



National Development Strategy – Moldova 2020

Agriculture and Rural Development Strategy

Regional Development Strategy



Agriculture and Rural Development Strategy

Moldova's agriculture

Share in G.D.P. – 14,4%

Share in total exports – 40 %

Population involved in the agricultural and food industry sector – 27%

Impact on economic growth – 38%

Agricultural lands – 2498,0 thousands ha (73,8%)
including:

- ✓ arable land – 1810,5 thousands ha
- ❖ orchards – 134,5 thousands ha
- ❖ vineyards – 147,3 thousands ha

Why to have a strategy?

Addressing a new component of sector policy - rural development

Addressing the changes in trade environment as a consequence of signing the DCFTA

Modernization of the agri-food sector of Moldova

Stakeholder responsibilities

- **Main implementing bodies**

- Ministry of Agriculture, Regional Development and Environment (policy, regulation and operations)
- Intervention and Payment Agency in Agriculture (payment and monitoring)
- Wine and Vine Office (promotion and evaluation)
- National Food Safety Agency (standards' control)

- **Relevant ministries and agencies**

- Ministry of Foreign Affairs and European Integration (European and other donor's funds)
- Ministry of Economy (Small and Medium size enterprises policies)

- **Stakeholders**

- Farmers
- Farmers Associations
- Farmers producers groups
- Central Administrative bodies
- Local administrative bodies
- Local and National NGOs

Consultation process

- ✓ The strategy was drafted by the Ministry's staff together with the support of a team of national and international experts contracted by the World Bank
- ✓ 5 rounds of consultations with Ministry's staff in the formulation process
- ✓ 3 rounds of consultations with the main stakeholders
- ✓ Analysis and approval of the draft Strategy by the superior body of MAFI (General Council)
- ✓ Currently the Government is revising the strategy with support of FAO experts.
- ✓ Also the Strategy for regional Development is under revision.

Strengths and weaknesses of the sector (analytical overview)

- **Strengths**

- Old traditions and experience in wine production and in fruit and vegetable growing
- High labor productivity in agriculture
- 90% private ownership of the land
- Positive trade balance with agri-food products
- Developed extension services in agriculture
- Proximity to developed markets of high demand for agricultural products (EU and CIS)

- **Weaknesses**

- Under-funded agri-food sector and poor access to capital and credit
- Dominance of low value crops in agricultural production
- Fragmented and inefficient livestock production, limited feed supply and lack of good quality pastures
- Dual and fragmented farm structure
- Dependence on import of agri-inputs and insufficient access to quality inputs
- Outdated agricultural education system
- Lack of supply chain coordination, post-harvest infrastructure and compliance with EU food safety standards


Opportunities and risks

● Opportunities

- Increased land productivity by new technology adoption
- Increased availability of FDI and financial resources and technical assistance for the development of the sector
- Special arrangements and conditions for trade with the EU (DCFTA)
- High and increasing demand for organic products on foreign markets

● Risks

- Decreasing external investment possibilities
- Increasing trade barriers
- Increasing competition in external markets
- High volatility of agricultural output prices
- Increasing prices for agricultural inputs



Priority I: Increase the competitiveness of agri-food sector in Moldova through modernization and market integration

- I.1 Increase investment for the modernization of agri-food chain including meeting EU food safety and quality requirements
- I.2 Improve education, research and extension services in agri-food sector including facilitating information systems
- I.3 Facilitate access to capital, input and output markets for farmers



Priority 2: Ensure sustainable management of natural resources

- 2.1 Support agricultural land and water management practices
- 2.2 Support environmentally friendly production technologies and products including biodiversity
- 2.3 Support adapting to and mitigating climate change

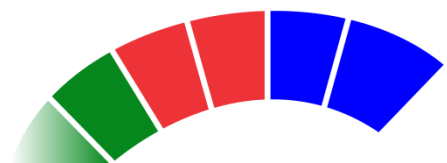


Priority 3: Improve living standards in rural areas

- 3.1 Enhance investment in physical infrastructure and rural services
- 3.2 Increase non-agricultural employment and income opportunities in rural areas
- 3.3 Stimulate local community involvement in rural development



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LEADER

PROJECT

**“Rural community empowerment
through promoting LEADER
approach in the Republic of
Moldova”**



OBJECTIVES:

- 1.** To improve the local governance of rural communities through creation of Local Action Groups;
- 2.** To strengthen the role of civil society organisations in promoting interests of local stakeholders towards state authorities

Result 1:

➤ ***At least 30 CSOs capacitated and involved in development of rural communities in a sustainable way***

A) Development and delivery of training sessions for representatives of CSOs to improve their knowledge and skills

B) Elaboration of strategies for organizational development of the capacitated CSOs

3 trainings organized – 26 beneficiaries which will participate to the entire module

Result 2 :

➤ ***State actors involved in LEADER approach capacitated (i.e relevant line ministries, etc)***

A) Delivery of workshops on LEADER approach and methodology

B) Organizing one study visit/exchange in EU and non-EU countries for state actors

Study visit in Latvia-Estonia (August 2017)

– 2 representatives from Rural Development department participated

Result 3 :

➤ 7 Local Action Groups (LAGs) established and capacitated

A) Promotion of LEADER program trough:

- information conference on LEADER approach, year 1 and year 2
- workshops on local level with interested stakeholders
- study visits/ exchange in EU and non-EU countries for local stakeholders

1 Conference organized – 45 participants

11 workshops organized – 195 participants

1 study visit in Romania – 17 participants

1 study visit in Latvia-Estonia : 19 participant

Result 3 :

B) Facilitation of public-private partnerships through creation of 7 LAGs :

- Technical assistance and expertise for LAG constitution
- Capacity building for CSOs and LAGs (members and employees)
- Facilitation and assistance for initiation of international cooperation projects with other LAGs from EU countries

5 LAG initiative identified and supported in defining the LAG territory

1 common project in partnership with a LAG from Latvia applied

Result 4:

➤ ***7 Local Development Strategies (LDS) elaborated with project support:***

- A)** Elaboration of LDS according 7 key features and basic steps of LEADER approach
- B)** Support in identification and project writing for implementation of the LDS

Preparation steps done before starting elaboration of the LDS:

- Community profile realized
- Questionnaires in each LAG village realized (aprox. 50 per village – 500-600 per LAG).

Result 5:

➤ ***A Moldovan Rural Forum established and capacitated to dialogue with relevant line ministries on rural development policies***

A) Elaboration of the action plan of the MRF

B) Delivery of capacity building events for MRF members

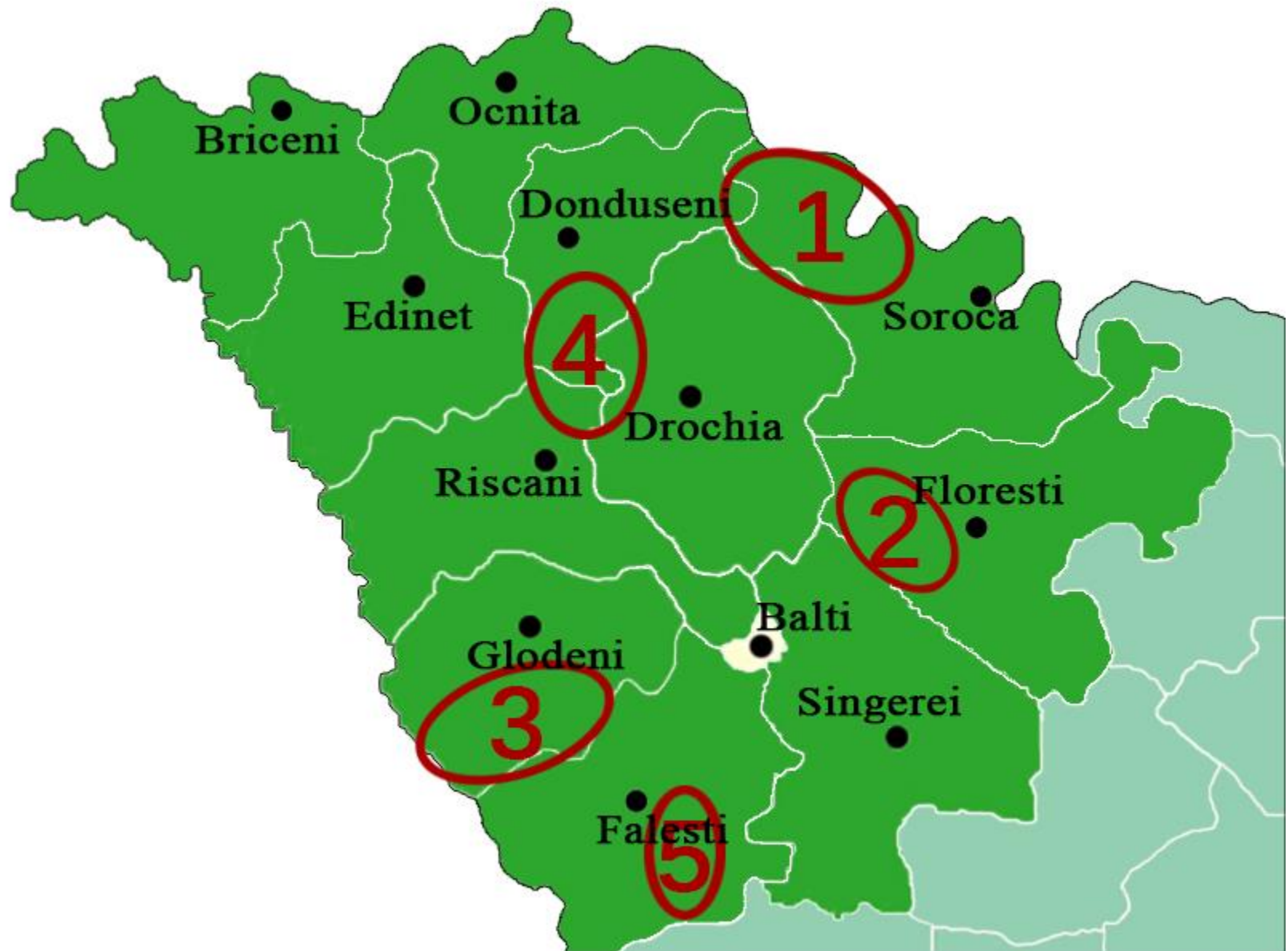
Result 6:


➤ ***Cooperation of MRF with state actors (i.e relevant line ministries and subordinated institutions) established***

- A) Dialogue with MAFI on implementation of rural development policies on local level
- b) Organizing awareness raising events on importance of rural policies implementation

Main beneficiaries:

- Civil Society organisations
- Local public Authorities and their representatives
- Local businesses
- State institutions:
 - MAFI – Rural Development, agricultural statistics and marketing Department
 - Agency for Interventions and payments in Agriculture
 - National Agency for Food safety



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- National authority responsible for LEADER implementation in Moldova is **MAFI** through its Department for Rural Development, agricultural statistics and marketing
 - Existing projects which are promoting LEADER and creation of LAGs in Moldova: **SARD** project and **HEKS/EPER-ProCoRe** project.

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- In May 2017 at the initiative of a group of NGOs the **Committee for LEADER implementation** in Moldova was established under MAFl.
 - Members of the Committee :
HEKS/EPER, ProCoRe, SARD project,
Solidarity Found, FNFM, CALM, PIN.