INTERREG NEXT ROMANIA-REPUBLIC OF MOLDOVA

ANNEX

TEMPLATE FOR INTERREG PROGRAMMES

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Contents

[1. Joint programme strategy 3](#_Toc88483822)

[1.1. Programme area 3](#_Toc88483823)

[1.2. Joint programme strategy 3](#_Toc88483824)

[POPULATION AND TERITORY 3](#_Toc88483825)

[ECONOMIC CHALLENGES 5](#_Toc88483826)

[THE IMPACT OF COVID-19 CRISIS 6](#_Toc88483827)

[ENVIRONMENTAL CHALLENGES 7](#_Toc88483828)

[CONNECTIVITY AND TRANSPORT 8](#_Toc88483829)

[SOCIAL CHALLENGES 9](#_Toc88483830)

[TOURISM 9](#_Toc88483831)

[GOVERNANCE AND CIVIL SOCIETY 9](#_Toc88483832)

[MIGRATION AND BORDER MANAGEMENT 10](#_Toc88483833)

[SINERGIES AND COMPLEMENTARITIES 10](#_Toc88483834)

[LESSONS LEARNT 13](#_Toc88483835)

[1.3. Justification for the selection of policy objectives and the Interreg-specific objectives, corresponding priorities, specific objectives and the forms of support 16](#_Toc88483836)

[2. Priorities 25](#_Toc88483837)

1. Joint programme strategy:

1.1. Programme area

The eligible area of Interreg Next 2021-2027 Romania-Republic of Moldova covers the eligible area of the four Romanian counties of Botoșani, Iași, Vaslui, and Galați, and the whole territory of the Republic of Moldova. The area covers a total area of 54,089.80 km2 and a border length of 681.4 km. Of the total core eligible area, 37.42% of the area is represented by the four Romanian counties and 62.58% by the territory of the Republic of Moldova.

1.2. Joint programme strategy:

The present document is drafted based on the Territorial Analysis, which included an overall view of the cooperation area, and a more in-depth analysis focused on the objectives formulated for the area by the Joint Paper on Interreg NEXT Strategic Programming, as well as an additional one approved by Programme’s Joint Programming Committee. The conclusions of the Territorial Analysis have also been adjusted with the contribution of the two participating countries and the input of stakeholders collected during the consultations held by the Managing Authority. The cut-off date for the statistical data in most cases is 2019, as the document had sometimes to be adapted to the lack of comparable statistical data between the two countries, as some indicators are missing or are different in the two states.

### POPULATION AND TERITORY

The programme area has a total of 5,593,810 inhabitants, out of which 36.7% reside on the Romanian side of the border, while 63.3% on the Moldovan side.

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| --- | --- | --- | --- | --- | --- | --- |
| **COUNTRY** | **ELIGIBLE REGIONS** | **TERRITORY** **(km2)** | **POPULATION** | **URBAN** | **RURAL** | **DENSITY (people/ km2)** |
| **Republic of Moldova** | whole territory | 33,843.50 | 3,542,708.00 | 1,527,483.00 | 2,015,225.00 | 79.30 |
| **Romania** | 4 counties |  |  |  |  |  |
|  | Botoșani | 4,986.00 | 379,622.00 | 155,423.00 | 224,199.00 | 91.30 |
|  | Iași | 5,476.00 | 793,559.00 | 369,557.00 | 424,002.00 | 172.40 |
|  | Vaslui | 5,318.00 | 373,863.00 | 153,372.00 | 220,491.00 | 93.90 |
|  | Galați | 4,466.30 | 504,058.00 | 273,956.00 | 230,102.00 | 140.60 |
| **TOTAL** |  | 54,089.80 | 5,593,810.00 | 2,479,791.00 | 3,114,019.00 |  |

A large part of the population of the programme lives in high-density urban centres, like Iași, Galați, and Chișinău municipalities. These urban centres have become gravitational centres for both population and economic flows. The analysis showed that 44.33% of the population in the core eligible area live in urban areas and 55.67% in rural areas.

*Figure no.1 – Distribution of population in the urban and rural environment*

The population of the Republic of Moldova is relatively young, 46.4% of the population being up to 35, while in Romania there is an increase of percentage of the population of 60 years old and above, from 21.7% (in 2015) to 23% (in 2018). The adult population of Romania (15-59) represents 62.3% of the total population, a decrease with 290.2 thousand from 2015. In Romania, the natural population growth was of -3.9 (rate out of 1,000 inhabitants), while in the Republic of Moldova was of -1.0 in the same reference time.

*Figure no.2 – Population growth in the years of 2014 and 2019 for Republic of Moldova and Romanian counties*

The average age of the resident population of Romania was 41.9 in 2018, as in the Republic of Moldova the same indicator was 38.5.

A major problem in the area is the outward migration trend. Even though large urban centres manage to attract a large portion of the internal and external immigration, outward migration is still significant. In the year of 2017, 23,156 Romanians are registered to have settled their residence abroad, while 2,111 persons from Moldova settled abroad.

### ECONOMIC CHALLENGES

At a first glance, the GDP analysis in both countries may indicate an optimistic increase in figures per capita. But correlating GDP growth with birth rate decrease during the recent years, one may draw the conclusion that the population welfare state has not met any improvement, but, on the contrary, there is a decline in both states, more visible in the Republic of Moldova.

While in Moldova the GDP per capita has risen to EUR 3,099 EUR (2019), the same indicator reaches 11,530 EUR in Romania, rate that remains anyway significantly below the EU28 average.

GDP structure is rather similar in both partner countries, with an overwhelming share representing services (above 57%), whereas agriculture has a larger share in the Republic of Moldova, as compared to Romania.

Although traditionally Moldova's economy relies heavily on its agriculture sector, featuring fruits, vegetables, wine, wheat, and tobacco, in recent years the IT sector has become one of the most developed and dynamic sectors of the national economy. The volume of exports of ICT products and services exceeded in 2019 the figure of 5 billion lei, qualitatively changing the structure of exports of the Republic of Moldova. Only IT exports have increased more than 3 times - from 1.1 billion lei in 2015 to 3.5 billion lei in 2019, considerably exceeding traditional export categories, such as exported wines (with over 400 million lei). It is essential to note that the balance between these two sub-sectors - digital content and communications infrastructure - speaks of a qualitative change of this sector from consumption of networks and Internet access services to IT products and services with the highest added value, export-oriented. One of the key projects aimed at stimulating the growth of the IT industry and innovation is the virtual IT park, launched on January 1, 2018. Over two years of activity, over 500 companies have been registered in the park, of which 300 are IT companies with foreign capital.

Republic of Moldova depends on annual remittances representing more than 20% of the annual GDP. With few natural energy resources, Moldova imports almost all of its energy supplies from Russia and Ukraine. Moldova and Romania inaugurated the Ungheni-Iasi natural gas interconnector project in August 2014, co-financed by ENPI CBC Romania-Ukraine-Republic of Moldova 2007-2013. The 43-kilometer pipeline between Moldova and Romania allows for both the import and export of natural gas. Several technical and regulatory delays kept gas from flowing into Moldova until March 2015.

The EU is Moldova’s largest trading partner and biggest investor in the country. In 2020, it accounted for 66.4% of its total exports and 52% of its total trade.

In recent years there was an increase in the share of exports with other product categories than those mentioned above, namely: food, alcoholic beverages, non-alcoholic vinegar, tobacco; textiles and textile articles; machinery and equipment, electrical equipment and parts thereof; equipment for recording or reproducing sound and images.

This indicates that the local industry (light industry, food, machinery/ technical equipment production) is developing and modernizing progressively, and domestic products are becoming increasingly competitive on foreign markets.

Romania’s GDP growth was driven by private consumption and an investment rebound. Investment rose strongly, growing at 17.8 percent year-on-year (y-o-y), owing to strong performance in construction. Exports grew by 3.5 percent, reflecting weaker demand in major export markets, while imports remained buoyant (up 7.2 percent). Construction (up 16.8 percent) and information and communications technology (ICT) (up 8.1 percent) were the main drivers of production.

With a decreasing inflation rate from 6.4 in 2016 to 3.8 in 2020, Moldova follows the general trend of EU member states. Romania registered an inflation rate of 2.6 in 2020, though the COVID-19 pandemic put a high pressure on this economic indicator for the future.

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### THE IMPACT OF COVID-19 CRISIS

During the year of 2020 and the beginning of 2021, both Romania and Moldova (as most countries of the world) have registered an economic slowdown and radical budgetary challenges. From increased rate of unemployment and companies closing down, to increased health sector expenditures, an overall shift of the economy has been registered.

Apart from the health crisis caused by COVID-19, the pandemic triggered a serious economic crisis which affected all sectors, but most of all the private one (tourism including HORECA industry, transportation etc.), with a huge impact on small enterprises. Unemployment levels reached worrying figures and governments focused on measures of recovery directed to the most exposed ones. Romanian Government provided a fiscal stimulus of 4.4 percent of GDP in 2020 in response to the COVID-19 crisis. This consisted of financial help to small companies during the lockdown period, negotiated bank loan installment suspension for the population. Extra payments were made to the healthcare system and procurement of equipment was financed for hospitals and for schools as well, as the on-line schooling became the only solution since March 2020 to May 2021 to most categories of students. On the other side, the Moldovan Government in order to reduce the COVID-19 impact on the economic sector, especially on SMEs, has taken a series of measures, including: suspension or reduction of VAT and other tax obligations payments; implementation of various economic incentives to support national tourism; measures referring to unemployment, specifically, different subsidies for employers and regulation of the remote work.

Affected by the pandemic and the severe drought, the economy of the Republic of Moldova contracted in 2020, the GDP registering a decrease of 7%. The main factors that determined this decline in GDP were the consumption of the population, which also decreased by 7%, followed by investments and stocks. On the supply side, quarantine measures led to a halt in trade and industrial production. The occupancy level has reached the minimum of the last five years. In 2021, the economy gradually began to recover, but most short-term indicators remain in the negative zone.

During the COVID-19 crisis, Romania provided support to the Republic of Moldova, in the form of medical equipment, healthcare workers and also donated thousands of vaccine doses to the Moldovan population. The actions were supported either by Romanian Government funds or by EU Civil Protection Mechanism.

Furthermore, EU Economic Recovery Plan for Moldova is setting out plans for investments of up to €600 million between 2021 and 2024, in close cooperation with EU Member States and International Financial Institutions as part of a “Team Europe” approach, as well as with private investors.

### ENVIRONMENTAL CHALLENGES

Both participating countries have weaknesses related to high Carbon emissions levels, a low rate of renewable energies in the Republic of Moldova, a reduced area of forests in Romania and an intensive timber harvesting in the Republic of Moldova.

When referring to CO2 emissions, the use of solid fuel and waste combustion for domestic heating and to industry in the Republic of Moldova, together with a low use of energy efficiency, is the main cause for air pollution. If in Romania (eligible area), there are 14 public systems installed for monitoring air quality, on the whole territory of R. Moldova there are 9 manual monitoring systems in place. The governmental policies implemented by both countries positively impacted the reduction of the Carbon emissions, being in line with the European Union measures to meet the targets by 2030. A closer monitoring of air quality in both countries would help take up the measures to reduce air pollution and, therefore, improve life quality, especially in the main urban centres.

In 2017, the share of renewable energy for Romania was of 39.40, while Moldova had a share of 27.84. Both countries may focus on increasing this share and identifying sources of new energies for the use of public buildings as well as for population’s use. As in both countries the growing trend of energy consumption per capita was around 10% in 2017 compared to 2016, this should determine national authorities to enhance the measures related to increase the share of renewable energy.

Climate change is showing its impact on the programme area through an increase in the average temperature and changes in the precipitation regime, both with high regional and seasonal variability. Consequences are floods and drought distributed over the year with potential damage to human infrastructure, and heat waves (with impact on human health) and higher risks of forest fires. As the share of renewable energy consumption is rather low in both countries, with Romanian eligible territory having still a better rate, both countries should take up necessary steps to increase the use of renewable energy, both in the private as well as in the industry sector. Financial schemes together with incentives should be provided so as to motivate companies and population towards a higher rate of use renewable energy.

Waste management is a sensitive issue on both sides of the border, with municipal waste collection being an area of interest in order to develop adequate services to collect and to recycle the growing quantity of municipal and industrial waste produced.

In terms of intensity of the use of forests resources from the clearing point of view, figures indicate quite a stable trend in the Republic of Moldova from 250 ha in 2016 to the same figure in 2019, while in the eligible area of Romania no clearing of the forests resources were reported during 2015-2019. When talking about the use of the forests resources related to timber authorized for harvesting, while in the eligible area of Romania there were no authorizations granted, in the Republic of Moldova the figures vary from 576 ha. in 2016 to 567 ha. in 2019.

In 2019 the areas in the Republic of Moldova under the risk of flood are amounting 2,315 sq. km, whereas in Romania the figure is 14,564 sq.km. (no data available for the individual counties located in the eligible area of Romania). Investment is strongly needed on both sides of the border so as to prevent future disasters caused by floods and to better prepare authorities and population in the area.

### CONNECTIVITY AND TRANSPORT

Accessibility for Romania in the area through motorways and railways is slightly below average if compared to other member states. In the Republic of Moldova, the length of public roads is 9,359 km, out of which more than half (6,016.2 km) are local roads. No highways are available in the Republic of Moldova at present, as Romania reported 920 km of highways at the end of 2020.

The railway transportation has been declining in both countries, as the number of passengers carried by railways fell gradually.

In terms of air connectivity, Moldova has 2 airports with international links (Chisinau and Marculesti), as in the eligible area of Romania there is only one airport in Iași, having international connections.

Since 28 April 2014, Moldovan citizens with a biometric passport can travel to the Schengen area without a visa.

Both participating countries need strong investment in the transport infrastructure sector, but the budget for such projects should be considerably consistent. Therefore, there can be concluded that transport infrastructure projects could not have a significant impact because of a reduced allocation and the strategic approach could not be fulfilled.

### SOCIAL CHALLENGES

In both countries we are witnessing an increase share of the aging population, doubled by an important part of the active population that decided to leave Romania or Republic of Moldova to work abroad.

Moreover, the constant growth of life expectancy in the Programme area is putting a huge pressure on the pension deficit.

In terms of temporary long duration migration, Romania is facing a growing trend of people leaving the country and the vast majority of the emigrants from both states are part of the active population leaving for better paid and sustainable jobs outside their countries.

Investment in public education is a constant need, whether we refer to digital infrastructure, modernisation of schools’ buildings or continuous training for teachers so as to be better prepared to deal with modern challenges and adapt their teaching methods to the latest evolutions of society. Although situation in the Programme area improved following the COVID-19 pandemic, when IT devices were bought in order to create the prerequisite for online schooling, there is still a considerable need of financing in this sector.

The high vulnerability of the health system to global epidemics, for instance COVID-19, has demonstrated the need for reform to ensure universal access to essential services, safe, qualitative and affordable medicines and vaccines, robust social protection schemes and basic coverage.

In the context of the above-mentioned demographic indicators, doubled also by the increase of the life expectancy and the growing aging trend, the healthcare workforce is a sensitive issue that needs to be tackled.

### TOURISM

Tourism is an important potential competitive asset for the core eligible area. The varied relief, the geographical positioning, the varied flora and fauna, and the cultural heritage of the area are key components that can form the base for developing the tourism infrastructure and services.

Having good international flight connection, with Iași Airport (RO) continuously developing and increasing the number of destinations across Europe, the potential of the whole area could be explored and included on the map of city breaks. Moreover, as Republic of Moldova has also become a strong actor on the winery market, this niche tourism could also be promoted, together with common historical sites which relate both countries.

Sustainable tourism should be encouraged, so as to preserve the unicity of the area, its natural and cultural heritage.

### GOVERNANCE AND CIVIL SOCIETY

The quality of the civil service in Republic of Moldova is negatively influenced by the relatively low remuneration of civil servants, which generates a substantial turnover of staff with impact on institutional memory and quality of public policies.

According to Public Administration Reform Strategy 2016-2020 of Republic of Moldova, the civil service is neither attractive nor motivating for good and honest professionals. Public administration is still performing functions which are not proper to the role of the state in a functional market economy and a modernisation of the public administration is a demand of the entire Moldovan society.

In Romania, EU financed national programmes have considerably contributed in the previous budgetary cycles to the reform of the public administration, to the development of public policies and strategies. Therefore, the administration in the Republic of Moldova could benefit of the already experience acquired by Romania, within cooperation projects aiming at exchanging experience and sharing best practices.

Prevention and fight against corruption have known considerable progress in both countries, but there is still room for improvement. Involvement of the civil society in reaching this aim would ensure a transparent objective approach.

Despite of the progress registered for both countries in terms of economic freedom and civil society involvement, cooperation in the areas of enhancing the institutional capacity and efficiency of public authorities is still needed.

### MIGRATION AND BORDER MANAGEMENT

Both countries are lagging behind in terms of an efficient border control so as to allow for a proper migration management. Joint development and governance strategies may help in addressing disparities and assist in dealing with their most visible effects, such as the increase in regular and irregular, temporary and permanent migration flows, as well as with organised crime.

Outward migration is an important issue throughout the core area, as young adults leave for work or study (sometimes never returning) and leave behind a significant dependent population – formed out of children and elders.

Joint projects aiming at upgrading border-crossing infrastructure, enhancing information exchange and cooperation between border authorities at the local level or in improving governance via a more coordinated approach to management would contribute to safer EU external borders.

### SINERGIES AND COMPLEMENTARITIES

The use of EU funds under the programme must be considered in strong connection with other national programmes and or cooperation programmes covering the same regions, with macro-regional strategies and other existing financing solutions for the participating countries.

Romania, benefits in the programme area of regional and sectoral financial support which also contributes to the implementation of Policy Objective 2 - A greener low-carbon Europe and its neighbourhood and Policy Objective 4 - A more social Europe and its neighbourhood via North-East Regional Operational Programme (for Iași, Vaslui, Botoșani counties) and South-East Regional Development Region Regional Operational Programme (for Galați county) or main stream programmes, such as National Plan for Recovery and Resilience, Sustainable Development Operational Programme, Health Operational Programme, Education and Employment Operational Programme, Inclusion and Social Dignity Operational Programme, Just Transition Operational Programme (for Galați county only). Moreover, operations envisaging border management are financed under the *Instrument for border management and visa policy*, benefiting of more than 90 million Euro only for similar types of interventions as those foreseen under ISO 2 – A safer and more secure Europe.

The Republic of Moldova developed several national financing schemes dedicated to environmental issues, to energy efficiency investments and water and sewage connectivity, which will be put in place starting with 2021. Furthermore, a new partnership of the Government of the Republic of Moldova with USAID, covering 2020-2025 period is in place. By means of this, direct assistance will be provided to public institutions to catalyzing citizen engagement in their communities to drive demand for accountable governance and stronger democratic institutions.

The drafting of the present Interreg Next programme envisages potential synergies with other cooperation programmes such as Interreg Next Black Sea Basin Programme, for PO 2, in the field of disaster risk prevention and it also aims at contributing to the objectives of EU Strategy for the Danube Region (EUSDR).

The programme area is covered by the EU Strategy for the Danube Region (EUSDR). This Strategy is supported at the highest political level by all participating countries, which are therefore ready to support those actions arising from its revised Action Plan, provided they also contribute to the specific objectives of the cross-border regions. This requires a good and proactive coordination with the EUSDR stakeholders. The Strategy brings together 14 countries along the Danube river, among which Romania and Moldova are also included.

The Strategy focuses on four pillars, and within each pillar, concrete cooperation actions specify priority areas: connecting the region (improve mobility and transport connections, encourage more sustainable energy, promote culture and tourism); protecting the environment (restore and maintain water quality, manage environmental risks, preserve biodiversity, landscapes and the air and soil quality); building prosperity (develop the Knowledge Society, support the competitiveness of enterprises, invest in people and skills); strengthening the region (step up institutional capacity and cooperation, work together to promote security and tackle organised and serious crime).

Interreg NEXT Romania-Republic of Moldova Programme strategy will contribute to the following EUSDR objectives:

* connecting the region (promote culture and tourism);
* protecting the environment (manage environmental risks,);
* strengthening the region (step up institutional capacity and cooperation, work together to promote security and tackle organised and serious crime).

The table below shows a clear image of the Programme contribution to EUSDR objectives:

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| **Proposed PO and Sos → EUSDR Pas ↓** | **PO2 (iv)** Promoting **climate change adaptation and disaster risk prevention** and resilience, taking into account eco-system based approaches | PO 2 (vii) Enhancing protection and preservation of nature **biodiversity and green infrastructure**, including in urban areas, and reducing all forms of pollution | **PO4 (ii)** Improving equal access to inclusive and quality services in **education**, training and lifelong learning through developing accessible infrastructure, including by fostering resilience for distance and on-line education and training | **PO4 (v)** Ensuring equal access to **health care** and fostering resilience of health systems, including primary care, and promoting the transition from institutional to family-based and community- based care | **PO4(vi)** Enhancing the role of **culture and sustainable tourism** in economic development, social inclusion and social innovation | **ISO 1** A better cooperation governance | **ISO 2**  A safer and more secure Europe |
| PA 1a Water Mobility |  |  |  |  |  |  |  |
| PA 1b Rail-Road-Air Mobility |  |  |  |  |  |  |  |
| PA 2 Sustainable Energy |  |  |  |  |  |  |  |
| PA 3 Culture and Tourism, People to People |  |  |  |  |  |  |  |
| PA 4 Water quality |  |  |  |  |  |  |  |
| PA 5 Environmental risks |  |  |  |  |  |  |  |
| PA 6  Biodiversity and landscapes, quality of air and soils |  |  |  |  |  |  |  |
| PA 7 Knowledge Society |  |  |  |  |  |  |  |
| PA 8 Competitiveness of enterprises |  |  |  |  |  |  |  |
| PA 9 People and skills |  |  |  |  |  |  |  |
| PA 10 Institutional Capacity and Cooperation |  |  |  |  |  |  |  |
| PA 11 Security |  |  |  |  |  |  |  |

### LESSONS LEARNT

Most actions proposed for financing under Interreg Next Romania-Republic of Moldova are a continuation of the investment already made by ENI Romania-Republic of Moldova Joint Operational Programme 2014-2020 and ENPI Romania-Ukraine-Republic of Moldova 2007-2013. Covering the same eligible area, the 2014-2020 programme financed projects in the fields of education, health, disaster prevention, fight against organized crime, cultural heritage, but also transport and ITC infrastructure and research and innovation, which are not addressed in the present programme anymore.

The needs that generated the programme strategy for the 2014-2020 programme are still present in the eligible area, and additional issues arise from the COVID 19 pandemic. With a high number of over 200 applications submitted, the stakeholders proved a high interest for cooperating in the area.

In the past programming periods the strategies of ENPI Romania-Ukraine-Republic of Moldova 2007-2013 (implementation period ended 31 December 2019) and ENI Romania-Republic of Moldova 2014-2020 (in implementation) programmes aimed to improve the economic and social development of the area, as well as to enhance the protection of the environment and prevention and management of the emergency situations by joint actions.

The issues targeted by the Policy Objective 2 were addressed by both previous programmes. The ENPI program dedicated a Priority to development of long term solutions to the environmental problems faced by the border areas, particularly those associated with water and sewerage management systems, as well as environmental emergencies, where a co-ordinated approach is essential, while the ENI programme only focuses on issues related to prevention and intervention in case of natural and man-made disasters and management of emergency situations.

Although still significant in terms of needs of the eligible area, actions that could improve the mobility in the area are no longer addressed, as they gave raise in the previous programmes to multiple issues linked to the ownership/administration of the infrastructure, high costs associated with the investment, long implementing periods and low level of interest of the relevant stakeholders in submitting and implementing projects.

Also, dealing with the significant common challenges in the field of health, education, culture and sustainable tourism have been part of the strategies of the previous ENPI and ENI programmes covering this area. The interest for these fields in the ENI programme was significant, and tends to continue, according to the conclusions drawn following the various levels of consultations of stakeholders held during the programming process. The projects involved a wide array of partners like local and regional authorities, vocational, technology and sanitary schools, universities, local, municipal and regional hospitals, and NGOs. The partnerships built to implement these projects proved to be creative, and even innovative for the cross border area, resourceful and committed and may be a valuable starting point for future partnerships and capitalisation.

Border management issues and linked infrastructure were also addressed during the 2014-2020 programming period. The projects contracted during the 2014-2020 financing exercise went beyond the program targets as regards the number of participants involved in joint capacity building activities (exchanges of experience, study visits, trainings etc.), and the facilities of police, border police and custom services from the eligible area modernized with program support. The field attracted participation of central, regional and local level law enforcement authorities, in partnership with local administrations in some cases, cooperating to find strategies, plans, instruments and adequate means to prevent and fight against the cross border criminality.

The former ENPI programme and the ENI programme implemented in this cross border area have significantly contributed to the improvement of the quality of life of communities in the area. However, the new Interreg programme may build on the existing knowledge and cooperation experience gained in the previous exercises, and use the positive results of the former projects, in order to generate future developments, as the needs identified by the analysis are still relevant for the area.

Romania-Republic of Moldova 2014-2020 ENI programme provided adequate support to its potential applicants in the project’s generation phase, using various channels and tools. Face-to-face information and training events and partnership forum organised in the programme area were considered among the most useful tools by potential applicants. However, since the restrictions caused by COVID-19 pandemic have forced the programme to seek for hybrid approaches without diminishing content quality, the online environment is worth being creatively explored. Renewed or upgraded tools and modalities to develop the capacities of potential applicants and further, of programme beneficiaries, need to be considered in this changing environment. Examples can range from e.g. tutorials, web-based partner search facility, online webinars/workshops, to online learning or helpdesk platforms. Project generation could also be supported by a web-library of results following the 2014-2020 exercise, aiming to inform and inspire the interested applicants, providing them hints and ideas about how to replicate, multiply or continue past achievements, while avoiding duplication.

Programme terminology, updated in accordance with the new regulations, must be adequately explained in the Guidelines and during the calls for proposals. The new approach to the intervention logic at programme and project level must be highlighted to ensure that the proposals received, assessed and selected are consistent with EU concepts and directions.

Particular attention needs to be paid to applicants intending to execute infrastructure components requiring, as part of the application package, technical documentations to prove project maturity and preparedness for implementation. Since significant differences exist, in this respect, between legal provisions in Romania and the Republic of Moldova, the Guidelines should, with the support of national actors, make clear the specificities in order to limit the number of clarifications during the assessment process. Similarly, it is important that any national particularity impacting the content of the application package be considered beforehand and made explicit in the Guidelines for applicants.

The administrative burden at projects’ submission can be further reduced by limiting the number of documents required in the application package only to those necessary and relevant for the purpose of evaluation and selection, using the informatics system and fully switching submission and evaluation to paper-free mode.

The application form will follow the template developed by INTERACT, possibly adjusted according to the results of the consultations and the decisions of the Monitoring Committee.

The evaluation process was highly prolonged in the 2014-2020 programme therefore, for the purpose of a rapid, equitable and good quality evaluation, aiming to also avoid the risk of de-commitment, the 2021-2027 programme must seek to simplify the entire process and the mechanisms supporting it. To this end, all programme structures must join efforts for an optimal use of programme resources with a keen eye on the desired results – good quality projects selected and financed. A first step would be to better focus the assessment efforts on the search of projects that have strong cross border character and clear cross-border relevance, and also good operational features supporting smooth implementation in case they are selected.

Although unexpected circumstances delayed and created repeated bottlenecks during contracting and implementation, the 2014-2020 programme remained attractive for the beneficiaries, while the trust capital in programme structures and EU funding remained positive, thus facilitating a smooth and collaborative working environment. Direct cooperation between regional or local stakeholders, and the programme to unblock certain specific implementation challenges and keep projects on the track has proved to be necessary and efficient. Given the partnership principle, ensuring local ownership over the results, whether positive or negative, is a practice worth to be continued, or even formalized in the NEXT programme procedures.

Having in view 2014-2020 experiences and the orientation towards simplification given by the new regulations, the programme mission will be to review and adjust its internal monitoring procedures, making the most and the best from the risks assessment approach in respect to management verifications, with a keen eye on the use of resources and programme timeline.

Attention should also be paid to accelerate, through specific mechanisms at programme level, the public spending and payments towards the beneficiaries, while orientation towards timely results at project level must be strong and clear.

Paper-free monitoring is a long pursued goal and the programme's intention is to make extensive use of JEMS to ensure, to the extent possible, a real time monitoring through the facilities provided by the e-system. Access will be open to all the actors from both participating countries while the administrative burden on beneficiaries and programme structures will thus be reduced.

The programme must join other programmes and initiatives, and look up for diversification of tools, means, and modalities to communicate on the results, and also for relevant information reaching the European contributors about the cooperation area and efforts undergoing at the external EU borders.

The practice installed during 2014-2020 to require projects to allocate at least 2% from their total direct costs, excluding infrastructure, to visibility, communication and information proved to have positive results and should be maintained as a way to secure sufficient budget for impactful activities, along with an inventory of actions to be mandatorily performed by projects. Building on 2014-2020 data, this type of expenditure, together with administrative costs and staff costs, can be taken into account as a simplified cost option at project level (flat rate).

1.3. Justification for the selection of policy objectives and the Interreg-specific objectives, corresponding priorities, specific objectives and the forms of support

|  |  |  |  |
| --- | --- | --- | --- |
| **Selected policy objective or selected Interreg-specific objective** | **Selected specific objective** | **Priority** | **Justification for selection** |
| Policy Objective 2 - A greener, low-carbon transitioning towards a net zero carbon economy and resilient Europe by promoting clean and fair energy transition, green and blue investment, the circular economy, climate change mitigation and adaptation, risk prevention and management, and sustainable urban mobility | Promoting climate change adaptation and disaster risk prevention and resilience, taking into account eco-system based approaches | Green communities | During the past decade, climate has reached considerable change in the programme area (and not only). From severe droughts to heavy rainfalls, population had to face extreme phenomena more often than in the past. In 2019, the areas in the Republic of Moldova under the risk of flood were amounting 2,315 sq. km, whereas in Romania the figure was 14,564 sq.km. (at national level). Furthermore, the uncontrolled use of forests resources from the clearing point of view are considered to be one cause for landslides in the eligible area. During the consultations process held for the drafting of the programme, stakeholders activating in the field of disaster risk prevention in both countries expressed their strong intent of collaborating for the improvement of preparedness and prevention of several types of disasters, both natural and man-made. A capitalisation of the previous cross-border EU funded projects in the field of disaster risk prevention would diminish the gap between the two countries in terms of prevention, preparedness and resilience in case of disasters, contributing to a better climate change adaptation. Developing modern mechanisms of monitoring and early warning for natural or/and man-made disasters represents a priority for the authorities. All the above, together with a raised degree of awareness of the population would help diminish material damages and loss of human lives in the border area communities. |
|  | Enhancing protection and preservation of nature biodiversity and green infrastructure, including in urban areas, and reducing all forms of pollution | Green Communities | The use of forests resources from the clearing point of view indicate quite a stable trend in the Republic of Moldova, while in the eligible area of Romania no clearing of the forests resources was reported during 2015-2019. However, both countries have shown a strong interest in actions concerning afforestation during the consultation process, with the aim of avoiding natural disasters such as landslides and floods. In 2019 the areas in the Republic of Moldova under the risk of flood were amounting 2,315 sq. km, whereas in Romania the figure is 14,564 sq.km.  Apart from raising the security of border communities threatened by natural disasters, investment in the preservation of nature biodiversity would contribute to restore endangered species and to bring new species in the area, resistant to climate change. The development of common management plans and strategies for protected areas together with their recognition at international level via official certification would help both countries increase their natural heritage and develop safe tourism in the eligible area. Local communities would benefit of more opportunities to develop and would also become aware of the importance of preserving the biodiversity of the area. |
| Policy Objective 4 - A more social and inclusive Europe implementing the European Pillar of Social Rights | Improving equal access to inclusive and quality services in education, training and lifelong learning through developing accessible infrastructure, including by fostering resilience for distance and on-line education and training; | Social Development across Borders | Investment in public education is a constant need in both participating countries, although the allocated GDP percentage reached nearly 6 in 2019 in the Republic of Moldova, while in Romania the percentage increased from 2.8 in 2016 to 3.4 in 2019. The COVID-19 pandemic brought important investment in equipment endowment of schools in both countries, when IT devices were bought in order to create the prerequisite for online schooling. However, the consultations held with central and local authorities in both countries revealed an urgent need of investment in education infrastructure, in modernising and endowing schools, universities, vocational education units, and public libraries, of creating new teaching resources. The human resource involved in the educational act also needs constant training and updating, therefore common development activities of the teaching skills and methods would contribute to harmonising the two educational systems and reduce disparities between the two countries. Exchange of experience of teachers and students, developing common curricula, common strategies in the field of education would also help bring the education systems in both countries to the same level and increase mobility in this field. |
|  | Ensuring equal access to health care and fostering resilience of health systems, including primary care, and promoting the transition from institutional to family-based and community- based care | Social Development across Borders | An important problem of the structure of the healthcare workforce in the Republic of Moldova is related to the aging of the current professionals. In 2019, 30.27% of the 12,552 doctors where in the proximity of the retirement date. The same alarming situation is valid also for nurses, with 3,086 nurses being close to retirement in 2019. There are chances for this problem to even deepen in the years to come as the young doctors are not willing to work in the conditions offered by the government. Another important reason for keeping young doctors away from the hospitals is the lack of high-end medical infrastructure.  On the other hand, the healthcare system in the eligible area of Romania is characterized by the following main issues:   * a clear difference between the infrastructure and the complex cases to be solved in the 4 counties; * the smaller hospitals are only treating uncomplicated diagnosed cases, referring to a large number of patients to county seat municipality hospitals; * inequities in the healthcare services coverage between rural and urban area, especially in counties like Vaslui and Botosani; * not a clear evidence of the high-end medical devices and their respective level of usage in the public hospitals; * lack of human resources, with a reduced number of doctors and nurses compared to the EU average. Moreover, the uneven distribution of the doctors is representing an additional barrier to the access to healthcare in eligible area of Romania. * lack of clear set of indicators targeting the quality of the medical act, so as to stimulate public hospitals to be more efficient.   In both countries there is a high risk of collapse of the public healthcare system by lack of doctors generated by brain drain, with young doctors leaving both Republic of Moldova and the eligible area of Romania and, therefore, a decrease of the quality of the medical act and the response time.  Construction of new hospitals, rehabilitation and modernisation of the existing ones and, most important, endowment with high-end equipment would increase the quality of the medical act and the preparedness of the system in terms of infrastructure. Moreover, investment in medical staff training, exchange of experience, development of common procedures is the second condition for a strong resilient medical system. This would also help diminish the process of brain drain and would offer better condition for border communities to live in. The COVID-19 pandemic put the healthcare system at a structural test and revealed its weaknesses more than any period in the last decades. Together with other financing sources, the Programme may contribute to enhancing the system’s capability of face current challenges together with any other exceptional situation including by enhanced partnership. |
|  | Enhancing the role of culture and sustainable tourism in economic development, social inclusion and social innovation | Social Development across Borders | Tourism is an important potential competitive asset for the core eligible area. The common cultural heritage of the area is a key component that can form the base for developing the tourism infrastructure and services.  Under the previous programming periods, projects in the field of cultural heritage have been implemented and proved to be of high interest for beneficiaries in the area. Several of them have also been continued along two programming periods (i.e. rehabilitation of Soroca Fortress etc.) as these require a great amount of funds to be invested and in most of the cases there are several stages of works to be performed in order to have a historic monument restored and included in the tourist circuit.  In an area sharing plenty of historic and cultural sites, with well-kept traditions, investment in tourism would significantly contribute to the development of local economies of the border communities, by attracting a higher number of tourists and encouraging local crafts. Promoting these touristic assets is a key component of this process, together with the investment in reconditioning and digitizing the cultural heritage sites. |
| Interreg Specific Objective 1 - A better cooperation governance | Enhance efficient public administration by promoting legal and administrative cooperation and cooperation between citizens, civil society actors and institutions, in particular, with a view to resolving legal and other obstacles in border regions | Cooperation across borders | Romania, as a member state of the European Union, has a long experience of accessing and implementing EU funded projects. Authorities at national and regional/local level may share their expertise with Moldovan counterparts and both parties may work together to identify common solutions to the problems of the eligible area. Drafting common development strategies in various fields of action, exchanging experience via study visits, developing ITC tools, drafting joint protocols, setting up new legislative measures to help cross border cooperation would significantly improve the relations between the 2 participating countries and would help reduce disparities in terms of institutional capacity. |
| Interreg Specific Objective 2 - A safer and more secure Europe | Border crossing management and mobility and migration management | Cooperation across borders | Effective border management requires that the EU’s external borders are both efficient (facilitating legal migration, legitimate trade and transit) and secure (preventing illegal trade and transit as well as irregular migration)[[1]](#footnote-1). In many respects, this requires close cooperation at the national level, but cross-border cooperation has also an important role to play, for example in upgrading border-crossing infrastructure, in enhancing information exchange and cooperation between border authorities at the local level or in improving governance via a more coordinated approach to management.  Romania and Moldova share a number of 9 land border crossing points in the eligible area. Out of these, 6 border crossing points are open to road traffic, while 3 of them are dedicated to railway border crossing.  The consultations held with stakeholders of the programme revealed a need of investment in the infrastructure and equipment needed for border surveillance, for common intervention missions, as well as for prevention of criminal acts. In order to have a coherent response, authorities involved in border management, together with police and gendarmerie forces dealing with crime prevention and fight in the border area need to have common procedures, to undergo similar training and to have similar level of equipment, as their activities are placed at the EU external borders. Therefore, this action under the present Interreg specific objective has been identified as needing considerable financing by both participating countries. |

2. Priorities

2.1. Title of the priority:

Green Communities

2.1.1.1 Specific objective

Promoting climate change adaptation and disaster risk prevention and resilience, taking into account eco-system based approaches

2.1.1.2 Related types of action, and their expected contribution to those specific objectives and to macro-regional strategies and sea-basis strategies, where appropriate

The indicative type of activitiesto be financed under this specific objective may be the following:

* Construction/rehabilitation/modernisation of infrastructure in the field of emergency intervention and preparedness;
* Endowment with equipment for emergency interventions;
* Joint operational plans/procedures/trainings for risk prevention and management;
* Hydrological monitoring of rivers, water temperature, precipitation measurements, ice regime;
* Strengthen the banks of rivers, canals, the condition of dams, afforestation of river banks;
* Prevention activities for the elimination of erosions;
* Awareness campaigns for the population under the risk of natural or man-made disasters.

2.1.2.1 Specific objective

Enhancing protection and preservation of nature biodiversity and green infrastructure, including in urban areas, and reducing all forms of pollution

2.1.2.2 Related types of action, and their expected contribution to those specific objectives and to macro-regional strategies and sea-basis strategies, where appropriate

The indicative type of activities to be financed under this specific objective may be the following:

* Drafting common management plans/procedures for protected areas;
* Assessment, protection and improvement of existing ecosystems (research activities, inventory of resources, protection of endangered species, eradication of invasive species, afforestation etc.);
* Awareness campaigns for the protection and eco-safe tourism promotion within protected areas.
* Urban green infrastructure.

2.2. Title of the priority:

Social Development across Borders

2.2.1.1 Specific objective

Improving equal access to inclusive and quality services in education, training and lifelong learning through developing accessible infrastructure, including by fostering resilience for distance and on-line education and training

2.2.1.2 Related types of action, and their expected contribution to those specific objectives and to macro-regional strategies and sea-basis strategies, where appropriate

The indicative type of activitiesto be financed under this specific objective may be the following:

* construction/rehabilitation/modernisation of education infrastructure;
* equipment endowment of education institutions (schools, universities, libraries);
* joint actions in the field of education (strategies, trainings, workshops, exchange of experience etc.).

2.2.2.1 Specific objective

Ensuring equal access to health care and fostering resilience of health systems, including primary care, and promoting the transition from institutional to family-based and community- based care

2.2.2.2 Related types of action, and their expected contribution to those specific objectives and to macro-regional strategies and sea-basis strategies, where appropriate

The indicative type of activitiesto be financed under this specific objective may be the following:

* Construction/rehabilitation/modernisation of health infrastructure;
* Equipment endowment (including IT, digitalization, mobile assets, emergency situation equipment);
* Joint trainings/procedures/exchange or experience;
* Awareness campaigns.

2.2.3.1 Specific objective

Enhancing the role of culture and sustainable tourism in economic development, social inclusion and social innovation

2.2.3.2 Related types of action, and their expected contribution to those specific objectives and to macro-regional strategies and sea-basis strategies, where appropriate

The indicative type of activities to be financed under this specific objective may be the following:

* Rehabilitation/modernisation and endowment of cultural heritage;
* Rehabilitation of infrastructure related to cultural heritage sites;
* Promotion of cultural heritage (promotion campaigns, cultural events etc.);
* Promoting digital platforms for tourism;
* Promoting cultural heritage sites and including them in cross border tourism networks and chains;
* Joint campaigns, publications, studies, strategies to improve cross border tourism potential;
* Exchange of knowledge and best practices in the field of maintenance and revitalization of areas and sites of cultural heritage that increase the attractiveness and tourist potential;
* Establishment of common networks in the field of tourism and culture.

2.3. Title of the priority:

Cooperation across borders

2.3.1.1 Specific objective

Enhance efficient public administration by promoting legal and administrative cooperation and cooperation between citizens, civil society actors and institutions, in particular, with a view to resolving legal and other obstacles in border region

2.3.1.2 Related types of action, and their expected contribution to those specific objectives and to macro-regional strategies and sea-basis strategies, where appropriate

The indicative type of activitiesto be financed under this specific objective may be the following:

* joint cross border strategies/action plans/trainings;
* joint solutions for cross border cooperation (which may include equipment endowment, software, construction/rehabilitation/modernisation of cross border infrastructure);
* information and awareness campaigns.

2.3.2.1 Specific objective

Border crossing management and mobility and migration management

2.3.2.2 Related types of action, and their expected contribution to those specific objectives and to macro-regional strategies and sea-basis strategies, where appropriate

The indicative type of activities to be financed under this specific objective may be the following:

* joint cross border strategies/action plans/trainings;
* joint solutions for cross border cooperation (equipment endowment, software, construction/rehabilitation/modernisation of cross border infrastructure);
* information and awareness campaigns.

1. EC EAS (2020) Joint Paper on Interreg NEXT Strategic Programming [↑](#footnote-ref-1)