

Challenges for regional development:

- Identification of opportunities for the development of cross-border, trans-national, and inter-regional cooperation;
- Identification of European best practices for regional development that are relevant for Moldova;
- Capacity building to support the on-going regional development efforts at the regional and national level;
- Supporting the development of projects to support the priorities of the private sector and civil society;
- Boosting investment for regional development in Moldova and ensuring coordination of all investment proposals by the local public authorities and other partners;
- Providing better access to quality public services for the population of the development regions by creating a progressive and extended infrastructure;
- Reducing the regions' environmental problems through improved environmental assessment and management in each region.

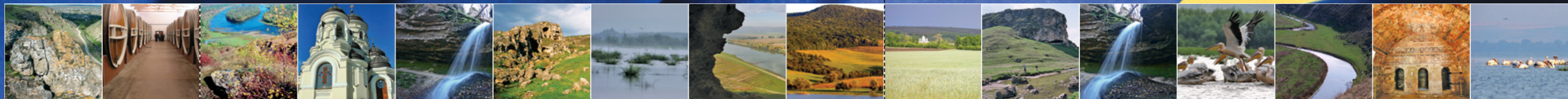
International co-operation in the process of regional development ensures the practical implementation of principles and best practices:

- Intensified co-operation between the regions of the Republic of Moldova and other countries and regions;
- Exchange of experiences on developing technical capacities for project development and implementation, in the area of cross-border co-operation;
- Activities aiming at presenting the opportunities and challenges regarding EU assistance funds;
- Training courses, roundtables and seminars with partners;
- Development and consolidation of institutional cooperation with neighbouring countries; and,
- Initiating twinning projects.

Sustainable regional development:

- 135 regional development initiatives were submitted as projects by the local public authorities and the Regional Development Agencies in partnership with the business sector and civil society.
- 56 regional development projects have been included for financing or co-financing from the public budget for the period 2010-2012.
- Priority financing has been granted to those projects focusing on the agreed regional development priorities, such as the rehabilitation of physical infrastructure; development of the private sector and the labour market; and, protection of the environment and the promotion of tourism.
- The National Fund for Regional Development has been established to finance regional development projects. It represents 1% of the annual state budget and also attracted other financing from development partners. For example, in 2010, DFID offered budget support to the Government of the Republic of Moldova to supplement the Fund.
- International assistance is well-coordinated and streamlined in order to assist Moldova to reach its regional development objectives (DFID and SIDA, with their assistance to institutional development and, in implementing several regional developing programmes, the German Office for Technical Cooperation, GTZ).

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The Government of the Republic of Moldova
Ministry of Regional Development and Construction



Regional Development

an imperative
for Moldova
as a European state

Significant progress in the implementation of regional development policy in Moldova took place in 2010. This progress aimed to support the following policy objectives in this area:

- The achievement of sustainable and well-balanced social and economic development throughout the whole territory of the Republic of Moldova;
- A reduction of inequalities in the levels of social and economic development between, and within, the regions;
- Strengthening the financial, institutional and human capacities for social and economic development of the regions; and,
- Assistance to local public administrations and of local communities to support the development of their localities, as well as the coordination of their interaction with national, sectoral and regional development programmes and strategies.

The Ministry of Regional Development and Construction is the promoter of regional development and is the key institution charged with the implementation of regional development policy. The Ministry was able to successfully mobilise the support of several new important development partners for the regional development initiatives launched in Moldova. The success of the co-operation between the Ministry and its development partners is clear. A significant factor with respect to the effective implementation of regional development policy has been the assistance provided through the “Moldova: Cooperation in Regional Development” project, jointly financed by the Department for International Development of the United Kingdom (DFID) and the Swedish Agency for International Development (SIDA).

Since regional development is a complex process, the Republic of Moldova has welcomed support from a range of additional European development partners. Thus, the ongoing initiatives in regional development will benefit from assistance by the “Regional Capacity Building” and “Modernisation of Local Public Services” projects financed by the German Federal Ministry for Economic Cooperation and Development and the Romanian Ministry of Foreign Affairs through the German Office for Technical Cooperation (GTZ) and by the EU Twinning project.

Financing priorities for regional development:

- Rehabilitation of physical infrastructure;
- Assistance to private sector development, especially in the rural areas;
- Improvement of the environment its and attractiveness to tourists.

Johannes HAHN, European Commissioner for regional policy: “Regional policy is crucial in the EU since it is one of the key factors of the EU stability and welfare. Regional development is the driving force that contributes to the development of any society, thus the Republic of Moldova should continue with the bold implementation of this policy.”



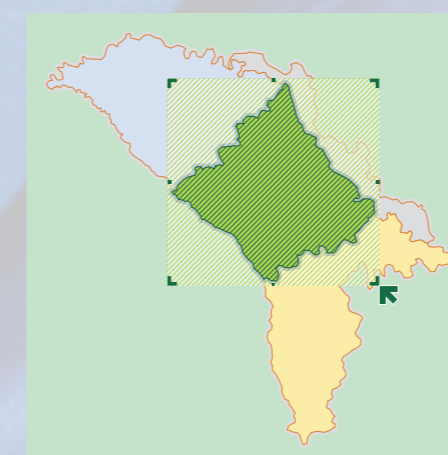
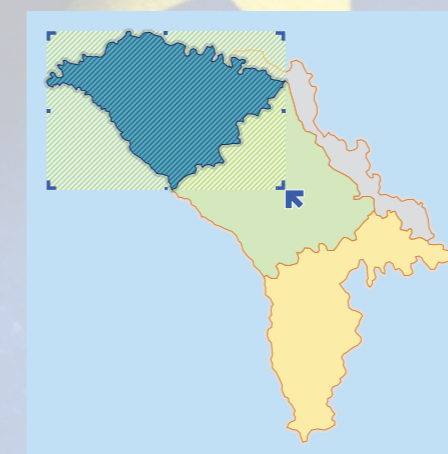
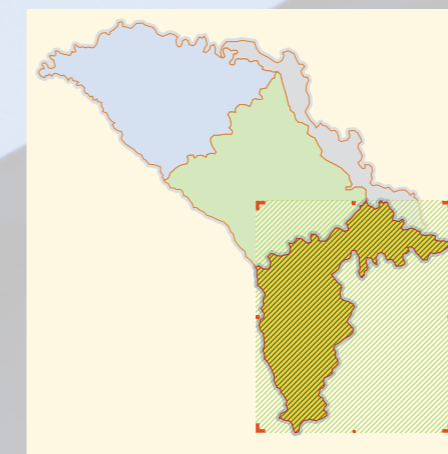
Development Regions

The Republic of Moldova has been divided into six development regions. During the first stage of implementing regional development policy, between 2010 and 2012, the focus of efforts in establishing regional development institutions was on the North, Centre and South development regions. During the second stage, starting in 2012, regional development activities will focus on the remaining three development regions – the Autonomous Territorial Unit Gagauzia, the municipality of Chisinau and the administrative-territorial entities from the left bank of the Dniester river (Transnistria).

Development Region South – the total surface of the region is 7379 km², i.e. 22% of the total surface of the country. It comprises 8 districts: Basarabeasca, Cahul, Cantemir, Causeni, Cimislia, Leova, Stefan-Voda and Taraclia. The majority of the region's districts are component parts of two Euro-regions: “Low Danube” and “Siret-Prut-Dniester”. The significant advantages of the region include: its favourable geo-political position characterised by a tri-lateral border crossings; proximity to the EU; two functional Euro-regions; road and railway custom crossing points; access to sea routes through the terminal in Giurgiulesti; international networks for transporting electric power; higher education institutes; water resources for irrigation; three functional free economic zones; and, established wine making traditions with extensive winery infrastructure.

Development Region North – has a surface of circa 10.014 km² (1 001 394 ha), which is approximately 30% of the total surface of the Republic of Moldova. It includes the municipality Balti and 11 districts: Briceni, Edinet, Donduseni, Drochia, Falesti, Floresti, Glodeni, Ocnita, Riscani, Singerei and Soroca. The advantages of this region include: a geographic position favourable for trans-border cooperation; international custom crossing points at the border with the Ukraine (road and railway) and Romania (road); favourable conditions for agricultural development; diversified industrial potential; diverse transport infrastructure (a dense network of roads, railways, airports); water resources for irrigation; natural resources for tourism (protected areas and tourist spa and sanatoria resorts); and, vocational training institutes and universities..

Development Region Centre – with a total surface of 10,636 km² (1 063 600 thousand ha) or 31% of the total area of the country, is the largest region of the Republic of Moldova. It includes 13 districts: Anenii Noi, Calarasi, Criuleni, Dubasari, Hincesti, Ialoveni, Nisporeni, Orhei, Rezina, Straseni, Soldanesti, Telenesti and Ungheni. The advantages of this region include: proximity to the municipality of Chisinau; a dynamic free economic zone at Ungheni; vocational training facilities (6 colleges and 14 professional schools); a functional Euro-region (Siret-Prut-Dniester); a diverse transport network (national and international roads, railways); an extensive winery infrastructure; valuable forest resources; historical and cultural monuments of national importance; rich and diverse artisan traditions; and spa and sanatoria resources for tourism.



Features of regional development policy in the Republic of Moldova

Institutional development:

- The functions of coordination, monitoring and evaluation of regional development policy have been assigned to the Ministry of Regional Development and Construction at the government level.
- The strategic planning of the regional development at the regional and local level, as well as the partnership and dialogue between stakeholders, is overseen by the Regional Development Councils and by the National Co-ordination Council of Regional Development, consisting of representatives of central and local public authorities, civil society and the business sector from the development regions.
- The regional development strategies are implemented by a Regional Development Agency (RDA) in each of the three development regions – North, Centre and South.
- The three RDAs are involved in capacity building efforts, learning through European experience in this area.

Strategic governance:

- A framework law concerning the country's regional development has been adopted – the Law on Regional Development of the Republic of Moldova.
- The National Strategy for Regional Development sets out the mechanisms for the management, implementation, monitoring and evaluation of regional development.
- The development strategies for the North, Centre and South regions have been approved, setting the priorities for each of these regions in strict compliance with the sectoral strategies.
- A series of manuals and guides have been designed for the institutions involved in regional development activities, thus providing a uniform approach.
- New regional partnerships have been established which will provide new participation and cooperation opportunities to the local public administrations, the business community and civil society.

