliament and executive powers by the government. The **President of the Republic** has a mostly representative function but holds formal responsibility for foreign policy and provides civilian oversight of the armed forces. Executive power is exercised by the Government, consisting of a Prime Minister and 15 ministers.

The **Constitution** guarantees the fundamental principles of a democratic state, including the rule of law, free elections and the protection of human rights. The Constitution enshrines the principle of primacy of international law over domestic law. The **Constitutional Court** was recomposed in 2019 and is now independent. The Supreme Court is the highest court of general jurisdiction, while the Constitutional Court exercises constitutional jurisdiction.

The **Parliament** is the sole body of legislative power adopting legislation, including amendments to the Constitution, and exercises democratic control and oversight over the executive. The Parliament's oversight function and control over the government and its scrutiny of legislative development (including monitoring the implementation of legislation) are limited by the capacity of parliamentary institutions. More must be done to ensure the transparency of funding of political parties.

The Constitution gives citizens the ability to choose their government in free and fair periodic elections held by secret ballot and based on universal and equal suffrage. While the latest rounds of parliamentary **elections** in July 2021 were, according to the Office for Democratic Institutions and Human Rights (ODIHR), well administered and competitive and fundamental freedoms were largely respected, several further recommendations by ODIHR remain to be addressed in areas such as effective campaign finance oversight, political bias of news outlets and the impartiality of the Central Election Committee.

The use of urgent procedures to pass legislation, including in areas relevant to the EU *acquis*, has fallen considerably over the past four years. Comprehensive impact assessments of proposed legislation are needed.

The Constitution guarantees freedom of assembly and association and a 2020 law on non-commercial organisations simplifies registration and eliminates registration fees and restrictions on membership. A Strategy and Action Plan for **Civil Society** Development are in place. Civil society organisations have the capacity to be important partners in the country's development. Setting up a systematic public consultation procedure would enable them to make a more meaningful contribution to the reform process.

1.2. Public administration reform

Moldova's **strategic framework for public administration reform** (PAR) is based on the 2016-2020 PAR strategy (extended to 2022). The legal framework and the civil service system are mostly in line with European public administration principles and European standards and practices. The PAR strategy aims to guarantee quality, stability, neutrality and continuity of public administration and to ensure transparent merit-based recruitment, promotion and dismissal procedures. A new PAR strategy is in development. Further efforts are needed to ensure adequate administrative capacity to develop, implement and enforce legislation.

On **service delivery**, the government's Action Plan for 2021-2022 contains key objectives, result/outcome indicators and priority actions in the field of good governance and digital transformation policy, dedicated to modernising public administrative services, increasing the quality and accessibility of public services provided to citizens and businesses, and extending and improving electronic services provided to citizens and entrepreneurs. A more citizen-oriented administration is a key government priority and a common strategic vision for digitalisation and e-Government has been developed.

The Government remains committed to the implementation of the **Public Finance Management** (PFM) Strategy (2013-2020), which has been extended to the end of 2022. The authorities have made some progress on PFM reforms. The Ministry of Finance has continued to improve the medium-term budgetary framework process and transparency and strengthened the regulatory framework for financial management and internal control. The legislature and supreme audit institution provide oversight of the budget process. The Government is working to make further improvements in a number of areas, including transparency, public investment planning and execution, accounting standards, internal control and audit, governance of state-owned enterprises, public procurement and e-procurement, and involving civil society in the budgetary processes. The preparation and implementation of a new PFM strategy is expected following the next Public Expenditure and Financial Accountability (PEFA) assessment.

With respect to **multi-level governance**, the decentralisation process has been evolving since 2012. The revised roadmap for local and regional democracy is expected to give new impetus to this process. Against this background, territorial reform needs to empower local authorities with sustainable finances that deliver services to citizens. In December 1994, the Parliament of the Republic of Moldova adopted the "Law on the Special Legal Status of Gagauzia", establishing Gagauzia as an autonomous territorial unit of Moldova.

Improving the **public service and human resources management** has not yet achieved the desired impact of building a professional and merit-based civil service, due to political instability and lack of political will impacting reforms. Attracting and retaining professional

civil servants is an ongoing challenge, and crucial to build administrative capacity to fulfil the functions of the state and deliver quality services. Moldova is working on a civil service salary reform to make public service more attractive.

The institutions and the legal framework for **policy development and coordination** are in place. Quality of policy making needs to be further improved through proper processes and implementation of the law. Strengthened coordination should focus more on substance and less on formal, procedural issues, and the use of inclusive and evidence-based policy and legislative development strengthened, including public and inter-ministerial consultations on legislative proposals.

In order to ensure coherent **accountability** lines and governance, there is a need to update the legal framework, and to focus on proper implementation, with clear structures that define supervisory and subordinated bodies. The government supports reform of managerial accountability and a systematic delegation of responsibilities. Civil society organisations continue to call for increased transparency in decision-making in parliament and other public authorities.

1.3. Rule of law

Since the 2014 banking fraud Moldova has undertaken a major overhaul of both its justice and anticorruption systems. In recent years, Moldova has strengthened the rule of law, including police reform and steps towards reforming the judiciary. More needs to be done to address the influence of vested interests in both the political and commercial spheres.

a) Judiciary

Since 2009, Moldova has undergone a series of judicial reforms aimed at strengthening the independence, efficiency, and effectiveness of the judiciary. Justice reforms are a priority for the current government. Moldova has recently adopted a comprehensive Strategy for Ensuring the Independence and Integrity of the Justice Sector 2022-2025 and a corresponding Action Plan. The constitutional and legal framework for the judiciary is largely in line with European standards. Law enforcement and judicial structures have been consolidated.

The Superior Council of Magistracy (the High Judicial Council) and the Superior Council of Prosecutors (the High Prosecutorial Council) are responsible for the self-government of the judiciary. The constitutional and legislative framework in principle guarantee the independence of the judiciary and its impartiality. In practice, the integrity, independence and accountability of the judiciary need to be significantly improved.

Constitutional amendments regarding the functioning of the judiciary entered into force in April 2022. The amendments significantly improve the legal framework concerning the independence, accountability, and efficiency of the judiciary and judicial administration, in accordance with recommendations from the Council of Europe. In particular, the amendments bring the composition of the Superior Council of Magistracy in line with European standards by excluding *ex-officio* membership and revising the appointment process of Superior Council of Magistracy lay members. This strengthens the role of the President in the appointment of judges, regulating the functional immunity of judges at the constitutional level, and changing the appointment procedure of judges of the Supreme Court of Justice to reduce the risk of politicisation.

In March 2022, the law on pre-vetting of candidates to judicial and prosecutorial councils was adopted. The law foresees an assessment of the integrity of future members of the Superior Council of Magistracy, of the Superior Council of Prosecutors and their specialised bodies by

an Evaluation Committee composed of three national and three international members. This aims to increase the integrity of the self-administration bodies of judges and prosecutors, as well as enhance the confidence of society in their activity and the justice system as a whole. Recommendations of the Venice Commission were mainly implemented. The Evaluation Committee is set to complete the first stage of evaluation by July 2022.

Codes of ethics for judges and prosecutors are in place, as well as an integrated case management system with automated allocation of cases. The appointment of judges and prosecutors is still not entirely based on objective criteria. Undue internal and external interference on the judiciary needs to be tackled. Vacancies in the Superior Council of Magistracy, and in its specialised bodies, have not been filled by the General Assembly of Judges, leaving the Superior Council of Magistracy without the necessary quorum to appoint new judges for two years. The reform of this institution is ongoing and is a political priority. The number of judges (16.4) per 100 000 inhabitants is lower than the European average (21) and the number of prosecutors (24.2) is double the European average (12).

In terms of efficiency, disposition time in civil and commercial litigious cases increased to 171 days in 2020, compared to 143 days in 2018. The clearance rate decreased to 97 % (107 % in 2018). The disposition time remains a major concern. The backlog for pending court cases amounts to 22 299 and 3 330 cases for the first and second instances, respectively[4].. The 2020 budget for the judiciary system is 0.40 % of GDP, which is less than 2018 (0.48 % of GDP). In 2020, EUR 21.3 million was allocated to courts and EUR 17.4 million to the prosecutors' office. The budget is insufficient to cover training and investment needs, since 85 % is spent on salaries and compensation.

The full functional independence of the Prosecution Service needs to be strengthened, as well as the efficiency of the General Prosecutors Office. Decisions affecting management and leadership of the Moldovan Prosecution Service are at times politically motivated, such as the removal, (temporary) replacement and arrest of the Anti-corruption Prosecutor in 2021.

b) Fight against corruption

Combating and preventing corruption is high on the reform agenda of the Moldovan government. Moldova has increased the annual budget of its anti-corruption institutions including the National Integrity Authority, the Criminal Asset Recovery Agency and the Financial Investigation Unit. Corruption remains a serious concern that requires continued attention as it imposes significant costs on the state budget, businesses and the population, discourages domestic and foreign investment and undermines the rule of law.

The main **policy document** for preventing corruption and increasing integrity is the National Integrity and Anti-Corruption Strategy for 2017-2023. The Strategy includes actions regarding recovery of criminal assets, protecting whistle-blowers, strengthening ethics and integrity in the public, private and non-governmental sectors, ensuring transparency of public institutions and of political party financing and media.

Moldova is a party to all key international anti-corruption conventions, including the Council of Europe's Group of States against Corruption (GRECO) and the United Nations Convention against Corruption (UNCAC). A comprehensive **legal framework** on both preventing and combatting corruption, largely complying with European and international standards, is in place and partly implemented. All forms of corruption are criminalised, including illicit enrichment, and the laws regulate conflict of interests and protect whistle-blowers.

[4] As reported by the Council of Europe European Commission for the Efficiency of Justice.

Specialised **anti-corruption institutions** have been established and are operating – the National Anticorruption Centre (NAC), with the Criminal Asset Recovery Agency (CARA) as an autonomous subdivision, the Anti-corruption Prosecutor Office (APO) and the National Integrity Agency (NIA). These institutions have comprehensive mandates in line with international standards and increasingly operate independently, with interagency co-ordination and required resources partly in place. Further efforts are needed to clarify the mandates of these institutions and strengthen the effectiveness of the National Anticorruption Centre and the National Integrity Agency.

Progress is needed to bring corruption cases to court and prosecute them effectively. The investigation of petty corruption cases remains within the competences of National Anticorruption Centre and Anti-corruption Prosecutor Office. This means that it has not been possible for these institutions to focus on high-level corruption cases. More needs to be done to effectively verify asset declarations and secure asset recovery. Some recommendations from international and regional anti-corruption monitoring mechanisms, including from the Council of Europe's Group of States against Corruption (GRECO), are outstanding. On the preventive side, the National Integrity Agency is responsible for verifying declared assets submitted by persons holding public positions and applying the legal regime relating to conflicts of interest. The National Anticorruption Centre has been corruption-proofing draft legislation since 2017, with around 50% of recommendations accepted (mostly related to ambiguities or gaps in drafting or administrative procedures).

There has been little progress in investigating the 2014 banking fraud and bringing those responsible to justice. Efforts against bank fraud should be strengthened by updating the criminal asset recovery strategy and setting up a new asset recovery mechanism.

c) Organised crime

Moldova has signed and ratified the United Nations Convention against Transnational Organised Crime, as well as its protocols on Trafficking in Persons and on Smuggling of Migrants. The Criminal Procedure Code outlines investigative and criminal pursuit activities. Moldova concluded a working arrangement with the European Union Agency for Law Enforcement Training (CEPOL), an operational and strategic agreement with the European Union's law enforcement Agency (Europol) and a Memorandum of Understanding with the European Monitoring Centre for Drugs and Drug Addiction (EMCDDA). Moldova participates in the European Multidisciplinary Platform Against Criminal Threats (EMPACT). The country is a member of Interpol.

Anti-money laundering legislation partially reflects the Financial Action Task Force (FATF) standards and relevant international legislation, but there are still outstanding recommendations from MONEYVAL. Putting in place a comprehensive framework for the fight against financial crime and money laundering, and ensuring its effective implementation, are crucial to address the significant risks they pose.

Moldova is located at an important crossroads for smuggling of persons and illegal goods(including drugs and arms) to the EU. Moldova is a source, transit and destination for trafficking in human beings, in particular for sexual exploitation and forced labour, although there have been few convictions of perpetrators. The General Police Inspectorate tackles organised crime, however conviction rates for organised crime are not available. The Inspectorate has one central and two regional departments (National Investigation Inspectorates) responsible for the entire spectrum.

In many cases, further significant efforts to investigate wider organised crime networks are needed.

1.4. Fundamental rights

a) International framework

Moldova has ratified the main international human rights instruments, including the Council of Europe Convention on preventing and combating violence against women and domestic violence (Istanbul Convention), the European Charter for Regional or Minority Languages, the European Convention on the Exercise of Children's Rights, and the European Convention on Human Rights (although it has not ratified the Additional Protocol no. 12). The country has ratified the UN Convention on the Rights of the Child and two of the Optional Protocols but not the third (on a communications procedure), or the Optional Protocol to the UN Convention on the Rights of Persons with Disabilities.

b) Legal and institutional setup

The legal and institutional framework regulating fundamental rights is in place and laws generally follow European and international standards. The capacity of the institutions in charge of protection and enforcement of human rights and the implementation of existing strategies and action plans remains limited and impedes the effective enforcement of human rights. In particular, the National Council to prevent discrimination and ensure equality is seriously understaffed.

Moldova adopted a new Human Rights and Democracy Strategy for 2021-2024. Key priorities are gender equality/women's rights, respect for human rights in the criminal justice system, guaranteeing the integrity of electoral processes, and supporting independent media, access to information, and the fight against disinformation.

The National Prevention Mechanism consists of seven members, including the Ombudsperson, the Ombudsperson for children and five persons proposed by civil society. The Ombudsperson institution – the People's Advocate – is designated as the National Human Rights Institution and accredited with "A" status by Global Alliance of National Human Rights Institutions as largely complying with the Paris Principles. Its financial and functional independence should be strengthened and its role in the context of Moldova's Council for the Prevention of Torture clarified.

c) Key fundamental rights issues

The country has 18 judgements of the European Court of Human Rights under enhanced supervision procedure pending their enforcement. These include ill-treatment by state agents, illegal deprivation of liberty, violations of the right to a fair trial, authorities' failure to provide protection from domestic violence and discrimination on grounds of sexual orientation.

More needs to be done concerning the **right to fair trial and the adequate investigation and prosecutions of acts of ill treatment**. People deprived of their liberty do not enjoy all the fundamental legal safeguards from the outset of their detention. The inadequate investigation of alleged cases of ill-treatment leads to a sentiment of impunity. Conditions in places of **detention and pre-trial detention** remain below international standards, notably due to overcrowding of prison facilities, lack of effective medical service or use of lengthy solitary confinement as a disciplinary measure.

The legislation on access to information and **freedom of expression** is largely in line with international standards, but more needs to be done to ensure the full implementation of the

law. **Media** can generally report freely. To guarantee media pluralism, the **concentration** of media ownership and non-transparent media financing need to be tackled. Further efforts are also needed to ensure access to information of public interest, safeguard the independence of journalists and quality of media content (and disinformation), along with addressing the increasing cases of verbal assault, intimidation and harassment of journalists.

The equality principle is enshrined in the Constitution. The Criminal Code guarantees protection against **discrimination and hate crimes**. The Equality Council does not have an adequate mandate within existing equality legislation. In April 2022, the parliament adopted amendments to the Criminal Code and the Contravention Code to enhance the state's response to hate crimes. Long-pending legislation on hate crime has been recently adopted leading to a widening of the scope of protected grounds and thus to the strengthening of the legal framework to prosecute and punish bias-motivated crimes. More needs to be done to tackle hate speech and discrimination based on sexual orientation and gender identity, as well as **gender-based violence.**

Regarding **equality of women** in the labour market, the legal framework no longer prohibits access to certain professions but women continue to face *de facto* obstacles and age-based discrimination. Moldova's gender pay-gap persists with women overall earning 14.1% less than men on average in 2019 (the same as the EU average), and 39.6% of parliamentarians elected in 2021 are women (above the EU average). More needs to be done to protect the rights of lesbian, gay, bisexual, transgender, intersex or queer (**LGBTIQ**) persons. The law prohibits employment discrimination based on sexual orientation, but societal discrimination continues. The process of de-institutionalisation of **children** has much advanced over recent years. More needs to be done regarding infant mortality, child labour, including links to trafficking and sexual exploitation, and the particular situation of Roma children and children left behind by their parents. The number of babies and children with disabilities in institutional care facilities is a concern.

2. ECONOMIC CRITERIA

This assessment is made on the basis of the Copenhagen criteria related to the existence of a functioning market economy, as well as the capacity to cope with the competitive pressure and market forces within the Union.

2.1. Functioning market economy

Moldova is a small open economy with a Gross Domestic Product (GDP) *per capita* in terms of purchasing power parity (PPP) of around 30% of the EU average in 2020, up from 25% in 2013. Overall, Moldova demonstrates a satisfactory track record in carrying out broadly sound macroeconomic policies. However, the lack of political will and frequent changes of government have sometimes made reform implementation uneven and delayed the transformation into a competitive market economy.

During the last decade, Moldova has been able to sustain economic growth at about 4.5% per year on average and weather several economic crises, including the pandemic. Public finances have been stable, with a low deficit, at about 1.5% of GDP on average over 2013-2020, and a sustainable debt level (about 32% of GDP in 2021, most of which is with International Financial Institutions on concessional terms). This reflects Moldova's efforts towards increased fiscal policy consolidation and improved public finance management, fostered by the 2013-2020 PFM Strategy.

Prior to the global inflationary pressures fuelled by Russia's war of aggression against neighbouring Ukraine, the National Bank of Moldova had been generally successful in keeping inflation within the target range set at 5% (+/- 1.5 percentage points), while the exchange rate regime of managed floating, supported a stable national currency. As a result of rapidly growing energy and food prices, surging inflation, at 22% by the end of Q1 2022, stands among the key challenges to Moldova's macroeconomic stability going forward, in addition to the cost of housing and the high inflow of war refugees. On the external side, imbalances have been relatively large, with the current account deficit at 7.3% of GDP on average during the past ten years, owing largely to a substantial trade deficit. The latter has been driven by strong domestic demand bolstered by large remittances, unfavourable terms of trade and a relatively weak export base. However, thanks to substantial support from international partners, Moldova was able to considerably build up its foreign exchange buffers. Moldova is also traditionally heavily dependent on the inflow of remittances, with the current war against Ukraine impacting negatively on revenues from Russia and the Commonwealth of Independent States (CIS) region.

The current government has inherited a legacy of corruption, vested interests and weak institutions responsible for rule of law, which hampers investment and productivity growth and continues to undermine the business climate. The government has therefore launched a reform of its justice system and is taking significant steps to tackle corruption, while ongoing regulatory reforms aim to reduce red-tape.

Moldova's State-Owned Enterprises (SOEs) sector remains large, comprising of about 900 companies, and still requiring government support. State influence remains important in key sectors of the economy, including in telecom, energy and transport. Overall, SOEs own assets worth about 26% of GDP and employ around 6% of the active labour force. The sector continues to suffer from a lack of adequate corporate governance practices, inefficiency and poor oversight. This further undermines private sector investment and economy-wide competitiveness and poses fiscal risks. Further reforms, especially, concerning better corporate governance, reorganisation, privatisation and liquidation of non-viable companies are needed and among the government priorities. In addition, informal sector remains relatively large, accounting for an estimated 27% of GDP in 2020. High levels of informality partly result from a heavy regulatory burden and imply not only substantial losses of budget revenues but also lower productivity.

Moldova's financial sector has undergone significant reforms, especially following a major bank fraud in 2014, amounting to the equivalent of 12% of GDP. Since then, the key systemic banks have been restructured, with the majority of shares sold to transparent international shareholders. At present, the banking sector seems well capitalised, with all banks meeting the capital adequacy ratio, and a substantial fall in the share of non-performing loans in recent years. Thanks to successful banking sector reforms, access to finance, in particular for small and medium sized enterprises (SMEs), has improved recently. However, financial intermediation remains low, with the share of loans extended to the private sector at 20% of GDP on average between 2017 and 2021. In addition, overall progress on the recovery of the stolen assets and legal proceedings as regards the 2014 bank fraud have been slow and non-transparent.

The labour market features significant structural weaknesses, as reflected by the very low employment rate of around 49% in 2020. This is partly due to the substantial share of informal employment, in particular in the agricultural sector and construction. There is also a mismatch between skills and job requirements. Although unemployment among university graduates remains, on average, lower than for those with only a secondary education degree,

some graduates continue to struggle with finding jobs matching their qualifications. Employment services and labour market programmes are hampered by limited funding, while the creation of good quality jobs is held back by insufficient private and foreign investment in higher value-added sectors.

2.2. Ability to cope with the competitive pressure and market forces of the EU

Moldova suffers from low skills level and match due to the low quality of education and a significant emigration of qualified workers. Although investment in education, has been relatively high at 5.7% of GDP during 2019-2022, Moldova scores below the OECD average according to the PISA results, ranking 51st out of 78 countries. Yet, it is still relatively better than other countries in the region, and with progress noted over the years. Vocational training has improved, with a new form of dual education being currently implemented to bridge the gap between education institutions and the private sector.

Moldova's physical infrastructure remains relatively underdeveloped, despite important support from international partners and significant investment by the government, albeit from a low starting point. Gross fixed capital formation accelerated in recent years and amounted to around 25% of GDP in 2020. At the same time, the total stock of FDI is low at about 25% of GDP, reflecting weaknesses in the business environment and continuing problems with corruption and property rights. The energy sector suffers from key structural weaknesses, uncovered following the gas crisis that began in October 2021. Moldova is fully dependent on the supply of gas from Russia and has no storage capacity on its territory, making it extremely vulnerable vis-à-vis the supplier. The electricity market suffers from similar issues, with little diversification of energy resources and underdeveloped infrastructure. Unbundling the energy utilities is therefore among the key priorities in the future, and Moldova is working closely with the EU to that effect.

The Moldovan economy is not very diversified and remains heavily reliant on the agricultural sector, which makes it less productive and particularly vulnerable to climate conditions. Agriculture accounts for about 12% of Moldova's official GDP (according to 2021 data) and the informal subsistence agriculture represents another estimated 11% of GDP. The manufacturing sector remains relatively weak, with its share of GDP decreasing from 15.4% in 2016 to 12.4% in 2021. However, the IT sector has seen a noticeable expansion, especially since the pandemic, albeit starting from a low level and this is reflected in its growing contribution to GDP growth. Moldova's alignment with the EU electronic communication legal framework is limited.

Moldova's economy is closely integrated with that of the EU. Economic links between the two have been further strengthened since the entry into force of the DCFTA. The EU is Moldova's biggest trading partner, accounting for a share of about 66% of its total exports, well above its regional peers, and around 45% of its total imports in 2021. Food and agricultural products and other commodities make up for almost half of Moldova's exports, pointing to its feeble export structure and need to move up the global value chains. Moldova is a WTO member since 2001, with a largely open trade policy.

3. ABILITY TO ASSUME THE OBLIGATIONS OF MEMBERSHIP

The ability of Moldova to assume the obligations of membership has been evaluated based on the following indicators:

- The commitments in the Association Agreement including the Deep and Comprehensive Free Trade Area (AA/DCFTA) and their implementation;

- The level of adoption, implementation and enforcement of the *acquis* outside the AA/DCFTA.

The EU-Moldova Association Agreement, including the Deep and Comprehensive Free Trade Area (AA/DCFTA) belongs to a new generation of ambitious association agreements the EU has concluded with its partner countries. The Agreement captures a substantial part of the EU *acquis* with a detailed timetable of implementation varying from 3 to 7 years and brings the country closer to the European Union in terms of regulatory alignment.

Since the provisional entry into force of the AA/DCFTA in 2014, EU Member States are closely involved in its implementation through the Association Council and the Association Committee. Common Positions are adopted for the Association Council and a detailed Annotated Agenda is agreed for the Association Committee. Strategic guidance is provided by the Association Council meetings at the highest political level. Furthermore, the EU-Moldova Parliamentary Association Committee involves the European Parliament and the Moldovan Parliament in the implementation of the agreement. The discussions are informed by the input provided by the civil society through the EU – Moldova Civil Society Platform and duly taken into account.

The institutional setup includes Association Committee and Association Committee in Trade Configuration, dedicated Sub-Committees and Cluster Sub-Committees covering almost all chapters of the EU *acquis* that allows for ongoing and thorough analysis of the progress in the relationship. The EU and Moldova have worked closely together to identify key policy areas, set targets for reform and legislative progress, and benchmark achievements in those areas. The regularly updated Association Agendas set out the short and medium term policy objectives of EU-Moldova cooperation.

Moldova's implementation of the EU *acquis* is documented in the EU's 'Association Implementation Reports'[5] issued regularly since 2017. A full examination of all EU *acquis* chapters will be carried out at a later stage.

Following the adoption of the revised enlargement methodology[6] and for the purpose of the EU's Enlargement policy, the EU *acquis* is structured around six thematic clusters. The EU *acquis* in these clusters is substantially covered by the AA/DFCTA and Moldova has gradually approximated with it. Moldova has a satisfactory track record of implementation, though progress is uneven and delays in meeting the ambitious times lines in the AA/DCFTA have been frequent. Pending the full examination of all chapters, the below analysis provides examples of chapters in the clusters where Moldova has achieved particularly good results and highlights areas where there has been limited approximation to the EU *acquis*.

The **Fundamentals cluster** includes the chapters of the *acquis* on *Judiciary & fundamental rights, Justice, freedom and security, Public procurement, Statistics, and Financial control.* This cluster has already been assessed under the Political and Economic criteria sections.

There are areas in the cluster where approximation to the EU *acquis* is still limited, for example in *Judiciary and fundamental rights* and *Justice, freedom and security*.

[5] SWD(2021) 295 final
[6] COM (2020) 57 final.

The **Internal market cluster** includes the chapters of the *acquis* on *Free movement of goods, Free movement for workers, Right of establishment and freedom to provide services, Free movement of capital, Company law, Intellectual property law, Competition policy, Financial services, and Consumer and health protection.* Moldova has achieved particularly good results in the *free movement of goods* where it has made substantial efforts to align with EU standards, to remove technical barriers to trade.

There are other areas in the cluster where approximation to the EU *acquis* is still limited, for example, the area on *Competition Policy*. The AA/DCFTA sets ambitious goals in the domain of State aid and competition. Moldova's competition and State aid legislation is largely based on the EU *acquis* on antitrust and mergers. There is a need to further strengthen effective mechanisms of market monitoring, surveillance and enforcement.

The **Competitiveness and inclusive growth cluster** includes the chapters of the *acquis* on *Information society and media, Taxation, Economic and monetary policy, Social policy and employment, Enterprise and industrial policy, Science and research, Education and culture, and Customs union.* Moldova has achieved particularly good results in the area of *customs,* with new legislation to counter smuggling and import tax evasion, and to increase customs investigations and agreed with the EU a Mutual Recognition of Authorised Economic Operators programmes. The new Customs Code that will enter into force in 2023 is aligned with the Union Customs Code, with a few exceptions. Moldova's association to Horizon Europe is a successful instrument for integration with the EU's practices in the field of *research and innovation*.

There are other areas in the cluster where approximation to the EU *acquis* is still limited, for example in *social policy and employment*.

The **Green agenda and sustainable connectivity cluster** includes the chapters of the *acquis* on *Transport policy, Energy, Trans-European networks, and Environment and climate change.* Moldova achieved particularly good results in the area of *TEN-T networks*. The TEN-T network was extended to Moldova in 2019 with the identification of 17 priority projects with an investment of EUR 917 million. Over 62% of the priority kilometres in rail and road connections have been completed or are underway. The Common Aviation Area Agreement signed in 2013 integrates the Moldovan and EU aviation markets, while providing for progressive alignment with the relevant EU *acquis.*

Although some preparatory work has been done, significant efforts are needed, coupled with political and financial support, to align Moldovan legislation with the EU *acquis* in the field of *Environment and climate action*. Meaningful reforms will be needed in view of European Green Deal[7] targets. There are other areas where approximation with the EU *acquis* is still limited such as *Energy*. Moldova's membership of the Energy Community supports the adoption of the reforms needed in the energy market, with unbundling, and certification of electricity and gas transmission system operators the main priorities. The Strategic high level dialogue with Moldova on energy, launched in 2021, has helped to accelerate the transformation of Moldova's energy network and secure short-term security of supply by diversifying energy sources in line with the REPowerEU Plan. The dialogue provides a platform to enhance the implementation of the EU *acquis* towards green transition and climate-neutrality. It also enables coverage of more recent EU *acquis* not included in the Association Agreement as well as governance and financial aspects needed for their implementation.

[7] COM(2019) 640 final

The cluster **Resources, agriculture and cohesion** includes the chapters of the *acquis* on *Agriculture and rural development, Food safety, veterinary and phytosanitary policy, Fisheries, Regional policy and coordination of structural instruments, and Financial and budgetary provisions.* Moldova achieved particularly good results in the area of *Agriculture and rural development* where it has implemented a substantial part of the EU *acquis* in the areas of quality policy, organic farming, marketing standards, products, fruits and vegetables, marketing standards for animal products. The country has started to implement some key mechanisms for *regional policy*.

The approximation to the *acquis* in the area of *Food safety, veterinary and phytosanitary policy* is limited.

The cluster **External relations** includes *External relations and Foreign, security and defence policy.* As regards the **EU Common Foreign and Security Policy positions**, the alignment rate with relevant High Representative statements on behalf of the EU and Council Decisions was 62% in 2021 (2020: 68%; 2019: 80%; 2018: 72%, 2017: 69%). A high level political and security dialogue with Moldova was launched in March 2022 to complement the regular exchanges under the Association Council and further promote gradual convergence on foreign and security matters. Moldova contributes to **Common Security and Defence Policy** missions, with one military staff representative seconded to the EU Military Training Mission in Mali since September 2020. There is scope to further enhance cooperation in the area of Common Security and Defence Policy and to increase Moldova's convergence with Common Foreign and Security Policy including on all EU positions.

4. CONCLUSIONS AND RECOMMENDATIONS

Moldova is a parliamentary democracy that has recently embarked on a strong reform agenda despite a series of exogenous crises. The parliamentary nature of the democracy has been confirmed by recent competitive elections at parliamentary and presidential level. The country's legal and constitutional framework largely corresponds to European and international standards. The framework for a modern public administration is established including policy development and coordination mechanisms and the government has made progress on Public Financial Management. Adequate institutional and public administrative capacity needs to be ensured for policy development, enforcement of legislation and policy implementation. After the 2014 banking fraud, Moldova has undertaken a major overhaul of its justice and anticorruption systems. On justice reform, the country took decisive steps including constitutional reforms to improve the functioning of the judiciary, which still requires improvements on its transparency, integrity and accountability. Similarly, on the fight against corruption which remains a serious concern, specialised anti-corruption institutions are in place with further efforts needed to bring corruption cases to courts and to prosecute them efficiently. The framework for fundamental rights and freedom of expression generally follows European and international standards. Moldova has made important progress in freedom of the media, despite its media concentration and opaque financing. Further efforts are needed to ensure access to information of public interest and safeguard the independence of journalists. Overall, as regards the **political criteria**, Moldova has a solid foundation in place to reach the stability of institutions guaranteeing democracy, the rule of law, human rights and respect for and protection of minorities.

As regards the **economic criteria**, Moldova has pursued reasonably sound macroeconomic policies, significantly strengthened financial sector stability, and improved the business environment. Moldova needs to address inefficiencies to attract more foreign private investment and enhance public and private investments in strategic infrastructure, education and innovation. Key areas for improving the functioning of its market economy also include reducing corruption and pursuing justice reforms, the enforcement of property rights, further development of a more dynamic business environment as well as better corporate reform of the governance of state-owned enterprises sector with a view to reducing its size. Similarly, improvements are needed in energy security to reduce the energy intensity of the economy and society. Furthermore the country's capacity to cope with the competitive pressure in the EU will depend on a more robust and diversified job market and the reduction of the labour force drain, improving Moldova's growth potential and external competitiveness.

As regards **the capacity to fulfil the obligations of membership**, Moldova has worked since 2016 on the implementation of the EU-Moldova Association Agreement, including a Deep and Comprehensive Free Trade Area (AA/DFCTA). These agreements already capture significant amount of the EU *acquis* and Moldova has gradually taken up the alignment process across many chapters and has a satisfactory track record of implementation, while in some sectors the process is more advanced than in others. Overall, Moldova has established a solid basis for further alignment.

Moldova is a European State committed to respecting and promoting the values on which the European Union is founded. The Commission therefore recommends to the Council that Moldova should be given **the perspective to become a member** of the European Union.

The Commission recommends that Moldova be granted **candidate status**, on the understanding that the following steps are taken:

- complete essential steps of the recently launched comprehensive justice system reform across all institutions in the justice and prosecution chains, to ensure their independence, integrity, efficiency, accountability and transparency, including through efficient use of asset verification and effective democratic oversight; in particular, fill all the remaining vacancies of the Supreme Council Magistracy and in its specialised bodies;

- across all these areas, address shortcomings identified by OSCE/ODIHR and the Council of Europe/the Venice Commission;

- deliver on the commitment to fight corruption at all levels by taking decisive steps towards proactive and efficient investigations, and a credible track record of prosecutions and convictions; substantially increase the take up of the recommendations of the National Anticorruption Centre;

- implement the commitment to "de-oligarchisation" by eliminating the excessive influence of vested interests in economic, political, and public life;

- strengthen the fight against organised crime, based on detailed threat assessments, increased cooperation with regional, EU and international partners and better coordination of law enforcement agencies; in particular, put in place a legislative package on asset recovery and a comprehensive framework for the fight against financial crime and money laundering, ensuring that anti-money laundering legislation is in compliance with the standards of the Financial Action Task Force (FATF);

- increase the capacity to deliver on reforms and provide quality public services including through stepping up implementation of public administration reform; assess and update the public administration reform strategy;

- complete the reform of Public Financial Management including improving public procurement at all levels of government;

- enhance the involvement of civil society in decision-making processes at all levels.

- strengthen the protection of human rights, particularly of vulnerable groups, and sustain its commitments to enhance gender equality and fight violence against women;

The Commission will monitor Moldova's progress in fulfilling these steps and report on them, together with a **detailed assessment** of the country, by the end of 2022.

The accession process remains based on **established criteria and conditions**. This allows any country in the process to progress based on own merits but also means that steps towards the EU can be reversed if the underlying conditions are not met anymore.

EUROPEAN
COMMISSION

Brussels, 17.6.2022
COM(2022) 406 final

ANNEX

ANNEXES

to the

COMMUNICATION FROM THE COMMISSION TO THE EUROPEAN PARLIAMENT, THE EUROPEAN COUNCIL AND THE COUNCIL

Commission Opinion on the Republic of Moldova's application for membership of the European Union

STATISTICAL DATA (extracted on 11.05.2022)
Moldova

Basic data	**Note**	**2010**	**2016**	**2017**	**2018**	**2019**	**2020**
Population (thousand)		3 563.7	3 553.1	3 550.9	3 547.5	:	:
Total area of the country (km²)	1)	33 846.0	33 846.0	33 847.0	33 847.0	33 847.0	33 847.0

National accounts	**Note**	**2010**	**2016**	**2017**	**2018**	**2019**	**2020**
Gross domestic product (GDP) (million national currency)		86 275.4	160 814.6	178 880.9	192 508.6	210 378.1	206 378.5p
Gross domestic product (GDP) (million euro)		5 260.9	7 291.6	8 588.4	9 701.0	10 693.1	10 452.9p
GDP (euro per capita)		1 477.0	2 053.0	2 420.0	2 736.4	3 020.4	:
GDP per capita (in purchasing power standards (PPS))		4 980.8	8 445.4	9 001.7	9 625.3	10 240.5	:
GDP per capita (in PPS), relative to the EU average (EU-27 = 100)		20.0	30.0	30.7	31.8	32.7	:
Real GDP growth rate: change on previous year of GDP volume (%)		:	4.4	4.7	4.3	3.7	-0.7p
Employment growth (national accounts data), relative to the previous year (%)	2)	-3.5	1.3	-1.0	3.7	:	:
Gross value added by main sectors							
Agriculture, forestry and fisheries (%)		13.0	13.0	13.3	11.9	11.7	11.0p
Industry (%)		15.9	17.6	17.3	17.0	16.1	15.9p
Construction (%)		7.8	7.8	8.0	9.1	9.8	10.5p
Services (%)		63.3	61.6	61.5	61.9	62.4	62.5p
Final consumption expenditure, as a share of GDP (%)		108.4	101	100.7	100.0	99.4	99.2p
Gross fixed capital formation, as a share of GDP (%)		22.5	22.2	22.3	24.3	25.2	25.2p
Changes in inventories, as a share of GDP (%)		1.3	-0.2	0.5	1.3	0.2	-1.7p
Exports of goods and services, relative to GDP (%)		27.8	32.3	31.1	30.1	30.6	26.5p
Imports of goods and services, relative to GDP (%)		60.1	55.3	54.5	55.7	55.3	49.2p

Gross fixed capital formation by the general government sector, as a percentage of GDP (%)		:	:	:	:	:	:

Business	**Note**	**2010**	**2016**	**2017**	**2018**	**2019**	**2020**
Industrial production volume index (2015 = 100)	3)	77.0	100.9	104.4	108.3	110.6	104.3

Inflation rate and house prices	**Note**	**2010**	**2016**	**2017**	**2018**	**2019**	**2020**
Consumer price index (CPI), change relative to the previous year (%)		7.4e	6.4e	6.5e	3.1e	4.8e	3.8

Balance of payments	**Note**	**2010**	**2016**	**2017**	**2018**	**2019**	**2020**
Balance of payments: current account total (million euro)	4)	-363.1	-260.6	-493.0	-1,026.2	-993.0	-783.0
Balance of payments current account: trade balance (million euro)	4)	-1 700.8	-1 678.6	-2 001.5	-2 487.8	-2 644.6	-2 379.1
Balance of payments current account: net services (million euro)	4)	54.0	199.3	270.1	301.4	313.7	335.4
Foreign direct investment (FDI) abroad (million euro)	4)	5.2	12.0	9.6	29.0	34.7	5.0
of which FDI of the reporting economy in the EU-27 countries (million euro)		:	:	:	:	:	:
Foreign direct investment (FDI) in the reporting economy (million euro)	4)	224.0	79.0	132.7	248.4	452.7	138.1
of which FDI of the EU-27 countries in the reporting economy (million euro)		:	:	:	:	:	:

Public finance	**Note**	**2010**	**2016**	**2017**	**2018**	**2019**	**2020**
General government deficit / surplus, relative to GDP (%)		-2.1e	-1.6e	-0.6e	-0.8e	-1.4e	-5.1e
General government gross debt relative to GDP (%)	5)	22.4	33.6	29.7	27.6	25.6	31.0

Financial indicators	Note	2010	2016	2017	2018	2019	2020
Gross external debt of the whole economy, relative to GDP (%)	6)	67.7	79.4	66.7	66.5	62.2	65.8
Gross external debt of the whole economy, relative to total exports (%)		241.9	244.4	206.8	220.6	203.4	243.2
Interest rates: day-to-day money rate, per annum (%)		:	:	:	:	:	:
Euro exchange rates: average of period (1 euro = … national currency)		16.4	22.1	20.8	19.8	19.7	19.8

External trade in goods	Note	2010	2016	2017	2018	2019	2020
Value of imports: all goods, all partners (million euro)		2 916.1	3 634.6	4 266.1	4 886.3	5 222.0	4 732.3
Value of exports: all goods, all partners (million euro)		1 161.4	1 848.5	2 138.0	2 294.3	2 483.0	2 160.3
Trade balance: all goods, all partners (million euro)		-1 754.7s	-1 786.1s	-2 128.1s	-2 592s	-2 739s	-2 572.0s
Terms of trade (export price index / import price index * 100) (number)		103.0	103.0	103.6	99.4	98.8	116.2
Share of exports to EU-27 countries in value of total exports (%)		41.9s	59.6s	60.1s	65.9s	64.1s	66.4s
Share of imports from EU-27 countries in value of total imports (%)		43.0s	47.5s	48.3s	48.4s	48.5s	45.6s

Demography	Note	2010	2016	2017	2018	2019	2020
Crude rate of natural change of population (natural growth rate): number of births minus deaths (per thousand inhabitants)		-0.9	-0.3	-0.8p	:	:	:
Life expectancy at birth: male (years)		64.9	:	:	:	:	:
Life expectancy at birth: female (years)		73.5	:	:	:	:	:

Labour market	Note	2010	2016	2017	2018	2019	2020
Economic activity rate for persons aged 20–64: proportion of the population aged 20–64 that is economically active (%)	7)	51.2	54.1	53.4	54.9	52.9b	51.1
Employment rate for persons aged 20–64: proportion of the population aged 20–64 that are in employment (%)	7)	47.5	51.9	51.3	53.3	50.2b	49.1
Male employment rate for persons aged 20–64 (%)	7)	48.8	54.3	54.4	55.9	53.9b	53.1
Female employment rate for persons aged 20–64 (%)	7)	46.2	49.7	48.4	50.9	46.8b	45.5
Employment rate for persons aged 55–64: proportion of the population aged 55–64 that are in employment (%)	7)	41.6	44.8	46	48.5	40.5b	40.5
Employment by main sectors							
Agriculture, forestry and fisheries (%)	7)	27.5	36.6	35.5	39.3	21.0b	21.1
Industry (%)	7)	12.8	11.5	11.2	11.0	14.7b	14.6
Construction (%)	7)	5.9	4.9	4.5	4.6	7.0b	7.2
Services (%)	7)	53.8	47.0	48.8	45.1	57.3b	57.1
People employed in the public sector as a share of total employment, persons aged 20–64 (%)	7)	28.7	24.1	25.5	23.9	29.4b	29.6
People employed in the private sector as a share of total employment, persons aged 20–64 (%)	7)	71.3	75.9	74.5	76.1	70.6b	70.4
Unemployment rate: proportion of the labour force that is unemployed (%)	7)	7.4	4	3.9	2.9	5.1b	3.8
Male unemployment rate (%)	7)	9.1	5.3	4.6	3.5	5.8b	4.3
Female unemployment rate (%)	7)	5.7	2.8	3.2	2.4	4.4b	3.3
Youth unemployment rate: proportion of the labour force aged 15–24 that is unemployed (%)	7)	17.8	11	11.9	7.1	10.4b	10.9
Long-term unemployment rate: proportion of the labour force that has been unemployed for 12 months or more (%)	7)	2.3	0.8	0.9	0.8	0.9b	0.7

Social cohesion	Note	2010	2016	2017	2018	2019	2020
Average nominal monthly wages and salaries (national currency)	8)	2 971.7	4 997.8	5 587.4	6 268.0	7 233.7	7 943.0
Index of real wages and salaries (index of nominal wages and salaries divided by the inflation index) (2016 = 100)		:	100.0	104.9	114.2	125.7	133.0
Proportion of persons at risk of relative poverty (after transfers) (%)	10)	24.2	28.3b	27.6	27.4	25.4b	27.1

Infrastructure	Note	2010	2016	2017	2018	2019	2020
Length of motorways (kilometres)		:	:	:	:	:	:

Innovation and research	Note	2010	2016	2017	2018	2019	2020
Public expenditure on education relative to GDP (%)		7.7	5.3	5.4	5.5	:	:
Gross domestic expenditure on R&D relative to GDP (%)		0.4	0.3	0.3	0.3	0.2	0.2

Environment	Note	2010	2016	2017	2018	2019	2020
Index of greenhouse gas emissions, CO2 equivalent (1990 = 100)		29.4	29.8	29.2	30.7	30.5	:
Electricity generated from renewable sources relative to gross electricity consumption (%)		2.4	1.4	1.9	1.6	2.5	2.3

Energy	Note	2010	2016	2017	2018	2019	2020
Primary production of all energy products (thousand TOE)		523.0	709.0	770.0	798.0	668.0	682.0
Net imports of all energy products (thousand TOE)	9)	1 813.0	2 113.0	2 214.0	2 328.0	2 277.0	2 214.0
Gross inland energy consumption (thousand TOE)		2 633.0	2 796.0	2 939.0	3 087.0	2 936.0	2 857.0

Agriculture	Note	2010	2016	2017	2018	2019	2020
Utilised agricultural area (thousand hectares)		1 940.1	:	:	:	:	:

The data for European Neighbourhood Policy-East countries are supplied by and under the sole responsibility of the national statistical authorities of each country on a voluntary basis.
Data for Moldova generally exclude areas over which the government of the Republic of Moldova does not exercise control: exceptions where Transnistria is included are listed in the footnotes hereafter.

: = not available
b = break in series
e = estimate
p = provisional
s = Eurostat estimate

1) As of the end of the year. Including Transnistria.
2) From 2010 to 2018 employed population based on resident population.
3) Index initially provided with 2010 = 100. Rescaled to 2015 = 100.
4) Converted from USD to EUR using annual average exchange rates, according to the National Bank of Moldova.
5) 2019 Consolidated gross general government debt is presented at face value at the end of the year with the exception of T-bills which are presented at their issue price. 2020 Consolidated gross general government debt is presented at face value at the end of the year.
6) 2010-2019: Data for local government includes only debt with original maturity of one year and more. Consolidated gross general government debt is presented at face value at the end of the year with the exception of T-bills which are presented at their issue price.
7) 2010-2014: Including persons producing goods for own consumption. 2014-2020: Data estimated using the usual residence population. From 2019, the Labour Force Survey is carried out on a new sampling plan and according to the revised definition of employment.
8) 2010: Includes units with 1 and more employee. 2011-2020: Includes all institutions in the budgetary sector and all economic units in the real sector with 20 or more employees.
9) 2016-2020: Imports include the supply of electricity from Transnistria.
10) 2016-2018: Data was recalculated for number of population with usual residence. From 2019 the data are not comparable to the previous period, as the Household Budget Survey methodology was modified.