

**Medium Term
Expenditure Framework
(2009-11)**

Chisinau, 2008

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Acronyms

ATU	Administrative Territorial Unit
CHIF	Compulsory Health Insurance Fund
MTEF	Medium-Term Expenditure Framework
NBM	National Bank of Moldova
NDS	National Development Strategy
NPB	National Public Budget
SSEP	Sector Strategic Sector Plan
SSIF	State Social Insurance Fund
SSs	State Securities
VAT	Value Added Tax
WTO	World Trade Organisation

A. Introduction

1. ***The 2009-11 Medium Term Expenditure Framework*** (MTEF) provides an update of the previous MTEF (2008-10) and extends its forecasts and analysis through to 2011. The 2009-11 MTEF contains the estimates for the medium term public resource framework that will be used in adjusting the National Development Strategy (NDS) Action Plan.

2. ***The main characteristics of this year's MTEF are:***

- Unlike previous years, the development of the 2009-11 MTEF was guided by the '***Concept on Policy Priorities in the Context of Developing the Medium Term Expenditure Framework (2009-11)***' that was approved through the Prime-Minister's Decision No. 1410-154 of 27 February 2008.
- The '***Forecasts of the Medium Term Expenditure Framework (2009-11)***' were then developed and approved by Government Ordinance. These forecasts formed the basis for the development of the budgets of central and local public administrative authorities. The MTEF forecasts were later adjusted to the updated macroeconomic indicators concurrently with the development of the draft budget. It is these updated forecasts that are contained in the 2009-11 MTEF document. Thus, ***the parameters of the draft National Public Budget (NPB) for 2009 are identical to those of the first year of 2009-11 MTEF. The expenditure ceilings of State Budget by sectors and central public authorities for 2010 and 2011 were also adjusted to reflect the outcome of the budget discussions.***
- The expenditure forecast and distribution of resources under 2009-11 MTEF was guided by the policy priorities resulting from the Government Action Program and the NDS.
- Sector strategic expenditure plans (SSEPs) were prepared for six new sectors - (i) justice, (ii) transport, (iii) environmental protection, (iv) science, (v) sports and (vi) penitentiary system.

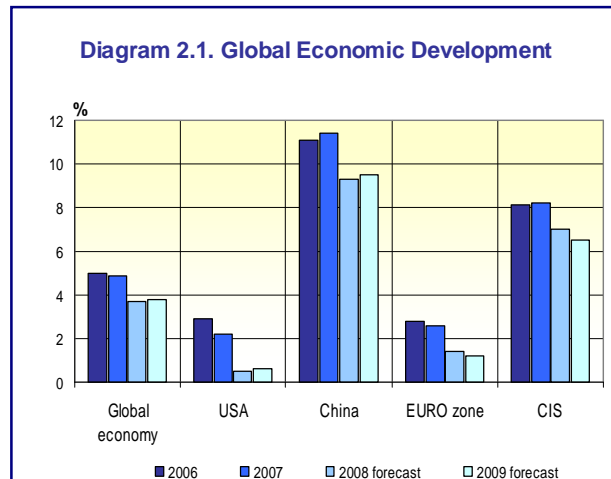
3. ***The 2009-11 MTEF document consists of the main text and annexes.*** The main text covers: (i) the context and perspectives for medium-term macroeconomic development; (ii) tax policy and tax management strategy and the forecast of public revenues; (iii) the policy and the strategic priorities for public expenditure; (iv) the management of State debt and the financing of the budget deficit; and (v) the medium term forecasts for the NPB. The annexes include tables covering the estimates and forecasts for NPB and its components, the spending plans for the primary budget spenders, as well as the SSEPs for the twelve sectors.

B. The Macroeconomic Context

The External Economic Context

4. ***In 2007 the global economy continued to grow.*** Total global output¹ increased this year by 5% compared to 2006 mainly due to the economic growth of China, India and Russia. However, global economic growth is forecast to fall to 4.1% in 2008 and 3.9 % in 2009. The main factors impacting growth rates in the global economy are the high prices for petroleum products and the imbalance in the economies of the USA and China.

5. In the developed countries inflation has remained low, while in the developing countries it has risen as a result of rising prices for energy resources and foodstuffs. In the current conditions of volatility in financial markets, the central banks have tightened monetary policy in order to moderate the inflation burden. The increase in prices for foodstuffs reflect the adverse weather conditions that affected many countries during the summer of 2007. Prices for petroleum products remain high because of continuing high demand.



6. ***A decrease in U.S. economic growth*** is forecast from 2.2% in 2007 to 1.3% in 2008 and 0.6% in 2009. This fall is conditioned by the unstable situation in the financial sector, especially in the area of mortgage loan activity, the inflation burden and the sustained increase in the world prices for oil.

7. ***The prospects for the development of Euro area in 2008 will be generally favourable,*** but the turmoil on the financial markets and reduction in the U.S. growth rates represent significant risk factors. Forecast economic growth for the Euro areas is 1.7% for 2008 and 1.2% for 2009. The real growth of Gross Domestic Product (GDP) in the main countries of this region in 2008 is forecast at 2% in Germany, 1.8% in Spain and 1.6% in France. The inflation rate in the Euro area is estimated at 2.9%.

8. ***In 2007 economic growth in the Commonwealth of Independent States averaged 8.6%.*** Real economic growth is estimated for 2008 at 7.8%, influenced by the increasing prices for oil, increased investment activity, as well as remittances from abroad.

9. Economic growth in 2008 in Moldova's main trading partners is forecast at 7.7% in **Russia**, 5.4% in **Romania** and 5.6% in **Ukraine**.

10. ***The recent forecasts on global economic development are accompanied by substantial risks and are therefore very uncertain.*** The most significant risks are related to the continuing turmoil in financial markets and also the recession of the U.S. economy which may prove longer lasting and deeper than currently expected. Another risk is of appreciation of the Euro against the U.S. dollar, which would reduce the competitiveness of Euro area and thereby impact on the level of business

¹ According to the data from the "World Economic Outlook Update" of July 2008.

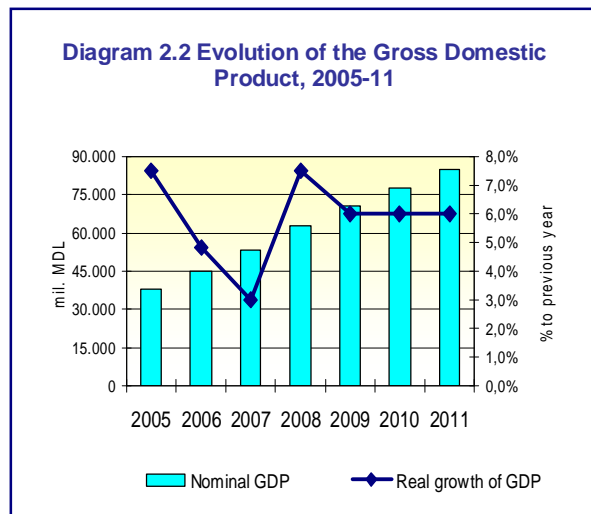
activity. The risks of a rise in inflation are linked to continued increases in energy prices and agricultural product prices, as well as the acceleration of growth in wages, taking into account the tight conditions on international labour markets.

Economic Development in Moldova: Recent Trends and Forecasts

Gross Domestic Product

11. In recent years Moldova's economy has been affected by a number of external shocks. In 2007 unfavourable weather conditions and increases in prices for energy resources and foodstuffs contributed to a significant dip in economic growth.

12. According to the preliminary estimates, in 2007 **GDP** increased in nominal values to MDL 53.4 billion with **real output growing 3%** as compared to 4.8% in 2006. The major sources for economic growth were investment and services, while unfavourable weather conditions negatively impacted on growth in the national economy. In 2007 agricultural production (in constant prices) fell by 23% and industrial output fell by 2.7% compared with 2006. Investment in fixed capital increased by 19.9% and totalled MDL 14.9 billion. The growth in the economy was mainly due to higher levels of foreign investment, which increased by 43.3% and totalled MDL 3.3 billion.



13. The medium term macroeconomic forecast for economic growth not to fall below 6%. This will be facilitated by the following conditions:

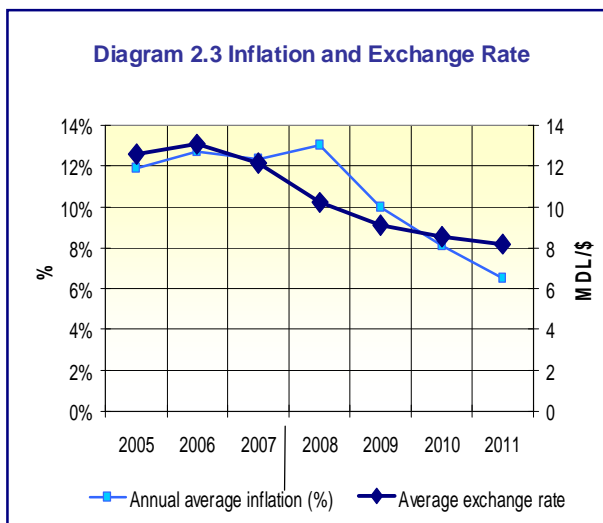
- reduction in the inflation rate and ensuring and maintaining a stable exchange rate of the national currency;
- channelling the internal and external resources mainly to the productive sector;
- increasing the share in GDP of the gross added value from the industrial and services sectors;
- streamlining the structure of imports by substituting some types of import goods with domestic products; and
- real improvement of the living standards of the population.

14. **The forecasts for 2009-11 show that GDP growth will be driven by** real annual increases in industrial output of 7% and in agricultural output of about 3%. High levels of fixed capital investment, which are forecast to exceed the GDP growth rate by 1.5 times, will also contribute significantly to economic growth. Capital investment will be facilitated by the reorientation of investment policy towards a more programmatic and performance based approach that focuses on the modernization of domestic enterprises, upgrading of infrastructure and development of small businesses. Meeting these criteria will help ensure sustained medium and long macroeconomic and budgetary stability.

Prices and Exchange Rate

15. **In 2007 the average rate of annual inflation** was 12.3% as compared to 12.7% in 2006. Inflation was generally affected by the increase in the price for energy resources and by the increase in prices for foodstuffs both on the internal and external markets.

16. **In 2007 the nominal exchange rate of the national currency appreciated by 12.3% versus the US dollar** and by 23.7% in case of the real exchange rate if compared to the end of 2005. The value of the leu during the year appreciated from MDL 12.99 per US dollar at the beginning of 2007 to MDL 11.29 per US dollar at the end of the year. This appreciation of the national currency was the result of excessive supply of foreign currency on the internal exchange market. The remittances from abroad, made by individuals through commercial banks increased by 42.5% in 2007 compared with 2006.



17. In 2008-11, the monetary and exchange policies of the National Bank of Moldova (NBM) will focus on the need to reduce inflation and to stabilise prices. Inflation is expected to be reduced below 12% by the end of 2008, falling further to 6% in 2011.

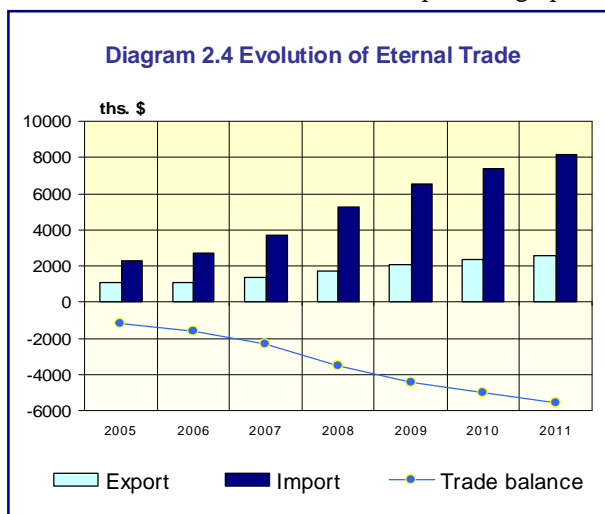
18. **Over the medium term, an appreciation of national currency versus the main foreign currencies is expected.** This trend will be driven mainly by foreign currency transfers into Moldova, either on the part of donors or on the part of residents and non-residents working abroad.

External Trade

19. Although external trade has registered a substantial growth both on imports and exports, the current account deficit has increased significantly. In 2007 the exports grew by 27.6% if compared to the previous year and imports by about 37%. The significant imbalance in the growth of exports and imports resulted in the trade deficit increasing to 52.7% of GDP, and increase of 6 percentage points over 2006. The level of coverage of imports by exports decreased to 37% from 39.8% in 2006.

20. **In 2007, the current account of the balance of payments registered a deficit of about USD 695 million** or 15.8% of GDP, increasing by 4.4 percentage points compared to 2006. The external trade deficit, amounting to 63.1%, was covered by remittances and revenues from abroad.

21. **The actions taken in 2007 aimed at rebuilding external trade will continue.** During 2009-11 **exports** are forecast to increase annually by about 15%. The factors that will contribute to the gradual growth of exports are: (i) duty-free access to the EU markets based on the Autonomous Trade Preferences



system, to the countries of South Eastern Europe in accordance with the CEFTA agreement and to the CIS based on the free trade agreements that have been concluded in recent years; and (ii) the qualitative growth of exports, especially due to the investments made in the modernisation and expansion of production.

22. ***During 2009-11 imports will increase by about 16% annually.*** The increase in the volume of imports will be related to the increase in investment flows and reflected in increased imports of vehicles, electrical devices and mineral products. The major share in the total volume of imports will continue to be the energy resources driven by growth in the domestic economy and by the increased price of gas. Rising consumer demand for imported goods will contribute to the growth in imports, facilitated by the high levels of revenues and remittances from abroad.

23. The trade deficit will increase from USD 4,450 million in 2009 up to USD 5,550 million in 2011. The rate of coverage of imports by exports will increase from 33% in 2009 to 34% in 2011.

Pay Levels

24. In 2007 the average monthly wage in the economy increased by 22% in nominal terms reaching MDL 2,065, while in real terms it grew by 8.2%. In the budgetary system the nominal average monthly wage was MDL 1,625 in 2007, 12.8% higher than in 2006. In the real sector of the economy the growth in average monthly earnings was 25%.

25. During 2008-11 the average nominal wage in the economy is forecast to increase by 60% to reach MDL 4100 by 2011, while the payroll fund will increase 1.5 times and will amount to MDL 29.6 billion or about 35% of the GDP, versus 31% in 2008. The growth of the average nominal monthly wage and payroll fund will be facilitated by the recovery in the real sector, especially the development of the private sector and the growth in employment in small and medium scale businesses, and by improvements in the payroll system and employee productivity.

C. Tax Policy and Budget Revenues

Tax policy Goals and Tax Administration Strategy

26. *The overall goals of the tax policy for 2009-11* remain the same as in previous years namely: (i) to ensure the tax equity, stability and transparency; (ii) to streamline the tax burden; (iii) to systematise and simplify tax legislation; and (iv) to harmonise the principles underlying the national tax legislation with those of the EU legislation. The set of planned tax policy measure for the main types of taxes are outlined below.

Personal Income Tax

27. *The goal of the planned personal income tax measures is to support those on low-incomes and to gradually shift the tax to those with average and above average earnings.* To this end, it is planned in 2009-11 to further strengthen the progressive structure for individual taxation. The rates and exemptions from this type of tax are presented in the Table 3.1.

Social Taxes

28. *Revision of the social and medical insurance contributions* in order to establish a reasonable tax burden both for the employer and the employee *is planned in the medium term.* The evolution of rates of social taxes is presented in Table 3.1. At the same time, the proposed measures aim at strengthening the financial stability of the social insurance system and extending the package of medical services provided to population through the compulsory health insurance system. Furthermore, *Title X of the Tax Code "Social contributions" will be completed and implemented,* allowing for simplified tax management and expanding the tax base of these contributions.

Table 3.1. Evolution of Personal Income Tax Rates and the Social Tax Rates 2007-11

	2007 efectiv	2008	2009 medium term	2010 proposals	2011
Personal income tax	vi<16200: 7%				
Taxable income (ti) tax brackets and tax rates, lei annual/%	16200<vi<21000: 10%	vi<25200: 7%	vi<25200: 7%	vi<25200: 7%	vi<27600: 7%
	vi>21000: 20%	vi>25200: 18%	vi>25200: 18%	vi>25200: 18%	vi>27600: 18%
Annual personal allowance, lei	5.400 lei	6.300 lei	7.200 lei	8.100 lei	9.000 lei
Annual allowance for maintained persons, lei	1.440 lei	1.560 lei	1.680 lei	1.800 lei	1.920 lei
State social insurance contributions rates, total, %	29%	29%	29%	28%	28%
Employer's , %	25%	24%	23%	21%	21%
Employee's , %	4%	5%	6%	7%	7%
Mandatory medical insurance rates, total, %	5%	6%	7%	7%	7%
Employer's , %	2,5%	3,0%	3,5%	3,5%	3,5%
Employee's , %	2,5%	3,0%	3,5%	3,5%	3,5%

Value Added Tax (VAT)

29. *In 2009-11 it is planned:* (i) to ensure the rules for determining the place of service provision that are specified in the national VAT legislation are compatible with WTO norms; and (ii) to implement the system for VAT refund to non-resident individuals.

Excise Taxes

30. ***The excise taxes*** on beer, wine products, strong alcoholic beverages, low alcoholic beverages, tobacco products, electronic equipment, cars ***will be adjusted in line with forecast inflation for 2009-11.***

Customs Duties

31. ***It is planned to complete and implement Title XI of the Tax Code "Customs Duties" in 2009-10,*** enabling systematization of all of the norms on the regulation of customs duties within the Tax Code.

Real Estate Tax

32. ***In 2009-11 it is expected to continue the implementation of Stages II-IV of the new taxation system covering several categories of real estate depending on their market value*** (Table 3.2). The respective measure of tax policy refers to the streamlining of the tax burden.

Table 3.2. Implementation of the New Real Estate Taxation System in 2009–11

Implementation Stages	Real Estate Category Estimated at Market Value	Implementation Year
II.	§ Garages, plots, orchards and constructions on them in the municipalities and towns, including the localities therein, except for the villages (communes). § Real estate for commercial and industrial purpose.	2009
III.	§ Agricultural land and the constructions on them.	2010
IV.	§ Housing estate - private houses from rural localities and gardens from the land outside the built-up areas.	2011

Local Taxes

33. ***For 2009 the taxable base for parking charges will be changed,*** through the transition from the taxable value established based on the revenue from the provision of parking services to the taxable value established based on the parking area.

Other Taxes and Duties

34. ***For 2010 it is planned to complete the systematization of tax legislation, by developing and adopting the Title XII of the Tax Code "Other Taxes and Duties", which will regulate private taxes and entrepreneurial patents.***

Tax Management Strategy

35. ***The goals of tax management strategy for 2009-11 are oriented towards the improvement of tax administration and tax management*** and result from the Strategy for the Development of State Tax Service for 2006-10 (Table 3.3).

Table 3.3 Evolution of Tax Management Policy Objectives in 2009-11

No	Objectives	Actions	Due term		
			2009	2010	2011
1.	Functional and structural strengthening of State Tax Service.	§ Ensure a functional infrastructure, procure transport means, new offices and perform capital and current repair works.	P	P	P
2.	Strengthening of human resources.	§ Train the State Tax Service staff on how to use the programs and software applied by the tax body and taxpayers, and organize specialized seminars on the practices and trends in the national economy sectors.	P	P	P
3.	Improve the quality of services provided to taxpayers and extend the range of services provided.	§ Develop information system for submission of electronic tax accounts.	P		
		§ Develop the mechanism for self-service of taxpayers through internet.	P	P	P
		§ Provide counselling services on the application of tax legislation through the Single Information Assistance Centre for Taxpayers.	P	P	P
		§ Popularize the tax legislation and extend the process of fiscal education, assist tax training to promote increased voluntary compliance with tax payment obligations.	P	P	P
4.	Improvement of tax procedures.	§ Establish a laboratory for checking the software, cash and control registers with fiscal memory.	P		
		§ Develop the instruments and technologies to streamline the work of the State Tax Service's employees.	P		
		§ Continue to implement the AIS 'Tax Cadastre' for objects with agricultural purpose, housing estate, dwelling houses in rural localities and other goods, based on the information provided by the Agency for Land Relations and Cadastre.	P	P	P
		§ Create an informational system and systematise data on financial and tax discipline. Develop and implement the 'Tax Records'.	P		
		§ Develop the mechanism for the automated planning of tax controls based on risk assessment.	P		
		§ Use programs based on information technologies in planning and carrying out tax controls.			P
		§ Settle tax litigations out of court through fiscal mediation.			P
		§ Continue to implement the process of improving tax administration through the transition from activity carried out on the basis of the entrepreneurial patent to new legal-organizational forms.	P		
5.	IT development.	§ Streamline tax management by improving the information resources of State Tax Service.	P	P	P
		§ Strengthen the information exchange system between the State Tax Service and other authorities.	P	P	P
		§ Implement components of the Tax Service Information System (TSIS), using a database management system (DMS).		P	
		§ Supply State Tax Service with technical and IT equipment.	P	P	P

Revenues of the National Public Budget

36. *The revenues of the NPB* attained in 2007 increased to 41.8% of GDP. In nominal value public revenues amounted MDL 22.3 billion in 2007 an increase of about 25% over 2006. The application of zero corporate income tax since the beginning of 2008 has slowed the growth rates of public budget revenues.

37. Taking into account the forecast macroeconomic indicators and the promoted tax policy, *NPB revenues are expected to increase from MDL 25.4 billion in 2008 to MDL 35.0 billion in 2011*. The evolution of revenues of NPB is presented in Table 3.1 and Annex 2.

Tax Revenues

38. *Tax revenues still comprise the major share of budget revenues*, accounting for over 80% of total revenue in 2007 of which 45% was from direct taxes and 55% were from indirect taxes. The main source of revenues, as in the previous years, remained VAT, which accounted for 34% of the total of public revenues.

39. *It is forecast that the share of tax revenues will increase to 89.7% of the total of public revenues by 2011*. At the same time the share of direct revenues in the total of tax revenues will decrease to 40.8% compared to 44.9% in 2007. Indirect revenues will continue to represent the main source of budget revenues, accounting for about 59.2% of the total of tax revenues in 2011. The evolution of the structure of NPB revenues is presented in Table 3.2.

Non-Tax Revenues and Grants

40. *In 2005-07 the non-tax revenues increased to about 7-8% of total public revenues*. These comprise the balance of net profit of the NBM transferred to the State Budget and revenues from the sale of licenses in the area of mobile telephony. As such licence revenues are not expected during 2009-11, the non-tax revenues are forecast of 4% of the total revenues.

41. *As a result of the meeting of the Consultative Group of Donors for Moldova in December 2006, the grants provided for budget support and for the projects financed from external sources have increased significantly*. In 2007 the value of such grants tripled if compared to the previous year, representing about 4.3% of the total of public revenues. This share will also be maintained in 2008

Diagram 3.1. Evolution of the National Public Budget Revenues 2005-11

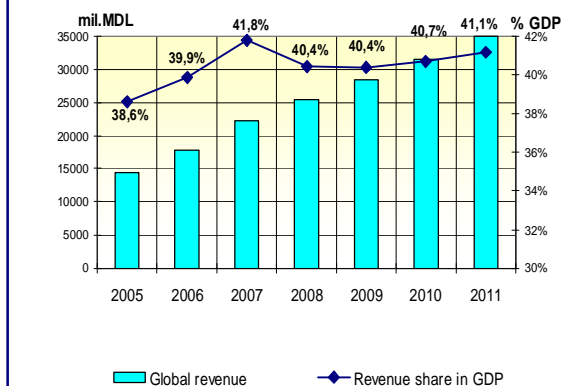
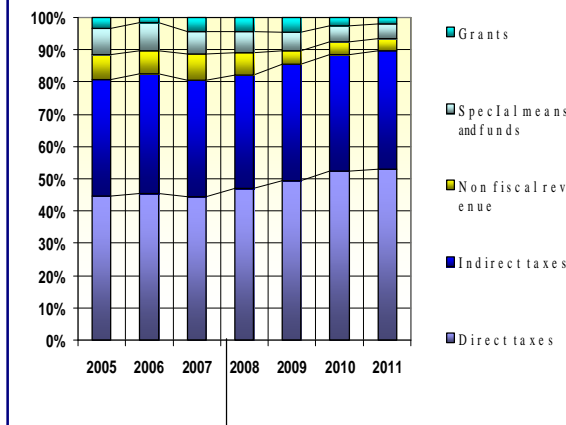


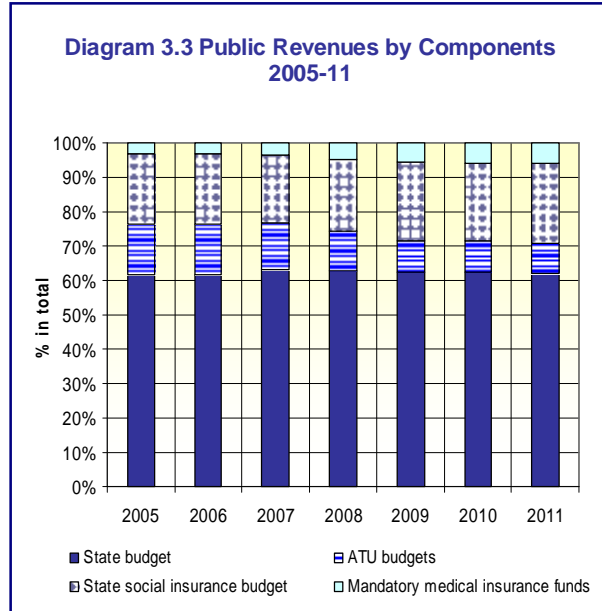
Diagram 3.2 Evolution of the Structure of Revenues of the National Public Budget, 2005-11



and will reach 4.7% in 2009. At the same time, the forecasts of grants to be provided in 2010-11 reveal their decrease in nominal values (partly as a result of exchange rate fluctuation) and as a share in the total of public revenues to 2-2.5%.

Revenues by Components of the National Public Budget

42. The revenues of State Budget and ATU budgets account for the major share in total public revenues estimated at 74.3% in 2008. However, the fastest growths in the medium term will be recorded by the revenues of the Compulsory Health Insurance Fund (CHIF), which will increase by about 75% by 2011 compared with 2008. Own revenues of the State Social Insurance Fund will increase during this period by about 52%. The revenues of ATU budgets and the State Budget will increase more slowly, by about 32% on the average. The evolution of revenues of the NPB by its components is presented in Table 3.3.



D. Public Expenditure Framework

Public Expenditure Policy

General Objectives

43. The policy in the area of public expenditures for 2009-11 results from the provisions of the Government Action Program, the 2008-11 NDS and other national programmes and strategies. The general objectives of the expenditures policy for 2009-11 are the following:

- *To ensure a more efficient and effective use of public resources.* This is the major objective as the level of overall public expenditure, expressed as a share of GDP, is already very high.
- *To strengthen the capacities for public expenditures planning.* This will require the development of capacities and accountability of the public authorities in the area of sector policy planning consistent with the available resources. The central message is that public authorities, as the beneficiaries of public funds, should focus on the sound use of these resources as opposed to focusing on identifying requirements for additional resources.
- *To rationalise wagebill spending.* The process of analysing and rationalising wagebill spending shall reflect the objectives of Concept for Optimization the Staff Number in the Budgetary Sector for 2008-10. This objective receive special attention given the high share of wagebill expenditure in total public expenditure.
- *To distribute the public resources by sectors, programs and other activities in accordance with the Government's stated priorities.* At the initial stage of the current MTEF development, the Government approved for the first time a document that defines the priorities for the allocation of resources in the medium term. This document has helped ensure a consistent and strategic approach to public expenditures planning for 2009-11.

Public Expenditure Priorities

44. The process of allocating additional resources was based on sector-specific policy priorities. In practice, the major part of these additional resources (over 80%) was channelled to ensure that existing expenditures programs were more adequately financed. This revealed the limited possibilities to include new policy priorities.

45. Key cross-cutting priorities also significantly influence on resource allocation. This reflected the general policy objectives relating to expenditure that were set out in the Concept on Policy Priorities. Implicitly, the following areas became key priorities, towards which the additional funds were targeted:

- **Payroll reform**, as a decisive factor in improving the quality of public services.
- **Capital investment** which is a major priority. Increased capital spending will be linked to the development of a more robust portfolio of investment projects determined in accordance with the Government's development priorities and also to measures to strengthen capacities and accountability of public authorities in the planning and implementation of capital investment projects.
- **Implementation of actions resulting from the Program of Actions for the support of young people.** These will be carried out through social inclusion programs: access to studies, provision of dwellings, facilitation of business, etc..

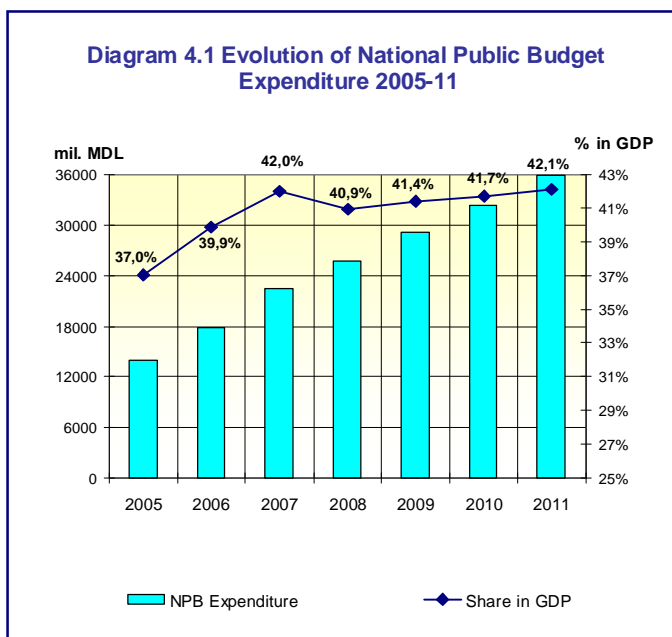
- **The justice sector** has received additional funds for the complete implementation of actions stipulated in NDS. The resources allocated to this area will support the policy measures aimed at strengthening the independence and quality of the judicial system.
- **Science and innovation** obtained the largest increase of resources, in accordance with the provisions of Code on Science and Innovation, with spending due to increase to 1% of GDP by 2011.
- **Regarding support for the real sector and economic infrastructure**, the main allocations of additional resources are targeted towards the programs for maintaining agricultural production, extension of areas under new vineyards and the program for rehabilitation and maintenance of public roads.
- The expenditure framework for 2009-11 includes resources for **centralised actions for Moldova's territorial reintegration**.

Evolution of Public Expenditure: Recent Trends and Forecasts

46. **During 2005-08 the level of public expenditure continue to increase.** The growth of public expenditures during 2005-08, expressed both in nominal terms and as a share of GDP has been driven by the growth of public revenues. Thus, total public expenditures grew from MDL 13.9 billion, in 2005 to 25.7 billion in 2008, an increase of 85%. The annual average growth in public expenditure during this period was 28.3%. As a share of GDP total public expenditure increased from 37% in 2005 up to 40.9% in 2008.

47. The analysis of evolution of public expenditure by constituent budgets indicates a relatively uniform growth, except for expenditures of the CHIF, which increased by 44.3% between 2005 and 2008.

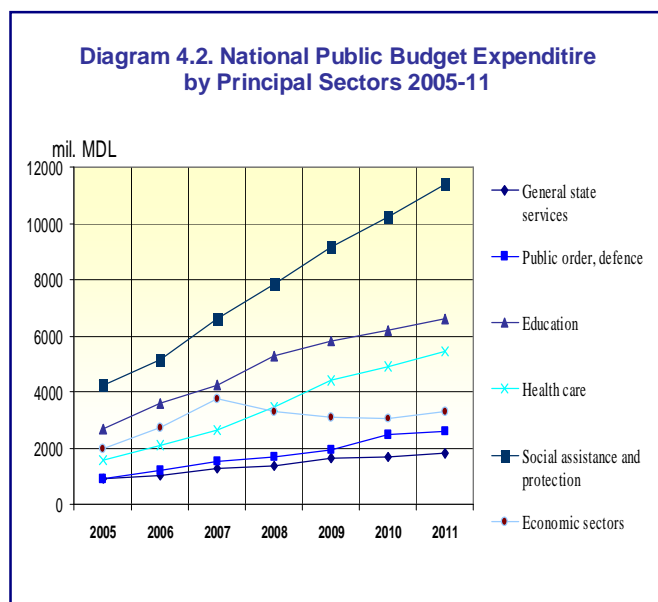
48. Based on the resources framework forecasts for 2009-11, total public expenditure expressed as a share of GDP will be 41.4% in 2009, 41.7% in 2010 and 42.1% in 2011. This represents an increase in 2009 of 0.5 percentage points and for the following to years of 0.8 and 1.2 percentage points. This trend reflects the increase in budgetary revenues relative to GDP in recent years.



49. **In nominal terms public expenditure will increase on average by 13.2% annually, reaching MDL 35.9 billion in 2011.** The evolution of public expenditures during 2005-08 and the forecast to 2011 are presented in Diagram 4.1, both in nominal terms and as a share of the GDP.

50. The Government's policy framework has a decisive influence on the distribution of resources by sectors. The largest share of public resources, 68.7% in 2009, will continue to be allocated to the social sectors, followed by the expenditures of the economic sectors at 10.7%. These trends result from the Government's objectives of growth and efficiency of public expenditures, as well as the development of the economic infrastructure. For 2009 the sector expenditures include appropriations

for the augmentation of the salary in the budgetary sector. For 2010-11 such expenditures are reflected separately in the budget, as the conditions and terms of their increase are not yet known. The forecast of public expenditures by main sectors for 2009-11 is presented in Diagram 4.2

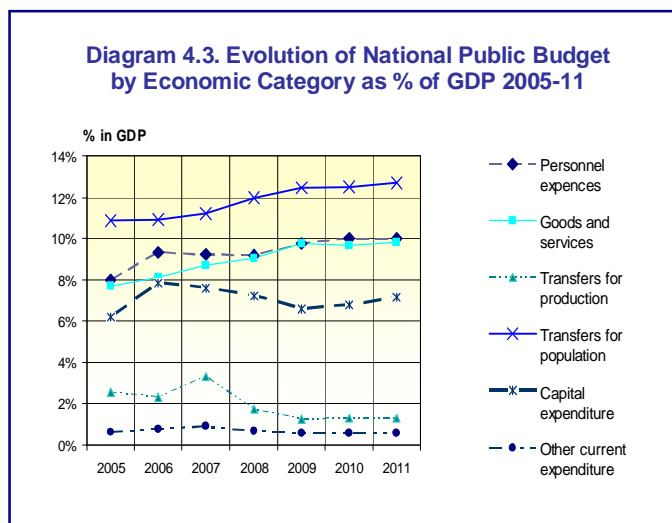


51. For 2009-11 the strategic sector expenditure plans cover about 84% of the public expenditures, compared to the 72% in the 2008-10 MTEF. The resources were distributed on the basis of the analysis of expenditures in the context of strategic sector-based planning. For 2009-11, the strategic plans were developed for 12 sectors, doubling the number compared with the 2008-10 MTEF. The SSEPs will continue to be the main document to ensure the consistency between the policy framework and the budgetary expenditure and will ensure the connection with the NDS. The SSEPs are presented in Annexes 7-18.

52. The expenditure ceilings/limits for 2009-11 were developed for each branches and central public authorities on the basis of the SSEPs and are presented in Annexes 19.1-19.3. It should be noted that the expenditure ceilings were estimated without taking into account the resources earmarked for salary increases during 2009-11. Currently, these resources are separately earmarked in the State Budget.

Expenditures by Economic Category

53. Recent trends in the economic structure of public expenditures reflect public spending policy objectives. Expenditure on interest payments, have been maintained at the level of 1.2% of GDP during of 2005-08 allowing for a substantial increase in discretionary spending from 35.9% of GDP in 2005 to 39.8% in 2008. Over the medium term if the current debt policy stance is maintained and depending on the evolution of exchange rate, expenditure on interest payments will decrease by 0.5% by 2011 as compared to 2008 and will account for 0.7% of GDP. The evolution of expenditures by economic category in 2005-08 and the forecast for the medium term is illustrated in Diagram 4.3.



54. During 2005-08 there was a steady trend of current expenditures growth as a share of GDP. In 2008 the current expenditure accounts for 32.6% of the GDP compared to 29.7% in 2005. During this period capital expenditure increased from 6.2% to 7.2% of GDP. It is forecast that current expenditure will increase slightly from 33.8% of GDP in 2009 to 34.4% in 2011, and the capital expenditure will

rise from 6.6% of GDP in 2009 to 7.1% in 2011. It is estimated that the capital expenditure will increase annually by 0.2 percentage points of GDP.

55. An objective of the Government's medium term expenditure policy is to optimise the economic structure of expenditures and thus achieve increased efficiency in the qualitative provision of public services. Although in nominal values current expenditure will attract most of the additional resources, it is expected that in the medium term the capital expenditures will continue to grow, with increases of 3.0-4.8% in 2010-11. Ensuring an adequate and quality capital investment programme is of high importance and vital to providing an infrastructure that can support sustained economic growth. The capital investment programme is discussed further in paragraphs 64-68 below.

56. Personnel expenditures have already reached a relatively high level compared to other countries. **The medium term objective is to maintain the wagebill expenditures at under 10% of GDP.** In order to achieve this objective and to avoid distorting of expenditure structure, salary increases will be accompanied by measures to rationalise employment in the budgetary sector, in accordance with the Concept for Optimization of Staff Number in the Budgetary Sector in 2008-10. Wagebill expenditure in the budgetary sector is discussed further in paragraphs 59-63 below.

57. Expenditure on goods and services has shown a continuously increasing trend as a result of the increase in prices, as well as the volume of services. During 2005-08 spending on goods and services reached the level of 23% of all public expenditures and 9.2% of GDP. Over the next three years these expenditures will continue to rise, mostly because of the growth of spending from the CHIF, but at slower rate and will not exceed 9.8 % of GDP.

58. The objective of assuring the protection of low-income and at-risk persons has been a driving factor behind the increase of the share of social protection transfers. During 2005-08, the budgetary expenditures for this purpose showed a stable ascending trend and reached 30% of total discretionary expenditures and 12% of GDP. Over the medium term, spending on social protection programmes will be sustained, the most important initiatives being: (i) the allowances to young families and young specialists employed in rural localities; (ii) the implementation of the social support system; (iii) the indexation of social benefits (pensions, compensations, allowances etc.); (iv) the expansion of scholarship programs. Social protection expenditure will account for 30.6% of the total of discretionary expenditures and 12.7% of GDP by 2011. The main driver of the growth in expenditure will be the social benefits paid out through the SSIF Budget. The evolution of public expenditures in nominal terms, as a share of the total of public discretionary expenditures and of GDP is shown in Table 4.1.

Payroll Expenditure

59. **Public sector reform remains a key element of the medium-term reform agenda.** Some measures for the institutional and functional optimization of central public administration have already been taken. However, these activities have so far not included the public institutions that account for the major share of employment in the budgetary sector, especially those institutions in the social sectors. The education sector alone accounts for 70% of total budgetary sector employment.

60. **The situation in the area of employment in the budgetary sector is of major importance.** This is why the need to reform the entire public sector remains high on the agenda of medium term reforms. The Government will continue to implement the Concept for Optimization of Staff Numbers in the Budgetary Sector in 2008-10 and the Actions Plan on the implementation of this concept, approved through the Decision No. 239 dated 29 February 2008.

Table 4.1. Public expenditures by economic categories in 2005-11

	executed									2008 estimated			medium term forecast								
	2005			2006			2007						2009			2010			2011		
	mil.lei	% in total	% in PIB	mil.MDL	% in total	% in GDP	mil.MDL	% in total	% in GDP	mil.MDL	% in total	% in GDP	mil.MDL	% in total	% in GDP	mil.MDL	% in total	% in GDP	mil.MDL	% in total	
Expenditure, total	13.949,1		37,0	17.972,8		40,2	22.415,6		42,0	25.674,5		40,9	29.189,9		41,4	32.302,5		41,7	35.861,5		
<i>Debt services</i>	470,5		1,2	428,6		1,0	634,6		1,2	757,0		1,2	793,2		1,1	726,0		0,9	574,4		
<i>Domestic</i>	193,2		0,5	197,5		0,4	434,6		0,8	569,5		0,9	591,6		0,8	502,8		0,6	387,9		
<i>External</i>	277,3		0,7	231,1		0,5	200,0		0,4	187,5		0,3	201,6		0,3	223,2		0,3	186,5		
<i>Net lending</i>	-45,2		-0,1	-61,1		-0,1	-100,6		-0,2	-50,5		-0,1	-63,0		-0,1	-91,2		-0,1	-86,0		
Discretionary expenditure, total	13.523,8	100,0	35,9	17.605,3	100,0	39,3	21.881,6	100,0	41,0	24.968,0	100,0	39,8	28.459,7	100,0	40,4	31.667,7	100,0	40,9	35.373,1	100,0	
Current expenditure	11.189,2	82,7	29,7	14.087,7	80,0	31,5	17.826,0	81,5	33,4	20.440,7	81,9	32,6	23.824,9	83,7	33,8	26.397,7	83,4	34,1	29.274,4	82,8	
<i>from which :</i>																					
Personnel expences	3.000,5	22,2	8,0	4.182,5	23,8	9,3	4.937,3	22,6	9,3	5.751,4	23,0	9,2	6.900,0	24,2	9,8	7.750,0	24,5	10,0	8.510,0	24,1	
Goods and services	2.898,9	21,4	7,7	3.634,5	20,6	8,1	4.657,8	21,3	8,7	5.681,3	22,8	9,1	6.870,2	24,1	9,7	7.487,7	23,6	9,7	8.339,8	23,6	
Transfers for production	962,4	7,1	2,6	1.042,9	5,9	2,3	1.768,5	8,1	3,3	1.079,2	4,3	1,7	891,6	3,1	1,3	1.007,5	3,2	1,3	1.106,3	3,1	
Transfers for population	4.093,0	30,3	10,9	4.892,3	27,8	10,9	5.969,1	27,3	11,2	7.499,0	30,0	12,0	8.768,2	30,8	12,4	9.687,5	30,6	12,5	10.807,7	30,6	
Other current expenditure	234,4	1,7	0,6	335,5	1,9	0,7	493,3	2,3	0,9	429,8	1,7	0,7	394,9	1,4	0,6	465,0	1,5	0,6	510,6	1,4	
Capital expenditure	2.334,6	17,3	6,2	3.517,6	20,0	7,9	4.055,6	18,5	7,6	4.527,3	18,1	7,2	4.634,8	16,3	6,6	5.270,0	16,6	6,8	6.098,7	17,2	
GDP	37.651,9			44.754,4			53.353,7			62.700,0			70.500,0			77.500,0			85.100,0		

61. *Wagebill expenditures during 2005-08 showed a continuous increase.* In 2008 wagebill spending had increased by 80% compared to 2005 and in 2009 a further increase is planned. This trend underlines the importance given to raising salaries in the budgetary sector in order to attract and retain qualified staff. As a share of GDP, wagebill pending increased by 1.2 percentage points during 2005-08 and now accounts for 9.2% of GDP. The share of staff expenditures in the total volume of discretionary expenditures increased from 22% in 2005 to 23% in 2008 and will increase to 24.2% in 2011. However, wagebill expenditures during 2009-11 will remain at under 10% of the GDP.

62. *The growth in wagebill expenditure is the result of implementing the provisions of the Law No 355-XVI as of 23 December 2005 on the Remuneration System in the Budgetary Sector.* Although the wagebill represents a relatively high share in the GDP, the low salary levels in the public service remain a major issue. In the first semester of 2008, compared with the same period of 2007, the average wage in the budgetary sector increased by 23% and reached the level of 81.44% of the monthly average nominal wage in the national economy.

63. *In 2009-11 payroll policy will focus on the implementation of the Government Action Program for the gradual growth of the employees' wages.* The main objectives in the area of remuneration in the budgetary sector for the 2009-11 period are the following: (i) to continue the implementation of the remuneration system of the budgetary sector staff regulated through the Law No.355-XVI dated 23 December 2005 with the simultaneous increase of base pay for the Level I remuneration category and recalculation of remuneration bands by grades of Single Base Network; (ii) to develop and implement a new remuneration system of public servants, in accordance with the provisions of the Strategy for Central Public Administration Reform; (iii) to improve the remuneration system for military personnel and staff of the national defence, state security and law enforcement bodies.

Capital Investment

64. *Recent trends show a continuous increase in expenditure on capital investment² that denotes the special importance attached to State investment goals.* In 2007 capital investment financed from both domestic and external sources amounted to about MDL 1.4 billion or 2.6% of GDP. However, this level is relatively low compared to other countries, where it ranges from 2% to 6% of GDP.

65. *In the following years capital investment will continue to be a priority.* Taking into account the importance of investments for the economic development and the constraints of resources framework, the medium-term objective will be to ensure steady growth in public investment as a share of GDP. In nominal terms, domestically financed capital investment will increase in 2011 by about 40%, if compared with 2008, whereas the externally financed investment will drop due to the completion of some projects, supported by external partners. The recent trends and the forecast of capital investments are presented in Table 4.2.

Table 4.2. Forecast of Public Capital Investment 2005-11 (mil. MDL)

	executed			apoved	forecast		
	2005	2006	2007	2008	2009	2010	2011
Capital investment, total	749	952	1372	1262	1757,7	1488,4	1544,9
<i>Share of GDP, %</i>	2,0	2,1	2,6	2,2	2,5	1,9	1,8
Financed:							
from internal sources	617	767	1281	827	952,5	1047,1	1149,8
from external sources	132	185	91	435	805,2	441,3	395,1

² It refers to capital investment on construction.

66. *In the coming years, investment in the economic infrastructure sectors*³ will continue to account for the major share of public sector investment, about 70%. Priority sectors for growth in capital investment spending during 2009-11 will be the road management sector and the water supply and sewerage sector. The capital investments in education, culture and science will increase 1.8 times. The forecast of capital investments by main sectors is presented in Table 4.3.

Table 4.3. Forecast of Capital Investments by Sector 2009-11

	2009			2010			2011		
	Total	Domestic Sources	External Sources	Total	Domestic Sources	External Sources	Total	Domestic Sources	External Sources
Total	1757,7	952,4	805,3	1488,4	1047,1	441,3	1544,9	1149,8	395,1
Infrastructure	1312,2	643,1	669,1	1030,2	610,2	420,0	1086,9	712,3	374,6
Education, culture și science	147,1	147,1		264,3	264,3		268,0	268,0	
Health care and social assistance	172,3	36,1	136,2	63,3	42,0	21,3	72,6	52,1	20,5
General state services and external activity	91,4	91,4		95,8	95,8		70,9	70,9	
Justice, Public order, defence, and national security	34,7	34,7		34,8	34,8		46,5	46,5	

67. *Regional development remains an important element of the reform agenda.* In order to support implementation of investment projects of regional importance the State Budget will transfer to the Regional Development Fund MDL 156 million in 2009, MDL 181.7 million in 2010 and MDL 200.7 million in 2011.

68. *The augmentation of the investment level in Moldova will be accompanied by the improvement of the process of their management.* This implies the review of the existing procedures and establishment of strict and transparent rules and criteria for identification, selection, planning and approval for financing of the investment projects, as well as the implementation of some reforms of the legal and institutional framework, that regulate the investments, in order to unify the existing fragmented system for managing public investment financed from domestic and external sources. A first step will be the improvement of the decision making process on investment projects to distinguish between: (i) the preliminary screening or the identification of the project and (ii) the selection of the project for funding.

³ The economic sectors consist of agriculture, forest and fisheries, water management, environmental protection and hydro-meteorology, road management, communications and IT, public utilities management and housing and fuel and energy.

E. Management of the State Debt and Budgetary Balance

State Debt Policy for 2009-11

69. *The medium term policy in the area of external state debt*, will be targeted at attracting new loans under favourable conditions for purposes of investment and budgetary support, while maintaining the share of external debt at under 30% of the GDP and reducing the budgetary burden of servicing state debt.

70. *The actions taken to meet these objectives will be focused on:*

- Attracting new external loans with interest rates on concessional terms for investment projects channelled towards Government's programs. This implies that the grant element should not be lower than 35% of the total amount of the loan.
- Continuing the collaboration with international financial institutions and other external creditors as to contract credits under IDA conditions. Borrowing from external capital markets will not be a priority for the coming period.
- Providing state guarantees only in exceptional cases, stipulated by the legislation in force.

71. *The policy in the area of domestic state debt for 2008-11* will be focused on marketing treasury bills with longer term maturity and continue the practice of monthly issuance of State Bonds with medium term maturity. During 2009-11, the realisation from the sale of State Securities (SSs) will be used only to buy back the previously issued SS. It is not expected to obtain further financing from the sales of SSs for the financing of State Budget deficit, because of the high cost of domestic state debt servicing. At the same time, the gradual decrease of the debt to the NBM in respect of previously contracted loans will continue.

State Debt: Recent Trends and Forecasts

External State Debt

72. Although the external state debt managed by the Government during 2005-07 increased in nominal values, it fell as a share of GDP. Thus, *the external state debt balance as a share of GDP fell from about 22.4% at the end of 2005 to 16.2% at the end of 2007.*

73. During this period, the Government benefited from external grants and credits totalling about USD 240.8 million, out of which USD 83.6 million (34.7%) were appropriated to finance the budgetary deficit, with the remainder amounting to USD 157.2 million (65.3%) being used to finance the projects in the areas of agriculture, education, public administration, justice, health, social protection, energy and environment protection.

74. *During 2005-07, the Government paid to its external creditors MDL 2.2 billion (USD 171.5 million).* The main payments were made in 2006, when the external debt to the members of Paris Club of Creditors was restructured.

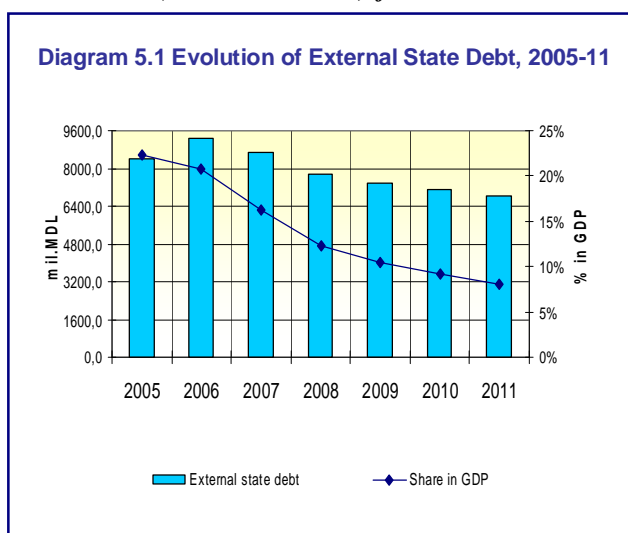
75. *For 2008-11 it is estimated that the Government will receive external grants and credits totalling USD 687.5 million.* Of this USD 283.1 million (41%) will be used to finance the budgetary deficit and support the budget, with the remaining USD 404.4 million (59%) obtained to finance the

projects in priority sectors. (Table 5.1). Information on current state loans and the State Loan Program for 2008-11 is presented in Annex 20.

Table 5.1 Inflows of Grants and Credits, 2005-11

	2005	2006	2007	2008	2009	2010	2011
	executed			estimated	medium term forecast		
Total	62,3	55,3	123,2	160,9	234,0	154,4	138,2
Grants	36	24	75,9	108,0	145,7	94,2	86,0
Credits	26	31	47,3	52,9	88,3	60,2	52,2
Budgets suport	22,4	4,8	56,4	71,9	71,2	70,0	70,0
Grants	22,4	4,8	46,1	61,9	61,2	60,0	60,0
Credits	0,0	0,0	10,3	10,0	10,0	10,0	10,0
Project implementation	39,9	51	66,8	89,0	162,8	84,4	68,2
Grants	14,0	19,2	29,8	46,1	84,5	34,2	26,0
Credits	25,9	31,3	37,0	42,9	78,3	50,2	42,2

76. It is planned to allocate about USD 277.7 million (MDL 2.5 billion) for external state debt servicing during 2008-11, out of which USD 190.6 million (MDL 1.7 billion) will be used for repayment of principal and USD 87.1 million (MDL 0.8 billion) to cover interest charges. The forecasts for external state debt servicing are shown in Table 5.2. External state debt servicing will significantly increase in 2009 when borrowing that did not fall within the process of Paris Club debt rescheduling begins to be paid. Repayment of the rescheduled debt will start in 2013.



77. It is expected that the external state debt will increase from USD 814.8 million at the end of 2008 (MDL 7740.6 million) up to USD 848.6 million (MDL 6831.2 million) at the end of 2011. *External state debt will fall from 16.2% of GDP at the end of 2007 to 8% at the end of 2011.* The evolution of external state debt is presented in Diagram 5.1.

Table 5.2 External State Debt Servicing, 2005-11

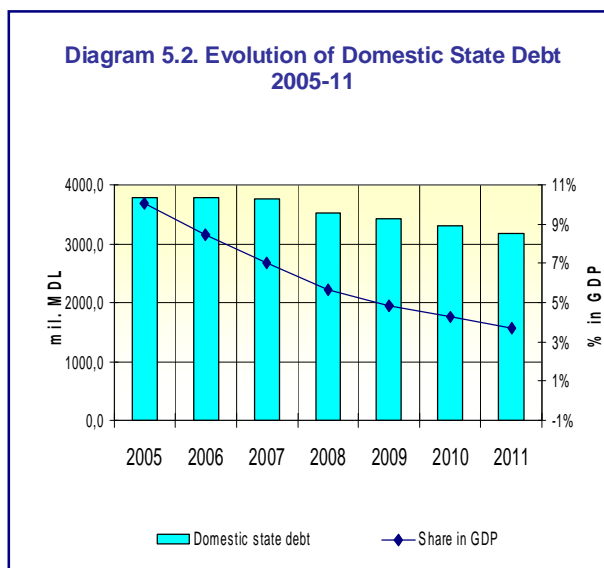
	2005	2006	2007	2008	2009	2010	2011
	executed			estimated	medium term forecast		
External debt servicing	657,7	871,6	645,2	585,3	684,4	646,6	589,0
Principal	380,4	640,5	445,6	397,8	482,8	423,4	402,5
Interest	277,3	231,1	199,6	187,5	201,6	223,2	186,5

Domestic State Debt

78. *The stock of domestic state debt stood at MDL 3,748.7 million at the end of 2007, a fall of MDL 38.4 million compared to the end of 2005.* As a share of GDP, domestic debt has fallen from 10% down to 7% during this period.

79. During 2005-07, the Government borrowing from the NBM fell by MDL 405.8 million. In January-March 2008 the state loans, previously contracted from the NBM, were converted into SSs. Thus, *the domestic state debt is totally formed from SSs and at the end of 2008 will be expected to be MDL 3,529.9 million*, consisting of SSs issued through tenders (37%) and converted SSs from the portfolio of the NBM (63%).

80. *Over the medium term domestic state debt will decrease from MDL 3,748.7 million at the end of 2007 to MDL 3,172.3 million at the end of 2011.* The reduction of domestic state debt by about 15% can be explained by the buy-back during 2008-11 of the converted SS, which are in the NBM's portfolio amounting to MDL 476.4 million. *Domestic debt as share in the GDP will decrease from 7.0% at the end of 2007 to 3.7% at the end of 2011.* The evolution of domestic state debt is presented in Diagram 5.2.



81. The significant increase in the interest rates on SSs that occurred in 2007-08 will result in an increase in expenditures for internal debt servicing in the coming years. In total, during 2009-11 expenditure on domestic state debt servicing will amount to MDL 1,829.2 million, of which MDL 357.6 million will be channelled to buy back the converted SSs of the NBM portfolio and MDL 1471.6 million for the payment of interest on the SSs in circulation and in the NBM portfolio. The evolution of expenditures for domestic state debt servicing is presented in Table 5.3.

Table 5.3 Domestic State Debt Servicing, 2005-11 (million MDL)

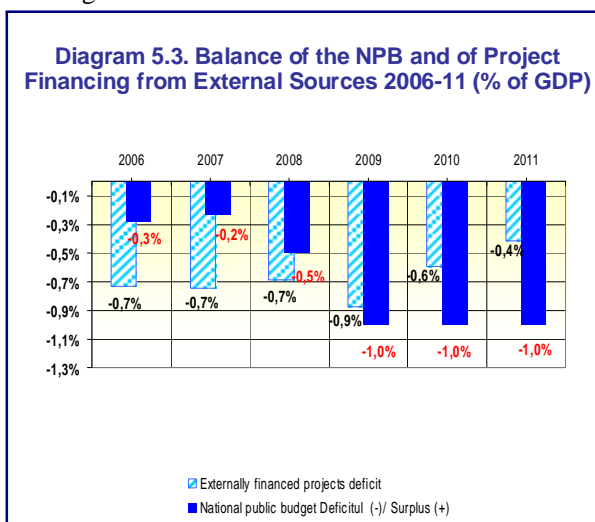
	2005	2006	2007	2008	2009	2010	2011
		executed		estimated	medium term forecast		
Internal debt servicing	320,2	316,3	570,2	777,3	699,7	621,6	507,9
<i>Principal</i>	127,0	118,8	160,0	218,8	118,8	118,8	120,0
<i>Interest</i>	193,2	197,5	410,2	558,5	580,9	502,8	387,9

The Budget Deficit and Sources of Financing

82. During 2006 and 2007 the NPB had a deficit 0.2-0.3% of GDP and a deficit of 0.5% of GDP is estimated for 2008. This situation reflects the Government's commitment to promote a prudent tax policy and to repay its internal and external debts. The means from the sales and privatization of public assets were the main source for finance the deficit during these years. At the same time, net external financing of the budget becomes more significant.

83. *The forecast for financing of the budget deficit during 2008-11 is based on the following assumptions:*

- to make use of resources from the sales and privatization of public assets;
- to maintain positive net external financing due to the attraction of new loans under favourable conditions for the purposes of investment and budget support;
- to use financial resources accumulated on the accounts of NPB in the previous periods for financing expenditure; and
- for net domestic financing to remain negative as the process of buying back the SSs from the NBM portfolio continues with the funds obtained from the sale of SSs only being used only to buy back the previously issued SSs.



84. *Given these assumptions, it is estimated that the budget deficit can be maintained at the level of 1% of GDP in 2009-11.* At the same time, except for the deficit recorded by the projects financed from external sources, the NPB deficit will account for 0.1% of GDP in 2009, 0.4% of GDP in 2010 and 0.6% of GDP in 2011. (Diagram 5.3)

F. Overall Financial Framework

Main trends

85. *The size of the NPB will continue to increase over the medium term in both nominal and real terms.* At the same time, growth rates for both revenue and expenditure are expected to slow. Total NPB expenditure is expected to increase from MDL 25.7 billion in 2008 to about MDL 35.9 billion in 2011, increasing as a share of GDP from 40.9% to 42.1%. The overall financial framework for the NPB for 2005-11 is presented in Table 6.1.

Table 6.1 Overall Financial Framework of the NPB 2005-11 (million MDL)

	2005	2006 executed	2007	2008 estimated	2009	2010 medium term forecast	2011
Total revenue	14.527,3	17.847,8	22.292,1	25.361,0	28.484,9	31.527,5	35.010,5
Share in GDP	38,6%	39,9%	41,8%	40,4%	40,4%	40,7%	41,1%
Total expenditure	13.948,9	17.973,9	22.415,7	25.674,5	29.189,9	32.302,7	35.861,5
Share in GDP	37,0%	40,2%	42,0%	40,9%	41,4%	41,7%	42,1%
Debt servicing	470,5	428,6	609,8	746,0	782,5	726,0	574,4
Share in GDP	1,2%	1,0%	1,1%	1,2%	1,1%	0,9%	0,7%
Discretionary expenditure	13.523,8	17.606,8	21.866,7	24.994,9	28.470,5	31.667,9	35.373,1
Share in GDP	35,9%	39,3%	41,0%	39,9%	40,4%	40,9%	41,6%
Budget deficit/surplus	578,4	-126,1	-123,6	-313,5	-705,0	-775,2	-851,0
Share in GDP	1,5%	-0,3%	-0,2%	-0,5%	-1,0%	-1,0%	-1,0%
<i>Gross Domestic Product</i>	<i>37.652</i>	<i>44.754</i>	<i>53.354</i>	<i>62.700</i>	<i>70.500</i>	<i>77.500</i>	<i>85.100</i>

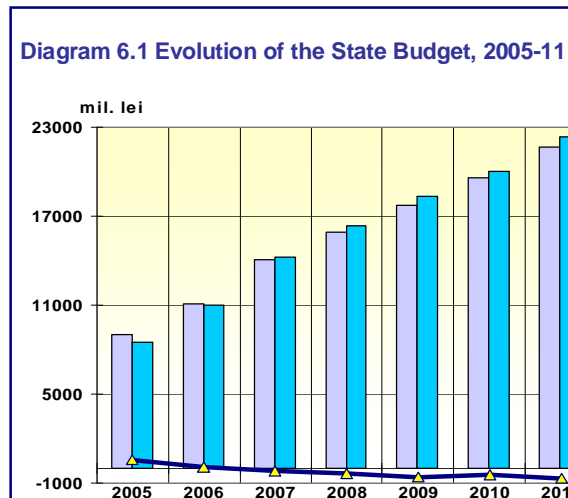
86. *The overall financial framework comprises all the revenue, expenditure and sources of financing* which are distributed among the budgets and public funds that make up the NPB (State Budget, the ATU Budgets, the SSIF and the CHIF). The distribution of the overall financial framework by components and their share in GDP is presented in Table 6.2 and described below.

Components of National Public Budget

State Budget

87. The revenues and expenditures of the State Budget cover the main functions of Government necessary to support the implementation of its activities, national and sector programs and strategies of central level. The State Budget consists of the following components: the main budget, special funds and special means and projects funded from external sources.

88. *The State Budget accounts for 62% of the NPB, a share that will be maintained over the medium term.* State Budget revenues will increase by 36.5% from MDL 15.9 billion in 2008 to MDL



21.7 billion in 2011. The main source of revenue growth will be indirect revenues, especially VAT.

Table 6.2 NPB by Component 2005-11

	2005	2006	2007	2008		2009	2010	2011
	Executed			Approved	Estimated	Medium term forecast		
mil.MDL								
Total revenue	14527	17873	22290	23509	25361	28485	31528	35011
State budget	8971	10977	14047	14658	15958	17735	19612	21678
ATU budgets	2136	2653	3037	2382	2890	2649	2912	3162
State social insurance budget	2978	3686	4366	5300	5299	6450	7126	8051
Mandatory medical insurance funds	442	558	841	1169	1214	1651	1878	2120
Total expenditure	13949	17999	22498	23793	25675	29190	32303	35862
State budget (without interbudgetary transfers)	5425	7212	9732	9492	10781	11940	12978	14511
ATU budgets	3718	4923	5627	5379	5977	6208	6772	7253
State social insurance budget	3698	4378	5245	6276	6305	7571	8557	9594
Mandatory medical insurance funds	1108	1485	1895	2646	2611	3472	3996	4504
Deficit (-) / Surplus (+)	579	-126	-124	-284	-313,5	-705,0	-775,0	-851,0
State budget	546	98	-199	-224	-374	-574	-395	-636
ATU budgets	-139	-267	20	-41	0	-74	-71	-71
State social insurance budget	-2	-30	-87	-20	-20	-57	-310	-145
Mandatory medical insurance funds	174	74	142	0	80	0	0	0
share in GDP								
Total revenue	38,6%	40,6%	41,8%	41,4%	40,4%	40,4%	40,7%	41,1%
State budget	23,8%	24,9%	26,3%	25,8%	25,5%	25,2%	25,3%	25,5%
ATU budgets	5,7%	6,0%	5,7%	4,2%	4,6%	3,8%	3,8%	3,7%
State social insurance budget	7,9%	8,4%	8,2%	9,3%	8,5%	9,1%	9,2%	9,5%
Mandatory medical insurance funds	1,2%	1,3%	1,6%	2,1%	1,9%	2,3%	2,4%	2,5%
Total expenditure	37,0%	40,8%	42,2%	41,9%	40,9%	41,4%	41,7%	42,1%
State budget (without interbudgetary transfers)	14,4%	16,4%	18,2%	16,7%	17,2%	16,9%	16,7%	17,1%
ATU budgets	9,9%	11,2%	10,5%	9,5%	9,5%	8,8%	8,7%	8,5%
State social insurance budget	9,8%	9,9%	9,8%	11,0%	10,1%	10,7%	11,0%	11,3%
Mandatory medical insurance funds	2,9%	3,4%	3,6%	4,7%	4,2%	4,9%	5,2%	5,3%
Deficit (-) / Surplus (+)	1,5%	-0,3%	-0,2%	-0,5%	-0,5%	-1,0%	-1,0%	-1,0%
State budget	1,4%	0,2%	-0,4%	-0,4%	-0,6%	-0,8%	-0,5%	-0,7%
ATU budgets	-0,4%	-0,6%	0,0%	-0,1%	0,0%	-0,1%	-0,1%	-0,1%
State social insurance budget	0,0%	-0,1%	-0,2%	0,0%	0,0%	-0,1%	-0,4%	-0,2%
Mandatory medical insurance funds	0,5%	0,2%	0,3%	0,0%	0,1%	0,0%	0,0%	0,0%
<i>GDP</i>	<i>37.652</i>	<i>44.069</i>	<i>53.354</i>	<i>56.800</i>	<i>62.700</i>	<i>70.500</i>	<i>77.500</i>	<i>85.100</i>

89. *Expenditures of State Budget will reflect a similar growth trend, increasing by 36.8% from MDL 16.3 billion in 2008 to MDL 22.3 billion in 2011.* The evolution of State Budget indicators is illustrated in Diagram 6.1

90. Transfers to other budgets represent more than one third of total expenditure of State Budget. During 2008-11, the total amount of *transfers from the State Budget to other budgets will increase from MDL 5,550.7 million in 2008 to MDL 7,803 million in 2011, or by 40%*. The most significant increase, of about 61%, will be the transfers to the CHIF (Table 6.3).

91. During 2008-11 the State Budget will run a deficit. This will be primarily due to expenditure on capital projects that are financed from external credits. The evolution of the State Budget indicators for 2005-11 is reflected in Annex 3.

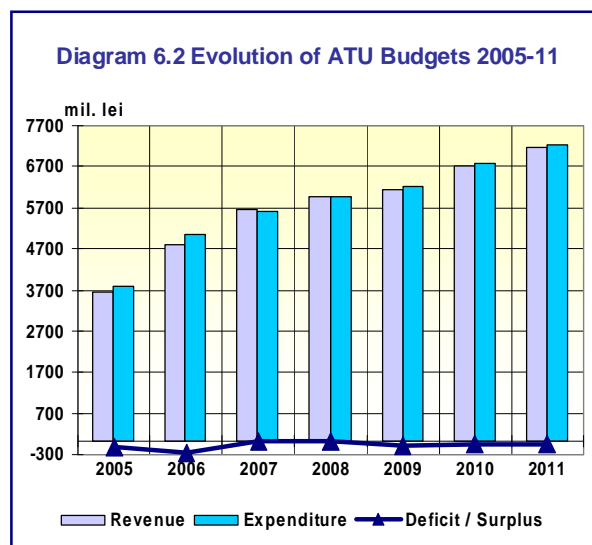
Table 6.3 Transfers from the State Budget to Other Budget Levels, 2005-11

	2005	2006 <i>executed</i>	2007	2008		2009 <i>medium term forecast</i>	2010	2011
				<i>approved</i>	<i>estimated</i>			
				<i>medium term forecast</i>				
Total state budget expenditure	8482,5	11019,3	14257,2	14881,7	15244,7	18308,7	20006,1	22313,7
<i>including</i>								
Transfers to other budget, total	3057,9	3806,9	4525,6	5389,9	5550,7	6369,1	7028,4	7803
<i>% in total</i>	36,0%	34,5%	31,7%	36,2%	36,4%	34,8%	35,1%	35,0%
<i>Transfers to ATU budgets</i>	1465,6	2089,1	2469,4	2874	3005,1	3410,9	3707,6	3932,9
<i>Transfers to State social insurance budget</i>	717,8	661,8	791,7	957,2	986,9	1063,9	1121,5	1398,4
<i>Transfers to Mandatory medical insurance funds</i>	839,9	1001,6	1195	1477,2	1477,2	1820,8	2117,4	2384,2
<i>Transfers from Republican Fund of social assistance to population to local funds of social assistance to population</i>	34,6	54,4	69,5	81,5	81,5	73,5	81,9	87,5

Budgets of Administrative-Territorial Units (ATUs)

92. *The revenues of the budgets of the Administrative-Territorial Units (ATU) without transfers from the State Budget, will increase in nominal values from MDL 2.9 billion in 2009 to MDL 3.2 billion in 2011.* This increase is mainly due to increases in revenues from personal income tax. The evolution of ATU Budget indicators is presented in Diagram 6.2.

93. Table 6.2 shows that the ATU tax base remains insufficient to cover the planned expenditures of the ATU Budgets. *Thus, revenues will cover on average 42.7% of expenditure in 2009 and 43.6% in 2011. As a result, the transfers from the State Budget will increase by about 31% in 2011 compared to 2008 in order to cover the funding shortfall.*



94. *The total expenditures of ATU Budgets will rise by 16% from MDL 6.2 billion in 2009 to MDL 7.2 billion in 2011.* This increase is due to the indexation of operational expenditures and those for the maintenance of budget institutions depending on the consumer prices and other factors. The means, needed to cover the expenditures related to the salary raise under the implementation of the Law No. 355-XVI dated 23 December 2005 on the Remuneration in the Budgetary Sector are not included in the expenditure forecasts for the period of 2009-11, as they have been treated as a reserved sum in the State Budget.

95. The evolution of ATU Budget indicators in 2005-11 is presented in Annex 4.

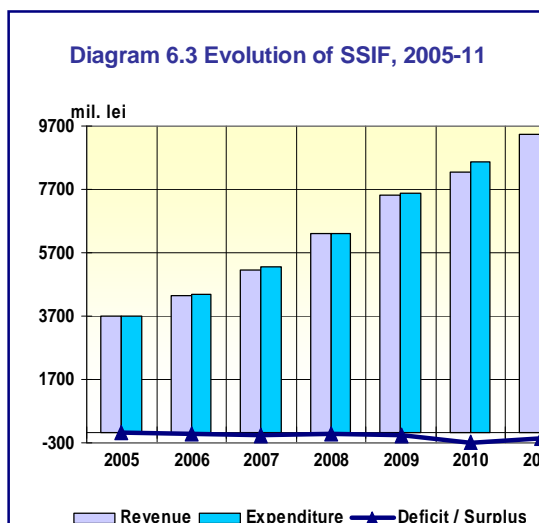
State Social Insurance Fund

96. In 2009-11 the revenue and expenditures of the State Social Insurance Fund (SSIF) will continue to grow. *Revenues in 2011 will increase by about 50.8% compared with 2008* driven by the increase pay levels across the economy, as well as by the indexation of fixed fees for self-employed persons.

97. *SSIF expenditures will continue to account for a major share of overall public expenditures, rising from 24.5% in 2008 to 26.7% of total in 2011.* The rise will be mainly due to increased payments made through the social insurance system. Additional allocations will be oriented towards: (i) indexation and increases in social benefits; (ii) enhancing the social protection of families with children and the socially vulnerable; and (iii) implementation of the Law on Social Aid. The evolution of SSIF indicators is presented in Diagram 6.3.

98. *During 2009-11 the transfers from the State Budget to the SSIF will increase by MDL 411.5 million.* This increase is due to the indexation and increases in some social benefits, changes made in the contingent of beneficiaries, as well as application of new measures in the area of social assistance.

99. *For 2009-11 it is estimated that SSIF will run a deficit* that will be funded from its own reserves accumulated in previous years. Thus, for 2009 the deficit is estimated to be about MDL 57.0 million (0.1% of GDP), for 2010 MDL 309.9 million (0.4% of GDP) and for 2011 MDL 144.6 million (0.2% of GDP). At the same time, *in 2011 SSIF will receive additional transfers from the State Budget of MDL 180.2 million to cover the shortfall in resources to finance its own expenditures stipulated by the legislation.* The evolution of SSIF indicators in 2006-11 is presented in Annex 5.

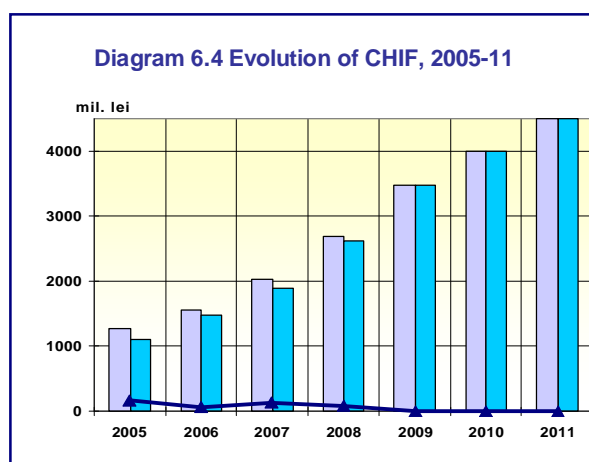


Compulsory Health Insurance Fund

100. The health care financing reforms implemented in recent years following establishment of the CHIF have had a positive impact. *Along with the implementation of the compulsory health insurance, the share of the health care expenditures in the GDP increased from 4.0% in 2003 to 4.9% in 2007 and a level of 6.3% is forecast for 2011.* The evolution of CHIF indicators is presented in Diagram 6.4.

101. The CHIF resources are managed by the National Health Insurance Company and account for the major share of public expenditure on health care. *In 2007 the CHIF accounted for 72.1% of total public health care spending and this share is due to rise to 80% in 2008 and is then forecast at 78.4% in 2009, 81.7% in 2010 and 82.6%.*

102. The forecast of CHIF expenditures for 2009-11 assumes that compulsory health insurance contributions will remain at the same rate during 2009-11, and that the monthly average salaries will increase significantly. Under this scenario *CHIF revenues will increase by 67.3% by 2011 compared to 2008.*



103. *During 2009-11 transfers from the State Budget to CHIF will increase by 61.4%* in order to insure certain categories of population (pensioners, unemployed persons, students, and children of pre-school age, disabled people and other categories). Transfers will increase from MDL 1,477.2 million in 2008 to MDL 2,384.2 million in 2011. This increase is caused by the increase of State Budget expenditures, as in accordance with Article 9 of the Law No 1593-XV as of 26 December 2002 the amount of transfers from the State Budget to CHIF is set at 12.1% of the total overall expenditures of the State Budget, except for the revenues

with special purpose, provided in the legislation. The evolution of CHIF indicators in 2005-11 is presented in Annex 6.

Risk factors

104. *The main risk factors that could negatively influence the medium term budgetary framework are:*

- The increase in global prices for energy resources and foodstuffs could further influence the prices on the internal market with higher inflation reducing the real growth of budgetary expenditures leading to demands for additional budgetary allocations.
- The rising level of the balance of payments deficit, that is forecast to increase up to about 55% of GDP, could generate problems regarding the sustainability of Moldova's external position.
- The appreciation of the exchange rate of the national currency, supported by the large inflows of foreign currencies from abroad, could create additional pressure to increase imports, and impact on both budgetary revenues and expenditures.
- Further appreciation of the national currency will create additional risk factor for the State Budget, because they may give rise to the need of NBM recapitalization. As a result it will be necessary to increase the authorized capital of NBM from the account of State Budget or to issue SSSs in order to cover the debit balance of the General Reserve Fund that requires additional means for the domestic state debt servicing, reducing the possibility to carry out some priority programs from the Government strategies and programs.

Annexes

Annex 1

Principal Macroeconomic Indicators 2005-11

		2005	2006	2007	2008	2009	2010	2011	
units		fact			estimated	medium term forecast			
Gross Domestic Product									
	<i>nominal</i> mil. MDL	37.7	44.8	53.4	62.7	70.5	77.5	85.1	
	<i>real growth</i> %	7.5	4.8	3	7.5	6	6	6	
Consumer price indices									
	<i>annual average</i> %	111.9	112.7	112.3	113	110	108.1	106.5	
	<i>end of period</i> %	110	114.1	113.1	111.5	109.5	107	106	
External trade									
	Export mil. USD	1091	1052	1342	1720	2050	2350	2600	
	<i>growth rate</i> %	10.8	96.4	127.6	128	119	115	111	
	Import mil. USD	2292	2693	3690	5250	6500	7350	8150	
	<i>growth rate</i> %	29.6	117.5	137	142	124	113	111	
Trade balance		mil. USD	-1201	-1641	-2348	-3530	-4450	-5000	-5550
Nominal average monthly salary									
	lei	1319	1697	2063	2630	3140	3600	4100	
	<i>nominal growth rate</i> %	20	29	22	27	19	15	14	
	<i>real growth rate</i> %	7	14	8	13	9	6	7	
Wage bill									
	bil. MDL	10.3	13	15.8	19.5	22.9	26.2	29.6	
	<i>nominal growth rate</i> %	20	26	21	23	17	14	13	
	<i>real growth rate</i> %	7	12	8	9	7	6	6	

Annex 2

The National Public Budget 2005-11

Annex 2.1 The Dynamics of the National Public Budget, 2005-2011, in MLD nominal terms

	(milioane lei)							
	2005	2006	2007	2008		2009	2010	2011
	Executed			Aproved	Estimated	Estimated		
A. Revenues, Global	14,527.3	17,847.8	22,292.1	23,508.6	25,361.0	28,484.9	31,527.5	35,010.5
<i>Revenues, total, no grants</i>	14,067.6	17,532.3	21,322.5	22,333.5	24,254.4	27,155.7	30,724.9	34,307.4
<i>Revenues, total (no grants, transfers, funds and special proceeds)</i>	12,826.1	16,041.1	19,798.2	21,044.0	22,549.8	25,607.5	29,158.0	32,728.5
<i>except SIF and MIF</i>	9,406.1	11,797.7	14,591.3	14,575.5	16,036.8	17,506.5	20,153.9	22,557.8
I. Current Revenues	14,067.6	17,532.3	21,322.5	22,333.5	24,254.4	27,155.8	30,724.9	34,307.4
1.1 Tax Revenues	11,757.8	14,719.2	17,938.9	19,589.6	20,862.7	24,308.9	27,834.9	31,398.4
1.1.1 Direct taxes	5,277.7	6,624.0	8,059.8	8,441.9	8,900.5	10,223.2	11,367.2	12,795.9
<i>except SIF and MIF</i>	1,903.6	2,439.5	2,943.4	1,999.0	2,450.6	2,167.8	2,410.1	2,646.9
1.1.1.1 Income tax for entrepreneur activity	801.9	1,079.1	1,388.4	450.6	673.6	251.9	257.0	262.1
1.1.1.2 Income tax for physical entities	869.2	1,127.7	1,328.7	1,304.1	1,527.6	1,653.8	1,884.0	2,110.1
1.1.1.3 Land tax	196.0	191.9	174.2	196.6	191.4	196.2	196.2	196.1
1.1.1.4 Real estate tax	36.5	40.8	52.1	47.7	58.0	65.9	72.9	78.5
1.1.1.5 Insurance premiums FAOAM	425.0	523.7	783.7	1,167.0	1,174.0	1,635.1	1,858.2	2,099.9
1.1.1.6 BASS contributions	2,949.1	3,660.8	4,332.7	5,275.9	5,275.9	6,420.3	7,098.9	8,049.1
1.1.2 Indirect taxes	6,480.1	8,095.2	9,879.1	11,147.7	11,962.2	14,085.7	16,467.7	18,602.5
1.1.2.1 VAT	4,623.2	6,193.7	7,586.9	8,850.5	9,121.5	11,125.8	13,357.6	15,309.6
1.1.2.1.1 levied on the territory of the republic	1,577.6	2,078.1	2,593.9	3,010.5	3,155.0	4,111.0	4,977.7	5,773.2
1.1.2.1.2 refunded	-1,006.2	-1,085.2	-1,364.9	-1,460.0	-1,566.8	-1,806.0	-1,968.8	-2,160.7
1.1.2.1.3 levied by customs	4,051.8	5,200.8	6,357.9	7,300.0	7,533.3	8,820.8	10,348.7	11,697.1
1.1.2.2 Excise tax	1,171.9	1,070.9	1,392.3	1,386.0	1,670.0	1,772.0	1,859.5	1,953.7
1.1.2.2.1 levied	1,271.8	1,150.1	1,437.3	1,476.0	1,752.2	1,865.3	1,957.3	2,056.5
1.1.2.2.2 refunded	-99.9	-79.2	-45.0	-90.0	-82.2	-93.3	-97.8	-102.8
1.1.2.3 Taxes on foreign trade	685.0	830.6	900.0	911.3	1,170.7	1,187.9	1,250.6	1,339.2
1.2 Non-Tax Revenues	1,068.3	1,321.9	1,859.3	1,454.3	1,687.1	1,298.7	1,323.1	1,330.1
1.2.1 Net revenue of the National Bank	191.9	162.8	313.5	0.0	0.0	0.0	0.0	0.0
1.2.2 Other revenues of the state budget	483.2	729.3	1,039.3	1,072.3	1,201.2	889.1	892.6	912.5
1.2.3 Other revenues ATUs budgets	347.2	396.3	415.9	356.4	422.8	363.9	383.5	395.9
1.2.4 Other revenues -SIF	29.1	25.1	32.8	23.6	23.1	30.0	27.0	1.7
1.2.5 Other revenues - MIF	16.8	33.8	57.7	2.0	40.0	15.6	20.0	20.0
1.3 Special funds and proceeds	1,241.5	1,491.2	1,524.3	1,289.5	1,704.6	1,548.2	1,566.9	1,578.9
1.3.1. Special funds	153.8	222.5	187.4	175.1	176.6	172.0	185.8	194.0
1.3.2. Special proceeds	1,087.7	1,268.7	1,336.9	1,114.4	1,528.0	1,376.2	1,381.1	1,384.9
2. Grants	459.7	315.5	969.6	1,175.1	1,106.6	1,329.2	802.6	703.1
2.1 Budget support grants	282.6	62.6	598.0	731.0	634.0	558.1	511.2	490.8
2.2 Grants for externally-funded projects	177.1	252.9	356.8	444.1	472.6	771.1	291.4	212.3

	(milioane lei)							
	2005	2006	2007	2008		2009	2010	2011
	Executed			Approved	Estimated	Estimated		
B. Expenditures, global	13949.3	17973.9	22415.7	23792.6	25674.5	29189.9	32302.5	35861.5
<i>Expenditures, except net lending</i>	<i>13994.2</i>	<i>18034.6</i>	<i>22476.5</i>	<i>23858.5</i>	<i>25725.0</i>	<i>29252.9</i>	<i>32393.7</i>	<i>35947.5</i>
<i>Expenditures, except state debt servicing</i>	<i>13478.8</i>	<i>17545.3</i>	<i>21805.9</i>	<i>23139.9</i>	<i>24928.5</i>	<i>28407.4</i>	<i>31576.5</i>	<i>35287.1</i>
1. General state services	919.6	1037.8	1265.4	1368.7	1363.9	1637.8	1707.5	1806.4
<i>from which Customs Service</i>	<i>137.3</i>	<i>127.0</i>	<i>257.7</i>	<i>209.6</i>	<i>209.6</i>	<i>319.6</i>	<i>352.1</i>	<i>401.5</i>
2. External activity	256.2	235.3	283.2	267.5	269.8	264.1	281.9	279.6
3. The justice system and constitutional justice	126.7	188.7	228.2	293.1	292.9	340.3	367.8	367.3
4. Maintaining public order, defence and state security	921.5	1206.0	1545.0	1466.9	1683.7	1950.5	2463.2	2612.5
National defence	156.6	216.0	275.8	285.3	390.1	294.6	408.3	489.8
Maintaining public order and state security	764.9	990.0	1269.2	1181.6	1293.6	1655.9	2054.9	2122.7
5. Social expenditures	8827.5	11360.2	14038.6	16291.8	17204.8	20043.1	21956.9	24178.7
Education	2697.0	3605.8	4248.6	4931.6	5297.1	5803.4	6169.9	6580.0
Culture, art, sports and youth actions	315.4	486.7	564.6	522.7	611.2	648.2	658.8	763.5
Healthcare	1572.4	2111.8	2628.5	3304.6	3471.8	4429.0	4889.1	5453.7
Social assistance and insurance	4242.7	5155.9	6596.9	7532.9	7824.7	9162.5	10239.1	11381.5
6. Science and Innovation	139.5	199.6	307.8	393.6	401.6	511.0	639.9	789.0
7. Economic expenditures	1964.5	2721.1	3732.9	2764.4	3303.4	3113.0	3068.2	3312.1
Agriculture, forestry, pisciculture and water management	577.3	681.4	1228.3	865.5	984.2	886.1	898.1	967.0
<i>including the Fund for the establishment of grape plantations</i>	<i>79.9</i>	<i>58.5</i>	<i>100.7</i>	<i>87.1</i>	<i>87.1</i>	<i>87.0</i>	<i>110.0</i>	<i>140.0</i>
Industry and constructions	20.5	40.8	44.8	38.1	41.6	46.9	50.4	51.2
Transportation, road management, communications and information technologies	217.7	507.5	1063.2	734.0	1316.5	1001.3	1011.3	1138.4
<i>including Road Fund</i>	<i>149.9</i>	<i>169.2</i>	<i>196.0</i>	<i>209.4</i>	<i>209.4</i>	<i>515.3</i>	<i>600.0</i>	<i>766.0</i>
Utilities and housing	692.8	1011.5	754.7	744.5	533.5	892.7	834.2	860.3
<i>including Regional Development Fund</i>				<i>130.0</i>	<i>0.0</i>	<i>156.0</i>	<i>181.7</i>	<i>200.7</i>
Fuel and energy sector	346.6	383.8	460.9	215.6	220.7	127.1	71.9	87.1
Other economic activity related services	109.6	96.1	181.0	166.7	206.9	158.9	202.3	208.1
8. Environment protection and hydro-meteorology	54.2	108.2	104.5	110.1	126.1	112.5	120.3	118.0
9. Public debt servicing	470.5	428.6	609.8	652.7	746.0	782.5	726.0	574.4
-internal	193.2	197.5	410.2	455.2	558.5	580.9	502.8	387.9
-external	277.3	231.1	199.6	197.5	187.5	201.6	223.2	186.5
10. Other areas	314.0	549.1	361.1	249.7	332.8	498.1	730.0	817.5
Supplementing state reserves	59.2	83.7	64.7	49.1	51.0	60.4	66.3	61.4
Expenditures not distributed to main groups of expenditure	254.8	465.4	296.4	200.6	281.8	437.7	663.7	756.1
11. Net lending	-44.9	-60.7	-60.8	-65.9	-50.5	-63.0	-91.2	-86.0
12. Expenditure for salaries increase in budget sector							332.0	1092.0
C. General Balance (deficit -; surplus +)	578.0	-126.1	-123.6	-284.0	-313.5	-705.0	-775.0	-851.0
D. Primary budgetary surplus (cash basis)	1,048.5	302.5	486.2	368.7	432.5	77.5	-49.0	-276.6
Public sector financing	-578.4	126.1	123.6	284.0	313.5	705.0	775.2	851.0
Net Internal	158.3	44.7	-144.9	31.2	-265.8	-118.8	-118.8	-120.0
NBM	-127.0	-118.8	-160.0	-118.8	-118.8	-118.8	-118.8	-120.0
Net commercial banks	256.2	163.5	3.6	150.0	-153.6	0.0	0.0	0.0
Direct lending	56.1	41.5	-114.9	0.0	-53.6	0.0	0.0	0.0
Government notes	200.1	122.0	118.5	150.0	-100.0	0.0	0.0	0.0
Net non-banking	29.1	0.0	11.5	0.0	6.6	0.0	0.0	0.0
Net external	-53.4	-230.4	131.9	366.5	137.2	322.3	89.9	24.6
Disbursements	327.0	410.1	577.6	829.5	535.0	805.1	513.1	427.1
to investment projects	327.0	410.1	449.2	707.5	432.5	713.9	427.7	345.2
budget support	0.0	0.0	128.4	122.0	102.5	91.2	85.2	81.8
Amortization	380.4	640.5	445.7	463.0	397.8	482.8	423.2	402.5
Funds from selling and privatizing public property	176.3	394.4	406.3	130.8	1,220.0	464.6	170.5	170.5
Changes in account balances	859.6	82.6	269.7	244.5	777.9	-36.9	-633.6	-775.9

*Expenditure for salaries increase in budget sphere for 2010-2011 are not distributed by sectors.

Annex 2.2. The Dynamics of public national budget, 2005-2011, % of GDP

%

	2005	2006	2007	2008		2009	2010	2011
	Executed			Approved	Estimated	Estimated		
A. Revenues, Global	38.6	39.9	41.8	41.4	40.4	40.4	40.7	41.1
Revenues, total, no grants	37.4	39.2	40.0	39.3	38.7	38.5	39.6	40.3
Revenues, total (no grants, transfers, funds and special proceeds)	34.1	35.8	37.1	37.0	36.0	36.3	37.6	38.5
except SIF and MIF	25.0	26.4	27.3	25.7	25.6	24.8	26.0	26.5
1. Current Revenues	37.4	39.2	40.0	39.3	38.7	38.5	39.6	40.3
1.1 Tax Revenues	31.2	32.9	33.6	34.5	33.3	34.5	35.9	36.9
1.1.1 Direct taxes	14.0	14.8	15.1	14.9	14.2	14.5	14.7	15.0
except SIF and MIF	5.1	5.5	5.5	3.5	3.9	3.1	3.1	3.1
1.1.1.1 Income tax for entrepreneur activity	2.1	2.4	2.6	0.8	1.1	0.4	0.3	0.3
1.1.1.2 Income tax for physical entities	2.3	2.5	2.5	2.3	2.4	2.3	2.4	2.5
1.1.1.3 Land tax	0.5	0.4	0.3	0.3	0.3	0.3	0.3	0.2
1.1.1.4 Real estate tax	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1
1.1.1.5 Insurance premiums FAOAM	1.1	1.2	1.5	2.1	1.9	2.3	2.4	2.5
1.1.1.6 BASS contributions	7.8	8.2	8.1	9.3	8.4	9.1	9.2	9.5
1.1.2 Indirect taxes	17.2	18.1	18.5	19.6	19.1	20.0	21.2	21.9
1.1.2.1 VAT	12.3	13.8	14.2	15.6	14.5	15.8	17.2	18.0
1.1.2.1.1 levied on the territory of the republic	4.2	4.6	4.9	5.3	5.0	5.8	6.4	6.8
1.1.2.1.2 refunded	-2.7	-2.4	-2.6	-2.6	-2.5	-2.6	-2.5	-2.5
1.1.2.1.3 levied by customs	10.8	11.6	11.9	12.9	12.0	12.5	13.4	13.7
1.1.2.2 Excise tax	3.1	2.4	2.6	2.4	2.7	2.5	2.4	2.3
1.1.2.2.1 levied	3.4	2.6	2.7	2.6	2.8	2.6	2.5	2.4
1.1.2.2.2 refunded	-0.3	-0.2	-0.1	-0.2	-0.1	-0.1	-0.1	-0.1
1.1.2.3 Taxes on foreign trade	1.8	1.9	1.7	1.6	1.9	1.7	1.6	1.6
1.2 Non-Tax Revenues	2.8	3.0	3.5	2.6	2.7	1.8	1.7	1.6
1.2.1 Net revenue of the National Bank	0.5	0.4	0.6	0.0	0.0	0.0	0.0	0.0
1.2.2 Other revenues of the state budget	1.3	1.6	1.9	1.9	1.9	1.3	1.2	1.1
1.2.3 Other revenues ATUs budgets	0.9	0.9	0.8	0.6	0.7	0.5	0.5	0.5
1.2.4 Other revenues -SIF	0.1	0.1	0.1	0.0	0.0	0.0	0.0	0.0
1.2.5 Other revenues - MIF	0.0	0.1	0.1	0.0	0.1	0.0	0.0	0.0
1.3 Special funds and proceeds	3.3	3.3	2.9	2.3	2.7	2.2	2.0	1.9
1.3.1. Special funds	0.4	0.5	0.4	0.3	0.3	0.2	0.2	0.2
1.3.2. Special proceeds	2.9	2.8	2.5	2.0	2.4	2.0	1.8	1.6
2. Grants	1.2	0.7	1.8	2.1	1.8	1.9	1.0	0.8
2.1 Budget support grants	0.8	0.1	1.1	1.3	1.0	0.8	0.7	0.6
2.2 Grants for externally-funded projects	0.5	0.6	0.7	0.8	0.8	1.1	0.4	0.2

	%							
	2005	2006	2007	2008		2009	2010	2011
	Executed			Approved	Estimated	Estimated		
B. Expenditures, global	37.0	40.2	42.0	41.9	40.9	41.4	41.7	42.1
<i>Expenditures, except net lending</i>	37.2	40.3	42.1	42.0	41.0	41.5	41.8	42.2
<i>Expenditures, except state debt servicing</i>	35.8	39.2	40.9	40.7	39.8	40.3	40.7	41.5
1. General state services	2.4	2.3	2.4	2.4	2.2	2.3	2.2	2.1
<i>from which Customs Service</i>	0.4	0.3	0.5	0.4	0.3	0.5	0.5	0.5
2. External activity	0.7	0.5	0.5	0.5	0.4	0.4	0.4	0.3
3. The justice system and constitutional justice	0.3	0.4	0.4	0.5	0.5	0.5	0.5	0.4
4. Maintaining public order, defence and state security	2.4	2.7	2.9	2.6	2.7	2.8	3.2	3.1
National defence	0.4	0.5	0.5	0.5	0.6	0.4	0.5	0.6
Maintaining public order and state security	2.0	2.2	2.4	2.1	2.1	2.3	2.7	2.5
5. Social expenditures	23.4	25.4	26.3	28.7	27.4	28.4	28.3	28.4
Education	7.2	8.1	8.0	8.7	8.4	8.2	8.0	7.7
Culture, art, sports and youth actions	0.8	1.1	1.1	0.9	1.0	0.9	0.9	0.9
Healthcare	4.2	4.7	4.9	5.8	5.5	6.3	6.3	6.4
Social assistance and insurance	11.3	11.5	12.4	13.3	12.5	13.0	13.2	13.4
6. Science and Innovation	0.4	0.4	0.6	0.7	0.6	0.7	0.8	0.9
7. Economic expenditures	5.2	6.1	7.0	4.9	5.3	4.4	4.0	3.9
Agriculture, forestry, pisciculture and water management	1.5	1.5	2.3	1.5	1.6	1.3	1.2	1.1
<i>including the Fund for the establishment of grape plantations</i>	0.2	0.1	0.2	0.2	0.1	0.1	0.1	0.2
Industry and constructions	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1
Transportation, road management, communications and information technologies	0.6	1.1	2.0	1.3	2.1	1.4	1.3	1.3
<i>including Road Fund</i>	0.4	0.4	0.4	0.4	0.3	0.7	0.8	0.9
Utilities and housing	1.8	2.3	1.4	1.3	0.9	1.3	1.1	1.0
<i>including Regional Development Fund</i>				0.2	0.0	0.2	0.2	0.2
Fuel and energy sector	0.9	0.9	0.9	0.4	0.4	0.2	0.1	0.1
Other economic activity related services	0.3	0.2	0.3	0.3	0.3	0.2	0.3	0.2
8. Environment protection and hydro-meteorology	0.1	0.2	0.2	0.2	0.2	0.2	0.2	0.1
9. Public debt servicing	1.2	1.0	1.1	1.1	1.2	1.1	0.9	0.7
-internal	0.5	0.4	0.8	0.8	0.9	0.8	0.6	0.5
-external	0.7	0.5	0.4	0.3	0.3	0.3	0.3	0.2
10. Other areas	0.8	1.2	0.7	0.4	0.5	0.7	0.9	1.0
Supplementing state reserves	0.2	0.2	0.1	0.1	0.1	0.1	0.1	0.1
Expenditures not distributed to main groups of expenditure	0.7	1.0	0.6	0.4	0.5	0.6	0.9	0.9
<i>inclusiv alte cheltuieli</i>	0.7	0.0	0.0	0.0	0.0	0.0	0.0	0.0
11. Net lending	-0.1	-0.1	-0.1	-0.1	-0.1	-0.1	-0.1	-0.1
12. Expenditure for salaries increase in budget sector						0.0	0.4	1.3
C. General Balance (deficit -; surplus +)	1.5	-0.3	-0.2	-0.5	-0.5	-1.0	-1.0	-1.0
D. Primary budgetary surplus (cash basis)	2.8	0.7	0.9	0.6	0.7	0.1	-0.1	-0.3
Public sector financing	-1.5	0.3	0.2	0.5	0.5	1.0	1.0	1.0
Net Internal	0.4	0.1	-0.3	0.1	-0.4	-0.2	-0.2	-0.1
NBM	-0.3	-0.3	-0.3	-0.2	-0.2	-0.2	-0.2	-0.1
Net commercial banks	0.7	0.4	0.0	0.3	-0.2	0.0	0.0	0.0
Direct lending	0.1	0.1	-0.2	0.0	-0.1	0.0	0.0	0.0
Government notes	0.5	0.3	0.2	0.3	-0.2	0.0	0.0	0.0
Net non-banking	0.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Net external	-0.1	-0.5	0.2	0.6	0.2	0.5	0.1	0.0
Disbursements	0.9	0.9	1.1	1.5	0.9	1.1	0.7	0.5
to investment projects	0.9	0.9	0.8	1.2	0.7	1.0	0.6	0.4
budget support	0.0	0.0	0.2	0.2	0.2	0.1	0.1	0.1
Amortization	1.0	1.4	0.8	0.8	0.6	0.7	0.5	0.5
Funds from selling and privatizing public property	0.5	0.9	0.8	0.2	1.9	0.7	0.2	0.2
Changes in account balances	2.3	0.2	0.5	0.4	1.2	-0.1	-0.8	-0.9

Annex 2.3 The dynamics of national public budget, 2005-2011, % of total

	2005	2006	2007	2008		2009	2010	2011
	Executed			Approved	Estimated	Estimated		
A. Revenues, Global	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
<i>Revenues, total, no grants</i>	96.8	98.2	95.7	95.0	95.6	95.3	97.5	98.0
<i>Revenues, total (no grants, transfers, funds and special proceeds)</i>	88.3	89.9	88.8	89.5	88.9	89.9	92.5	93.5
<i>except SIF and MIF</i>	64.7	66.1	65.5	62.0	63.2	61.5	63.9	64.4
1. Current Revenues	96.8	98.2	95.7	95.0	95.6	95.3	97.5	98.0
1.1 Tax Revenues	80.9	82.5	80.5	83.3	82.3	85.3	88.3	89.7
1.1.1 Direct taxes	36.3	37.1	36.2	35.9	35.1	35.9	36.1	36.5
1.1.1.1 Income tax for entrepreneur activity	5.5	6.0	6.2	1.9	2.7	0.9	0.8	0.7
1.1.1.2 Income tax for physical entities	6.0	6.3	6.0	5.5	6.0	5.8	6.0	6.0
1.1.1.3 Land tax	1.3	1.1	0.8	0.8	0.8	0.7	0.6	0.6
1.1.1.4 Real estate tax	0.3	0.2	0.2	0.2	0.2	0.2	0.2	0.2
1.1.1.5 Insurance premiums FAOAM	2.9	2.9	3.5	5.0	4.6	5.7	5.9	6.0
1.1.1.6 BASS contributions	20.3	20.5	19.4	22.4	20.8	22.5	22.5	23.0
1.1.2 Indirect taxes	44.6	45.4	44.3	47.4	47.2	49.4	52.2	53.1
1.1.2.1 VAT	31.8	34.7	34.0	37.6	36.0	39.1	42.4	43.7
1.1.2.1.1 levied on the territory of the republic	10.9	11.6	11.6	12.8	12.4	14.4	15.8	16.5
1.1.2.1.2 refunded	-6.9	-6.1	-6.1	-6.2	-6.2	-6.3	-6.2	-6.2
1.1.2.1.3 levied by customs	27.9	29.1	28.5	31.1	29.7	31.0	32.8	33.4
1.1.2.2 Excise tax	8.1	6.0	6.2	5.9	6.6	6.2	5.9	5.6
1.1.2.2.1 levied	8.8	6.4	6.4	6.3	6.9	6.5	6.2	5.9
1.1.2.2.2 refunded	-0.7	-0.4	-0.2	-0.4	-0.3	-0.3	-0.3	-0.3
1.1.2.3 Taxes on foreign trade	4.7	4.7	4.0	3.9	4.6	4.2	4.0	3.8
1.2 Non-Tax Revenues	7.4	7.4	8.3	6.2	6.7	4.6	4.2	3.8
1.2.1 Net revenue of the National Bank	1.3	0.9	1.4	0.0	0.0	0.0	0.0	0.0
1.2.2 Other revenues of the state budget	3.3	4.1	4.7	4.6	4.7	3.1	2.8	2.6
1.2.3 Other revenues ATUs budgets	2.4	2.2	1.9	1.5	1.7	1.3	1.2	1.1
1.2.4 Other revenues -SIF	0.2	0.1	0.1	0.1	0.1	0.1	0.1	0.0
1.2.5 Other revenues - MIF	0.1	0.2	0.3	0.0	0.2	0.1	0.1	0.1
1.3 Special funds and proceeds	8.5	8.4	6.8	5.5	6.7	5.4	5.0	4.5
1.3.1. Special funds	1.1	1.2	0.8	0.7	0.7	0.6	0.6	0.6
1.3.2. Special proceeds	7.5	7.1	6.0	4.7	6.0	4.8	4.4	4.0
2. Grants	3.2	1.8	4.3	5.0	4.4	4.7	2.5	2.0
2.1 Budget support grants	1.9	0.4	2.7	3.1	2.5	2.0	1.6	1.4
2.2 Grants for externally-funded projects	1.2	1.4	1.6	1.9	1.9	2.7	0.9	0.6

%

	2005	2006	2007	2008		2009	2010	2011
	Executed			Approved	Estimated	Estimated		
B. Expenditures, global	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
<i>Expenditures, except net lending</i>	<i>100.3</i>	<i>100.3</i>	<i>100.3</i>	<i>100.3</i>	<i>100.2</i>	<i>100.2</i>	<i>100.3</i>	<i>100.2</i>
<i>Expenditures, except state debt servicing</i>	<i>96.6</i>	<i>97.6</i>	<i>97.3</i>	<i>97.3</i>	<i>97.1</i>	<i>97.3</i>	<i>97.8</i>	<i>98.4</i>
1. General state services	6.6	5.8	5.6	5.8	5.3	5.6	5.3	5.0
<i>from which Customs Service</i>	<i>1.0</i>	<i>0.7</i>	<i>1.1</i>	<i>0.9</i>	<i>0.8</i>	<i>1.1</i>	<i>1.1</i>	<i>1.1</i>
2. External activity	1.8	1.3	1.3	1.1	1.1	0.9	0.9	0.8
3. The justice system and constitutional justice	0.9	1.0	1.0	1.2	1.1	1.2	1.1	1.0
4. Maintaining public order, defence and state security	6.6	6.7	6.9	6.2	6.6	6.7	7.6	7.3
National defence	1.1	1.2	1.2	1.2	1.5	1.0	1.3	1.4
Maintaining public order and state security	5.5	5.5	5.7	5.0	5.0	5.7	6.4	5.9
5. Social expenditures	63.3	63.2	62.6	68.5	67.0	68.7	68.0	67.4
Education	19.3	20.1	19.0	20.7	20.6	19.9	19.1	18.3
Culture, art, sports and youth actions	2.3	2.7	2.5	2.2	2.4	2.2	2.0	2.1
Healthcare	11.3	11.7	11.7	13.9	13.5	15.2	15.1	15.2
Social assistance and insurance	30.4	28.7	29.4	31.7	30.5	31.4	31.7	31.7
6. Science and Innovation	1.0	1.1	1.4	1.7	1.6	1.8	2.0	2.2
7. Economic expenditures	14.1	15.1	16.7	11.6	12.9	10.7	9.5	9.2
Agriculture, forestry, pisciculture and water management	4.1	3.8	5.5	3.6	3.8	3.0	2.8	2.7
<i>including the Fund for the establishment of grape plantations</i>	<i>0.6</i>	<i>0.3</i>	<i>0.4</i>	<i>0.4</i>	<i>0.3</i>	<i>0.3</i>	<i>0.3</i>	<i>0.4</i>
Industry and constructions	0.1	0.2	0.2	0.2	0.2	0.2	0.2	0.1
Transportation, road management, communications and information technologies	1.6	2.8	4.7	3.1	5.1	3.4	3.1	3.2
<i>including Road Fund</i>	<i>1.1</i>	<i>0.9</i>	<i>0.9</i>	<i>0.9</i>	<i>0.8</i>	<i>1.8</i>	<i>1.9</i>	<i>2.1</i>
Utilities and housing	5.0	5.6	3.4	3.1	2.1	3.1	2.6	2.4
<i>including Regional Development Fund</i>				0.5	0.0	0.5	0.6	0.6
Fuel and energy sector	2.5	2.1	2.1	0.9	0.9	0.4	0.2	0.2
Other economic activity related services	0.8	0.5	0.8	0.7	0.8	0.5	0.6	0.6
8. Environment protection and hydro-meteorology	0.4	0.6	0.5	0.5	0.5	0.4	0.4	0.3
9. Public debt servicing	3.4	2.4	2.7	2.7	2.9	2.7	2.2	1.6
-internal	1.4	1.1	1.8	1.9	2.2	2.0	1.6	1.1
-external	2.0	1.3	0.9	0.8	0.7	0.7	0.7	0.5
10. Other areas	2.3	3.1	1.6	1.0	1.3	1.7	2.3	2.3
Supplementing state reserves	0.4	0.5	0.3	0.2	0.2	0.2	0.2	0.2
Expenditures not distributed to main groups of expenditure	1.8	2.6	1.3	0.8	1.1	1.5	2.1	2.1
11. Net lending	-0.3	-0.3	-0.3	-0.3	-0.2	-0.2	-0.3	-0.2
12. Expenditure for salaries increase in budget sector	0.0	0.0	0.0	0.0	0.0	0.0	1.1	3.7

Annex 3

State Budget 2005-11

Annex3.1. Trends in the State Budget, 2005-2011 (MDL million)

	2005	2006	2007	2008		2009	2010	2011
		executed		Aproved	Estimated		Estimat ed	
A. Revenues, Global	9,028.1	11,117.3	14,058.6	14,658.0	15,957.9	17,734.9	19,611.5	21,677.8
<i>Revenues, total, no grants</i>	8,568.6	10,802.4	13,090.8	13,482.9	14,851.3	16,405.7	18,808.9	20,974.7
<i>Revenues, total (no grants, transfers, funds and special proceeds)</i>	7,417.1	9,368.1	11,746.8	12,356.7	13,382.4	15,038.0	17,422.7	19,576.6
1. Current Revenues	8,511.3	10,662.4	13,078.8	13,482.9	14,851.3	16,405.7	18,808.9	20,974.7
1.1 Tax Revenues	6,742.0	8,476.0	10,393.9	11,284.6	12,181.2	14,148.9	16,530.1	18,664.1
1.1.1 Direct taxes	301.8	422.9	562.4	193.1	260.0	110.2	112.4	114.6
1.1.1.1 Income tax for entrepreneur activity	298.1	418.4	556.3	193.1	260.0	110.2	112.4	114.6
1.1.1.2 Income tax for physical entities	3.7	4.5	6.1	0.0	0.0	0.0	0.0	0.0
1.1.2 Indirect taxes	6,440.2	8,053.1	9,831.5	11,091.5	11,921.4	14,038.7	16,417.7	18,549.5
1.1.2.1 VAT	4,591.5	6,155.0	7,544.2	8,800.0	9,086.5	11,085.8	13,314.6	15,263.6
1.1.2.1.1 levied on the territory of the republic	1,545.9	2,039.4	2,551.2	2,960.0	3,120.0	4,071.0	4,934.7	5,727.2
1.1.2.1.2 refunded	-1,006.2	-1,085.2	-1,364.9	-1,460.0	-1,566.8	-1,806.0	-1,968.8	-2,160.7
1.1.2.1.3 levied by customs	4,051.8	5,200.8	6,357.9	7,300.0	7,533.3	8,820.8	10,348.7	11,697.1
1.1.2.2 Excise tax	1,163.6	1,067.5	1,387.4	1,380.0	1,664.0	1,765.0	1,852.5	1,946.7
1.1.2.2.1 levied	1,263.5	1,146.7	1,432.4	1,470.0	1,746.2	1,858.3	1,950.3	2,049.5
1.1.2.2.2 refunded	-99.9	-79.2	-45.0	-90.0	-82.2	-93.3	-97.8	-102.8
1.1.2.3 Taxes on foreign trade	685.1	830.6	900.0	911.3	1,170.7	1,187.9	1,250.6	1,339.2
1.2 Non-Tax Revenues	675.1	892.1	1,352.8	1,072.3	1,201.2	889.1	892.6	912.5
1.2.1 Net revenue of the National Bank	191.9	162.8	313.5	0.0	0.0	0.0	0.0	0.0
1.2.2 Other revenues of the state budget	483.2	729.3	1,039.3	1,072.3	1,201.2	889.1	892.6	912.5
1.3 Special funds and proceeds	1,094.2	1,294.3	1,332.0	1,126.2	1,468.9	1,367.7	1,386.2	1,398.1
1.3.1. Special funds	148.9	216.5	179.3	168.9	168.9	164.7	178.3	186.4
1.3.2. Special proceeds	945.3	1,077.8	1,152.7	957.3	1,300.0	1,203.0	1,207.9	1,211.7
2. Grants	459.5	314.9	967.8	1,175.1	1,106.6	1,329.2	802.6	703.1
2.1 Budget support grants	282.4	62.0	598.0	731.0	634.0	558.1	511.2	490.8
2.2 Grants for externally-funded projects	177.1	252.9	356.8	444.1	472.6	771.1	291.4	212.3
3. Transfers	57.3	140.0	12.0	0.0	0.0	0.0	0.0	0.0
Transfers from ATU budgets for state budget	57.3	140.0	0.0	0.0	0.0	0.0	0.0	0.0
Transfer from special funds of state budget			12					
for special funds of the ATU budgets and state budget								

	2005	2006	2007	2008		2009	2010	2011
		executed		Approved	Estimated		Estimated	
B. Expenditures, global	8482.6	11019.3	14257.1	14881.7	16331.9	18308.7	20006.1	22313.7
<i>Expenditures, except net lending</i>	<i>8518.6</i>	<i>11070.1</i>	<i>14329.9</i>	<i>14947.6</i>	<i>16397.9</i>	<i>18368.2</i>	<i>20093.6</i>	<i>22396.0</i>
<i>Expenditures, except state debt servicing</i>	<i>8012.1</i>	<i>10590.7</i>	<i>13647.3</i>	<i>14229.0</i>	<i>15585.9</i>	<i>17526.2</i>	<i>19280.1</i>	<i>21739.3</i>
1. General state services	662.1	702.2	884.8	1017.5	989.6	1222.1	1255.6	1350.6
<i>from which Customs Service</i>	<i>137.3</i>	<i>127.0</i>	<i>257.7</i>	<i>209.6</i>	<i>209.6</i>	<i>319.6</i>	<i>352.1</i>	<i>401.5</i>
2. External activity	256.2	235.3	283.2	267.5	269.8	264.1	281.9	279.6
3. The justice system and constitutional justice	126.7	188.7	228.2	293.1	292.9	340.3	367.8	367.3
4. Maintaining public order, defence and state security	810.6	1045.0	1332.5	1264.3	1524.0	1691.0	2174.9	2324.3
National defence	150.7	209.8	268.5	279.4	384.1	288.1	401.3	482.9
Maintaining public order and state security	659.9	835.2	1064.0	984.9	1139.9	1402.9	1773.6	1841.4
5. Social expenditures	3552.2	4329.0	5391.1	5877.7	6435.2	7315.3	7750.7	8654.0
Education	981.0	1267.6	1469.7	1580.7	1839.8	1960.7	2047.7	2179.6
Culture, art, sports and youth actions	145.0	224.4	297.7	250.6	317.9	306.6	288.8	369.7
Healthcare	1265.3	1541.7	1836.9	2083.3	2223.9	2693.4	2918.8	3235.0
<i>including</i>								
<i>Transfers to MIF</i>	<i>839.5</i>	<i>1001.6</i>	<i>1195.0</i>	<i>1477.2</i>	<i>1477.2</i>	<i>1820.8</i>	<i>2117.4</i>	<i>2384.2</i>
<i>Other expenditure</i>	<i>425.8</i>	<i>502.5</i>	<i>641.9</i>	<i>606.1</i>	<i>746.7</i>	<i>872.6</i>	<i>801.4</i>	<i>850.8</i>
Social assistance and insurance	1160.9	1295.3	1786.8	1963.1	2053.6	2354.6	2495.4	2869.7
<i>including</i>								
<i>Transfers to SIF</i>	<i>717.8</i>	<i>661.1</i>	<i>791.7</i>	<i>957.2</i>	<i>986.9</i>	<i>1063.9</i>	<i>1121.5</i>	<i>1398.4</i>
<i>Transferuri fondurilor locale de susținere socială a populației</i>	<i>30.6</i>	<i>54.4</i>	<i>69.5</i>	<i>81.5</i>	<i>81.5</i>	<i>73.5</i>	<i>81.9</i>	<i>87.5</i>
<i>Other expenditure</i>	<i>412.5</i>	<i>579.8</i>	<i>925.6</i>	<i>924.4</i>	<i>985.2</i>	<i>1217.2</i>	<i>1292.0</i>	<i>1383.8</i>
6. Science and Innovation	139.5	199.6	307.8	393.6	401.6	511.0	639.9	789.0
7. Economic expenditures	792.2	1328.3	2512.7	2055.9	2410.0	2444.8	2374.0	2578.1
Agriculture, forestry, pisciculture and water management	423.3	623.2	1152.2	776.4	893.0	870.1	879.1	948.0
<i>including the Fund for the establishment of grape plantations</i>	<i>79.9</i>	<i>58.5</i>	<i>100.7</i>	<i>87.1</i>	<i>87.1</i>	<i>87.0</i>	<i>110.0</i>	<i>140.0</i>
Industry and constructions	13.3	32.1	33.7	25.3	26.2	29.3	32.1	32.8
Transportation, road management, communications and information technologies	168.2	366.1	847.0	661.0	1101.1	960.1	968.5	1094.0
<i>including Road Fund</i>	<i>149.9</i>	<i>169.2</i>	<i>196.0</i>	<i>209.4</i>	<i>209.4</i>	<i>515.3</i>	<i>600.0</i>	<i>766.0</i>
Utilities and housing	23.9	111.2	116.7	258.6	51.6	357.3	287.9	295.4
<i>including Regional Development Fund</i>				<i>130.0</i>	<i>0.0</i>	<i>156.0</i>	<i>181.7</i>	<i>200.7</i>
Fuel and energy sector	58.9	105.3	177.5	172.0	139.4	75.0	10.2	6.0
Other economic activity related services	104.6	90.4	185.6	162.6	198.7	153.0	196.2	201.9
8. Environment protection and hydro-meteorology	54.2	108.6	130.1	110.1	125.7	112.5	120.3	118.0
9. Public debt servicing	470.5	428.6	609.8	652.7	746.0	782.5	726.0	574.4
-internal	193.2	197.5	410.2	455.2	558.5	580.9	502.8	387.9
-external	277.3	231.1	199.6	197.5	187.5	201.6	223.2	186.5
10. Other areas	1654.4	2504.8	2649.7	3015.2	3203.1	3684.6	4070.5	4268.7
Supplementing state reserves	59.2	83.7	55.2	49.1	51.0	60.4	66.3	61.4
Expenditures not distributed to main groups of expenditure	1595.2	2421.1	2594.5	2966.1	3152.1	3624.2	4004.2	4207.3
<i>including</i>								
<i>Other expenditure</i>	<i>128.1</i>	<i>318.9</i>	<i>153.9</i>	<i>92.1</i>	<i>183.5</i>	<i>213.3</i>	<i>296.6</i>	<i>274.4</i>
<i>Transfers to ATU budget</i>	<i>1465.6</i>	<i>1549.7</i>	<i>1964.2</i>	<i>2718.5</i>	<i>2764.3</i>	<i>3209.9</i>	<i>3469.5</i>	<i>3625.4</i>
<i>Trasfers with special destination to main revenue of the ATU budget</i>		<i>550.4</i>	<i>476.4</i>	<i>155.5</i>	<i>240.8</i>	<i>201.0</i>	<i>238.1</i>	<i>307.5</i>
11. Net lending	-36.0	-50.8	-72.8	-65.9	-66.0	-59.5	-87.5	-82.3
12. Expenditure for salaries increase in budget sector							332.0	1092.0
C. General Balance (deficit -; surplus +)	545.5	98.0	-198.5	-223.7	-374.0	-573.8	-394.6	-635.9
D. Primary budgetary surplus (cash basis)	1,016.0	526.6	411.3	429.0	372.0	208.7	331.4	-61.5
Public sector financing	-545.6	-98.0	198.5	223.7	374.0	573.8	394.6	635.9
<i>Net Internal</i>	<i>61.7</i>	<i>-11.1</i>	<i>-71.0</i>	<i>31.2</i>	<i>-235.8</i>	<i>-118.8</i>	<i>-118.8</i>	<i>-120.0</i>
NBM	-127.0	-118.8	-160.0	-118.8	-118.8	-118.8	-118.8	-120.0
Net commercial banks	200.1	122.0	118.5	150.0	-100.0	0.0	0.0	0.0
Direct lending	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Government notes	200.1	122.0	118.5	150.0	-100.0	0.0	0.0	0.0
Net non-banking	-11.4	-14.3	-29.5	0.0	-17.0	0.0	0.0	0.0
<i>Net external</i>	<i>-53.4</i>	<i>-230.4</i>	<i>131.9</i>	<i>366.5</i>	<i>137.2</i>	<i>322.3</i>	<i>89.7</i>	<i>24.6</i>
Disbursements	-53.4	-230.4	131.9	366.5	137.2	322.3	89.7	24.6
to investment projects	327.0	410.1	577.6	829.5	535.0	805.1	513.1	427.1
budget support	0.0	0.0	128.4	122.0	95.2	91.2	85.2	81.8
Amortization	380.4	640.5	445.7	463.0	397.8	482.8	423.4	402.5
<i>Funds from selling and privatizing public property</i>	<i>34.1</i>	<i>167.6</i>	<i>199.7</i>	<i>90.0</i>	<i>1,020.0</i>	<i>390.4</i>	<i>100.0</i>	<i>100.0</i>
<i>Changes in account balances</i>	<i>588.0</i>	<i>24.1</i>	<i>62.1</i>	<i>264.0</i>	<i>547.4</i>	<i>20.1</i>	<i>-323.7</i>	<i>-631.3</i>

*Expenditure for salaries increase in budget sphere for 2010-2011 are not distributed by sectors.

Annex3.2. Trends in the State Budget, 2005-2011, % in total

%

	2005	2006	2007	2008		2009	2010	2011
	Executed			Aproved	Estimated	Estimated		
A. Revenues, Global	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
<i>Revenues, total, no grants</i>	94.9	97.2	93.1	92.0	93.1	92.5	95.9	96.8
<i>Revenues, total (no grants, transfers, funds and special proceeds)</i>	82.2	84.3	83.6	84.3	83.9	84.8	88.8	90.3
I. Current Revenues	94.3	95.9	93.0	92.0	93.1	92.5	95.9	96.8
1.1 Tax Revenues	74.7	76.2	73.9	77.0	76.3	79.8	84.3	86.1
1.1.1 Direct taxes	3.3	3.8	4.0	1.3	1.6	0.6	0.6	0.5
1.1.1.1 Income tax for entrepreneur activity	3.3	3.8	4.0	1.3	1.6	0.6	0.6	0.5
1.1.1.2 Income tax for physical entities	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
1.1.1.3 Impozitul funciar	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
1.1.1.4 Impozitul pe bunurile imobiliare	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
1.1.2 Indirect taxes	71.3	72.4	69.9	75.7	74.7	79.2	83.7	85.6
1.1.2.1 VAT	50.9	55.4	53.7	60.0	56.9	62.5	67.9	70.4
1.1.2.1.1 levied on the territory of the republic	17.1	18.3	18.1	20.2	19.6	23.0	25.2	26.4
1.1.2.1.2 refunded	-11.1	-9.8	-9.7	-10.0	-9.8	-10.2	-10.0	-10.0
1.1.2.1.3 levied by customs	44.9	46.8	45.2	49.8	47.2	49.7	52.8	54.0
1.1.2.2 Excise tax	12.9	9.6	9.9	9.4	10.4	10.0	9.4	9.0
1.1.2.2.1 levied	14.0	10.3	10.2	10.0	10.9	10.5	9.9	9.5
1.1.2.2.2 refunded	-1.1	-0.7	-0.3	-0.6	-0.5	-0.5	-0.5	-0.5
1.1.2.3 Taxes on foreign trade	7.6	7.5	6.4	6.2	7.3	6.7	6.4	6.2
1.2 Non-Tax Revenues	7.5	8.0	9.6	7.3	7.5	5.0	4.6	4.2
1.2.1 Net revenue of the National Bank	2.1	1.5	2.2	0.0	0.0	0.0	0.0	0.0
1.2.2 Other revenues of the state budget	5.4	6.6	7.4	7.3	7.5	5.0	4.6	4.2
1.3 Special funds and proceeds	12.1	11.6	9.5	7.7	9.2	7.7	7.1	6.4
1.3.1. Special funds	1.6	1.9	1.3	1.2	1.1	0.9	0.9	0.9
1.3.2. Special proceeds	10.5	9.7	8.2	6.5	8.1	6.8	6.2	5.6
2. Grants	5.1	2.8	6.9	8.0	6.9	7.5	4.1	3.2
2.1 Budget support grants	3.1	0.6	4.3	5.0	4.0	3.1	2.6	2.3
2.2 Grants for externally-funded projects	2.0	2.3	2.5	3.0	3.0	4.3	1.5	1.0
3. Transfers	0.6	1.3	0.1	0.0	0.0	0.0	0.0	0.0
Transfers from ATU budgets for state budget	0.6	1.3	0.0	0.0	0.0	0.0	0.0	0.0
Transfer from special funds of state budget for special funds of the ATU budgets and state budget	0.0	0.0	0.1	0.0	0.0	0.0	0.0	0.0

	2005	2006	2007	2008		2009	2010	2011
	Executed			Approved	Estimated	Estimated		
B. Expenditures, global	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
<i>Expenditures, except net lending</i>	<i>100.4</i>	<i>100.5</i>	<i>100.5</i>	<i>100.4</i>	<i>100.4</i>	<i>100.3</i>	<i>100.4</i>	<i>100.4</i>
<i>Expenditures, except state debt servicing</i>	<i>94.5</i>	<i>96.1</i>	<i>95.7</i>	<i>95.6</i>	<i>95.4</i>	<i>95.7</i>	<i>96.4</i>	<i>97.4</i>
1. General state services	7.8	6.4	6.2	6.8	6.1	6.7	6.3	6.1
<i>from which Customs Service</i>	<i>1.6</i>	<i>1.2</i>	<i>1.8</i>	<i>1.4</i>	<i>1.3</i>	<i>1.7</i>	<i>1.8</i>	<i>1.8</i>
2. External activity	3.0	2.1	2.0	1.8	1.7	1.4	1.4	1.3
3. The justice system and constitutional justice	1.5	1.7	1.6	2.0	1.8	1.9	1.8	1.6
4. Maintaining public order, defence and state security	9.6	9.5	9.3	8.5	9.3	9.2	10.9	10.4
National defence	1.8	1.9	1.9	1.9	2.4	1.6	2.0	2.2
Maintaining public order and state security	7.8	7.6	7.5	6.6	7.0	7.7	8.9	8.3
5. Social expenditures	41.9	39.3	37.8	39.5	39.4	40.0	38.7	38.8
Education	11.6	11.5	10.3	10.6	11.3	10.7	10.2	9.8
Culture, art, sports and youth actions	1.7	2.0	2.1	1.7	1.9	1.7	1.4	1.7
Healthcare	14.9	14.0	12.9	14.0	13.6	14.7	14.6	14.5
<i>including</i>					0.0	0.0	0.0	0.0
<i>Transfers to MIF</i>	16.8	15.3	16.7	9.9	9.0	9.9	10.6	10.7
<i>Other expenditure</i>	16.8	15.3	16.7	4.1	4.6	4.8	4.0	3.8
Social assistance and insurance	13.7	11.8	12.5	13.2	12.6	12.9	12.5	12.9
<i>including</i>					0.0	0.0	0.0	0.0
<i>Transfers to SIF</i>	8.5	6.0	5.6	6.4	6.0	5.8	5.6	6.3
<i>Transferuri fondurilor locale de susținere socială a populației</i>	0.4	0.5	0.5	0.5	0.5	0.4	0.4	0.4
<i>Other expenditure</i>	4.9	5.3	6.5	6.2	6.0	6.6	6.5	6.2
6. Science and Innovation	1.6	1.8	2.2	2.6	2.5	2.8	3.2	3.5
7. Economic expenditures	9.3	12.1	17.6	13.8	14.8	13.4	11.9	11.6
Agriculture, forestry, pisciculture and water management	5.0	5.7	8.1	5.2	5.5	4.8	4.4	4.2
<i>including the Fund for the establishment of grape plantations</i>	<i>0.9</i>	<i>0.5</i>	<i>0.7</i>	<i>0.6</i>	<i>0.5</i>	<i>0.5</i>	<i>0.5</i>	<i>0.6</i>
Industry and constructions	0.2	0.3	0.2	0.2	0.2	0.2	0.2	0.1
Transportation, road management, communications and information technologies	2.0	3.3	5.9	4.4	6.7	5.2	4.8	4.9
<i>including Road Fund</i>	<i>1.8</i>	<i>1.5</i>	<i>1.4</i>	<i>1.4</i>	<i>1.3</i>	<i>2.8</i>	<i>3.0</i>	<i>3.4</i>
Utilities and housing	0.3	1.0	0.8	1.7	0.3	2.0	1.4	1.3
<i>including Regional Development Fund</i>				0.9	0.0	0.9	0.9	0.9
Fuel and energy sector	0.7	1.0	1.2	1.2	0.9	0.4	0.1	0.0
Other economic activity related services	1.2	0.8	1.3	1.1	1.2	0.8	1.0	0.9
8. Environment protection and hydro-meteorology	0.6	1.0	0.9	0.7	0.8	0.6	0.6	0.5
9. Public debt servicing	5.5	3.9	4.3	4.4	4.6	4.3	3.6	2.6
-internal	2.3	1.8	2.9	3.1	3.4	3.2	2.5	1.7
-external	3.3	2.1	1.4	1.3	1.1	1.1	1.1	0.8
10. Other areas	19.5	22.7	18.6	20.3	19.6	20.1	20.3	19.1
Supplementing state reserves	0.7	0.8	0.4	0.3	0.3	0.3	0.3	0.3
Expenditures not distributed to main groups of expenditure	18.8	22.0	18.2	19.9	19.3	19.8	20.0	18.9
<i>including</i>								
<i>Other expenditure</i>	1.5	2.9	1.1	0.6	1.1	1.2	1.5	1.2
<i>Transfers to ATU budget</i>	17.3	14.1	13.8	18.3	16.9	17.5	17.3	16.2
<i>Transfers with special destination to main revenue of the ATU budget</i>		5.0	3.3	1.0	1.5	1.1	1.2	1.4
11. Net lending	-0.4	-0.5	-0.5	-0.4	-0.4	-0.3	-0.4	-0.4
12. Expenditure for salaries increase in budget sector						0.0	1.7	4.9

Annex 4

ATU Budgets 2005-11

Annex 4.1 Administrative-territorial units budgets, 2005-2011

	(milioans MDL)							
	2005	2006	2007	2008		2009	2010	2011
	Executed			Approved	Estimated	Forecast		
A. Revenue, total	3,636.6	4,796.0	5,646.8	5,337.6	5,976.7	6,133.4	6,701.4	7,182.4
1. Current revenue	2,136.2	2,651.9	3,034.6	2,382.1	2,890.1	2,649.0	2,911.9	3,162.0
1.1 Fiscal revenue	1,641.8	2,058.7	2,428.5	1,862.4	2,231.6	2,104.6	2,347.7	2,585.3
1.1.1 Direct taxes	1,601.8	2,016.6	2,380.9	1,805.9	2,190.6	2,057.6	2,297.7	2,532.3
1.1.1.1 Profit tax	503.8	660.7	832.1	257.5	413.6	141.7	144.6	147.5
1.1.1.2 Personal income tax	865.5	1,123.2	1,322.5	1,304.1	1,527.6	1,653.8	1,884.0	2,110.1
1.1.1.3 land tax	196.0	191.9	174.2	196.6	191.4	196.2	196.2	196.2
1.1.1.4 Real estate tax	36.5	40.8	52.1	47.7	58.0	65.9	72.9	78.5
1.1.2 Indirect taxes	40.0	42.1	47.6	56.5	41.0	47.0	50.0	53.0
1.1.2.1 VAT	31.7	38.7	42.7	50.5	35.0	40.0	43.0	46.0
1.1.2.2 Excises	8.3	3.4	4.9	6.0	6.0	7.0	7.0	7.0
1.2 Non fiscal revenue	347.2	396.3	415.9	356.4	422.8	363.9	383.5	395.9
1.3 Special funds and special means	147.2	196.9	190.2	163.3	235.7	180.5	180.7	180.8
1.3.1. Special funds	4.9	6.0	8.1	6.2	7.7	7.3	7.5	7.6
1.3.2. Special means	142.3	190.9	182.1	157.1	228.0	173.2	173.2	173.2
2. Grants	0.2	0.6	2.2	0.0	0.0	0.0	0.0	0.0
2.1 Grants for budget suport	0.2	0.6	2.2	0.0	0.0	0.0	0.0	0.0
3. Transfers	1500.2	2143.5	2609.9	2955.5	3086.6	3484.4	3789.5	4020.4
Transfers from state budget	1465.6	2089.1	2469.4	2874.0	3005.1	3410.9	3707.6	3932.9
Transfers from special funds of the state budget to speacial funds of the ATU budgets	34.6	54.4	69.5	81.5	81.5	73.5	81.9	87.5
Transfers from other components of TAU			71					
B. Expenditure, total	3775.7	5063.0	5627.0	5378.4	5976.7	6207.6	6771.9	7252.9
1. General state services	257.5	335.6	380.6	351.2	374.3	415.7	451.9	455.8
4. Public order, defence, state security	110.9	161.0	212.5	202.6	159.7	259.5	288.3	288.2
National Defence	5.9	6.2	7.3	5.9	6.0	6.5	7.0	6.9
Public order and state security	105.0	154.8	205.2	196.7	153.7	253.0	281.3	281.3
5. Social expenditure	2057.5	2893.6	3629.4	4007.6	4414.1	4639.8	4970.4	5293.2
Education	1716.0	2338.2	2798.9	3350.9	3457.3	3842.7	4122.2	4400.4
Culture, art, sports and youth	170.4	262.3	269.4	272.1	293.3	341.6	370.0	393.8
Health care	38.6	86.3	92.1	52.3	113.9	84.9	92.1	98.8
Social asistance and protection	132.5	206.8	469.0	332.3	549.6	370.6	386.1	400.2
7. Economic expenditure	1174.7	1395.7	1233.3	708.5	893.4	668.2	694.2	734.0
Agriculture,forestry, phising and water	156.5	61.1	77.7	89.1	91.2	16.0	19.0	19.0
Industry and construction	7.1	8.7	11.1	12.8	15.4	17.6	18.3	18.4
Transports, roads, communications and informatics	49.5	141.4	216.9	73.0	215.4	41.2	42.8	44.4
Utilities and housing	668.9	900.3	639.1	485.9	481.9	535.4	546.3	564.9
Energy and fuel secotr	287.7	278.5	283.7	43.6	81.3	52.1	61.7	81.1
Other economic related services	5.0	5.7	4.8	4.1	8.2	5.9	6.1	6.2
10. Other	184.0	287.4	173.2	108.5	134.8	224.4	367.1	481.7
Expenditure not included in other main group	184.0	287.4	173.2	108.5	134.8	224.4	367.1	481.7
<i>including</i>								
<i>other expenditure</i>	126.7	147.4	173.2	108.5	134.8	224.4	367.1	481.7
<i>Transfers from state budget</i>	57.3	140.0						
11.Net lending	-8.9	-10.3	-2.0					
C. General Balance (deficit -; surplus +)	-139.1	-267.0	19.8	-40.8	0.0	-74.2	-70.5	-70.5
D. Financing	139.1	267.0	-19.8	40.8	0.0	74.2	70.5	70.5
<i>Net Domestic</i>	<i>56.1</i>	<i>52.2</i>	<i>-116.0</i>	<i>0.0</i>	<i>-43.3</i>	<i>0.0</i>	<i>0.0</i>	<i>0.0</i>
<i>Net External</i>	<i>0.0</i>	<i>0.0</i>	<i>0.0</i>	<i>0.0</i>	<i>0.0</i>	<i>0.0</i>	<i>0.0</i>	<i>0.0</i>
<i>Means from selling and privatization of public property</i>	<i>142.1</i>	<i>226.8</i>	<i>206.6</i>	<i>40.8</i>	<i>200.0</i>	<i>74.2</i>	<i>70.5</i>	<i>70.5</i>
Change in accounts balances	59.1	12.0	110.4	0.0	156.7	0.0	0.0	0.0

Annex 4.2 Administrative-territorial units budgets, 2005-2011, share in total

%

	2005	2006	2007	2008		2009	2010	2011
	Executed			Approved	Estimated	Forecast		
A. Revenue, total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
1. Current revenue	58.7	55.3	53.7	44.6	48.4	43.2	43.5	44.0
1.1 Fiscal revenue	45.1	42.9	43.0	34.9	37.3	34.3	35.0	36.0
1.1.1 Direct taxes	44.0	42.0	42.2	33.8	36.7	33.5	34.3	35.3
1.1.1.1 Profit tax	13.9	13.8	14.7	4.8	6.9	2.3	2.2	2.1
1.1.1.2 Personal income tax	23.8	23.4	23.4	24.4	25.6	27.0	28.1	29.4
1.1.1.3 land tax	5.4	4.0	3.1	3.7	3.2	3.2	2.9	2.7
1.1.1.4 Real estate tax	1.0	0.9	0.9	0.9	1.0	1.1	1.1	1.1
1.1.2 Indirect taxes	1.1	0.9	0.8	1.1	0.7	0.8	0.7	0.7
1.1.2.1 VAT	0.9	0.8	0.8	0.9	0.6	0.7	0.6	0.6
1.1.2.2 Excises	0.2	0.1	0.1	0.1	0.1	0.1	0.1	0.1
1.2 Non fiscal revenue	9.5	8.3	7.4	6.7	7.1	5.9	5.7	5.5
1.3 Special funds and special means	4.0	4.1	3.4	3.1	3.9	2.9	2.7	2.5
1.3.1. Special funds	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1
1.3.2. Special means	3.9	4.0	3.2	2.9	3.8	2.8	2.6	2.4
2. Grants	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
3. Transfers	41.3	44.7	46.2	55.4	51.6	56.8	56.5	56.0
Transfers from state budget	40.3	43.6	43.7	53.8	50.3	55.6	55.3	54.8
Transfers from special funds of the state budget to special funds of the ATU budgets	1.0	1.1	1.2	1.5	1.4	1.2	1.2	1.2
Transfers from other components of ATU	0.0	0.0	1.3	0.0	0.0	0.0	0.0	0.0
B. Expenditure, total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
1. General state services	6.8	6.6	6.8	6.5	6.3	6.7	6.7	6.3
4. Public order, defence, state security	2.9	3.2	3.8	3.8	2.7	4.2	4.3	4.0
National Defence	0.2	0.1	0.1	0.1	0.1	0.1	0.1	0.1
Public order and state security	2.8	3.1	3.6	3.7	2.6	4.1	4.2	3.9
5. Social expenditure	54.5	57.2	64.5	74.5	73.9	74.7	73.4	73.0
Education	45.4	46.2	49.7	62.3	57.8	61.9	60.9	60.7
Culture, art, sports and youth	4.5	5.2	4.8	5.1	4.9	5.5	5.5	5.4
Health care	1.0	1.7	1.6	1.0	1.9	1.4	1.4	1.4
Social assistance and protection	3.5	4.1	8.3	6.2	9.2	6.0	5.7	5.5
7. Economic expenditure	31.1	27.6	21.9	13.2	14.9	10.8	10.3	10.1
Agriculture, forestry, phising and water	4.1	1.2	1.4	1.7	1.5	0.3	0.3	0.3
Industry and construction	0.2	0.2	0.2	0.2	0.3	0.3	0.3	0.3
Transports, roads, communications and informatics	1.3	2.8	3.9	1.4	3.6	0.7	0.6	0.6
Utilities and housing	17.7	17.8	11.4	9.0	8.1	8.6	8.1	7.8
Energy and fuel Complex	7.6	5.5	5.0	0.8	1.4	0.8	0.9	1.1
Other economic related services	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1
10. Other	4.9	5.7	3.1	2.0	2.3	3.6	5.4	6.6
Expenditure not included in other main group	4.9	5.7	3.1	2.0	2.3	3.6	5.4	6.6
<i>including</i>								
<i>other expenditure</i>	3.4	2.9	3.1	2.0	2.3	3.6	5.4	6.6
<i>Transfers from state budget</i>	1.5	2.8	0.0	0.0	0.0	0.0	0.0	0.0
11. Net lending	-0.2	-0.2	0.0	0.0	0.0	0.0	0.0	0.0

Annex 5

State Social Insurance Fund Budget 2006-11

mil.MDL

	2006	2007	2008	2009	2010	2011
	executed		approved	Estimated		
I. Revenue, total	4347.7	5157.2	6256.7	7514.2	8247.4	9449.2
including:						
a) Fiscal revenue	3661.5	4332.6	5275.9	6420.3	7098.9	8049.1
b) Non fiscal revenue	21.5	31.9	23.2	29.3	26.3	1.0
c) Other revenue	2.9	1	0.4	0.7	0.7	0.7
d) Transfers fro state budget	661.8	791.7	957.2	1063.9	1121.5	1398.4
<i>from which:</i>						
<i>Transfers from state budget to state social security budget for social services</i>	639.3	760.3	919.5	987.9	1013.2	1072.1
<i>Compensation of the difference in social insurance tariffs for agricultural sector</i>	22.5	31.4	37.7	57.4	65.5	74.0
<i>Compensation of the difference up to minimal pension</i>				18.5	42.9	72.1
<i>State social security budget deficit covering</i>						180.2
II. Expenditure, total	4378.1	5244.5	6276.2	7571.2	8557.3	9593.8
including:						
a) Pension fund	3125.9	3751.6	4511.6	5420.7	6268.1	7054.3
b) Family with children protection fund	59.1	73.2	93.1	139.3	174.9	213.4
c) Labor accident insurance and profesional deases fund	1.6	1.7	2.7	3.0	3.7	4.5
d) Alloances fund	325.3	408.6	461.9	648.1	776.4	919.9
e) Enemployment fund	36.3	32.2	42.2	25.8	30.8	35.3
f) Health recovery	86.3	93.7	92.2	109.7	67.1	71.5
g) Organizing and operating a public social insurance system	104.3	123.7	157.2	240.2	226.8	226.5
h) Net lending		-0.5	-4.2	-3.5	-3.7	-3.7
<i>Transfers from state budget to state social security budget for social services</i>	639.3	760.3	919.5	987.9	1013.2	1072.1
III. Surplus (+)/deficit (-)	-30.4	-87.3	-19.5	-57.0	-309.9	-144.6
IV. Financing						
Change in accounts balances	30.4	87.3	19.5	57.0	309.9	144.6

Annex 6

Mandatory Health Insurance Fund Budget 2005-11

Indicatorii	2005	2006	2007	2008		2009	2010	2011
	executed			approved	estimated	estimated		
mil.MDL								
I. Revenues, total	1281.7	1559.1	2036.4	2646.2	2691.2	3471.5	3995.6	4504.1
<i>including :</i>								
1.1 Compulsory medical Insurance premiums, total								
Insurance premiums paid by employers and employees, in percentage value	425.4	523.7	783.7	1167.0	1174.0	1635.1	1858.2	2099.9
Insurance premiums paid by individuals, in fixed amount	407.2	505.4	759.4	1116.0	1138.5	1582.0	1797.3	2030.6
Insurance premiums paid by foreigners and nonresidents	18.2	18.3	24.3	50.5	35.0	53.1	60.9	69.3
				0.5	0.5			
1.2 Transfers from state budget for pupose of insurance of the some categories of citizens, foreseen by legislation								
	839.5	1001.6	1195	1477.2	1477.2	1820.8	2117.4	2384.2
1.3 Other revenue (fines, administrative sanctions, interest rates)								
	16.8	33.8	57.7	2.0	40.0	15.6	20.0	20.0
II. Spending, total	1108.0	1485.4	1894.6	2646.2	2611.2	3471.5	3995.6	4504.1
<i>including :</i>								
2.1 Funds to pay for the current health services (core funds)								
	1075.3	1434.6	1825.5	2510.8	2479.9	3294.6	3793.8	4277.8
2.2 Funds earmarked for preventative measures (to prevent against insurance risks)								
	9.1	15.1	31.0	52.9	50.0	69.65	79.75	90.35
2.3 Reserve mandatory health insurance funds								
	6.4	13.6	13.6	52.9	52.5	69.65	79.75	90.35
2.4 Administrative spending								
	17.2	22.1	24.5	29.6	28.8	37.6	42.3	45.6
III. Deficit (-)/Surplus(+)	173.7	73.7	141.8	0.0	80.0	0.0	0.0	0.0
IV. Financing								
Change in account balances	-173.7	-73.7	-141.8	0.0	-80.0	0.0	0.0	0.0

Annex 7

**Education and Youth Sector Strategic Expenditure Plan
2009-11**

Education and Youth

Key Issues /Policies	Priority Policy Actions	The Costs of the Actions by year (thousand MDL)			Monitoring Indicators
		2009	2010	2011	
<p>PROGRAM I. Preschool education – comprises all the state preschool institutions with various operation programs and has as its objective the multilateral training of child for life and integration in the school activity. All the activities related to the arrangement of preschool institutions functioning and maintenance are covered from the budget of local public authorities.</p> <p>Overall objective: Increase the access of all children to quality preschool educational services.</p>					
<p><u>A. Current situation:</u></p> <p>§ Lack of preschool institutions in about 263 localities.</p> <p>§ The institutionalization rate of children aged 1 to 6 years is 52.1%.</p> <p>§ The enrolment rate of children aged 5-6 years in preschool institutions is only 80%.</p> <p>§ Shortage of didactic materials in preschool institutions.</p> <p>§ Deterioration of technical-material basis of preschool institutions.</p> <p><u>B. Medium-term policy objectives:</u></p> <p>§ Increase the enrolment rate in preschool programs up to 75% for children aged between 3 and 6 (7) years and up to 95% for children aged 5-6 (7) years.</p> <p>§ Improve the working conditions of preschool institutions.</p>	<p><u>A. Actions for streamlining the use of resources</u></p> <p>§ Mapping of preschool educational institutions (NDS Action Plan, p. 89.1)</p> <p>§ Improve the technical-material basis of preschool institutions (2009-2011) (NDS Action Plan, p. 89.4)</p> <p>§ Connection of preschool institutions to gas-supply system (NDS Action Plan, p. 89.5)</p> <p>§ Savings as a result of the decrease in the number of children</p> <p>§ Savings resulting from the optimization of the preschool institutions network, according to the stipulations of the Government Decision No 239 dated 29 February 2008.</p> <p><u>B. Actions for sector development (2009-2011)</u></p> <p>§ Develop the preschool institutions network and establish alternative centres of preschool education within the limits of the resource ceiling (NDS Action Plan, p. 89.6)</p> <p>§ Increase of average expenditures for the maintenance of children in preschool institutions, including the nutrition-related expenditures (NDS Action Plan, p. 89.3)</p> <p>§ Provide illustrative-didactic materials to preschool institutions within the limits of the resource ceiling (NDS Action Plan, p. 89.7)</p> <p>§ Increase the expenditures for fitting out the preschool institutions with equipment</p> <p>§ Renovate the selected kindergartens within the Project “Education for All – Fast-Track Initiative” (NDS Action Plan, p. 89.8)</p>	9377.5	24040.0	6650.0	<p>§ The number of children aged 1-6 years enrolled in I preschool programs will increase by 3% per year.</p> <p>§ The attendance rate of preschool institutions by the children 5-6 years of age will increase in 2011 up to 95.0%.</p> <p>§ The number of renovated preschool institutions will increase annually by 5%.</p> <p>§ The share of the use of institutional capacities will increase by 2% per year.</p> <p>§</p>
		22893.0	48969.0	48969.0	
		4088.0	4088.0	4088.0	
				20000.0	
		5297.0			

Education and Youth

Key Issues /Policies	Priority Policy Actions	The Costs of the Actions by year (thousand MDL)			Monitoring Indicators								
		2009	2010	2011									
<p>PROGRAM II. Secondary education is structured in 4 subprograms: subprogram 2.1 “The primary, lower secondary and upper secondary education”, subprogram 2.2 “Special education”, subprogram 2.3 “School curricula” and subprogram 2.4 “Secondary vocational education”.</p> <p>Overall objective: Ensure the access of all children to quality basic education.</p>													
<p>SUBPROGRAM 2.1. The primary, lower secondary and upper secondary education – includes all the primary schools, lower secondary schools, general secondary schools and upper secondary schools. Most of these institutions are subordinated to the local public authorities. Within this program all the expenditures related to the organization and conducting of educational process in these institutions, as well as their maintenance are included.</p> <p>Overall objective: Ensure the access of all children to the quality basic education, especially of children in difficult situation.</p>													
<p><u>A. Current situation:</u></p> <p>§ Reduction in student numbers due to demographic factors by 6.2% annually (15,000 over next 6 years).</p> <p>§ Reduce capacity use by 4.1 percentage points compared to the 2006-07 academic year, which will be 63.2%.</p> <p>§ Operation of schools with a reduced student body and lack of school vehicles.</p> <p>§ Decrease in student /teacher ratio: (2007/08 = 13) and student /non-didactic staff ratio: (2007/08 = 21).</p> <p>§ Physical and moral deterioration of educational institutions’ technical-material and didactic basis.</p> <p>§ The share of didactic staff of retirement age is 15.6% and poor staffing with young specialists.</p> <p><u>B. Medium-term policy objectives:</u></p> <p>§ Improve the quality of educational services and streamline the general secondary educational system.</p> <p>§ Enhance network and use of capacities of general secondary educational institutions.</p> <p>§ Increase the access of children from rural areas to the compulsory education.</p> <p>§ Renovate the technical-material and didactic basis of educational institutions.</p>	<p><u>A. Actions for streamlining the use of resources</u></p> <p>§ Organize student transport in rural areas, procure transport (2009-11).</p> <p>§ Provide free of charge hot breakfasts to students in 1-4 forms (2009-2011) and increase expenditures for addition in food ration.</p> <p><u>B. Actions for sector development (2009-2011)</u></p> <p>§ Continue the program for rehabilitation and strengthening of the technical-material and didactic basis of institutions.</p> <p>§ Improve access of children aged 7-16 years to summer holidays.</p> <p>§ Draft, approve and pilot the Strategy for optimization of the general secondary educational institutions network (with the support of “Quality Education in Rural Areas” project). (NDS Action Plan, p. 90.1, 90.2, 90.3)</p> <p>§ Develop, and pilot a new financing scheme for general secondary education. (NDS Action Plan, p. 90.4)</p> <p>§ Continue the provision of financial support to young teachers employed in educational institutions from rural areas.</p> <p>§ Increase the expenditures in order to ensure the free issue of documents for the graduation of general secondary education.</p> <p>§ Increase spending on final examinations for all educational levels in ATUs.</p> <p>§ Increase expenditures to provide didactic material to students from general, lower secondary and upper secondary schools subordinated to ATU.</p> <p>§ Increase expenditures on equipping general schools, lower secondary</p>	12150.0	24300.9	116731.0	11704.0	22.0	13500	1500.0	1339.4	2743.0	14736.2	14736.2	<p>§ The share of graduates from lower secondary schools that will continue their studies in upper secondary schools will increase by 3% per year.</p> <p>§ The number of children from rural areas not enrolled in the compulsory education system.</p> <p>§ The number of children that benefited of summer holidays.</p> <p>§ The number of children benefiting from school transport.</p> <p>§ The student /teacher ratio will increase by 2 students /teacher annually.</p> <p>§ The strategy approved and the action plan developed.</p> <p>§ The level of using the capacities of general secondary educational institutions.</p> <p>§ The number of teaching staff that benefit of financial support annually.</p>

Education and Youth

Key Issues /Policies	Priority Policy Actions	The Costs of the Actions by year (thousand MDL)			Monitoring Indicators
		2009	2010	2011	
	and upper secondary schools				
<p>SUBPROGRAM 2.2. Special education – has as its objective the education, training, recuperation and social integration of preschoolers and students with special needs. This program comprises the secondary boarding schools, special boarding schools, sanatorium boarding schools and orphanages. The state ensures free sustenance of children in these institutions. Most of these institutions are subordinated to the Ministry of Education and Youth, other ministries and local public authorities.</p> <p>Overall objective: Establish and develop the system of services alternative to institutionalization.</p>					
<p><u>A. Current situation:</u></p> <p>§ Heavy and inefficient expenses for maintenance of residential institutions.</p> <p>§ A very low rate of children /employees ratio in residential institutions (1 child to 6 employees).</p> <p>§ The reduced socialization of children from boarding schools compared to those brought up in families.</p> <p><u>B. Medium-term policy objectives:</u></p> <p>§ Implement the Action Plan of the Child-Care Residential System Reform.</p> <p>§ Implement the system of prevention measures in placing children in residential institutions.</p>	<p><u>A. Actions for streamlining the use of resources</u></p> <p>§ Reduce the number of children placed in residential institutions. (NDS Action Plan, p. 94)</p> <p>§ Double the size of forms in residential institutions and transfer 50% of teachers to community schools (NDS Action Plan, p. 94.2)</p> <p>§ Reduce the number of auxiliary personnel by 10% annually (2009-2010). (NDS Action Plan, p. 94.4)</p> <p>§ Social inclusion of children in difficult situation.</p> <p>§ Savings resulting from the Residential System Reform, according to the stipulations of the Government Decision No 239 dated 29 February 2008.</p> <p>§ Ensure students' alimentation in boarding schools (2009-2011) and increase the expenditures for addition in food ration.</p> <p><u>B. Actions for sector development (2009-2011)</u></p> <p>§ Establish and develop the community social services for protection of child and family (family-type homes) and alternative forms of child protection. (NDS Action Plan, p. 94.5)</p>	16600.0	16600.0	16600.0	<p>§ The number of beneficiaries of alternative services of the total number of children with special needs will be 10% by 2010.</p> <p>§ The number of alternative services.</p> <p>§ The number of community actions with regard to the socialization of children in difficult situation.</p>
<p>SUBPROGRAM 2.3. School curricula comprise the development and implementation of school curricula (including the printing of textbooks) and training programs.</p> <p>Overall objective: Provide textbooks and didactic materials to students and teaching staff.</p>					
<p><u>A. Current situation:</u></p> <p>The need to develop and update educational programs, in accordance with the requirements of the Curricula Reform.</p> <p>Shortage of textbooks for special education. The institutions have no Braille type textbooks in the state language.</p> <p>The costs of textbooks in native language, which are</p>	<p><u>Actions for streamlining the use of resources</u></p> <p>§ Development of school curricula.</p> <p>§ Training of teaching staff in the area of curricula.</p> <p>§ Maintain the textbook rental scheme for students from lower and upper secondary educational institutions.</p> <p>§ Extend the period of use of some textbooks.</p>	1209.6			<p>§ The number of children with full sets of textbooks (100%) for the</p> <ul style="list-style-type: none"> ◇ primary ◇ lower secondary ◇ upper secondary education <p>§ The amount of subvention for</p>

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Key Issues /Policies	Priority Policy Actions	The Costs of the Actions by year (thousand MDL)			Monitoring Indicators
		2009	2010	2011	
<p>high and inaccessible to all the students of alolingual schools, because of the small number of copies.</p> <p><u>B. Medium-term policy objectives:</u></p> <p>§ Update school curricula and provide textbooks and didactic materials to students and teaching staff.</p>	<p><u>B. Actions for sector development (2009-2011)</u></p> <p>§ Revise /print the school curricula for the primary, lower secondary and upper secondary education (2009).</p> <p>§ Provide textbooks on a free of charge basis to students of I-XII forms from the schools on the left bank of the Nistru River and Bender town, subordinated to MEY.</p> <p>§ Subsidizing the procurement of textbooks for students from underprivileged families.</p> <p>§ Printing textbooks based on new curricula for special education.</p> <p>§ Provide textbooks to the primary class pupils on a free-of-charge basis.</p> <p>§ Partial compensation of expenditures for textbooks in Bulgarian, Gagauz, Ukrainian, as native language textbooks.</p> <p>§ Develop and implement flexible curricula for professional training in double specialization. (NDS Action Plan, p. 91.5)</p>	<p>156.8</p> <p>200.0</p> <p>940.0</p> <p>4000.0</p> <p>535.0</p>	<p>200.0</p> <p>1050.0</p> <p>6000.0</p> <p>535.0</p>	<p>200.0</p> <p>1050.0</p> <p>6000.0</p> <p>535.0</p>	<p>rental of school textbooks for students from socially vulnerable families (up to 20%)</p> <p>§ Didactic materials per teacher for primary, lower secondary and upper secondary education.</p>
<p>SUBPROGRAM 2.4 Secondary vocational education – comprises the activities related to the organization of educational process in the vocational high schools, vocational schools and trade schools and is aimed at initiating the students in a craft or training of qualified workers, as well as the functioning of hostels subordinated to these institutions.</p> <p>Overall objective: Reconsider the place and role of the secondary vocational education and its adjustment to the requirements of community and labour market.</p>					
<p><u>A. Current situation:</u></p> <p>§ Lack of a flexible policy concerning the occupational guidance of students from the general secondary education.</p> <p>§ The high costs for the sustenance of one student in the vocational schools from the state budget – MDL 6698.5 and trade schools – MDL 5058.6.</p> <p>§ The large share of salary expenditures in the vocational secondary education in 2007 - 55.7%.</p> <p>§ Failure of the existing structure of the secondary vocational institutions network to meet current requirements.</p> <p><u>B. Medium-term policy objectives:</u></p> <p>§ Revise and streamline the network of secondary</p>	<p><u>A. Actions for streamlining the use of resources</u></p> <p>§ Reorganize and streamline the network of secondary vocational educational system. (NDS Action Plan, p. 91.1)</p> <p>§ Organize the education in double (related) specialties. (NDS Action Plan, p. 91.2)</p> <p>§ Optimize the number of student groups and permanent staff. (NDS Action Plan, p. 91.3)</p> <p>§ Increase the expenditures for addition in students' food ration.</p> <p><u>B. Actions for sector development (2009-2011)</u></p> <p>§ Renovate and modernise the technical-material basis for professional development areas: transport and telecommunications, services, constructions, agriculture (2009–2011). (NDS Action Plan, p. 91.4)</p> <p>§ Establish a system for recruiting and training of teaching staff for</p>	<p>19102.9</p> <p>3029</p>	<p>4397,1</p> <p>3181.0</p>	<p>3340.0</p> <p>3564,0</p>	<p>§ The number of reorganized institutions will increase annually by 3%.</p> <p>§ The number of institutions that benefit of the renovation of technical-material basis will increase annually by 15%</p> <p>§ The number of accredited institutions.</p>

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Key Issues /Policies	Priority Policy Actions	The Costs of the Actions by year (thousand MDL)			Monitoring Indicators
		2009	2010	2011	
vocational educational institutions. § Develop /update the technical-material and didactic basis of the secondary vocational educational institutions, in conformity with flexible, current and perspective requirements of the labour market. § Develop the legal framework on the accreditation of secondary vocational educational institutions. § Modernize the infrastructure of hostels in order to improve the living conditions of students.	specialty courses in the secondary vocational educational institutions. (NDS Action Plan, p. 91.7) § Improve the working conditions in hostels (Government Decision No 74 dated 25 January 2007). § Increase the amount of scholarships. § Increase the enrolment plan by 30% compared to 2007	5342.0 (2200.0) 20614.6	3299.0		
SUBPROGRAM 2.5 Implementation of Information and Communications Technologies in the educational system (SALT Program)					
General objective: Implement Information and Communications Technologies in the educational system and establish the educational information space					
<u>A. Current situation:</u> § Insufficient endowment of educational institutions with computers and poorly developed communications infrastructure. § Digital gap between the rural and urban educational institutions. § Insufficient preparation of the teaching staff regarding the use of IT during the educational process. § Lack of software for computer-assisted education and electronic textbooks. § Insufficient IT endowment of the educational management. <u>B. Medium-term policy objectives:</u> § Implement the SALT program in systemic collaboration with the state and private structures from the ICT area. § .Create and strengthen the material and logistical support in the educational area in line with the new pre-university educational curriculum.	<u>A. Actions for streamlining the use of resources</u> § .Create the Educational Informational System (EIS), NDS Actions Plan, 96.3) with the following subsystems: ◇ Informational Resources of the Ministry of Education and Youth; ◇ “MoldEduNet” telecommunication network; ◇ Implementation of ICT in the educational area; ◇ Training of teachers. NDS Actions Plan, 96.6) <u>B. Actions for sector development (2009-2011)</u> § Provide educational institutions with IT equipment. NDS Actions Plan, 96.4 § Procure/develop software for computer-assisted education. NDS Actions Plan, 96.5. § Train the teachers how to use the ICT for educational purposes. NDS Actions Plan, 96.6 § Maintain the Educational Informational System (IES). § Provide the school libraries with methodical literature and didactic literature in electronic format (in the context of SALT program implementation).	30192.5 27000.0 3192.5	60330.0 27000.0 33330.0	54350.0 27000.0 27350.0	§ The share of teaching staff that use Internet during the educational process will increase annually by 2%. § .The share of teaching staff that were trained in the use of ICT will increase by 30%. § Number of pupils per on computer. § The share of courses for which educational software was procured/developed. § The share of institutions connected to the wide band Internet

Key Issues /Policies	Priority Policy Actions	The Costs of the Actions by year (thousand MDL)			Monitoring Indicators
		2009	2010	2011	
<p>Program III. Specialized secondary education – this program ensures staff training in specialties applicable to the national economy and social area. This program is carried out by the network of Moldovan colleges, which are subordinated to various ministries (the Ministry of Education and Youth, the Ministry of Agriculture and Food Industry, the Ministry of Health and the Ministry of Culture and Tourism). The main activities of this program refer to the organization of educational process and functioning of hostels subordinated to these institutions.</p> <p>Overall objective: Improve the teaching process and the quality of educational services.</p>					
<p>A Current situation:</p> <p>§ The need to re-conceptualize the specialized secondary educational system.</p> <p>§ Lack of a Specialty Nomenclature appropriate to national and international policies on training specialists in colleges.</p> <p>§ Doubling the training in some specialties in vocational schools, colleges and higher educational institutions.</p> <p>§ Dropout of school after baccalaureate examinations (in 2006, 3789 students have graduated college or by 26.1% less than the number of enrolled students in 2002).</p> <p>§ The technical-material and didactic basis fails to meet the specialist’s training needs for the new working conditions (intellectual and production).</p> <p>§ Lack of a Centre for the ongoing professional training of teaching staff from the specialized secondary education.</p> <p>B. Medium-term policy objectives:</p> <p>§ Streamline the network of specialized secondary educational system.</p> <p>§ Develop the technical-material and didactic basis of specialized secondary institutions in the following areas: constructions, public catering, informatics, health care.</p> <p>§</p>	<p>A. Actions for streamlining the use of resources</p> <p>§ Streamline the specialization of the specialized secondary educational institutions. (NDS Action Plan, p. 92.1)</p> <p>§ Modernize training in priority areas.</p> <p>§ Improve the programs of professional training in specialized secondary educational institutions. (NDS Action Plan, p. 92.2)</p> <p>§ Enhance the number of student groups and permanent staff. (NDS Action Plan, p. 92.3)</p> <p>B. Actions for sector development</p> <p>§ Create opportunities for the ongoing professional training of teaching staff from colleges within the international programs on ongoing professional training. (NDS Action Plan, p. 92.4)</p> <p>§ Develop the technical-material and didactic basis of specialized secondary institutions in the field of constructions, public catering, informatics, health care. (NDS Action Plan, p. 92.5)</p> <p>§ Improve the living conditions in hostels within the limit of the resource ceiling (NDS Action Plan, p. 92.6)</p> <p>§ Increase the appropriations for the hostels’ activity</p> <p>§ Organize promotion actions and campaigns for occupational guidance (NDS Action Plan, p. 92.7)</p> <p>§ Develop the Qualification Framework for the secondary specialized education. (NDS Action Plan, p. 92.8)</p> <p>§ Improve the quality of training of the secondary specialized education graduates for the agri-food sector of the country.</p> <p>§ Procurement of technique and equipment, including the compilation, printing and procurement of specialized literature.</p> <p>§ Strengthen the technical-material basis of institutions and hostels.</p>	431	452.0	475.0	<p>§</p> <p>§ The number of reorganized specialized secondary educational institutions will increase annually by 3%.</p> <p>§ The number of new curricula developed.</p> <p>§ The number of renovated hostels will be 5% per year.</p>
		1281.0	1345.0	1412.0	
		2300.0			
				5100.0	
		7595.0			

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Key Issues /Policies	Priority Policy Actions	The Costs of the Actions by year (thousand MDL)			Monitoring Indicators
		2009	2010	2011	
	<ul style="list-style-type: none"> § Increase the amount of scholarships. § Increase the enrolment plan by 30% against 2007. 	11048.0			
<i>Institutions of medical specialized secondary education</i>					
<p><u>A. Current situation:</u></p> <ul style="list-style-type: none"> § Lack of good living conditions for students in the college hostels. § Failure to provide to students varied information sources. § Insufficient promotion among students of the healthy lifestyle, physical culture and sports. <p><u>B. Specific medium-term objectives:</u></p> <ul style="list-style-type: none"> § Development of human resources in the health system in order to ensure the quality of health care services provided to population: § Provide the health care facilities with secondary medical staff, taking into account the real and future needs of the health system; § Adjust the training of the secondary medical staff to the requirements of the European Community; § Implement the modern educational and information technologies in the educational process; 	<p><u>A. Actions leading to a more effective and efficient use of resources</u></p> <ul style="list-style-type: none"> § Strengthen the technical-material basis of educational buildings and hostels of educational institutions, endowment with autonomous heating systems; <p><u>B. Newly identified actions regarded as priorities for the branch development:</u></p> <ul style="list-style-type: none"> § The entire coverage of the expenditures related to the increase in the number of students financed exclusively from the state budget; § Improve the mechanism for financing the secondary medical education § Improve the enrolment criteria in the secondary medical educational institutions § Improve the training programs and curricula as to meet the current requirements of the health system; § Increase the amount of scholarships. § Increase the enrolment plan by 30% against 2007. 	7631.2	7631.2	51731.2	<ul style="list-style-type: none"> § The enrolment share of budget-financed students as against the previous year; § The graduation rate. § The number of enrolled students; § The number of graduates. § The student /teacher ratio. § The training and sustenance cost per one student.
		26253.0	26253.0	26253.0	
		2358.0			
		3143.0			
<i>Institutions of agrarian specialized secondary education</i>					
<p><u>A. Current situation:</u></p> <ul style="list-style-type: none"> § The need to re-conceptualize /modernize the agrarian specialized secondary educational system. § Obsolete technical-material and didactic basis. The technical-material and didactic basis fails to meet the needs for specialists' training. § Lack of technical-material basis for training new specialties – science of commodities, forestry, public gardens, etc. 	<p><u>A. Actions for streamlining the use of resources</u></p> <ul style="list-style-type: none"> § Modernize training in the priority areas. § Improve the programs of professional training in specialized secondary educational institutions. (NDS Action Plan, p. 92.2) § Optimize the number of student groups to a minimum level of 25 persons, according to the provisions of the Government Decision No 239 as of 29 February 2008. <p><u>B. Actions for sector development</u></p>	550.0	1101.0	1652.0	<ul style="list-style-type: none"> § The number of reorganized specialized secondary educational institutions. § The number of new study programs provided. § The number of renovated hostels.

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Key Issues /Policies	Priority Policy Actions	The Costs of the Actions by year (thousand MDL)			Monitoring Indicators
		2009	2010	2011	
<p>§ Low level of specialists' qualification.</p> <p>§ Poor conditions of hostels, their under-endowment with necessary furniture and fittings.</p> <p>§ Dropout of school because of the low prestige of specialties and the necessity to practise the job in rural areas.</p> <p><u>B. Medium-term policy objectives:</u></p> <p>§ Develop the technical-material and didactic basis of specialized secondary educational institutions.</p> <p>§ Improve the living conditions in hostels.</p> <p>§ Increase the quality of specialists' training.</p>	<p>§ Develop the technical-material basis of institutions.</p> <p>§ Improve the living conditions in hostels (NDS Action Plan, p. 92.6)</p> <p>§ Improve the quality of training of the secondary specialized education graduates for the agrarian sector of the country.</p> <p>§ Attract the youth from rural areas in the agricultural education and support the young specialists employed in rural areas.</p> <p>§ Increase the expenditures for strengthening the technical-material basis of educational buildings.</p> <p>§ Increase the appropriations for thorough repairs of hostels.</p> <p>§ Improve the living conditions in hostels.</p> <p>§ Increase the amount of scholarships.</p> <p>§ Increase the enrolment plan by 30% against 2007.</p>				
<p><i>Institutions of specialized artistic secondary education</i></p>					
<p><u>A. Current situation:</u></p> <p>§ Lack of a Specialty Nomenclature appropriate to national and international policies on training specialists in arts colleges.</p> <p>§ Dropout of school after baccalaureate examinations (in 2007, 215 students have graduated from college or by 31.3% less than the number of enrolled students in 2003).</p> <p>§ The technical-material and didactic basis fails to meet the specialist's needs for new activity conditions.</p> <p>§ High training costs, given that the specificity of artistic education is individual training.</p> <p>§ Poor conditions of hostels, their under-endowment with necessary furniture and fittings.</p> <p><u>B. Medium-term policy objectives:</u></p> <p>§ Develop the technical-material and didactic basis of the specialized artistic secondary institutions.</p> <p>§ Increase the quality of specialists' training.</p>	<p><u>A. Actions for streamlining the use of resources</u></p> <p>§ Improve the programs of professional training in specialized secondary educational institutions. (NDS Action Plan, p. 92.2)</p> <p>§ Savings resulting from streamlining the use of human resources from artistic educational institutions, in compliance with Government Decision No 239 as of 29 February 2008.</p> <p><u>B. Actions for sector development</u></p> <p>§ Create opportunities for the ongoing professional training of teaching staff from colleges within the international programs on ongoing professional training. (NDS Action Plan, p. 92.4)</p> <p>§ Increase the expenditures for the improvement of living conditions in hostels (NDS Action Plan, p. 92.6)</p> <p>§ Develop the Qualification Framework for specialized artistic secondary education (NDS Action Plan, 92.8)</p> <p>§ Increase the quality of training of specialized secondary staff for culture and arts institutions.</p> <p>§ Continue the program of strengthening the technical-material basis of institutions</p>	70.0	231.0	392.0	<p>§ The number of reorganized specialized secondary educational institutions.</p> <p>§ The number of new study programs provided.</p> <p>§ The number of renovated hostels.</p>
		992.7	992.7	992.7	

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Key Issues /Policies	Priority Policy Actions	The Costs of the Actions by year (thousand MDL)			Monitoring Indicators
		2009	2010	2011	
	<ul style="list-style-type: none"> § Increase appropriations for thorough repairs of institutions buildings § Increase the appropriations for thorough repairs of hostels § Increase the amount of scholarships. § Increase the enrolment plan by 30% compared to 2007 	656.0		5100.0 1100.0	
<p>PROGRAM IV. Higher education – has as its objective training, advanced training and professional retraining of specialists and scientific staff in various areas. This program comprises the activities related to the operation of all state higher educational institutions in the Republic of Moldova: universities, academies and institutes. Also, this program comprises the activities related to the functioning of hostels subordinated to these institutions. These institutions are subordinated to several authorities of central public administration (the Ministry of Education and Youth, the Ministry of Culture and Tourism, the Ministry of Agriculture and Food Industry, the Ministry of Health, the Ministry of Home Affairs and the Ministry of Defence.</p> <p>Overall objective: Increase the quality of educational services.</p>					
<p>A. Current situation:</p> <ul style="list-style-type: none"> § Non-existence of reliable and trustworthy statistics in the higher education. § Decrease of the teacher education prestige. § The need to modernize the academic curricula in compliance with the new structure of higher education and in terms of quality assurance. § The obsolete infrastructure and academic didactic basis do not correspond to current tendencies of education modernization. <p>B. Medium-term policy objectives:</p> <ul style="list-style-type: none"> § Quality assurance of higher education. § Reconsider /modernize the higher pedagogic education. § Refine the academic information management. § Strengthen the academic infrastructure. 	<p>A. Actions for streamlining the use of resources</p> <ul style="list-style-type: none"> § Optimize the specialties of higher educational institutions. § Improve the legal framework concerning the financing of higher pedagogic education by determining the standard endowment of educational process in order to ensure the minimum quality standards. (NDS Action Plan, p. 93.2) § Establish the mechanism for ongoing training of higher education teaching staff. (NDS Action Plan, p. 93.4) § Refine the academic infrastructure and improve the education and living conditions of students. Priority: institutions that provide training of teachers. (NDS Action Plan, 92.5) <p>B. Actions for sector development (2009-2011)</p> <ul style="list-style-type: none"> § Strengthen /modernize the pedagogic education. § Develop the Electronic Register “Higher Education in the Republic of Moldova” (staff, students, graduates, technical-material basis, certificates and diplomas). (NDS Action Plan, p. 93.6) § Establish National Boards of Experts by area of professional training. (NDS Action Plan, p. 93.8) § Develop the National Qualification Framework for higher education (I cycle-II cycle). (NDS Action Plan, p. 93.9) § Improve the curricula for higher education (Bachelor's and Master's degree) through the development /compatibility ensuring /expert control of curricula and analytical programs for specialties of the 14th 	8121.0	8527.0	8953.0	<ul style="list-style-type: none"> § The number of young teachers employed in pre-university educational institutions will be 90% of the number of pedagogic institutions graduates. § The students /computer ratio in pedagogic institutions. § The level of using the capacities of renovated hostels /number of additional accommodation places. § The electronic register developed. § The percentage of students supplied with accommodation places in hostels. § The graduation rate. § The students /teacher ratio.

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Key Issues /Policies	Priority Policy Actions	The Costs of the Actions by year (thousand MDL)			Monitoring Indicators
		2009	2010	2011	
	<p>area "Educational Sciences" (according to the Nomenclature).</p> <p>§ Endow the training process in higher pedagogic educational institutions</p> <p>§ Increase the amount of scholarships, including for students with pedagogical profile</p> <p>§ Increase the enrolment plan by 30% compared to 2007.</p> <p>§ Increase the appropriations as to improve the living conditions in hostels of universities.</p>	5500.0	300.0	15500.0	§ The percentage of raised scholarships.
<i>Higher agricultural education</i>					
<p><u>A. Current situation:</u></p> <p>§ Professional standards and academic curricula do not correspond to the new structure of higher education.</p> <p>§ Obsolete infrastructure and technical-material basis or their lack in the case of some new specialties.</p> <p>§ The agricultural specialties are currently of no interest.</p> <p>§ The furniture and engineering equipment in hostels is worn-out and needs to be changed.</p> <p><u>B. Medium-term policy objectives</u></p> <p>§ Alignment of higher agricultural education to the Bologna Process requirements.</p> <p>§ Strengthen the academic infrastructure.</p> <p>§ Increase the quality of specialists' training.</p>	<p><u>A. Actions for streamlining the use of resources</u></p> <p>§ Modernize the academic infrastructure</p> <p>§ Continue to endow the educational process with necessary equipment.</p> <p><u>B. Actions for sector development (2009-2011)</u></p> <p>§ Improve the curricula for higher education (Bachelor's and Master's degree) through the development /compatibility ensuring /expert control of curricula and analytical programs for the specialties of this field.</p> <p>§ Improve the professional standards.</p> <p>§ Increase the amount of scholarships.</p> <p>§ Increase the enrolment plan by 30% compared to 2007</p> <p>§ Improve the living conditions in hostels of universities.</p> <p>§ Renew the technical-material base of the Agrarian University</p>	2229.0	2973.0	14000.0	<p>§ The number of renovated educational buildings. The number of curricula.</p> <p>§ The number of professional standards.</p> <p>5900.0</p>
Higher artistic education – aims at training specialists for the culture and arts sector in the Academy of Music, Theatre and Fine Arts.					
Overall objective: Increase the quality of educational services.					
<p><u>A. Current situation:</u></p> <p>§ The academic curricula do not correspond to the new structure of higher education and quality assurance of education. The need to modernize academic curricula.</p>	<p><u>A. Actions for streamlining the use of resources</u></p> <p>§ Refine the academic infrastructure and improve the study and living conditions of students. (NDS Action Plan, p. 92.5)</p> <p>§ Savings resulting from streamlining the use of human resources from artistic education, in conformity with Government Decision No 239</p>	51.0	170.0	289.0	

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Key Issues /Policies	Priority Policy Actions	The Costs of the Actions by year (thousand MDL)			Monitoring Indicators
		2009	2010	2011	
<p>§ The obsolete infrastructure and academic didactic basis do not correspond to the current tendencies of education modernization.</p> <p><u>B. Medium-term policy objectives:</u></p> <p>§ Quality assurance in the artistic higher education.</p> <p>§ Modernize the artistic higher education.</p> <p>§ Strengthen the academic infrastructure</p>	<p>as of 29 February 2008.</p> <p><u>B. Actions for sector development (2009-2011)</u></p> <p>§ Modernize the artistic higher education.</p> <p>§ Improve the curricula for higher education (Bachelor's and Master's degree) through the development /compatibility ensuring /expert control of curricula and analytical programs for specialties of this field.</p> <p>§ Increase the amount of scholarships.</p> <p>§ Increase the enrolment plan by 30% compared to 2007</p> <p>§ Increase appropriations for thorough repairs of university buildings</p> <p>§ Increase the appropriations for thorough repairs of hostels.</p>				
<p><i>Higher medical education</i> – the key issues of medical education are the establishment of a balance between the formation of human resources and the real needs of health system, streamlining of investments in training of specialists, uniform geographic distribution of medical staff, especially in the field of primary and emergency health care in rural areas. Overall objective: Adjustment of educational standards to the requirements of the European Community. Unification of higher education in the European arena, modernization and quality assurance, including that of the higher medical education and, respectively, of academic mobility.</p>					
<p><u>A. Current situation:</u></p> <p>§ The need to endow the chairs and laboratories with modern equipment and devices, medicines, biological products and chemical agents, publishing of textbooks, methodological guidelines, etc.</p> <p>§ Insufficient endowment of chairs with computers, printers, projection devices and other IT equipment.</p> <p>§ Ensure good living conditions for students in the hostels of the SMPU "Nicolae Testemitanu".</p> <p><u>B. Medium-term policy objectives:</u></p> <p>§ Development of human resources of health system in order to ensure the quality of health care services provided to population;</p> <p>§ Supply the health care facilities with</p> <p>§ doctors and pharmacists, taking into account the real and future needs of the health system;</p> <p>§ Adjust the academic training process of the doctors</p>	<p><u>A. Actions for streamlining the use of resources</u></p> <p>§ Define the needs and justified planning of the training of human resources from the health system;</p> <p>§ Advanced training of medical staff;</p> <p>§ Improve the mechanism of enrolment in higher educational institutions.</p> <p><u>B. Actions for sector development (2009-2011)</u></p> <p>§ Improve the mechanism for financing of medical education, including through the introduction of the methodology for program and performance-based budgeting;</p> <p>§ Modernize the medical and pharmaceutical curricula in accordance with the European standards and recommendations of the World Federation for Medical Education and World Health Organization.</p> <p>§ Implement the European system of transferrable academic credits.</p> <p>§ Strengthen the technical-material basis and infrastructure of the SMPU "Nicolae Testemitanu".</p>	42597.3	42597.3	42597.3	<p>§ The enrolment share of budget-financed students as against the previous year;</p> <p>§ The graduation rate.</p> <p>§ The number of enrolled students;</p> <p>§ The number of graduates.</p> <p>§ The student /teacher ratio.</p> <p>§ The training and sustenance cost per one student.</p> <p>§ The share of expenditures for the sustenance of one student at the expense of state budget;</p> <p>§ The amount of scholarships.</p>
		1102.2			
		1680.0			
				20700.0	
				2600.0	

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Key Issues /Policies	Priority Policy Actions	The Costs of the Actions by year (thousand MDL)			Monitoring Indicators
		2009	2010	2011	
and pharmacists to the requirements of the European Community; § Implement the modern educational and information technologies in the educational process;	§ Increase the amount of scholarships. § Increase the enrolment plan by 30% compared to 2007 § Increase the expenditures for the remuneration of the university's teaching staff § Increase the expenditures for the renewal of the technical-material base of the university	3069.0			41500.0
<p>PROGRAM V. Postgraduate education – Master's studies, PhD studies, post PhD studies, residency, clinical attendance in higher educational institutions. Also, the program comprises the activity of the SMPU „Nicolae Testemitanu”, that provides training courses for Master's degree, residency, clinical attendance of medical staff and the Academy for Public Administration under the aegis of Moldovan President, that offers Master's courses, including for the public administration officials.</p> <p>Obiectiv general: Improve the teaching process and the quality of educational services.</p>					
<p><u>A. Current situation:</u></p> § The low level of PhD courses completion and defence of theses. § Dispersion of internal resources. <p><u>B. Medium-term policy objectives:</u></p> § Reconsider the nature of postgraduate education. § Develop structured training programs for postgraduate education. § Improve and carry out researches through mobility programs.	<p><u>A. Actions for streamlining the use of resources</u></p> § Optimize the network of bodies /organizations responsible for the organization of postgraduate education. § Improve the planning methodologies for admission and enrolment in postgraduate education forms. <p><u>B. Actions for sector development (2009-2011)</u></p> § Establish PhD schools and specialization of institutions. § Adjustment of the Nomenclature of Scientific Specialties to the Classifier of Professional Training Areas. § Modernize the ongoing training process of public servants (within APA).				§ The number of established PhD schools and specialized institutions. § The share of appropriations for scholarships. § The number of public servants enrolled in programs of ongoing training.
<p>Postgraduate medical education – stipulates measures for the alignment and adjustment of curricula, syllabi and training process to the European standards and requirements for the equivalence of acts of scientific qualification in countries of the European Community and ensuring of doctors' academic mobility. A large deficit of doctors with narrow specializations, which are trained only through the agency of clinical attendance.</p> <p>Overall objective: Development of human resources of health system in order to ensure the quality of health care services provided to population. In the context of health care facilities operation based on the principles of compulsory health care insurance, a quite topical problem became the need to train the managers of public health care facilities in health care management in order to streamline the management of available resources.</p>					
<p><u>A. Current situation:</u></p> § The unsatisfactory activity of University Clinics within the health care facilities. § Ensure the conditions appropriate to the current	<p><u>A. Actions for streamlining the use of resources</u></p> § Define the needs and plan righteously the training of human resources from the health system. <p><u>B. Actions for sector development (2009-2011)</u></p>	41122.5	41122.5	41122.5	§ The enrolment share as against the previous year; § The share of professional

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Key Issues /Policies	Priority Policy Actions	The Costs of the Actions by year (thousand MDL)			Monitoring Indicators
		2009	2010	2011	
<p>requirements of family doctors training in order to support the activity of the Primary Health Care University Clinic.</p> <p>§ Failure to provide optimal living conditions to resident doctors and clinical attendants.</p> <p><u>B. Medium-term policy objectives:</u></p> <p>§ Development of human resources of the health system in order to ensure the quality of health care services provided to population:</p> <p>§ ensure the health care facilities with</p> <p>§ doctors and pharmacists, taking into account the real and future needs of the health system;</p> <p>§ adjust the postgraduate training process of the doctors and pharmacists to the requirements of European Community;</p> <p>§ implement the modern information technologies in the educational process;</p>	<p>§ Adjust the postgraduate training process of doctors and pharmacists to the requirements of European Community;</p> <p>§ Modernize the postgraduate medical and pharmaceutical curricula in accordance with the recommendations of the World Federation for Medical Education and World Health Organization;</p> <p>§ Strengthen the technical-material basis of University Clinics and hostels</p> <p>§ Implement the information technologies in the training process and activity of the resident doctors and clinical attendants.</p> <p>§ Improve the expenditures for the remuneration of the teaching staff</p>	1000.0	1000.0	1000.0	<p>training (initial /ongoing) of medical managers;</p> <p>§ The number of medical staff with qualification degree.</p> <p>§ The number of postgraduate students;</p> <p>§ The medical staff /manager ratio.</p>
<p>Program VI. Retraining of teaching and managerial staff – constitutes a set of activities and practice for retraining of teaching and managerial staff, specialized and retraining courses carried out in the educational institutions, financed both from budgetary sources and special means. This program comprises all the institutions providing training courses, didactic centres for training and retraining of teaching staff and other representatives of common professions, the expenditures necessary for carrying out the courses for state administrative staff. The expenditures for this program are covered from the state budget and budgets of administrative-territorial units.</p> <p>Overall objective: Reforming and modernization of the ongoing professional training system for teaching and managerial staff.</p>					
<p><u>A. Current situation:</u></p> <p>§ Increase of the need for ongoing professional training of teaching and managerial staff as against the reduced opportunities to provide the respective services (75.4%).</p> <p>§ The need to decentralize the area of ongoing training and delegation of some functions to the local level of institution, community.</p> <p><u>B. Medium-term policy objectives:</u></p> <p>§ Improve the legal and methodological framework on</p>	<p><u>Actions for streamlining the use of resources</u></p> <p>§ Diversify the opportunities for rendering ongoing training services to teaching and managerial staff.</p> <p>§ Implement the system of transferrable credits for the ongoing professional training</p> <p>§ Accreditation of ongoing professional training programs for teaching and managerial staff from the educational sector.</p> <p>§ Organization and monitoring of the National Contest “Teacher of the Year” (the Republic of Moldova Government Decision No 370 as of 12 April 2006).</p> <p>§ The activity of evaluation (attestation) commissions by field of</p>				<p>§ The share of teaching staff that have benefited of ongoing training courses of the total number of teaching staff.</p> <p>§ The share of teaching staff with didactic degree of the total number of employed teaching staff.</p> <p>§ The number of pharmacists, medical and pharmaceutical</p>

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Key Issues /Policies	Priority Policy Actions	The Costs of the Actions by year (thousand MDL)			Monitoring Indicators
		2009	2010	2011	
<p>the ongoing training of teaching and managerial staff.</p> <p>§ Modernize the ongoing training process and satisfy the need of teaching and managerial staff for retraining and performance development.</p> <p>§ Undertake measures for strengthening, improvement and modernization of the ongoing professional training.</p> <p>§ Implement the modern methods for distance learning that will enable the ongoing training simultaneously with the work activity, maintenance of specialists in their workplaces and reduction of the number of doctors' trips.</p>	<p>study:</p> <ul style="list-style-type: none"> ◇ critical review of methodical works and reports ◇ assessment of public support of papers and reports ◇ assessment of the performance interview ◇ assessment of public support <p>§ Training of teaching staff in the area of curricula.</p> <p><u>B. Newly identified actions for 2009-2011</u></p> <p>§ Diversify the financing sources for the teaching staff ongoing professional training: budget, sponsorships, grants, own resources, etc.</p> <p>§ Create Regional Centres for Ongoing Professional Training in Balti municipality (for teaching staff from the North zone) and Cahul (for teaching staff from South) (2009-2010). (NDS Action Plan, p. 98)</p> <p>§ Increase the annual plan of the ongoing professional training of doctors, pharmacists and specialists with secondary medical education, taking into account the real needs of the health system.</p> <p>§ Renovate the technical-material basis of the institutions for retraining of medical staff within the limits of the resource ceiling.</p>				<p>workers with secondary specialized education that have attended the compulsory retraining courses.</p> <p>§ The number of pharmacists, medical and pharmaceutical workers with secondary specialized education that have qualification degrees.</p>
		4308.7	4293.7	(3122.8)	4308.7
		(3122.8)	(3122.8)	(1185.9)	
		(1185.9)	(1170.9)	3800.0	
<p>Program VII. Extra-school education – represents the network of extra school educational institutions and the totality of pedagogic actions designed and implemented in an extracurricular and /or extra school institutionalized framework. Extra school institutions are mainly funded from the state budget.</p> <p>Overall objective: Ensure access to quality extra school education by involving in the activity of these institutions at least 20% of the total number of students.</p>					
<p><u>A. Current situation:</u></p> <p>§ Incompleteness of the regulatory framework for the operation of extra school institutions.</p> <p>§ Reduction of extra school institutions number and decrease in number of children involved in their activity.</p> <p>§ The limited access to extra school education for all persons wishing to study, caused by the insufficiency of the current extra school institutions network.</p> <p>§ The material-didactic basis of extra school institutions fails to meet the requirements for the fulfilment of the extra school educational goals.</p>	<p><u>A. Actions for streamlining the use of resources</u></p> <p>§ Develop and approve the standard staffing of extra school institutions</p> <p>§ Develop the alternative educational programs, especially for the institutions in rural areas.</p> <p><u>B. Actions for sector development (2009-2011)</u></p> <p>§ Develop and publish the standards and main curriculum for extra school education. (NDS Action Plan, p. 95.5)</p> <p>§ Re-initiate the extra school institutions network in rural areas by establishing recreation centres in the school unused areas (2008-2010). (NDS Action Plan, p. 95.6)</p>				<p>§ The number of children involved in extra school activities.</p> <p>§ The number of curricula available to the staff of extra school institutions</p> <p>§ The number of summer camps with continuous /multifunctional regime.</p> <p>§ Developed standards for extra school education.</p>

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Key Issues /Policies	Priority Policy Actions	The Costs of the Actions by year (thousand MDL)			Monitoring Indicators
		2009	2010	2011	
<p>§ The need to review the standard staffing of extra school institutions.</p> <p><u>B. Medium-term policy objectives:</u></p> <p>§ Develop the network of extra school educational institutions and strengthen the institutional capacities.</p> <p>§ Improve the quality of educational process in extra school institutions.</p>	<p>§ Strengthen the technical-material and didactic basis of institutions that provide extra didactic or extra school educational services. (NDS Action Plan, p. 95.7)</p> <p>§ Establish the network of summer camps with continuous /multifunctional regime (2008-2010). (NDS Action Plan, p. 95.8)</p> <p>§ Financial coverage from the state budget of 80% of expenditures of music, arts and fine arts schools.</p> <p>§ Increase the expenditures for the implementation of the Program for Supporting the Activity of Extra School Artistic Educational Institutions for 2007-2010.</p>	4631.2		11100.0	
<p>PROGRAM VIII Policy development and management in the education area, consisting of two subprograms Management and administration in the education area and promotion of quality in education.</p>					
<p>Subprogram 8.1 Management and administration in the education area includes the development of policies and strategies for all educational services; accreditation of institutions; development of teaching and training strategies. The administrative and management activities at the central and local level, including policy development and planning, budgeting, resource management, all pedagogical activities and relationships with other ministries. General objective: Streamline the management of financial, human and material resources.</p>					
<p><u>A. Current situation:</u></p> <p>§ Limited planning/budgetary capacities both at the level of central public authorities and local public authorities. The lack of capacities to develop an overarching strategy for the educational institutions. At present the efforts are mainly concentrated on operational issues, rather than on strategic issues.</p> <p>§ Accumulation and analysis of the educational information:</p> <p>◇ the need to create an informational system that would ensure the exchange of electronic information both within and outside the Moldovan educational system</p> <p><u>B. Medium-term policy objectives:</u></p> <p>§ Ensure and develop the capacities needed to plan the sector reforms.</p> <p>§ Improve the planning and monitoring in education.</p>	<p><u>B. Actions for sector development (2009-2011)</u></p> <p>§ Develop and implement a new model for monitoring and evaluation of the educational system and school performances.</p> <p>§ Develop new and more efficient funding systems for education</p> <p>§ Establish a centralized system for information collection, monitoring and processing.</p>	<p>During 2008-2010 there will be used means from the World Bank grant for pre-university education</p>			<p>§ The total number of managers at different levels of educational management.</p> <p>§ The share of (initial/ongoing) professional training of managers.</p>

Key Issues /Policies	Priority Policy Actions	The Costs of the Actions by year (thousand MDL)			Monitoring Indicators
		2009	2010	2011	
<p>Subprogram 8.2. Quality promotion in education – the program refers to the areas of evaluation and accreditation of educational institutions from the point of view of promoting and ensuring the quality of educational services.</p> <p>Overall objective: Alignment of the standards of education evaluation and accreditation to the European and international evaluation and accreditation system.</p>					
<p>Area Assessment and examination – includes actions regarding the consolidation and development of the system for school results assessment.</p> <p>Overall objective: Modernize the system for assessment of school results in pre-university education through the integration in the world system for school assessment.</p>					
<p><u>A. Current situation:</u></p> <p>§ Limited capacities and low qualification level of the human resources in the area.</p> <p>§ Lack of methodological and information support.</p> <p><u>B. Medium-term policy objectives:</u></p> <p>§ Development of human resources of the Agency for Evaluation and Examination through experience exchange on international level, adjustment and implementation of good practice by aligning the national evaluation system to the international standards.</p> <p>§ Streamline the procedures for organization and carrying out the assessment of school results on all educational stages.</p> <p>§ Ensure the quality of assessments and examinations of school results.</p>	<p><u>A. Actions for streamlining the use of resources</u></p> <p>§ External training stages through experience exchange on international level, adjustment and implementation of good practice in the Republic of Moldova by aligning the national evaluation system to the international standards.</p> <p>§ Simulations of exams (laboratory, sample);</p> <p>§ System generalization of obtained data</p> <p><u>B. Newly identified actions for 2009-2011</u></p> <p>§ Invitation of international experts.</p> <p>§ Improvement of assessment tools;</p> <p>§ Fair administration of exams;</p> <p>§ Summarizing of results and their dissemination.</p> <p>§ Participation in international assessments (TIMSS, PISA, PIRLS programs).</p>				<p>§ A developed national system for assessment and examination, oriented towards international standards.</p> <p>§ Development of guidelines and training programs for specialists from the rayon /municipality Divisions for Education, Youth and Sports, managerial and teaching staff, members of the working groups for the compilation of exam materials.</p>
<p>Area Accreditation of educational institutions – includes the external evaluation of state and private educational institutions and their accreditation.</p> <p>Overall objective – strengthen the educational system as a whole through the alignment to quality educational standards and confirmation of their compliance.</p>					
<p><u>A. Current situation:</u></p> <p>§ Legal framework stipulates the accreditation of all educational institutions in the country. Currently, about 56.4% of the total number of institutions (pre-university education only 3.2%) were accredited;</p> <p>§ The evaluation and accreditation system fails to functionally meet the European requirements (there is no independent body for external evaluation).</p>	<p><u>B. Newly identified actions for 2009-2011</u></p> <p>§ Develop the legal framework for establishment of the Agency for Education Accreditation and Attestation, (NDS Action Plan, p. 97.2)</p> <p>§ Establish the Agency as a functional structure, (NDS Action Plan, p. 97.1)</p> <p>§ Increase the number of accredited educational institutions;</p> <p>§ Modernize the mechanism for external evaluation by implementing the integrated assessment (NDS Action Plan, p. 97.4);</p>				<p>§ The Regulations of the Agency approved;</p> <p>§ Existence and operation of the Agency with a full coverage of logistical and material needs and its recognition in the EU.</p> <p>§ Increased number of accred-</p>

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Key Issues /Policies	Priority Policy Actions	The Costs of the Actions by year (thousand MDL)			Monitoring Indicators
		2009	2010	2011	
<p><u>B. Medium-term policy objectives:</u></p> <p>§ Establish the Agency for Education Accreditation and Attestation, as an independent structure, of national interest, with legal statute and own budget, affiliated to MEY;</p> <p>§ Develop and implement the mechanism for the integrated evaluation of educational institutions;</p> <p>§ Develop and implement the Program for Accreditation of Educational Institutions “Uncompromising Quality” by aligning to the requirements of European bodies.</p>	<p>§ Ongoing enhancement of the quality of educational system and protection of society interests by promoting the principle of uncompromising quality.</p>				<p>ited educational institutions – up to 90-95% of the total number; ensure the mobility of human resources;</p> <p>§ Increase of the number of prestigious /excellence educational institutions (up to 25% of the total number)</p> <p>§ Increase quality indicator of education products more than 50% on the entire segment</p>
<p>Program IX. Training of gifted young people in the network „Education and Research: High School – University - Doctorate – Post doctorate” Goal of the program - training of gifted young people for science and innovation management within the educational institutions subordinated to the Academy of Sciences.</p> <p>Overall objective – development of human resources for the research and innovation area.</p>					
<p><u>A. Key issues:</u></p> <p>§ The current condition of education does not fully comply with the need to train gifted staff in accordance with the complete cycle “High School – University - Doctorate – Post doctorate”. At the same time, the sustainable development of the country and building of a knowledge-based society requires a state-of-the-art staff training.</p> <p><u>B. Medium-term policy objectives:</u></p> <p>§ Train gifted young people for science and innovation management.</p> <p>§ Improve educational system and increase the quality of training human potential through knowledge.</p>	<p><u>A. Actions leading to a more effective and efficient use of resources:</u></p> <p>§ A better use of financial sources will be obtained by creating a single management system for the complete cycle of staff training and organization of internal audit on the effective use of financial means.</p> <p><u>B. Newly identified actions regarded as sector priorities</u></p> <p>§ Establish the network „Education and Research: High School – University – Doctorate – Post doctorate” (NDS Action Plan, p. 80)</p> <p>§ Develop the methodology for identification and selection of gifted high school students;</p> <p>§ Develop curricula for high school education (NDS Action Plan, p. 80.2).</p> <p>§ Develop the methodology for identification and selection of gifted MA students (NDS Action Plan, p. 80.3).</p> <p>§ Start the training process of high school and MA students.</p>				<p>§ The training process of high school and MA students started.</p> <p>§ The curricula for high school education developed.</p> <p>§ The methodology for identification and selection of gifted MA students developed.</p> <p>§</p>
		10 000	12 400	13 000	
		7 000	11 000	12 000	

Distribution of financial appropriations by expenditure program in education and youth sector for 2009-2011

Name of the program	Total expenditures (thousand MDL)		Forecast (thousand MDL)			Share of Total Program Expenditure (%)		
	2007 executed	2008 approved	2009	2010	2011	2009	2010	2011
Program I "Preschool education"	735871.0	942981.6	1027800.8	1099545.2	1166806.5	18.7	19.1	18.9
Program II "Secondary education"	2275252.8	2759576.7	2861959.6	2997378.9	3160126.3	53.3	53.8	52.9
Program III "Specialized secondary education"	208553.5	218382.0	298302.1	298312.7	360640.6	5.4	5.2	5.9
Program IV "Higher education"	646346.5	642447.7	802197.0	814576.4	917146.2	14.8	14.4	15.1
Program V "Postgraduate education"	63462.7	63655.5	71478.9	72139.4	72951.0	1.1	1.1	1.0
Program VI "Retraining of teaching and managerial staff"	11227.5	13799.6	15645.7	15806.1	19839.3	0.3	0.3	0.3
Program VII "Extra school education"	301422.8	255577.8	290795.0	292140.3	300442.8	5.3	5.0	4.8
Program VIII "Management and administration in the educational sector"	27257.1	31254.9	36959.2	36714.2	37073.7	0.7	0.6	0.6
Program IX "Training of gifted persons under "Education and Research"	46.0	4000.0	17066.3	23466.3	25066.3	0.3	0.4	0.4
Total by programs	4269439.9	4931675.8	5422204.6	5650079.5	6060092.7	100.0	100.0	100.0
<i>Financed from the:</i>								
State budget	1470322.3	1580768.2	1874194.0	1929896.2	2061749.6	34.6	34.2	34.0
including: main expenditures;								
<i>of which, Transfers from the state budget</i>	875453.3	1029327.6	1264254.5	1317982.6	1514070.9	67.5	68.3	73.4
special funds and means	539716.3	406264.6	553503.7	548264.1	547678.7	29.5	28.4	26.6
investment projects, funded from external sources	55152.7	91176.0	56435.8	63649.5	0.0	3.0	3.3	0.0
Budgets of the administrative-territorial units	2799117.6	3350907.6	3548010.6	3720183.3	3998343.1	65.4	65.8	66.0
Total by program	4269439.9	4931675.8	5422204.6	5650079.5	6060092.7			
Appropriation for the augmentation of salaries in this sector			381200.0	519800.0	519800.0			
Total by sector	4269439.9	4931675.8	5803404.6	6169879.5	6579892.7	100.0	100.0	100.0

Annex 8

**Health Sector Strategic Expenditure Plan
2009-11**

Key Issues /Policies	Priority Policy Actions	The Costs of the Actions by year (thousand MDL)			Monitoring Indicators
		2009	2010	2011	
<p>Health care sector is represented by the general Public Health and Medical Services program, consisting of 5 subprograms: Policy development and health care system management; Priority interventions in public health; Individual medical services; Development of the health system resources and Special medical programs.</p> <p>Program I. “Policy development and health care system management” consists of 3 activities: 1.1 „Health System Management”, 1.2 „Management and administration of the compulsory health insurance funds”, 1.3 „Monitoring and evaluation of health system and quality management”.</p> <p>Program goal: Establish an advanced health care system that would ensure equity in using health services, quality and efficiency in their provision, general protection against financial risk.</p> <p>Activity 1.1 „Health System Management” includes the development of policies in the field of health care, monitoring of their implementation and ensuring of the strategic planning of health system. This subprogram is implemented by the Ministry of Health's central office. The main goal of this activity is to strengthen the Ministry of Health's capacities related to the management of health system by involving all organizations, institutions and resources destined to generate actions so as the health system improved, maintained or recovered health.</p>					
<p><u>A. Key issues:</u></p> <p>§ Poor appropriation and technical efficiency in using the available resources for the achievement of the health system goals and namely: fair access, financial protection and financing equity, reaction to the needs and expectations of population.</p> <p><u>B. Specific medium-term objectives:</u></p> <p>§ Enhance the Ministry of Health's capacity to develop and monitor the health policies and strategic planning for a better use of available resources for the achievement of health system goals</p> <p>§ Strengthen the capacities of the Ministry of Health's central office</p> <p>§ Change /redefine the roles of central public authorities;</p> <p>§ Improve the communication mechanisms</p> <p>§ Strengthen the inter-sector partnership in taking the decisions on health issues;</p> <p>§ Adjust national health legislation to the European standards</p> <p>§ Effective involvement of population, civil and professional society in the decision-making process on health issues</p> <p>§ Increase private sector's role in provision of health services, including by promoting the public-private</p>	<p><u>A. Actions leading to a more effective and efficient use of resources:</u></p> <p>§ Strengthen the capacities of the Ministry of Health's central office</p> <p><u>B. Newly identified actions regarded as priorities for the branch development:</u></p> <p>§ Formulate the human resources development strategy in the health system (point 100.1 of the NDS Action Plan);</p> <p>§ Develop the strategy for control of non-contiguous diseases (point 109.1 of NDS Action Plan)</p> <p>§ Develop the methodology for gradual transition from the contribution as a fixed amount to a contribution calculated as a revenue-based percentage rate and for the adjustment of the payment mechanism per capita depending on the difference of population's demographic structure and the number of persons registered at the family doctor (point 111.1 of the NDS Action Plan)</p> <p>§ Develop and apply the methods of differentiated payment of the health insurance contributions for the self-employed people in agricultural sector (point 112.2 of the NDS Action Plan)</p> <p>§ Develop and approve the legal framework and mechanisms for contracting and financing youth-friendly health services (point 107 of the NDS Action Plan)</p> <p>§ Increase up to 30% by 2009 the share of appropriations in the Main Fund of the Compulsory Health Insurance for primary medical care sector (point 101.1 of the NDS Action Plan);</p> <p>§ Adjust and add to the existing legal framework on the private activity within the health sector (point 103.1 of the NDS Action Plan);</p>	32.7	42.1	12.4	13.1
		48.9	37.4	39.2	
		16.3			
		40.4			
				18.7	19.6
					§ The number of employees from the planning and management area, that have attended courses of strategic planning, will be 15 by 2011.

Key Issues /Policies	Priority Policy Actions	The Costs of the Actions by year (thousand MDL)			Monitoring Indicators
		2009	2010	2011	
<p>partnership and optional forms of insurance</p> <p>§ Annual increase of the compulsory health insurance amount with 1 percentage point for 2009 and its maintenance in 2010 and 2011.</p>	<p>§ Identify the opportunities for contracting some services from outside (laundries, kitchens, security service, etc.) (point 103.2 of the NDS Action Plan);</p> <p>§ Improve the regulatory framework as to stimulate and encourage the forms of optional insurance with various packages, exceeding the single program (point 103.2 of the NDS Action Plan).</p> <p>§ Develop the regulatory framework for delivery of community, home-based and palliative health care services (point 101.3 of the NDS Action Plan)</p>	<p>27.2</p>	<p>40.4</p> <p>18.7</p>	<p>6.5</p> <p>19.6</p>	
<p>Activity 1.2 „Management and administration of the compulsory health insurance funds” includes the implementation of policies in the field of compulsory health insurance and is carried out by the National Health Insurance Company. The main goal of this activity is to strengthen the capacities of the National Health Insurance Company in managing the compulsory health insurance funds in order to enhance the population’s general protection against financial risk and the equity of the health service financing arrangements.</p>					
<p><u>A. Key issues:</u></p> <p>§ Limited population coverage by the compulsory health insurance (CHI);</p> <p>§ Low awareness of population about CHI</p> <p><u>B. Specific medium-term objectives:</u></p> <p>§ Improve the health system financing and the mechanisms for service contracting and payment;</p> <p>§ Enhance the equity and transparency within CHI and the financial protection of population facing health problems;</p> <p>§ Develop mechanisms, including through appropriate information programs, to motivate the self-employed people in the agricultural sector to join the CHI scheme.</p>	<p><u>A. Actions leading to a more effective and efficient use of resources:</u></p> <p>§ Management of the compulsory health insurance funds and improvement of the payment mechanisms of primary health care service providers, outpatient specialized health care, in-patient care, emergency pre-hospital care, home care;</p> <p>§ Appropriate information of rural employers and employees about compulsory health insurance (point 112.1 of the NDS Action Plan)</p> <p><u>B. Newly identified actions regarded as priorities for the branch development:</u></p> <p>§ Place the budgets, financial reports and information about procurements on the web pages of NHIC and public health care facilities (point 111.2 of the NDS Action Plan).</p>	<p>900.0 (NHIC)</p> <p>16.3 (NHIC)</p>	<p>1000.0 (NHIC)</p> <p>18,6 (NHIC)</p>	<p>1000.0 (NHIC)</p> <p>19.6 (NHIC)</p>	<p>§ Proportion of population having compulsory health insurance (85% by 2011)</p> <p>§ Proportion of insured people from the agrarian sector (75% by 2011)</p>

Key Issues /Policies	Priority Policy Actions	The Costs of the Actions by year (thousand MDL)			Monitoring Indicators
		2009	2010	2011	
<p>Activity 1.3 „Monitoring and evaluation of health system and quality management”: includes the collection, analysis, monitoring and assessment of data on the demographic processes, morbidity, mortality, activity of health care facilities and use of health resources, as well as the efficient, rational and uniform implementation of policies in health and quality management sectors. This program is implemented by the National Center for Health Management. The main goal of this subprogram is to strengthen the capacities of health care authorities in monitoring and evaluating the health system and to enhance the population’s general protection against financial risk and the equity of the health service financing arrangements.</p>					
<p><u>A. Key issues:</u></p> <p>§ Divided systems of data collection and duplication of collected data;</p> <p>§ Reduced analytical capability to transform data in relevant and appropriate information;</p> <p>§ Shortage of qualified managers in the sector;</p> <p><u>B. Specific medium-term objectives:</u></p> <p>§ Strengthen the capacity of health care authorities to monitor and evaluate the health system;</p> <p>§ Improve the quality of health care services and increase the satisfaction level of population;</p> <p>§ Develop and implement the quality management system in the health sector;</p>	<p><u>A. Actions leading to a more effective and efficient use of resources:</u></p> <p>§ Development of the National Centre for Health Management and consolidation of capacities in implementing the quality management system</p> <p><u>B. Newly identified actions regarded as priorities for the branch development:</u></p> <p>§ Implement the Strategic Development Plan of the Health Information System (HIS) for 2008-2017</p> <p>§ Develop and disseminate protocols and guidelines for different health care levels (point 105.1 of the NDS Action Plan);</p> <p>§ Create institutional mechanisms for the extrajudicial resolution of patient conflicts (point 105.3 of the NDS Action Plan);</p>	4227.6	4395.2	4584.3	<p>§ The share of staff from the indicators analysis area, that have attended training courses in analysis, monitoring and evaluation will constitute 75% by 2011;</p>
		16.3			

Key Issues /Policies	Priority Policy Actions	The Costs of the Actions by year (thousand MDL)			Monitoring Indicators
		2009	2010	2011	
<p>Program II. „Priority interventions in public health” includes: sanitary-epidemiological surveillance, mother, child and youth health, prevention and control of transmissible diseases, prevention and control of non-contiguous diseases, mental health, promotion of health and healthy lifestyle, health protection. This program comprises activities of prevention and control of diseases with major impact on population’s health and is carried out by the State Sanitary-Epidemiological Service, national health programs and Blood Transfusion Service.</p> <p>Program goal: Improvement of public health.</p>					
<p>Activity 2.1 „Sanitary-epidemiological surveillance” includes the activities of prevention (prophylaxis), detection and elimination of breaches of legal acts and other normative acts in the field of ensuring sanitary-epidemiological welfare of population. The main goal of this activity is to protect the population's health and lifestyle by supervising public health and its determining factors, which ensure timely diagnosis and forecasting of the unfavourable states, as well as the development of proper measures to prevent illnesses, diminish morbidity and eradicate some diseases.</p>					
<p>A. Key issues:</p> <p>§ Unfavourable situation as regards the acute diarrhoea disease (ADD) and parasitic diseases</p> <p>B. Specific medium-term objectives:</p> <p>§ Strengthen the legal, normative and methodological support of the State Sanitary-Epidemiological Service (SSES) with its harmonization to the European Union and international requirements, including the Concept of SSES Reforming;</p> <p>§ Improve and streamline the socio-sanitary monitoring</p>	<p>A. Actions leading to a more effective and efficient use of resources:</p> <p>§ Strengthen the State Sanitary-Epidemiological Service (develop the Strategy for Public Health and Health Promotion and Action Plan by priority area, including the development of the Strategy for Control of Non-contiguous Diseases (point 109.1 of the NDS Action Plan)).</p>	118969.4	117515.2	118458.	<p>§ Incidence rate of infectious and parasitic diseases per 100 thousand inhabitants will be 275 persons by 2011;</p> <p>§ The rate of monitored enterprises from the total number of enterprises subject to sanitary-epidemiological surveillance will account for 98% by 2011.</p>
<p>Activity 2.2 „Prevention and control of transmissible, non-transmissible diseases and health protection” includes health public interventions related to the prevention of transmissible and non-transmissible diseases, promotion of health and healthy lifestyle, mental health and transfusion safety. The main goal of this activity is to improve public health by implementing national programs, especially in relation to the diseases stipulated in the Millennium Development Goals.</p>					
<p>A. Key issues:</p> <p>§ Great incidence of chronic non-transmissible diseases and insufficiency of measures for their prevention;</p> <p>§ High incidence level of infectious and parasitic diseases, HIV/AIDS, tuberculosis and others.</p> <p>B. Specific medium-term objectives:</p> <p>§ Develop the health system priority areas strategically important and with impact upon public health;</p> <p>§ Strengthen public health by reducing the burden of non-contiguous diseases;</p> <p>§ Develop mental health services;</p> <p>§ Improve the control of the transmissible diseases,</p>	<p>A. Actions leading to a more effective and efficient use of resources:</p> <p>§ Prevention and control of transmissible diseases:</p> <p>◊ Ensure the vaccine supply in accordance with the National Immunization Program for 2006-2010 (point 106.3 of the NDS Action Plan);</p> <p>§ Implement:</p> <p>◊ The National Program for Tuberculosis Control and Prevention for 2006-2010,</p> <p>◊ The National Program for HIV/AIDS and STD Control and Prevention for 2006-2010,</p> <p>◊ The National Program for Cholera and Other ADD Fighting and Prevention for 2006-2010,</p>	7801.0	8208.0	8920.0	<p>§ The general incidence rate per 10 thousand inhabitants will be 3385 persons by 2011;</p> <p>§ Maintain the share of children under 2 years old vaccinated against measles to a level of at least 96% by 2011.</p> <p>§ The rate of mortality associated with tuberculosis will constitute 15 persons per 100 thousand inhabitants by 2011;</p> <p>§ HIV/AIDS incidence rate per</p>

Key Issues /Policies	Priority Policy Actions	The Costs of the Actions by year (thousand MDL)			Monitoring Indicators
		2009	2010	2011	
<p>especially tuberculosis, HIV/AIDS and STD;</p> <p>§ Improve the monitoring and evaluation system of tuberculosis, HIV/AIDS, sexually transmitted diseases by extending and strengthening it, including the creation of the information system for the interventional and epidemiological surveillance of contagious diseases;</p> <p>§ Change the behaviour of teenagers with high risk of HIV infection and for prevention of stigmatization, discrimination and isolation of HIV-infected children and their families by implementing the national campaign against HIV/AIDS, including for</p> <p>§ Increase the quality of tuberculosis treatment through the continuation of DOTS Strategy implementation (ensured and supervised treatment of tuberculosis);</p> <p>§ Increase the access of HIV/AIDS-infected person to health and social assistance.</p>	<p>◇ The National Program for fighting viral hepatitis for 2006-2010.</p> <p>§ Prevention and control of non-transmissible diseases:</p> <p>◇ Prevention of iodine deficiency disorders (National Program for eradication of iodine disorders by 2010) (point 109.2 of the NDS Action Plan);</p> <p>◇ Implement the National Program for the prevention and fighting of diabetes “MoldDiab” for 2006-2010.</p> <p>§ Promotion of health and healthy lifestyle:</p> <p>◇ Implement the National Program for the promotion of healthy lifestyle for 2007-2015.</p> <p>◇ Carry out measures for minimizing the risks to contract diseases (Perform prophylactic examinations and other prevention activities).</p> <p>§ Mental health:</p> <p>◇ Implement the National Program for Mental health for 2007-2011.</p> <p>§ Transfusion safety:</p> <p>◇ Implement the National Program of transfusion safety and self-provision with blood products for 2007-2011; establish the Blood Transfusion Center in Cahul (for people from the Southern of the country).</p> <p><u>B. Newly identified actions regarded as priorities for the branch development:</u></p> <p>§ Prevention of iron deficiency diseases (point 109.3 of the NDS Action Plan);</p> <p>§ Implement the national campaigns against smoking and alcohol (point 109.4 of the NDS Action Plan);</p> <p>§ Create alternatives for hospitalization /care and supervision of mentally ill persons (point 110 of the NDS Action Plan).</p>	<p>22745.6</p> <p>3000.0 (NHIC)</p> <p>66629.8 (NHIC)</p> <p>15171.8</p> <p>41412.4</p> <p>776.0 (NHIC)</p>	<p>23933.0</p> <p>3435.0 (NHIC)</p> <p>76305.0 (NHIC)</p> <p>15964.0</p> <p>33151.0</p> <p>812.6 (NHIC)</p>	<p>26005.0</p> <p>3892.0 (NHIC)</p> <p>86456.0 (NHIC)</p> <p>17346.0</p> <p>34402.0</p> <p>844.3 (NHIC)</p>	<p>100 thousand inhabitants by 2011 will be 9.5;</p> <p>§ HIV/AIDS incidence rate per 100 thousand inhabitants between 15 and 24 years old by 2011 will be 11.1;</p> <p>§ The global incidence rate of active tuberculosis per 100 thousand persons will be 115.0 by 2011.</p>
<p>Activity 2.3 „Mother, child and youth health” comprises measures for strengthening mother, child and youth health. The main goal of this activity is to improve the health of mother and child in accordance with the Millennium Development Goals and improvement of youth health.</p>					
<p><u>A. Key issues:</u></p> <p>§ Lack of regional services for children reanimation and intensive therapy;</p>	<p><u>B. Newly identified actions regarded as priorities for the branch development:</u></p> <p>§ Enhance 10 first-level perinatal centres, 3 second-level perinatal centres and 1 third-level perinatal center, taking into account the</p>	<p>(NHIC)</p>	<p>(NHIC)</p>	<p>(NHIC)</p>	<p>§ Infantile mortality rate will constitute by 2011 16.2 per 1000 live births;</p>

Key Issues /Policies	Priority Policy Actions	The Costs of the Actions by year (thousand MDL)			Monitoring Indicators
		2009	2010	2011	
<p>§ Lack of conditions for the care of newborns with weight from 500 grams in our country's perinatology centres</p> <p>§ Low access of young people to health services</p> <p><u>B. Specific medium-term objectives:</u></p> <p>§ Improve health services provided to mother and child;</p> <p>§ Ensure the access of children from rayon PHCF to qualitative services of AIT (anaesthesia, intensive therapy) and reanimation;</p> <p>§ Create harmless conditions and increase the quality of prenatal health services;</p> <p>§ Increase the number of youth-friendly services and ensure the access to information, education and communication on youth issues.</p>	<p>registration of births with child's weight from 500 grams and 22 weeks of gestation (point 106.2 of the NDS Action Plan).</p>				<p>§ Maternal mortality rate will constitute by 2011 15.4 per 100 thousand live births;</p> <p>§ The mortality rate of children under the age of 5 will constitute 18.5 per 1000 live births by 2011;</p> <p>§ Maintain the number of partuses assisted by qualified health staff at the level of 99% by 2011.</p>
<p>Program III. "Individual health services" 6 activities: 3.1 „Primary health care”, 3.2 „Pre-hospital emergency health care”, 3.3 „Specialized outpatient health care”, 3.4 „Hospital care”, 3.5 „High-performance health services”, 3.6 „Rehabilitation health care” and 3.7 „Community, palliative and home-based health care”.</p> <p>Program goal: Improve the health of the patients who benefited from curative, rehabilitation and recovery health care.</p>					
<p>Activity 3.1 „Primary health care” includes the delivery of health care and is carried out by the health care facilities that provide primary health care based on the principle of family health care. The main goal of this activity is to improve population's health by ensuring population's access to quality primary health care.</p>					
<p><u>A. Key issues:</u></p> <p>§ Primary health care of quality is not provided fairly on the whole territory of the country;</p> <p>§ Low motivation of health service providers that influences the quality of health care services</p> <p><u>B. Specific medium-term objectives:</u></p> <p>§ Development of primary health care</p>	<p><u>B. Newly identified actions regarded as priorities for the branch development:</u></p> <p>§ Delivery of primary health care based on the principle of family health care</p> <p>§ Renovate the technical-material basis, including endowment with medical equipment of rural health centres (point 104.1 of the NDS Action Plan);</p> <p>§ Provide transport means for rural health centres and family doctors offices (point 104.2 of the NDS Action Plan);</p>	992000.0 (NHIC)	1136237.0 (NHIC)	1288038.0 (NHIC)	<p>§ The average number of visits to family doctors by 1 inhabitant will constitute 3.2 by 2011;</p> <p>§ The number of rural renovated and equipped primary health care facilities will be at least 65 by 2011.</p>

Key Issues /Policies	Priority Policy Actions	The Costs of the Actions by year (thousand MDL)			Monitoring Indicators
		2009	2010	2011	
<p>Activity 3.2 „Pre-hospital emergency health care” includes the delivery of pre-hospital emergency health care and is carried out by the emergency medical services. The main goal of this activity is to maintain and recover population’s health by ensuring the access to pre-hospital emergency health care.</p>					
<p>A. Key issues:</p> <p>§ Shortage of specialized transport endowed with necessary equipment for the emergency services</p> <p>B. Specific medium-term objectives:</p> <p>§ Improve the emergency health care and develop the paramedical services.</p>	<p>B. Newly identified actions regarded as priorities for the branch development:</p> <p>§ Provide pre-hospital emergency health care and improve the technical-material basis of its subdivisions in accordance with the relevant requirements and endow them with properly equipped ambulance cars.</p>	294900.4 (NHIC)	337779.0 (NHIC)	382906.3 (NHIC)	§ Number of ambulance cars per 10 thousand inhabitants will constitute 1.2 by 2011.
<p>Activity 3.3 „Specialized outpatient health care” includes specialized outpatient health care and is carried out by the health care facilities that provide specialized outpatient health care. The main goal of this activity is to maintain and recover population’s health by ensuring the access to qualitative specialized outpatient health care.</p>					
<p>A. Key issues:</p> <p>§ Poor efficiency of the specialized health care providers and their low motivation</p> <p>B. Specific medium-term objectives:</p> <p>§ Enhance the efficiency of specialized outpatient health care structures</p>	<p>B. Newly identified actions regarded as priorities for the branch development:</p> <p>§ Provide specialized outpatient health care, optimize its structure and modernize it</p>	244361.7 (NHIC)	279892.0 (NHIC)	317285.6 (NHIC)	§ The average number of visits to specialized doctors per 1 inhabitant will constitute 3.0 by 2011;
<p>Activity 3.4 „Hospital care” includes in-patient health care and is carried out by the in-patient health care facilities. The main goal of this activity is to maintain and recover population’s health by ensuring the access to qualitative in-patient health care services.</p>					
<p>A. Key issues:</p> <p>§ Poor efficiency of the in-patient health care providers and their low motivation, that influences the quality of health care services</p> <p>§ Low level of hospital restructuring, especially creation of Performance Centres and rehabilitation of phthisiology services;</p> <p>§ Limited capacity of hospital management;</p> <p>B. Specific medium-term objectives:</p> <p>§ Augment the efficiency of secondary and tertiary health care services through their modernization by creating Performance Centres</p>	<p>A. Actions leading to a more effective and efficient use of resources:</p> <p>§ Provide specialized inpatient health care with gradual implementation of the General Plan of Hospital Restructuring</p>	1691970.3 (NHIC)	1937983.0 (NHIC)	2181397.5 (NHIC)	§ The average duration of bed use in the in-patient facilities will constitute 75% by 2011;

Key Issues /Policies	Priority Policy Actions	The Costs of the Actions by year (thousand MDL)			Monitoring Indicators
		2009	2010	2011	
<p>Activity 3.5 „High-performance health care services” includes highly-qualified health care. The main goal of this activity is to improve the quality of medical attendance by using highly-specialized medical technologies.</p>					
<p>A. Key issues:</p> <p>§ Limited access of population to highly-qualified health services</p> <p>B. Specific medium-term objectives:</p> <p>§ Use of highly-specialized and cost-efficient technologies in service rendering</p>	<p>A. Actions leading to a more effective and efficient use of resources:</p> <p>§ Provide medical services based on highly-specialized technologies</p>	77795.3 (NHIC)	89201.9 (NHIC)	101298.1 (NHIC)	§ Annual increase by at least 5% of the number of highly-specialized medical services provided to population
<p>Activity 3.6 „Rehabilitation health care” includes rehabilitation and recovery health care and is carried out by the rehabilitation health care facilities. The main goal of this activity is to recover population’s health by ensuring the access to rehabilitation and recovery health services.</p>					
<p>A. Key issues:</p> <p>§ Low access of population to quality rehabilitation health services</p> <p>B. Specific medium-term objectives:</p> <p>§ Ongoing development of rehabilitation /recovery health care</p>	<p>A. Actions leading to a more effective and efficient use of resources:</p> <p>§ Strengthen the recovery /rehabilitation health care facilities</p>	109855.8	111640.9	123881.6	§ The share of children that received rehabilitation and recovery treatment in the number of those who needed treatment will be 100% by 2011.
<p>Activity 3.7 „Community, palliative and home-based health care” includes community, palliative and home-based health care. The main goal of this activity is to improve the quality of sick persons’ life by ensuring the access to community, palliative and home-based health care.</p>					
<p>A. Key issues:</p> <p>§ Insufficient community, palliative and home-based health care services</p> <p>B. Specific medium-term objectives:</p> <p>§ Develop the community, palliative and home-based health care</p>	<p>A. Actions leading to a more effective and efficient use of resources:</p> <p>§ Effective involvement of home-based and palliative health care providers in the resolution of problems related to population’s health</p>	3603.2 (NHIC)	4127.1 (NHIC)	4678.5 (NHIC)	§ The share of persons that benefited of home-based services in the number of those who need them will be 45% by 2011;

Key Issues /Policies	Priority Policy Actions	The Costs of the Actions by year (thousand MDL)			Monitoring Indicators	
		2009	2010	2011		
<p>Program IV. „Development of health system resources” consists of 2 activities: 4.1 „Human resources development”, 4.2 „Strengthening of the technical-material basis of health system institutions” and 4.3 „Sound management of drugs” and includes activities for ensuring the development of technical-material basis of public health care facilities, medical devices, health information systems, medicines and motivation of young specialists.</p> <p>Program goal: Improvement of health care quality and population’s satisfaction with health services, improvement of treatment and rehabilitation standards by increasing the efficiency in the use of resources destined to the modernization of technical-material basis of public health care facilities, rational distribution of health personnel, and rational use of efficient, harmless and appropriate quality drugs.</p> <p>Activity 4.1 „Human resources development” stipulates measures for motivation of young specialists. The main goal of this activity is to improve the access of population to quality health care services by recruiting and maintaining the health personnel within the health system.</p>						
<p>A. Key issues:</p> <p>§ Exodus of specialists and irregular health staff distribution</p> <p>B. Specific medium-term objectives:</p> <p>§ Provide the health care facilities with health staff, especially in the rural areas</p>	<p>A. Actions leading to a more effective and efficient use of resources:</p> <p>§ Continue to implement the mechanism for the provision of benefits to the young specialists employed according to their distribution (point 99.1 of the NDS Action Plan)</p>	6426.3	7489.8	8087.7	§ The level of staffing of health care facilities in villages /cities will constitute 93% of the needs by 2011.	
<p>Activity 4.2 „Strengthening of the technical-material basis of health system institutions” stipulates activities for ensuring the development of technical-material basis of public health care facilities of all levels (primary health care, secondary /tertiary and rehabilitation health care), medical devices and information systems. The main goal of this activity is to improve health care quality and population’s satisfaction with health services, improvement of treatment and rehabilitation standards by increasing the efficiency in the use of resources destined to the modernization of technical-material basis of public health care facilities.</p>						
<p>A. Key issues:</p> <p>§ The deplorable condition of health care facilities infrastructure;</p> <p>§ Obsolete medical equipment, which reduces the quality of health services and the use of modern technologies for diagnosis and treatment;</p> <p>B. Specific medium-term objectives:</p> <p>§ Improve the quality of health care by modernizing the technical-material basis of public health care facilities;</p> <p>§ Enhance the evaluation capacities of the health system through gradual procurement of software and hardware for the Integrated Medical Information System.</p>	<p>B. Newly identified actions regarded as priorities for the branch development:</p> <p>§ Reconstruction of buildings and endowment with equipment the Tuberculosis Hospital “Vorniceni”, Straseni rayon (point 104.3 of the NDS Action Plan);</p> <p>§ Create the Performance Centre within the Republican Clinical Hospital and its reconstruction – 1 and 2 stages (point 102.3 of the NDS Action Plan);</p> <p>§ Provide state-of-the-art medical equipment, especially for surgery blocks, reanimation and intensive therapy sections and imagist sections of the public health care facilities (point 104.6 of the NDS Action Plan);</p> <p>◇ gradual procurement of software and hardware for the Integrated Medical Information System (point 104.7 of the NDS Action Plan);</p> <p>◇ reconstruction and endowment with equipment of the rayon pilot hospitals (point 104.4 of the NDS Action Plan);</p> <p>◇ modernize the technical-material basis of health system institutions</p>	16591.2	46907.8	21300	20450.0	§ Completion by 2011 of the I and II stages of the creation and reconstruction of the Performance Centre within the Republican Clinical Hospital

Key Issues /Policies	Priority Policy Actions	The Costs of the Actions by year (thousand MDL)			Monitoring Indicators
		2009	2010	2011	
<p>Activity 4.3 „Sound management of drugs” stipulates measures for ensuring the pharmaceutical safety and physical and economic accessibility of medicines. The main goal of this activity is to ensure the access of population and communities to efficient and harmless drugs.</p>					
<p>A. Key issues:</p> <p>§ Discrepancy in pharmaceutical assistance to population between the rural and urban environments</p> <p>B. Specific medium-term objectives:</p> <p>§ Improve the physical and economic accessibility of medicines</p>	<p>B. Newly identified actions regarded as priorities for the branch development:</p> <p>§ Strengthen the capacities of the Medicines Agency in ensuring the physical and economic accessibility of medicines and pharmaceutical safety.</p>	37400.0	37400.0	37400.0	§ Physical accessibility of medicines will be 82% by 2011.
<p>Program V. „Specific medical programs” consists of 3 activities: 5.1. „Special-purpose programs”, 5.2 „Sports medicine”, 5.3 „Legal medicine”.</p> <p>Program goal: Increase population’s access to specific health care, improve the health of young people and increase the contribution to the due process of law as regards the infringements against life, health and human dignity.</p>					
<p>Activity 5.1 „Special-purpose programs” includes measures of providing patients with expensive interventions and medicines in case of malignant diseases, heart surgery, grafting of tissues and organs, prevention and treatment of states and pathologies that have a negative influence on human genome, prenatal, postnatal cytogenetic, molecular genetic diagnosis and expensive treatment. This activity is carried out by the Special-purpose programs and by the National Center for Reproductive Health and Medical Genetics, Transplant Agency. The main goal of this activity is to improve the life quality of patients that need specific health care.</p>					
<p>A. Key issues:</p> <p>§ Low access of patients to expensive interventions and specific treatment</p> <p>B. Specific medium-term objectives:</p> <p>§ Improve population’s access to specific health services</p>	<p>§ Ensure the implementation of special-purpose programs;</p> <p>B. Newly identified actions regarded as priorities for the branch development:</p> <p>§ Provide health care to non-insured people, sick with socially conditioned diseases with a negative impact on the public health;</p> <p>§ Coordinate the transplanting activity</p>	42381.6	44314.1	47594.6	§ Annual increase by at least 2% in the number of patients that benefited of expensive treatment
		55025.0	60925.0	60925.0	§ NHIC report on the actual number of treated beneficiaries, by types of diseases
		1310.0	1323.1	1334.5	§ Functioning agency
<p>Activity 5.2 „Sports medicine” includes the medical examination of sportsmen and persons that practice sports and is carried out by the Center for Sports Medicine „AtletMed”. The main goal of this activity is to improve the health of sportsmen.</p>					
<p>A. Key issues:</p> <p>§ Obsolete equipment and inappropriate conditions for examination of sportsmen</p> <p>B. Specific medium-term objectives:</p>	<p>A. Actions leading to a more effective and efficient use of resources:</p> <p>§ Develop the Center for Sports Medicine „AtletMed” as to ensure the quality of medical examination of sportsmen and persons that practice physical training and sports.</p>	1113.0	1120.4	1133.4	§ The share of sportsmen that have completed their treatment in the number of those who needed treatment

Key Issues /Policies	Priority Policy Actions	The Costs of the Actions by year (thousand MDL)			Monitoring Indicators
		2009	2010	2011	
§ Improve the quality of sportsmen’s medical examination					will constitute 100% by 2011
Activity 5.3 „Legal medicine” includes the expert control and medical-forensic findings and is carried out by the Centre of Legal Medicine. The main goal of this subprogram is to increase the contribution to the due process of law as regards the infringements against life, health and human dignity					
<p>A. Key issues:</p> <p>§ Poor quality of expert controls and medical-forensic findings;</p> <p>§ Lack of reference laboratories</p> <p>B. Specific medium-term objectives:</p> <p>§ Improve the quality of expert controls and medical-forensic findings</p>	<p>A. Actions leading to a more effective and efficient use of resources:</p> <p>§ Development of the Centre of Legal Medicine and refinement of the performance laboratory as to make expert controls for genetic, toxicological, express histopathologic, histochemical identification and of the toxic-narcological laboratory</p>	17384.8	17476.7	17636.3	§ The share of positions in relation to the actual amount performed will be 100% by 2011

Distribution of resource appropriations by expenditure program in the *health care* sector, 2009-2011

Name of the program	Total expenditures (thousand MDL)		Forecast (thousand MDL)			Share of Total Program Expenditure (%)		
	2007 executed	2008 approved	2009	2010	2011	2009	2010	2011
Program I. Policy development and health care system management	43684.0	44355.3	48895.1	53692.2	57255.5	1.1	1.1	1.1
Program II. Priority interventions in public health	208887.1	243527.0	330916.9	334613.0	352433.4	7.5	6.9	6.5
Program III. Individual health services	1903472.5	2632494.2	3474116.5	3985200.9	4492033.6	78.8	81.9	82.7
Program IV. Development of health system resources	329482.8	314657.7	433999.9	364154.5	397160.2	9.8	7.5	7.3
Program V. Special medical programs	142882.1	69612.3	123114.4	125159.3	128623.8	2.8	2.6	2.4
Total by Program	2628408.5	3304646.5	4411042.8	4862819.9	5427506.5	100.0	100.0	100.0
<i>Financed from the:</i>								
State budget	1836861.9	2083296.9	2675983.0	2893238.2	3209496.7	60.7	59.5	59.1
including: main expenditures;	1637876.2	1875892.7	2333131.8	2643414.1	2948254.2	87.2	91.4	91.9
<i>of which, Transfers from the state budget</i>	<i>1195000</i>	<i>1477200</i>	<i>1820800.0</i>	<i>2117400.0</i>	<i>2384200.0</i>			
special funds and means	109695.7	88367.2	107752.2	107752.2	107752.2	4.0	3.7	3.4
investment projects, funded from external sources	89290	119037	235099.0	142071.9	153490.3	8.8	4.9	4.8
Budgets of the administrative-territorial units	91955.9	52320	84369.3	91381.7	98109.8	1.9	1.9	1.8
Compulsory health insurance funds	1894590.7	2646229.6	3471490.5	3995600.0	4504100.0	37.4	38.6	39.1
Total by program	2628408.5	3304646.5	4411042.8	4862819.9	5427506.5	100.0	100.0	100.0
Appropriation for the augmentation of salaries in this sector			17915.0	26250	26250			
Total by sector	2628408.5	3304646.5	4428958	4889070	5453757			

Annex 9

**Social Protection Sector Strategic Expenditure Plan
2009-11**

Social Protection

Key Issues /Policies	Priority Policy Actions	The Costs of the Actions by year (thousand MDL)			Monitoring Indicators
		2009	2010	2011	
Program I „Policy development and management in the field of social protection”					
<p>The goal of this program is the administration and management of social protection programs both on the central and local levels. This program comprises the set of institutions and measures related to the administration and management in this field. The financing of this program is made from the state budget, budgets of administrative-territorial units and state social insurance budget.</p>					
<p><u>A. Key issues:</u></p> <p>§ There were added new responsibilities to the Ministry, as the structure of the office of Ministry of Social Protection, Family and Child changed in 2007;</p> <p>§ During 2007, 560 social workers were employed, who work within Mayor’s Offices and 90% of whom were trained. It was planned to employ up to 996 social assistants in 2008;</p> <p>§ Limited capacities for analysis and strategic planning of the Ministry of Social Protection, Family and Child;</p> <p>§ Lack of an efficient monitoring system of expenditure execution in this field;</p> <p><u>B. Medium-term policy objectives</u></p> <p>§ Maintain the consolidated network of professional social workers;</p> <p>§ Organize the process of continuous professional development for staff working in social assistance;</p> <p>§ Develop the mechanism for planning, organization and monitoring of the continuous training process in social assistance;</p> <p>§ Strengthen the capacities of the Ministry of Social Protection, Family and Child in decision-making, analysis and control of the implementation of social protection strategies and policies;</p> <p>§ Ensure a framework of minimum social guarantees for the Moldovan migrant workers.</p> <p>§ Streamline the state social insurance budget by taking over by the state budget the financing of some expenditures, which do not represent risks of social insurance.</p>	<p><u>A. Actions leading to a more effective and efficient use of resources:</u></p> <p>§ Define the responsibilities of the central office of the Ministry of Social Protection, Family and Child;</p> <p>§ Optimize the number of employees in the field of social protection;</p> <p><u>B. Newly identified actions regarded as priorities for the branch development:</u></p> <p>§ Develop and improve the legal framework in the field of social assistance;</p> <p>§ Continue the development of the network of employed social workers and continuous training of the staff that works in the field of social assistance <i>NDS p. 118.1</i></p> <p>§ Carry on negotiations with a view to concluding two-way agreements in the field of social assistance between the Republic of Moldova and community states of destination of migrant workers. <i>NDS p. 25</i></p> <p>§ For 2011 it is planned to cover the deficit of state social insurance budget from the state budget;</p> <p>§ Financial means will be provided in the state budget for the maintenance of 49 additional units of the National Social Insurance House that will be responsible for the “social assistance” payments.</p>	100.0	190.0	190.0	<p>§ The number of employed social assistants</p> <p>§ The number of trained personnel, who works in social assistance will be - % of the total.</p> <p>§ Bilateral agreements concluded with:</p> <ul style="list-style-type: none"> ◇ Republic of Bulgaria, Republic of Portugal (2009) ◇ Greek Republic, Kingdom of Spain, Italian Republic (2010) ◇ Republic of Slovenia, Czech Republic, Republic of Croatia (2011).
		20191.1	20006.8	20325.0	
		2672.4	2828.5	3020.8	180253.9

Key Issues /Policies	Priority Policy Actions	The Costs of the Actions by year (thousand MDL)			Monitoring Indicators
		2009	2010	2011	
Program II „Protection in case of sickness or temporary work incapacity”.					
<p>The goal of this program is to compensate the income lost as a consequence of the temporary work incapacity, work accidents and child leave. This program comprises the temporary incapacity indemnities, maternity benefits, disablement allowances and pensions and capitalized recurring payments.</p>					
<p>A. Key issues:</p> <p>§ During the recent years, the expenditures for payment of temporary work incapacity indemnities have increased significantly. In 2007, these expenditures increased 2.1 times in comparison to the year 2004.</p> <p>§ Low responsibility of employers, lack of employer’s economic concern for the reduction of expenditures and creation of optimal working conditions.</p> <p>B. Medium-term policy objectives</p> <p>§ Increase of employers’ responsibility for the protection in case of sickness or temporary work incapacity and creation of optimal working conditions.</p>	<p>A. Actions leading to a more effective and efficient use of resources:</p> <p>§ Improve the existing legal framework for the increase of employers’ responsibility to create optimal working conditions and, respectively, to reduce expenditures for social insurance payments as a consequence of occupational illnesses or any work accidents;</p>				<p>§ The regulatory framework developed;</p>
Program III. „Social old-age protection”					
<p>The goal of the program is to compensate the revenue lost as a consequence of reaching the retirement age. This program comprises the old-age pensions, pensions for years of service, pensions for some categories of employees and state monthly allowances for pension beneficiaries established through the public social insurance system. The financing of these pensions is made from the state social insurance budget for persons insured under general terms and from the state budget for certain categories of employees (employees of law enforcement bodies, prosecutors, judges).</p>					
<p>A. Key issues:</p> <p>§ Pension system still contains numerous retirement privileges for some categories, which violate the principle of social equity (retiring before reaching the standard retirement age, the way of retiring in the agrarian sector, etc.);</p> <p>§ Although over the last four years the average amount of old-age pension has increased by 68% (it was MDL 565.83 in 2007), the average pension is still small;</p> <p>§ The salary substitution coefficient in 2007 was 27.4%.</p> <p>B. Medium-term policy objectives</p>	<p>A. Actions leading to a more effective and efficient use of resources:</p> <p>§ Implement the Strategy for unification of pension systems (p. 123 of the NDS);</p> <p>B. Newly identified actions regarded as priorities for the branch development:</p> <p>§ Create equal retirement conditions for all categories of pensioners within the public state social insurance system;</p> <p>§ Self-employed persons, will have access to the compulsory social insurance system after paying the state social insurance contributions, the amount of which will be in 2009 – MDL 3708, 2010 – MDL 4416, 2011 – MDL 5076;</p> <p>§ Since 2009 the individual farmers will be insured on benevolent</p>				<p>§ The average amount of old-age pension will increase by 2011 1.8 times in comparison to the year 2007 and the number of beneficiaries will be 460.2 thousand persons.</p>

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Key Issues /Policies	Priority Policy Actions	The Costs of the Actions by year (thousand MDL)			Monitoring Indicators
		2009	2010	2011	
<p>§ Reforming of pension system in order to unify it and exclude the privileged conditions in the public system of state social insurance;</p> <p>§ The reform priority is to improve the pension system for the agrarian sector workers;</p> <p>§ Increase the social protection level of aged persons.</p>	<p>principles, on the basis of the individual social insurance contract, concluded with the National Social Insurance House;</p> <p>§ Increase the compensation for the difference in the compulsory state social insurance fees, paid from the state budget, from 4% to 6%.</p> <p>§ Annual indexation of the average pension by 20.0% in 2009, 14.5% in 2010, 11.55% in 2011;</p> <p>§ Coverage from the state budget of the difference up to the minimum pension amount for 2009-2011.</p>	<p>19138</p> <p>18521.1</p>	<p>21817.3</p> <p>42856.3</p>	<p>24653.6</p> <p>72136.8</p>	
<p>Program IV „Protection in case of loss of breadwinner”</p> <p>The goal of this program is to provide social protection to progeny in case of loss of breadwinner. The program includes the survivor’s benefits and death allowance. The expenditures of this program are covered from the state social insurance budget, except for death allowances for uninsured persons.</p>					
<p><u>A. Key issues:</u></p> <p>§ The size of the survivor’s average benefit is continuously increasing. Thus, on 1 January 2008 it was MDL 318.95 or by 17.9% more than on 1 January 2007. The raise is caused by pension indexation.</p> <p>§ Death allowance covers only an insignificant part of the expenditures on funerals. In 2007 it was MDL 700 for insured persons and MDL 600 for uninsured persons.</p> <p><u>B. Medium-term policy objectives</u></p> <p>§ Increase of the level of social protection in case of loss of breadwinner.</p>	<p><u>B. Newly identified actions regarded as priorities for the branch development:</u></p> <p>§ Annual indexation of the average pension by 20.0% in 2009, 14.5% in 2010, 11.55% in 2011.</p> <p>§ Increase of the death allowance by MDL 100 annually. In 2009 the death allowance will amount to MDL 900 for insured persons and MDL 800 for uninsured persons.</p>				<p>§ The average size of the survivor’s benefit will increase by 2011 1.7 times in comparison with 2007 and will amount to MDL 545.40.</p> <p>§ The size of death allowance will increase by 2011 by 57% in comparison with 2007 and will amount to MDL 1100 for insured persons and MDL 1000 for uninsured persons.</p>
<p>Program V „Protection of family and child”</p> <p>The goal of the program: to support the families with children and children in difficult situation by providing to them monetary benefits – a lump sum birth grant, maintenance allowance for child, allowances for orphans and children under guardianship, as well as the following social services: placement in day centres and temporary shelters, family-type orphanages, professional parental care service, as well as organization of children’s summer holidays.</p>					
<p><u>A. Key issues:</u></p> <p>§ The system of child social protection is cantered on the residential care scheme, which is expensive and inefficient.</p> <p>§ The services rendered to families with children and</p>	<p><u>B. Newly identified actions regarded as priorities for the branch development:</u></p> <p>§ Increase of the lump sum birth grant at the birth of the first baby and for each subsequent child by MDL 200 yearly.</p> <p>§ Increase of the monthly allowance for child rearing till 3 years of</p>				<p>§ Number of beneficiaries of social assistance services</p> <p>§ Number of vouchers for</p>

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Key Issues /Policies	Priority Policy Actions	The Costs of the Actions by year (thousand MDL)			Monitoring Indicators
		2009	2010	2011	
<p>children are scattered among several bodies of public administration (the Ministry of Social Protection, Family and Child, the Ministry of Education and Youth, the Ministry of Health, the local public authorities) and there is no definite coordination among them.</p> <p><u>B. Medium-term policy objectives</u></p> <p>§ Develop a strategic framework for deinstitutionalization of children;</p> <p>§ Develop and implement the mechanisms for record keeping and monitoring of children's social protection;</p> <p>§ Social protection of families related to child birth and children rearing</p>	<p>age, in case of insured persons - by 5% annually;</p> <p>§ Open and maintain the activity of day social assistance centres and placement centres.</p> <p>§ Increase the allowances for pupils and students that are orphan and under guardianship</p>	<p>20307.5</p> <p>23610.1</p>	<p>20580.4</p> <p>23610.1</p>	<p>22187.6</p> <p>23610.1</p>	<p>camps</p> <p>§ The average size of lump sum birth grant by 2011 will increase 2 times and will amount to:</p> <p>◇ in 2009: I child – MDL 1400 II child – MDL 1700;</p> <p>◇ In 2010: I child – MDL 1600 II child – MDL 1900;</p> <p>◇ In 2011: I child – MDL 1800 II child – MDL 2100.</p> <p>§ The size of monthly allowance for child rearing till 3 years of age in case of insured persons will increase by 2011 2 times in comparison with 2007.</p>
<p>Program VI „Employment and protection in case of unemployment”</p> <p>The goal of this program is to create a functional labour market, which would ensure a high level of workforce employment and increase the level of social protection of unemployed people through active and passive measures taken on the labour market. Passive measures comprise all the activities related to the monetary aid provided to unemployed persons, such as unemployment allowance paid from the state social insurance budget and allowances for occupational integration /reintegration paid from the state budget. Active measures comprise various activities for encouraging the workforce employment: occupational guidance of adult population, professional training of job-seekers, encourage the labour mobility, encourage employers to hire graduates, organization of job fairs and are covered from the state budget.</p>					
<p><u>A. Key issues:</u></p> <p>§ During the recent years, there was a low level of employment: in 2003 – 1356.5 thousand persons, in 2007 – about 1294.0 thousand persons. Thus, the unemployment rate calculated for 2006 was 7.4%, while for 2007 was 5.1%;</p> <p>§ The number of persons that benefited of unemployment allowances has increased: in 2006 – 4273 persons and in 2007 – 4945 persons. The average amount of unemployment allowance on 1 January 2008 was MDL 563.78 or by 18% more than</p>	<p><u>B. Newly identified actions regarded as priorities for the branch development:</u></p> <p>§ Extend the services of self-informing and activities of self-occupation for job-seekers by creating telephone boxes and rooms for self-informing.</p> <p>§ Starting with 2009, the expenditures made from the Unemployment fund, which do not imply social insurance risks, will be covered from the state budget, through the agency of the Ministry of Economy and Trade.</p>	<p>33672.7</p>	<p>37745.6</p>	<p>41717.7</p>	<p>§ The share of jobless persons that were employed of the total registered job-seekers will be 45% per year;</p> <p>§ The number of persons that will benefit of self-occupation services will increase by 20%.</p>

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Key Issues /Policies	Priority Policy Actions	The Costs of the Actions by year (thousand MDL)			Monitoring Indicators
		2009	2010	2011	
on 1 January 2007. B. Medium-term policy objectives § Increase the population's access to the measures promoted on labour market by improving the quality of rendered services and mechanisms for provision of allowances to unemployed persons.					
Program VII „Protection against social exclusion” The goal of the program is to provide social assistance through social payments to persons in difficult situation, who cannot afford on their own to have a decent life, due to certain circumstances. This program includes nominal compensations, social allowance and material aid. These expenditures are covered from the state budget and the Republican Fund for social support of population.					
A. Key issues: § The Program of nominal compensations is targeted for the support of population as regards the payment of utilities fees, electricity, natural gas used for heating, liquid gas in tanks, coal and firewood. The nominal compensations are granted based on the category principle for 11 categories. B. Medium-term policy objectives § Streamline the system of social benefits by directing the resources to the most vulnerable groups of population.	A. Actions leading to a more effective and efficient use of resources: § Replace the monthly allowances for bringing up the child between 1.5 /3 and 16 years of age with the social allowance established on a revenue-based assessment. § Reform the social assistance for the socially vulnerable layers by providing social assistance on the basis of the assessment of families' revenues B. Newly identified actions regarded as priorities for the branch development: § The social allowance will be paid starting with 2008. <i>NDS, p. 116</i>	-126770.3 202100.0	-54713.4 -344402.6 402894.0	-54713.4 -344402.6 435528.0	§ The number of beneficiaries of the new social allowance system, including women and men.
Program VIII „Additional social assistance for persons with special needs” The goal of the program is to provide minimum social assistance to uninsured persons in the public social insurance system, as well as to the disabled persons. Delivery of social services to disabled persons, lonely aged persons, families in difficult situation, and persons at social risk. This program comprises expenditures for maintenance of social institutions which provide social residential services and the forms alternative to the residential system (asylums, centres, and boarding schools), social canteens, domiciliary care services, services for victims of family violence, victims and the potential victims of human traffic, rendered within specialized centres. Appropriation of financial means for these activities is made from the state budget and budgets of administrative-territorial units.					
A. Key issues: § The system of social services for persons in difficult situation is characterized by excessive institutionalization, as a response to the social problems of various categories of beneficiaries. § The current system of social community services remains poorly developed.	B. Newly identified actions regarded as priorities for the branch development: § Promote the minimum quality standards for social services (p.119.1 of the NDS); § Establish multifunctional community centres for social assistance at the community level (p.119.1 of the NDS) § Co finance the Centre for protection and assistance of victims and	5286.4 546.6	5372.9 575.6	5814.7 618.2	§ Minimum quality standards for social services developed and approved; § The number of multifunctional community centres established;

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Key Issues /Policies	Priority Policy Actions	The Costs of the Actions by year (thousand MDL)			Monitoring Indicators
		2009	2010	2011	
<p>§ Nowadays, underdevelopment of services meant for the victims of family violence is noticed and practically, there are no services for aggressors. In our country there are only 3 centres that provide such services.</p> <p>§ Number of disabled persons has increased.</p> <p>B. Medium-term policy objectives</p> <p>§ Improve social protection for those with special needs.</p> <p>§ Streamline the system of social services for all categories of beneficiaries: children, disabled people, aged persons, other categories;</p> <p>§ Develop the mechanism for securing and redirecting the financial resources from the residential system to the development of social assistance services;</p> <p>§ Develop a strategic framework for deinstitutionalization of adults;</p> <p>§ Social protection of the victims of family violence and the victims of human traffic.</p> <p>§ Reforming of disability evaluation system, legalization of the evaluation system of children's disability level, the level of labour capacity of working-age population and the level of special needs for the persons at the retirement age.</p>	<p>potential victims of human traffic from Chisinau, p. 27.1</p> <p>§ Open centres for assistance and protection of human traffic victims in the North region (Balti municipality) and South region (Cahul)</p> <p>§ Maintain the activity of the center that provides services to victims of domestic violence in North (Balti) and open a rayon center in Hincesti (50 beneficiaries);</p> <p>§ Social assistance measures for victims of trafficking in human beings (repatriation)</p> <p>§ Starting with 2010, the procurement of sanatorium therapy vouchers for veterans will be covered from the state budget.</p> <p>§ Increase the nutrition norms in social assistance institutions</p>	<p>1175.3</p> <p>1626.3</p> <p>500.0</p> <p>10796.5</p>	<p>1203.8</p> <p>2269.2</p> <p>550.0</p> <p>28220.0</p> <p>11671.0</p>	<p>1333.5</p> <p>2513</p> <p>600.0</p> <p>35063.1</p> <p>12429.6</p>	<p>§ Centres for assistance and protection of human traffic victims established;</p> <p>§ The number of beneficiaries of the social institutions</p>
	<p>Program IX „Additional support of some categories of population”</p> <p>The program goal is to provide social protection to people with special merits before the State or support to some categories of people (teachers and doctors from rural localities to get connected to gas pipes, young specialists from the social assistance area, social support for young families that work in the budgetary sector, compulsory health insurance system and public social insurance system to procure (construct) or lease an apartment/house) by providing allowances, allocations, compensations, monetary aid. This program comprises expenditures for state monthly nominal allowances for persons with special merits before the State, monthly allowances for war invalids, participants in the II World War and their families, compensations and financial aids for participants in the liquidation of the Chernobyl NPP accident consequences and their families, lump sum allowances and wealth compensations for repressed and later rehabilitated persons. At the same time, there are such expenditures as the compensation of the difference of the state social insurance contributions paid by the employer from the agrarian sector and partial compensation of the state social insurance contributions paid by the employer from the agrarian sector and partial compensation of the compulsory state social insurance contributions paid by organizations and enterprises, Societies of Blind People of Moldova, Association of Deaf People and the Society of Disabled Persons from the Republic of Moldova.</p>				

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Key Issues /Policies	Priority Policy Actions	The Costs of the Actions by year (thousand MDL)			Monitoring Indicators
		2009	2010	2011	
<p><u>A. Key issues:</u></p> <p><u>B. Medium-term policy objectives</u></p> <p>§ Improve the social protection of persons with special needs.</p> <p>§ Support the young specialists from social assistance area, who will be employed in the rural labour market.</p>	<p><u>B. Newly identified actions regarded as priorities for the branch development:</u></p> <p>§ Starting with 2008, the persons that participated in and were affected by the Chernobyl accident will have the right to the monthly financial compensation in exchange for food products and supplements.</p> <p>§ Provide social support to young people to help them buy (build) an apartment.</p>	10000.0	26305.8	26305.8	§ The average size of the monthly compensation will amount to MDL 300;
<p>Program X „Ensuring equal opportunities for women and men”</p> <p>The goal of this program is to develop and strengthen the national mechanism for promoting and ensuring the equality between women and men as regards the integration of gender issues in the national policies, programs and projects, as well as for the observance of rights and equality of men in all domains. The expenditures are covered from the state budget and budgets of administrative-territorial units.</p>					
<p><u>A. Key issues:</u></p> <p>§ Nowadays, the approach to gender equality has an occasional character. Ensuring a comprehensive approach to gender dimension also implies the systemic approach at institutional level.</p> <p>§ As the gender issue is an inter-sector and multi-dimensional subject, it cannot be solved without a relevant well-defined institutional mechanism, which would contribute to the settlement of identified problems.</p> <p>§ The need to strengthen the capacity of the national mechanism for monitoring, evaluation and ensuring of equal opportunities for women and men within a country that is on its way towards the implementation of major macro-economic and social reforms. This is an important link in the exercise of citizens' fundamental rights.</p> <p><u>B. Medium-term policy objectives</u></p> <p>§ Establish a national strategic framework in order to ensure a complex approach to the equality between men and women</p> <p>§ Establish the mechanism for budgetary planning of policies from gender perspective.</p>	<p><u>B. Newly identified actions regarded as priorities for the branch development:</u></p> <p>§ Strengthen the institutional mechanism for ensuring gender equality (p. 36 of the NDS)</p> <p>§ Develop the mechanism for budgetary planning of policies from gender perspective. P. 36.1</p> <p>§ Establish a national strategic framework in order to ensure a complex approach to the equality between men and women P. 36.1</p> <p>§ Initial and continuous training of public servants working in the program “Ensuring equal opportunities for men and women”, p. 36.2</p> <p>§ Create specialized subgroups of experts, p. 36.3</p>				<p>§ The mechanism for budgetary planning of policies from gender perspective developed.</p> <p>§ The national strategic framework developed, in order to ensure a complex approach to the equality between men and women.</p> <p>§ The curriculum developed and public servants trained.</p> <p>§ Groups established and consolidated.</p>

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Key Issues /Policies	Priority Policy Actions	The Costs of the Actions by year (thousand MDL)			Monitoring Indicators
		2009	2010	2011	
<p>§ Strengthen the capacities of the institutional mechanism in this area.</p> <p>§ Ensure the functionality of institutional mechanism in compliance with the Law on Ensuring Equal Opportunities for Men and Women</p> <p>§ Form population's gender consciousness.</p>					

Distribution of resource appropriations by expenditure program in the field of *social insurance and assistance*, 2009-2011

Name of the program	Total expenditures (thousand MDL)	Forecast (thousand MDL)			Share of Total Program Expenditure (%)		
	2008 approved	2009	2010	2011	2009	2010	2011
Program I. Policy development and management in the field of social protection	242785.6	364907.1	358893.4	360583.8	4.0	3.5	3.2
Program II. Protection in case of sickness or temporary work incapacity	1253613.1	1592220.7	1881149.3	2172290.3	17.4	18.4	19.1
Program III. Social old-age protection	4137302.6	4989780	5678401.1	6344933.3	54.6	55.6	55.9
Program IV. Protection in case of loss of breadwinner	158827.6	144568	184372.8	198208.1	1.6	1.8	1.7
Program V. Protection of family and child	341676.5	402905.5	415445.1	460516.1	4.4	4.1	4.1
Program VI. Employment and protection in case of unemployment	47552.3	59452.7	68524.7	77005.9	0.7	0.7	0.7
Program VII. Protection against social exclusion	545962.1	616849.9	580019	622641.7	6.7	5.7	5.5
Program VIII. Additional social assistance for persons with special needs	411030.8	472777.5	498774	526326.1	5.2	4.9	4.6
Program IX. Additional support of some categories of population	300544.7	413062.7	429028.8	439494.7	4.5	4.2	3.9
Program X. Ensuring equal opportunities for women and men	0.0	0	0	0	0.0	0.0	0.0
Program XI. Other activities	93600.0	85000	115000	150000	0.9	1.1	1.3
TOTAL by program	7532895.3	9141524.2	10209608.2	11352000	100	100	100
<i>Financed from the:</i>							
State Budget, total	1921269.5	2268665.8	2372549.6	2528784.8	24.8	23.2	22.3
including:							
including main expenditures	1817718.8	2148054.6	2274330.3	2423357	94.7	95.9	95.8
special funds and means	94950.7	88691.2	98219.3	105427.8	3.9	4.1	4.2
investment projects, funded from external sources	8600.0	31920	0	0	1.4	0.0	0.0
Budgets of the administrative-territorial units	250755.2	286075.1	289251.9	297702.8	3.1	2.8	2.6
State social insurance budget	5360870.6	6586783.3	7547806.7	8525512.4	72.1	73.9	75.1
TOTAL by program	7532895.3	9141524.2	10209608.2	11352000			
Allocations for the augmentation of salaries		20900	29500	29500			
TOTAL by sector		9162424.2	10239108.2	11381500			

Annex 10

**Culture and Sport Sector Strategic Expenditure Plan
2009-11**

Key Issues /Policies	Priority Policy Actions	The Costs of the Actions by year (thousand MDL)			Monitoring Indicators
		2009	2010	2011	
<p>Program I. „Policy and management development in the area of culture, entertainment and sports includes the activity of administrative bodies in the field of culture of the administrative-territorial units, of the office of the Ministry of Culture and Tourism, of the services and agencies under their authority, the activity of Audiovisual Advisory Board and Sports Agency.</p> <p>The goal of the program: Ensure an appropriate management system of the branch.</p>					
<p>A. Key-issues:</p> <p>§ Shortage of specialized professional personnel. At the present moment, most of the personnel has educational background in the field of culture, lacking management knowledge;</p> <p>§ Limited abilities of analysis and strategic planning in the field of culture;</p> <p>§ Lack of an efficient monitoring system of the expenditures execution process in this field;</p> <p>§ Poorly defined responsibilities for the development and promotion of the policies in the field of culture. Nowadays, the Ministry of Culture and Tourism is responsible, both in strategic planning and management of resources, only for the sector funded from the state budget.</p> <p>B. Medium-term policy objectives:</p> <p>§ Improvement of management in the culture sector.</p>	<p>B. Policy actions</p> <p>§ Restructure /redefine the roles of local authorities;</p> <p>§ Increase the strategic planning capabilities of the decision makers of all levels.</p> <p>§ Identify the institutions, departments and personnel that will be involved in the process of strategic planning</p> <p>§ Develop a training program adjusted to the strategic planning</p> <p>§ Ensure an efficient monitoring system of the public expenditures in the culture sector through the implementation of information technologies;</p> <p>§ Reform and implement more efficient financing systems in the culture sector</p> <p>§ Modify the financing system of some theatre and concert institutions by changing their ownership form.</p>				<p>§ The number of employees in the planning and management area, that have attended strategic planning courses, will amount to 10 persons by 2011.</p> <p>§ The number of trained employees within the office of the Ministry of Culture and Tourism will amount to an average of 20 persons per year.</p>
<p>Program II. Physical culture and sports comprises physical education, sports for everybody, professional sports, prophylactic and therapeutic exercises practiced for recovery. Sport is a specific field of activity, oriented towards the development of human utmost capabilities in competitive conditions and during the sportive and pedagogic process.</p> <p>The goal of the program: create the most favourable conditions for perfection, development and functioning of the national system of physical culture and sports.</p>					
<p>A. Key-aspects, issues.</p> <p>§ The low level of physical training and development of children and young people, this causing functional disorders of the cardiovascular and locomotory systems (up to 20% of pupils and students are released from attending the classes of physical education);</p> <p>§ Lack of the Strategy for Development of Physical Culture and Sports in the Republic of Moldova;</p> <p>§ Inappropriate conditions in sports buildings for</p>	<p>B. Policy actions</p> <p>§ Develop and approve the Sports Register</p> <p>§ Develop and approve the Training Program for 2012 Olympic Games;</p> <p>§ Approve the standard staffing of the sports schools;</p> <p>§ Renovate (repair) the sports buildings</p> <p>§ Consolidate the technical-material basis</p> <p>§ Organize and carry out activities related to the Olympic competitive</p>	1000.0	1000.0	1000.0	<p>§</p> <p>§ Registrul elaborat</p> <p>§ Programul elaborat</p> <p>§ Numărul de edificii sportive renovate</p> <p>§ Numărul de edificii sportive amenajate</p>
		14770.0	15400.0	16380.0	

Key Issues /Policies	Priority Policy Actions	The Costs of the Actions by year (thousand MDL)			Monitoring Indicators
		2009	2010	2011	
<p>organizing and conducting trainings and competitions;</p> <p>§ Lack of new technologies for sports training, which would combine the cross-sectional methodical aspects with the scientific and medical ones;</p> <p>§ Imperfection of the national legislation with regard to the financial support (sponsorship) of the physical culture and sports.</p> <p><u>B. Medium-term policy objectives</u></p> <p>§ Maintain and strengthen population's health, develop physical, ethical and intellectual qualities of the human being, by ensuring the implementation and promotion of the physical culture and sports in the society;</p> <p>§ Improve the quality of sport services in sports schools and specialized institutions;</p> <p>§ Ensure the ongoing development of the Moldovan sportsmen's performance on the international arena;</p> <p>§ Consolidate the technical-material basis</p> <p>§ Renovate the sports institutions.</p>	<p>events</p> <p>§ Implement the Program of Preparation for the Summer Olympic Games (juniors) in Singapore, 2010</p> <p>§ Develop activities regarding scientific investigations in the field of professional sports, implement advanced methods on the methodical-scientific control in training sportsmen, and anti-doping control.</p>	1000.0			
<p>Program III. Culture Development includes the activities related to the state support of the public libraries and museums, cultural centres, theatres, concert organizations, folklore ensembles, other cultural organizations, the activities related to the restoration of monuments of socio-cultural value, conduct of national and local cultural actions, financing of cultural programs /projects carried out by public associations, support of Moldovan Diaspora, etc. Program goal: Promotion of cultural values, by ensuring the observance of the fundamental rights and freedoms concerning the freedom of expression and creation, equal chances and free access to culture, participation in the cultural life.</p>					
<p><u>A. Key-aspects, issues</u></p> <p>§ Most of the 5698 monuments, ensembles and historical sites with special value, recorded in the Register of monuments protected by the state, as well as the buildings of the 95 museum institutions of our country require urgent preservation, restoration, reconstruction and modernization works.</p> <p>§ The insufficient access of the citizens to the information about culture and cultural patrimony. Lack of some electronic databases for the existing patrimony.</p>	<p><u>A. Actions for streamlining the use of resources</u></p> <p>§ Modernize the library system through the implementation of the advanced information technologies;</p> <p>§ Optimize the network of cultural institutions</p> <p><u>B. Policy actions</u></p> <p>§ Restoration, preservation and capitalization of the most important objects of national cultural patrimony.</p> <p>§ Current repairing and maintenance of the buildings of regional cultural institutions</p>	-550.0	-850.0	-850.0	§ Restoration (total or partial) of an object per year.
		-2550.0	-3950.0	-3950.0	§ Increase in the number of annually restored, repaired and modernized buildings of the regional cultural institutions
		1255.0	1255.0	5255.0	
		19070.4	19070.4	19070.4	§ The share of the monuments introduced in the State

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Key Issues /Policies	Priority Policy Actions	The Costs of the Actions by year (thousand MDL)			Monitoring Indicators
		2009	2010	2011	
<p>§ Lack of some national projects for protection and use of national patrimony and shortage of mechanisms for their financing.</p> <p>§ Lack of a National Register of the movable cultural patrimony</p> <p>§ The low rate of replenishing the funds and state collections with movable cultural goods</p> <p>§ The insufficient level of popularization and promotion of the national cultural values on the international arena</p> <p>§ The insufficient encouragement of the contemporary artistic creation, especially of the young artists</p> <p>§ Deterioration of the technical-material basis of the culture institutions, lack of modern equipment</p> <p>§ Deterioration of the technical-material basis of the cinema studios</p> <p>§ Lack of movie theatres and projection equipment in the rural areas</p> <p><u>B. Medium-term policy objectives</u></p> <p>§ To protect and capitalize the material and immaterial cultural patrimony</p> <p>§ To create the conditions for the access of population to cultural values</p> <p>§ To support the cinema production.</p>	<p>§ Create the National Register and some electronic databases for the national immovable cultural patrimony.</p> <p>§ Ensure the security of state collections</p> <p>§ Implement the Governmental Program on the Support of Moldovan Diaspora</p> <p>§ Provide transport means to the theatre and concert institutions subordinated to the Ministry of Culture and Tourism</p> <p>§ Organize tours of the theatre and concert institutions on the territory of the Republic of Moldova</p> <p>§ Proceed with the actions regarding the establishment of the Village Museum (Muzeul Satului)</p> <p>§ Establish “Dimitrie Cantemir” Cultural Institute under the auspices of the Ministry of Culture and Tourism</p> <p>§ Organize and take part in the national and international cultural-artistic events</p> <p>§ Develop the technical-material basis of the regional cultural institutions (procurement of equipment)</p> <p>§ Modify the financing system of some theatre and concert institutions by changing their ownership form.</p> <p>§ Procure cinematographic tools and equipment</p> <p>§ Support the production and launching of the films commissioned by the state.</p>	<p>500.0</p> <p>200.0</p> <p>900.0</p> <p>25188.8</p> <p>25472.2</p> <p>5000.0</p> <p>2450.0</p>	<p>800.0</p> <p>500.0</p> <p>200.0</p> <p>900.0</p> <p>30705.9</p> <p>33281.2</p> <p>2450.0</p>	<p>800.0</p> <p>15000.0</p> <p>500.0</p> <p>7500.0</p> <p>200.0</p> <p>5000.0</p> <p>900.0</p> <p>26781.5</p> <p>3281.2</p> <p>2450.0</p>	<p>Register of Monuments and in the electronic database will account for 30% annually, the total completion being planned for 2011.</p> <p>§ The number of public associations of the people born in the Republic of Moldova (Moldovan Diaspora), financed from the state budget is projected to be of about 15 per year.</p> <p>§ Provide three theatre and concert institutions with transport units each year.</p> <p>§ The number of exhibitions, festivals, other events of national and international character, including abroad;</p> <p>§ The number of produced films.</p>
<p>Program IV. State support of the public TV and radio includes the activities related to the state support, based on the Audiovisual Code No 260-XVI as of 27 July 2006, of the single national public radio broadcaster – The National Public Audiovisual Institution „Teleradio- Moldova” and regional broadcaster „Teleradio-Gagauzia”.</p> <p>Program goal: Enhance population’s access to information through the agency of mass media.</p>					
<p><u>A. Urgent problems</u></p> <p>§ The appropriated means cover the expenses for the rental of circuits and transmitters during 7 months of the year for television broadcasting 18 hours per day and radio broadcasting 24 hours a day.</p>	<p><u>A. Actions for streamlining the use of resources</u></p> <p>§ Use of transmitters in the FM diapason and medium-frequency waves and giving up on the transmitters in ultra short waves.</p> <p><u>B. Policy actions</u></p>	<p>-1896.9</p>	<p>1896.9</p>	<p>1896.9</p>	<p>§ By the year 2011, the volume of TV and radio broadcast hours of the NPAI “Teleradio-Moldova” will constitute 18 and,</p>

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Key Issues /Policies	Priority Policy Actions	The Costs of the Actions by year (thousand MDL)			Monitoring Indicators
		2009	2010	2011	
<p>§ Upgrading the TV and radio broadcast</p> <p><u>B. Medium-term policy objectives:</u></p> <p>§ Ensure the access of population to the TV programs of the public broadcasters.</p> <p>§ Ensure the technical quality of the TV and radio broadcasts on the entire territory of the Republic of Moldova.</p>	<p>§ Modernise on an ongoing basis the NPAI “Teleradio-Moldova”</p> <p>§ Ensure the volumes of daily broadcast by the NPAI “Teleradio-Moldova” for 18 TV hours and 24 radio hours</p> <p>§ Support of the regional public broadcaster „Teleradio-Gagauzia”</p>	25100.0 69171.4 2500.0	5000.0 69171.4 2500.0	29440.0 83807.1 2500.0	<p>respectively, 24 hours a day.</p> <p>§ The cost of one hour of TV/radio broadcast will increase by over 40%, if compared to 2008</p> <p>§ The volume of TV broadcasting of the „Teleradio-Gagauzia” will increase against the volume planned for 2008 by 4 hours /day.</p>
<p>Program V. Support of the Press comprises the activities related to the support from the state budget of the national book publishing, as well as children’s editions “Noi”, “Alunelul”, “Florile Dalbe”, the socio-cultural edition “Moldova”.</p> <p>The goal of the program: Develop the access of population to the written culture and motivate the public reading.</p>					
<p><u>A. Key-aspects, issues</u></p> <p>§ The average renewal rate of the collections from public libraries has improved slightly in comparison with 2006, but the renovation and development of collections do not ensure the limit recommended by international bodies in the field of bibliography of at least 250 new entries annually per 1000 inhabitants. In 2007 it was noticed a reduction of 2108 books in comparison with 2006.</p> <p><u>B. Medium-term policy objectives:</u></p> <p>§ Supplement the public and school library funds;</p> <p>§ Provide to pupils and students periodical information meant for them.</p>	<p><u>B. Policy actions</u></p> <p>§ Publishing of literature, mostly through the state-owned publishing houses, for supply free of charge to public and school libraries</p> <p>§ Subsidizing of children’s editions “Noi”, “Alunelul” and “Florile Dalbe”</p>	1950.0 1314.0	1950.0 1425.6	1050.0 1525.5	<p>§ The number of published copies will increase by 2011 with 93 thousand copies;</p> <p>§ The share of budget expenditures in the total amount of expenditures for publication of periodicals will account for 46%.</p>
<p>Program VI. Services for young people represents a group of activities for the support, multilateral development and active participation of young people in the society.</p> <p>The goal of this program: Strengthen the capacities with a view to increasing youth participation in the social and economic development of the country.</p>					
<p><u>A. Key-aspects, issues</u></p> <p>§ The youth rate accounts for 26.3% of the total population of the country and represents 21.3% of the total of active population;</p> <p>§ Young people with secondary education and</p>	<p><u>B. Policy actions</u></p> <p>§ Provide informational, consultative assistance in the creation of new businesses;</p> <p>§ Maintain and extend youth centres;</p> <p>§ Implementation of some programs focused on the youth problems</p>	5083.7	5218.1	5535.2	<p>§ The number of youth centres will be of 14 institutions</p>

Key Issues /Policies	Priority Policy Actions	The Costs of the Actions by year (thousand MDL)			Monitoring Indicators
		2009	2010	2011	
<p>specialized secondary education accounts for 62% of the total of recorded unemployed young persons;</p> <p>§ The high level of internal and external migration, caused by the lack of workplaces and opportunities for assertion of young people, especially in the rural areas and small towns;</p> <p>§ Insufficient awareness of young people of the opportunities for employment;</p> <p>§ Poor financial situation of young families</p> <p><u>B. Medium-term policy objectives</u></p> <p>§ Increase young people’s access to public services of education, professional training and employment;</p> <p>§ Develop the functional mechanisms for youth involvement in consultation, decision-making, development of programs, strategies and action plans.</p>	<p>and provision of small grants through a project tender by the public authorities.</p>	5820.3	6132	6770.1	

Distribution of the appropriated resources by expenditure program in the sector of *culture and sports*, 2009-2011

Name of the program	Total expenditures (thousand MDL)		Forecast (thousand MDL)			Share of Total Program Expenditure (%)		
	2007 executed	2008 approved	2009	2010	2011	2009	2010	2011
Program I. Policy and management development in the area of culture, entertainment and sports	13078.1	15125.4	15769.4	15752.1	15945.5	2.6	2.6	2.2
Program II. Physical culture and sports	63778.0	46183.6	48961.0	49131.5	56144.3	8.0	8.0	7.8
Program III. Culture development	411994.4	392255.5	437828.9	456442.9	514643.5	71.4	74.6	71.8
Program IV. State support of the public TV and radio	65794.9	53570.1	94940.8	74840.8	113916.5	15.5	12.2	15.9
Program V. Support of the press	8769.9	3286.8	4407.3	4612.0	3895.0	0.7	0.8	0.5
Program VI. Services for young people	3600.6	12348.6	10909.5	11355.1	12310.8	1.8	1.9	1.7
Total by Program	567015.9	522770.0	612816.9	612134.4	716855.6	100.0	100.0	100.0
<i>Financed from the:</i>								
State budget	297737.1	250622.4	299463.4	278369.3	359254.9	48.9	45.5	50.1
including: main expenditures;	264822.5	242327.6	293498.3	272404.2	353289.8	98.0	97.9	98.3
special funds and means	29616.8	5294.8	5965.1	5965.1	5965.1	2.0	2.1	1.7
investment projects, funded from external sources	3297.8	3000.0	0.0	0.0	0.0	0	0	0
Budgets of the administrative-territorial units	269278.8	272147.6	313353.5	333765.1	357600.7	51.1	54.5	49.9
Total by program	567015.9	522770.0	612816.9	612134.4	716855.6			
Appropriation for the augmentation of salaries in this sector			35300.0	46600.0	46600.0			
Total by sector	567015.9	522770.0	648116.9	658734.4	763455.6			

Annex 11

**Science and Innovation Sector Strategic Expenditure Plan
2009-11**

Key Issues /Policies	Priority Policy Actions	The Costs of the Actions by year (thousand MDL)			Monitoring Indicators
		2009	2010	2011	
Program I. Building the rule of law and capitalizing the cultural and historical patrimony of Moldova in the context of European integration					
Program goal: To develop the scientific and practical base as to strengthen the rule of law, harness the historic-cultural, spiritual and national historic property, modernize the educational system. This program includes activities related to the identification of ways and modalities for the consolidation of the rule of law, political system, civil society and assurance of social cohesion, re-assessment and re-consideration of material and moral culture, national history on regional and European background. The investigations shall be performed within 2 state programs and 64 institutional projects.					
<p><u>Key issues:</u></p> <p>§ The globalization, European and regional integration, quick social changes during the last decades generated a series of new problems and phenomena – consolidation of national states based on the rule of law, identification of historical-cultural values, etc., problems that need a deep study on the basis of scientific support.</p> <p><u>B. Main objectives:</u></p> <p>§ Identify and harness the historic-cultural property, cultural-historic, ethno-cultural, literary, folk and spiritual heritage;</p> <p>§ Scientific support to the process of rule of law strengthening and educational system modernization.</p>	<p><u>A. Actions leading to a more effective and efficient use of resources:</u></p> <p>§ Develop research projects on a competitive basis and provide an expert appraisal for the results obtained within projects.</p> <p><u>B. New identified actions that are regarded as priorities for branch development:</u></p> <p>§ Develop projects for the adjustment of the national legislation to the international legal standards;</p> <p>§ Collect, preserve, and capitalize the historical-cultural patrimony of the country.</p> <p>§ Add to the collections of museums</p> <p>§ Develop scientific and practical bases for the consolidation of democratic society and improvement of education quality.</p>	1 500	2 000	3 400	<p><u>1. Outcomes-</u></p> <p>§ Papers in national reviewed magazines - 595</p> <p>§ Papers in international reviewed magazines -130</p> <p>§ Theses at international conferences - 172</p> <p>§ International scientific events organized - 18</p> <p>§ National scientific events organized -24</p> <p>§ Book and museum exhibitions organized - 8</p> <p><u>2. Output -</u></p> <p>§ Monographs – 77;</p> <p>§ Scientific magazines - 23</p> <p>§ Recommendations - 10:</p> <p>§ Methodological guidelines - 15</p>

Key Issues /Policies	Priority Policy Actions	The Costs of the Actions by year (thousand MDL)			Monitoring Indicators
		2009	2010	2011	
Program II. Capitalization of human, natural, and information resources for sustainable development					
<p>Program goal: Develop their economic mechanisms, scientific basis for the use of natural, human and informational resources, maintain the environmental balance and stop the degradation of the environment, including of the biodiversity for a sustainable development of the country. This program includes activities related to the identification of ways of economic activities multiplication and diversification, economic development in critical situations, including in case of natural disasters, rational use of natural resources, maintenance of the ecological equilibrium, development of a monitoring and assessment system in the area of research and innovation; drafting of representative maps and recommendations for the stopping of biodiversity diminution and environmental degradation, creation and improvement of information technologies and capitalization of natural resources.</p>					
<p>A. Key issues:</p> <p>§ Lack of a justified scientific basis related to the efficient capitalization of human, natural, and information resources.</p> <p>B. Main objectives:</p> <p>§ Identify the economic mechanisms for the country's sustainable development and efficient use of the informational and natural resources, including underground resources, ensure their conservation and ecological protection;</p> <p>§ Develop methods and technologies for the use of micro-bodies as bio-technologic objects, conservation of the vegetal and animal kingdom, mapping of the ecological potential of landscapes and environmental state, assessment of the seismic danger and risk on the territory of the Republic of Moldova;</p> <p>§ Promote the development of some theoretical-practical scientific areas.</p>	<p>A. Actions leading to a more effective and efficient use of resources:</p> <p>§ Develop research projects on a competitive basis and provide an expert appraisal for the results obtained within projects (p. 75 AP-NDS).</p> <p>B. Newly identified actions regarded as priorities for branch development:</p> <p>§ Develop economic mechanisms for country sustainable development and efficient use of natural resources;</p> <p>§ Study the natural resources, develop optimal methods for their capitalization, preservation and environment protection;</p> <p>§ Develop and implement the indicators system for monitoring and assessment of the activity in the research and innovation area (p. 76 AP-NDS).</p> <p>§ Develop and implement an information system in the area of research and innovation (p. 77 AP-NDS).</p> <p>§ Create a cartographic data base on natural fertility of land and its ecological state (p. 78 AP-NDS).</p> <p>§ Develop methods related to the identification of geo-ecological resources and useful mineral deposits;</p> <p>§ Encourage the implementation of technology transfer projects by co-funding at least 40% of the projects selected on a competitive basis (p. 79.3 AP-NDS).</p> <p>§ Develop the technologies for the use of microorganisms in health care and agriculture.</p> <p>§ Develop methods and measures of flora and fauna preservation.</p> <p>§ Create Botanical Gardens Conservatory.</p>				<p>1. Outcomes</p> <p>§ Concept papers - 1</p> <p>§ Articles - 439.</p> <p>§ Magazines - 8</p> <p>§ Scientific events - 20</p> <p>2. Outputs -</p> <p>§ Monographs – 33;</p> <p>§ New varieties of plants - 7</p> <p>§ New stems of micro-bodies - 7</p> <p>§ Methods - 9</p> <p>§ Technologies – 13.</p> <p>§ New materials and substances – 1;</p> <p>§ Pharmaceuticals – 2;</p> <p>§ Patents – 28;</p> <p>§ Geographical informational system - 2</p> <p>§ Seismic catalogues - 36</p> <p>§ Maps - 15</p> <p>§ Dendrological projects - 6</p> <p>3. Efficiency</p> <p>§ Increased genetic fund – 180</p>

Key Issues /Policies	Priority Policy Actions	The Costs of the Actions by year (thousand MDL)			Monitoring Indicators
		2009	2010	2011	
					varieties
Program III. Biomedicine, pharmaceuticals, health maintenance and strengthening					
<p>Program goal: To identify the scientific health basis of the most frequent diseases and develop local pharmacy products. Develop and improve the diagnostics and treatment methods and technologies in order to improve the health status. This Program contains activities related to: creation of scientific and practical databases on directed health maintenance, development and improvement of diagnostics and treatment technologies of most frequent diseases; obtaining new pharmaceuticals. Creation of the Scientific-Practical Sanocreatology Center of the Physiology and Sanocreatology Institute and of Performance Centres (oncological surgery, etc.).</p>					
<p>A. Key issues:</p> <p>§ Assessment of country death-rate shows many cases of oncological, cardiovascular, psycho-neurological, endocrine, and tuberculosis etc. diseases.</p> <p>B. Main objectives:</p> <p>§ Reveal the mechanisms of health establishment and maintenance and development of the most frequent diseases.</p> <p>§ Create new health strengthening, diagnosis, treatment and rehabilitation methods.</p>	<p>A. Actions leading to a more effective and efficient use of resources:</p> <p>§ Develop research projects on a competitive basis and provide an expert appraisal for the results obtained within scientific projects (p. 75.2 AP-NDS).</p> <p>B. Newly identified actions regarded as priorities for branch development:</p> <p>§ Develop new methods related to the directed creation and maintenance of health of some physiological systems;</p> <p>§ Develop etiopathogenesis mechanisms of some frequent diseases and their risk factors;</p> <p>§ Develop and improve the diagnostics tools and treatment methods and technologies for most frequent diseases;</p> <p>§ Obtain new pharmaceuticals on the basis of local raw materials;</p> <p>§ Establish the Scientific-Practical Sanocreatology Center and of Performance Centres (p. 75.3 AP-NDS).</p> <p>§ Encourage the implementation of technology transfer projects by co-funding at least 40% of the projects selected on a competitive basis (p. 79.3 AP-NDS);</p> <p>§ Create the Head and Neck Oncologic Surgery Center.</p>	7 000	9 400	15 000	<p>1. Outcomes</p> <p>§ Concept papers - 1</p> <p>§ Article 550.</p> <p>2. Outputs -</p> <p>§ Monographs – 57;</p> <p>§ New diagnosis, treatment and prevention methods - 25</p> <p>§ New technologies – 5;</p> <p>§ Medical devices - 4</p> <p>§ Patents – 25;</p> <p>§ New methods for combating the most frequent diseases developed - 3</p> <p>§ The Scientific-Practical Center of Sanocreatology established - 1</p> <p>§ Center of Oncological Surgery established - 1</p> <p>3. Efficiency</p> <p>§ Implementation of new diagnosis, treatment and rehabil-</p>

Key Issues /Policies	Priority Policy Actions	The Costs of the Actions by year (thousand MDL)			Monitoring Indicators
		2009	2010	2011	
					itation technologies that will allow decreasing the morbidity of the most frequent diseases in Moldova by 15%, death rate – by 7% and post-surgery complications - by 11%. Economic effect – 35%.
Program IV. Agricultural biotechnologies, soil fertility, and food safety					
Program goal: To create new varieties and hybrids of plants with higher productivity and resistance, improve the technologies of plant cultivation, animal breeding, soil fertility maintenance, raw material processing with the view of implementing the National Strategy for sustainable development of the agri-industrial complex of the Republic of Moldova (2008-2015). This program consists of the following activities: creation of new plants varieties and hybrids with higher productivity and resistance; development of new technologies for plant cultivation, livestock management, soil fertility maintenance, and agricultural raw material processing.					
<p>A. Key issues:</p> <p>§ Productivity decrease of agricultural production, not only because of unfavourable climatic conditions, but also because of the lack of diversity of species and hybrids with high productivity and resistance to biotic and abiotic factors, fertility decrease and substantial soil erosion, etc.</p> <p>B. Main objectives:</p> <p>§ Synthesis of the new competitive varieties and hybrids of plants, improve the genetic fund of domestic animals,</p> <p>§ Improve the intensive biological technologies of plant cultivation and protection, augmentation of soil fertility and raw material processing.</p>	<p>A. Actions leading to a more effective and efficient use of resources:</p> <p>§ Develop research projects on a competitive basis and provide expert appraisal for the results obtained within scientific projects (p. 75.1 AP-NDS).</p> <p>B. Newly identified actions regarded as priorities for the branch development:</p> <p>§ Encourage the implementation of technology transfer projects by co-funding at least 40% of the projects selected on a competitive basis (p. 79.3 AP-NDS);</p> <p>§ Establish the Scientific-Technological Park “Eco-agriculture” (p. 79.1 AP-NDS);</p> <p>§ Create new plants species and hybrids with high productivity and resistance;</p> <p>§ Develop and improve the technologies fighting soil erosion;</p> <p>§ Directed selection and crossbreeding of animals in order to obtain the nucleus for cross breed, strain and hybrid creation;</p> <p>§ Develop and improve the plant protection methods and procedures;</p> <p>§ Implement new processing and preservation technologies for agricultural raw materials;</p> <p>§ Establish the Ionizing Technology Center.</p>	7 300	9 500	12 500	<p>1. Outcomes</p> <p>§ Concepts, theories - 4</p> <p>§ Articles - 200.</p> <p>2. Outputs -</p> <p>§ Competitive varieties and hybrids - 16</p> <p>§ Improved breeds and crossbreeds of domestic animals - 6</p> <p>§ Machinery and technical equipment - 11</p> <p>§ Monographs, compilations – 14;</p> <p>§ Technologies and technological procedures - 26</p> <p>§ New materials and substances – 6;</p> <p>§ Patents, copyright certificates - 50</p> <p>§ “Inagro” Scientific-Technological Park established – 3.0</p>

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Key Issues /Policies	Priority Policy Actions	The Costs of the Actions by year (thousand MDL)			Monitoring Indicators
		2009	2010	2011	
					3. Efficiency § Higher quality harvest – 5% § Increased ecological resistance – 4% § Longer storage period for fruit and grapes – 60 days § Diminution of the consumption of energy per 1 ha – 15%.
Program V. Nanotechnologies, industrial engineering, new products and materials The goal of the program: To explore the physical phenomena, new multi-functional materials, develop electronic and photonic devices, develop and implement nano-technologies, nano-material, intelligent products and systems. Develop engineering products, materials and technologies for machinery construction, electrical technology, electro-physical-chemical processing of the materials, design and manufacturing of technical equipments for the construction industry, medicine, agriculture and ecology. This program includes the following <u>activities</u> : identification of processes and properties that condition the functioning of materials at nanometric scale; development of principles and procedures on reconfiguration of materials and structures; designing and homologation of technical and engineering devices and equipment.					
A. Key issues: § Development and implementation of advanced technologies, on the basis of which the identification and study of physical and chemical phenomena at mezo and nano level, and of condensed substance. B. Main objectives: § Identify new processes and effects and the meso- and nano-level; § Develop and use nano-technologies; § Develop new materials and technological procedures for the electronic technology, optical electronic technology and photonics; § Develop methods for the synthesis of coordinating and supra-molecular composites with nanometric structural elements; § Develop competitive engineering products, industrial technologies and technical equipments.	A. Actions leading to a more effective and efficient use of resources: § Develop research projects on a competitive basis and provide expert appraisal for the results obtained within scientific projects (p. 75.4 AP-NDS). B. Newly identified actions regarded as priorities for the branch development: § Highlight the reconfiguration principles of material, structures, and physical phenomena. § Develop nanotechnologies in order to create nanocomposite materials and nanostructures, with advanced electric, magnetic, and thermo-electric properties. § Develop new materials and procedures to converse the energy and photovoltaic sources; § Operate the “Academica” Scientific-Technological Park (p. 79.1 AP-NDS). § Operate the Innovation Incubator (p. 79.2 AP-NDS). § Establish, fit out, and operate the “Physical Chemistry and				1. Outcomes § Concepts, theories -5 § Scientific papers (national/international magazines) – 250/480 2. Outputs - § Monographs – 9; § Obtained patents - 51 § Developed devices and equipment - 8 § New materials and substances – 14; § Newly developed methods and technologies - 7 § “Academia” scientific-technological park – prod. vol. / funding vol. thousands MDL – 18 / 2.8
		8 000	11 000	15 800	
		33 300	45 600	59 200	
		2 200	3 000	5 600	
		2 800	4 000	5 000	
		2 000	3 500	4 500	
		8 000	9 000	12 000	

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Key Issues /Policies	Priority Policy Actions	The Costs of the Actions by year (thousand MDL)			Monitoring Indicators
		2009	2010	2011	
	<p>Nanocomposites" Center activity (p. 79.2 AP-NDS).</p> <p>§ Establish, fit out, and operate the "Nanotechnology Laboratory" Performance Laboratory (p. 79.2 AP-NDS).</p> <p>§ Encourage the implementation of technology transfer projects by co-funding at least 40% of the projects selected on a competitive basis (p. 79.3 AP-NDS);</p> <p>§ Develop electrotechnology, machine engineering, and technical equipment designing.</p>	2 000	4 000	5 000	§ "Inovator" incubator – prod. vol. / funding vol. thousands MDL – 30 / 2
<p>Program VI. Making efficient the energy sector and ensuring of energy safety, including by using renewable resources</p> <p>The goal of the program: To develop and improve the technical technologies and solutions for the enhancement of the use and conservation of energy and use of renewable energy sources. This Program includes the development and improvement of technologies and technical solutions to make efficient the conservation, use and obtaining of energy from renewable sources.</p>					
<p><u>A. Key issues:</u></p> <p>§ Make efficient the use of energy, diminish the losses, and identify the renewable energy sources that determine the research objectives in this area.</p> <p><u>B. Main objectives:</u></p> <p>§ Identification of losses and factors that generate these losses.</p> <p>§ Develop new technologies, state-of-the-art systems and devices for the production, transportation, use and provision with energy, including the renewable energy sources.</p>	<p><u>A. Actions leading to a more effective and efficient use of resources:</u></p> <p>§ Develop research projects on a competitive basis and provide expert appraisal for the results obtained within scientific projects (p. 75.5 AP-NDS).</p> <p><u>B. Newly identified actions regarded as priorities for the branch development:</u></p> <p>§ Encourage the implementation of technology transfer projects by co-funding at least 40% of the projects selected on a competitive basis (p. 79.3 AP-NDS).</p> <p>§ Determine the capacities of energy transition, of Republic of Moldova energy system in order to adhere to the unified energy system.</p> <p>§ Develop scientific support in order to implement the provisions of Energy Strategy of Moldova.</p>	1 700	2 000	4 300	<p><u>1. Outcomes</u></p> <p>§ Concepts / theories – 1/1</p> <p>§ Papers in national reviewed magazines -24</p> <p>§ Papers in international reviewed magazines -10</p> <p>§ Scientific magazines -1</p> <p><u>2. Outputs -</u></p> <p>§ Monographs – 2;</p> <p>§ Methods -2</p> <p>§ Patterns machines - 2</p> <p>§ Devices, installations - 1</p> <p>§ Regulatory documents – 1;</p> <p>§ Patents – 5;</p> <p><u>3. Efficiency</u></p> <p>§ Lower losses of power in the energy system – 1 MW</p> <p>§ Increase the efficiency of the use of fuels for dispersed</p>

Science and Innovation

Key Issues /Policies	Priority Policy Actions	The Costs of the Actions by year (thousand MDL)			Monitoring Indicators
		2009	2010	2011	
					generation – 10% § Reduction of the number of rejections of LEA 10 kV with conductors close to phases – 30%
Program VII. Training of scientific staff					
The goal of the program: To ensure the scientific and innovatory areas with highly qualified scientific personnel. This Program includes activities related to the organization of methodological training of doctoral and post-doctoral students and performance of scientific researches by area.					
<p>A. Key issues:</p> <p>§ Sustainable development of the country and building of a knowledge-based society places before nowadays educational system of all levels special requirements regarding the training and ongoing training of highly qualified specialists on the basis of the latest scientific results. Against this background, a new approach is needed to the problem of training staff through integration of education, research, and innovation.</p> <p>B. Main objectives:</p> <p>§ Prepare PhDs and doctors through doctoral and postdoctoral studies for the implementation of the state policy on the training of scientific staff.</p> <p>§ Train 1843 people at doctoral and postdoctoral courses in 2009, including 1161 people on the account of main expenditures.</p> <p>§ Provide scholarships, including excellence scholarships of the Government of the Republic of Moldova and nominal scholarships.</p> <p>§ Exchange of experience (business travels and conferences).</p>	<p>A. Actions leading to a more effective and efficient use of resources:</p> <p>§ More efficient use of financial means by establishing a single system of management of the integral cycle of personnel training (p. 80 AP-NDS).</p> <p>B. Newly identified actions regarded as priorities for the branch development:</p> <p>§ Organize the methodological training for scientific employees;</p> <p>§ Organize the internship of doctoral and postdoctoral students;</p> <p>§ Train the scientific personnel of high PhD qualification.</p>	1 000	1 300	1 900	<p>1. Outcomes</p> <p>§ The growth rate of the number of doctoral students, is compared with the previous year, on the account of the main expenditures, including: - 107.1% full-time studies, 109.5% part-time studies, 105.2% average number of people with postdoctoral studies – 108.3%.</p> <p>§ The share of people that defended the thesis out of the total number of doctoral students – 4.8%</p> <p>§ The increase of the average expenditures for the preparation of one doctoral student on the account of main expenditures, if compared with the previous year – 85.9%.</p> <p>2. Outputs -</p> <p>§ Average number of doctoral and postdoctoral students on the account of main expenditures, including: - 1244 full-time studies – 509 part-time studies – 683,</p>

Science and Innovation

Key Issues /Policies	Priority Policy Actions	The Costs of the Actions by year (thousand MDL)			Monitoring Indicators
		2009	2010	2011	
					average number of postdoctoral students – 52.0 § Average number of doctoral students, studying on a contractual basis - 720 § Average number of doctoral students that graduated on the account of main expenditures, including: - 303 full-time studies – 160 part-time studies – 125, postdoctoral students - 18 § Number of doctoral students that graduated on the account of special means - 100 § Students that defended their thesis - 60 3. Efficiency § Number of doctoral students per one profile unit, persons/post – 51.8
<p>Program VIII. Policy development and management in science and innovation area</p> <p>The Program Goal consists in the development and promotion of state policy on science and innovation development, management of science and innovation area; assessment and accreditation of the activity of organizations from the science and innovation area, attestation of highly-qualified scientific personnel. This program includes the following <u>activities</u>: assurance of science and innovation area management; organization of assessment of the activity in the scientific and innovation area. The activities of the Supreme Council for Science and Technological Development, National Council for Accreditation and Attestation, and Agency of Innovation and Technology Transfer are included in this Program.</p>					
<p>A. Key issues:</p> <p>§ Weak skills of administrative bodies for analysis, monitoring, and assessment of policies.</p> <p>B. Main objectives:</p> <p>§ Analysis, monitoring and assessment of the state policy in the scientific and innovational area and in the preparation of scientific staff,</p> <p>§ Streamlining of the managerial activity in the</p>	<p>A. Actions leading to a more effective and efficient use of resources:</p> <p>§ Organize the internal audit of the effectiveness of financial means use.</p> <p>B. Newly identified actions regarded as priorities for the branch development:</p> <p>§ Ensure the science and innovation area management and scientific and innovation activity assessment.</p> <p>§ Ensure the management, assessment, and attestation of personnel</p>	12645,7	15 500	18 000	<p>1. Outcomes/outputs</p> <p>§ State programs developed - 4</p> <p>§ Develop strategies for institute development - 35</p> <p>§ Competitions, programs and projects organized in science and innovation area - 100</p> <p>§ Improved structure of organizations from the science and</p>
		2742,8	3 600	4 000	

Science and Innovation

Key Issues /Policies	Priority Policy Actions	The Costs of the Actions by year (thousand MDL)			Monitoring Indicators
		2009	2010	2011	
scientific and innovational area	from institutions of the science and innovation area. § Strengthen the skills of administrative bodies for analysis, monitoring, and assessment of policies.	700	900	2 000	innovation area - 35 § Consultation provided to central public authorities, expert comments provided to draft laws and regulatory acts - 300
Program IX. Support services for science and innovation area.					
Program goal: Provision of science and innovation area with methodological, information, technical, expert services and development of the real estate basis. This program includes the following <u>activities</u> : organization of methodological and information support for scientific researches, expert appraisal of scientific subjects and their results, activity of scientific libraries and building of capital investment objects in the area of science and innovation.					
<p><u>A. Key issues:</u></p> <p>§ Insufficient funding of support services in the science area in order to ensure the research process and staff training.</p> <p><u>B. Main objectives:</u></p> <p>§ Methodological coordination of the scientific activities of the organizations from the science sections;</p> <p>§ Organize competitions, programs and projects in the scientific and innovational area;</p> <p>§ Informational endowment of organizations from the science and innovation area and completion of the book fund;</p> <p>§ Ensure the technical maintenance of engineering installations, capitalization of capital investments.</p>	<p><u>A. Actions leading to a more effective and efficient use of resources:</u></p> <p>§ Design and execute construction works and procure the book fund on the basis of public auctions and tender.</p> <p><u>B. Newly identified actions regarded as priorities for branch development:</u></p> <p>§ Ensure the creation of physical infrastructure for the scientific-educational network and its endowment with equipment (p. 80.1 AP-NDS).</p> <p>§ Support services for science and innovation area.</p> <p>§ Organize contests, expert control of programs, projects, and grants by the Advisory Expert Control Council.</p>	51 000	51 500	30 000	<p><u>1. Outcomes/outputs</u></p> <p>§ Expert opinion provided on programs and projects in the scientific and innovational area -130</p> <p>§ Analysis, assessment and monitoring of the scientific level of the subordinated organizations from the scientific and innovational area and coordination of their activity - 43</p> <p>§ Book fund completed – 30770 units</p> <p>§ The building of the High School of the Moldovan Academy of Science constructed and put into operation - 1</p>
Program X. Stimulation of research, creation, and innovation activity					
The Program Goal is to stimulate the research, creation, and innovation activity, to implement modern technologies, and promote performance by conferring State Awards. This Program contains activities related to the process of conferment of State Awards.					
<p><u>A. Key issues:</u></p> <p>§ Starting with 2008, the awarding of especially important works in different areas was established.</p>	<p><u>B. Newly identified actions regarded as priorities for the branch development:</u></p> <p>§ Ensure the preparation of state award conferment.</p>	100	2 200	200	<p>§ Number of submitted works;</p> <p>§ Number of awards conferred.</p>

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Key Issues /Policies	Priority Policy Actions	The Costs of the Actions by year (thousand MDL)			Monitoring Indicators
		2009	2010	2011	
<p><u>B. Main objectives:</u></p> <p>§ Organization of the preparation, accomplishment, and appraisal of works submitted for state awards;</p>	<p>§ Confer State Awards.</p>		10 000		
<p>Program XI. Moldovan Encyclopaedia</p> <p>Program goal: To prepare and publish the “Moldovan Encyclopaedia”. This Program includes activities related to the development of word register, articles, and beginning to publish the Moldovan Encyclopaedia.</p>					
<p><u>A. Key issues:</u></p> <p>§ After the publishing of “Moldovan Soviet Socialist Encyclopaedia” (1978-1984), significant changes took place in the social, economic, cultural life, in science development, etc. and it determined the necessity to prepare and publish a new encyclopaedia in order to form a multilaterally developed society and facilitate the public access to information in different areas.</p> <p><u>B. Main objectives:</u></p> <p>§ Capitalize and promote the scientific-cultural, universal and national values by developing and publishing encyclopaedic works.</p>	<p><u>A. Actions leading to a more effective and efficient use of resources:</u></p> <p>§ Periodically audit the effectiveness of financial means use.</p> <p><u>B. Newly identified actions regarded as priorities for the branch development:</u></p> <p>§ Ensure the preparation and publishing of the Moldovan Encyclopaedia.</p> <p>§ Prepare the first volume manuscript and publish the first volume.</p>	5 000	5 000	5 000	<p><u>1. Outcomes</u></p> <p>§ Glossary developed – 30000 words</p> <p>§ Encyclopaedic papers developed – 5000.0</p> <p><u>2. Outputs -</u></p> <p>§ Published the encyclopaedic volume no I</p>

Distribution of resource appropriations by expenditure program within the “*Science and Innovation*” sector for 2009-2011

Name of the program	Total expenditures (thousand MDL)		Forecast (thousand MDL)			Share of Total Program Expenditure (%)		
	2007 executed	2008 approved	2009	2010	2011	2009	2010	2011
Program I. Building the rule of law and capitalizing the cultural and historical patrimony of Moldova in the context of European integration	18.559.3	26.688.2	33.502.5	46.336.0	63.856.0	6.5	7.2	8.1
Program II. Capitalization of human, natural, and information resources for the sustainable development of national economy	57.731.4	65.036.4	73.031.0	104.520.0	140.920.0	14.3	16.3	17.9
Program III. Biomedicine, pharmaceuticals, health maintenance and strengthening	36.201.0	48.471.3	57.845.7	90.492.0	119.668.4	11.3	14.1	15.2
Program IV. Agricultural biotechnologies, soil fertility, and food safety	55.202.7	68.623.7	81.424.5	111.320.0	140.820.0	16.1	17.4	17.8
Program V. Nanotechnologies, industrial engineering, new products and materials	48.353.0	59.185.6	75.969.5	108.928.0	143.092.0	15.0	17.0	18.1
Program VI. Making efficient the energy sector and ensuring of energy safety, including by using renewable resources	5.194.8	6.363.3	8.867.8	15.804.0	24.443.6	1.5	2.5	3.1
Program VII. Training of scientific staff	14.609.6	21.985.1	20.333.8	23.000.0	29.000.0	4.0	3.6	3.7
Program VIII. Policy development and management in science and innovation area	14.635.3	13.609.3	16.088.5	20.000.0	24.000.0	3.1	3.1	3.0
Program IX. Support services for science and innovation area.	56.672.7	76.637.1	135.846.7	95.300.0	89.000.0	26.6	14.9	11.3
Program X. Stimulation of research, creation, and innovation activity		2.000.0	100.0	12.200.0	200.0	0.0	1.9	0.0
Program XI. Moldovan Encyclopaedia		5.000.0	8.000.0	12.000.0	14.000.0	1.6	1.9	1.8
Total by Program	307.159.8	393.600.0	511.010.0	639.900.0	789.000.0	100.0	100.0	100.0
<i>Financed from the:</i>								
State budget	307.159.8	393.600.0	511.010.0	639.900.0	789.000.0	100.0	100.0	100.0
including: main expenditures;	283.665.7	368.100.0	485.000.0	612.900.0	761.500.0	94.9	95.7	96.5
special funds and means	23.494.1	25.500.0	26.010.0	27.000.0	27.500.0	5.1	4.3	3.5
investment projects, funded from external sources								
Budgets of the administrative-territorial units								
Total by program	307.159.8	393.600.0	511.010.0	639.900.0	789.000.0	100.0	100.0	100.0
Appropriation for the augmentation of salaries in this sector								
Total by sector	307.159.8	393.600.0	511.010.0	639.900.0	789.000.0	100.0	100.0	100.0

Annex 12

**Tourism Sector Strategic Expenditure Plan
2009-11**

Key Issues /Policies	Priority Policy Actions	The Costs of the Actions by year (thousand MDL)			Monitoring Indicators
		2009	2010	2011	
<p>Program I. “Tourism development” includes the tourist promotion, information and representation, as well as the programs and activities for the creation and development of the tourist product.</p> <p>Program Goal. To establish a viable tourist infrastructure. The activities planned within this program will be carried out by the Ministry of Culture and Tourism</p>					
<p><u>A. Key-issues:</u></p> <p>§ Insufficient promotion of the tourism on our country’s internal and external markets;</p> <p>§ Lack of appropriate qualification of the personnel of tourist structures;</p> <p>§ The sector remains unattractive for major investments (due to the general situation of national economy, but especially due to the impediments peculiar to tourist branch: need for big investments in the general and tourism infrastructure, small stream of tourists, activity depending on season, high level of degradation of tourist resources, lack of tourist areas attractive for investments).</p> <p><u>B. Medium-term policy objectives</u></p> <p>§ Ensure a sustainable development of the national tourism</p>	<p>§ Promote the tourism on internal and international markets;</p> <p>§ Develop some programs at local, national and regional level in order to make full use of the main forms of tourism in the Republic of Moldova;</p> <p>§ Establish and modernize the general and tourist infrastructure.</p>	20.0	1105.0	1181.0	<p>§ The number of advertising materials will be of 20885 copies in 2011.</p> <p>§ The number of international exhibitions in 2010 and 2010 – 9 each</p>

Distribution of the resource appropriations by expenditure program within the "Tourism development" sector for 2009-2011

Name of the program	Total expenditures (thousand MDL)		Forecast (thousand MDL)			Share of Total Program Expenditure (%)		
	2007 executed	2008 approved	2009	2010	2011	2009	2010	2011
Program I. Tourism Development	698.2	450.0	20.0	1105.0	1181.0	100	100	100
Total by Program	698.2	450.0	20.0	1105.0	1181.0	100	100	100
<i>Financed from the:</i>								
State budget				1085.0	1161.0	0	98.2	98.3
including: main expenditures;	698.2	450.0	20.0	20.0	20.0	100	1.8	1.7
special funds and means	23.494.1	25.500.0	26.010.0	27.000.0	27.500.0	5.1	4.3	3.5
investment projects, funded from external sources								
Budgets of the administrative-territorial units								
Total by program	698.2	450.0	20.0	1105.0	1181.0	100	100	100
Appropriation for the augmentation of salaries in this sector								
Total by sector	698.2	450.0	20.0	1105.0	1181.0	100	100	100

Annex 13

**Justice Sector Strategic Expenditure Plan
2009-11**

Key Issues /Policies	Priority Policy Actions	The Costs of the Actions by year (thousand MDL)			Monitoring Indicators
		2009	2010	2011	
<p>Program 1. Policy development and management in the justice area includes policies that regulate the activity of the Ministry of Justice (MJ) and the Center for Legislation Harmonization. This program consists of 3 subprograms.</p> <p>Program goal: to develop the activities carried out by the Ministry in order to ensure the coherence, consistency, and stability of the legal framework, the observance of citizens' rights, freedoms, and values, as well as the access to qualitative public services.</p>					
<p>Subprogram 1.1. Improvement of regulatory acts quality includes the activities of adjusting the national legislation to the international law principles, especially to those of the Council of Europe and European Union legislation. Program goal: to assure a coherent and sustainable regulatory framework.</p>					
<p>A. Current situation</p>					
<p>§ Lack of coherence regarding the observance of stages while getting an expert opinion on the new regulatory acts as a result of the introduction of new steps</p> <p>§ Need to correlate the national legislation with the regulatory provisions of the Council of Europe and EU framework</p> <p>§ Low involvement of civil society in the regulatory acts conception, development, and implementation</p> <p>§ Finding out of state infringements of the European Convention on Human Rights</p>	<p>§ Promote a clear mechanism for the provision of an expert opinion on and coordination of draft regulatory acts</p>				<p>§ Number of projects on which an expert opinion was provided in compliance with the new mechanism</p>
	<p>§ Adjust the draft legal acts in compliance with the Council of Europe expert assessment</p>	6.0	6.0	6.1	<p>§ Number of adjusted draft legal acts</p>
	<p>§ Strengthen the monitoring mechanism for national regulatory acts harmonized with the Community legislation</p>	1376.0	1376.0	1376.0	<p>§ Number of regulatory acts harmonized with the community legislation</p>
	<p>§ Inform the public about the legislative initiatives of the Ministry of Justice</p>				<p>§ Number of projects placed on MJ website</p>
	<p>§ Continue the adjustment of the national legislation to the requirements of the European Convention on Human Rights</p>				<p>§ Number of acts adjusted to the Convention</p>

Key Issues /Policies	Priority Policy Actions	The Costs of the Actions by year (thousand MDL)			Monitoring Indicators
		2009	2010	2011	
<p>B Medium-term policy objectives: 1) Ensure a coherent and predictable legal framework, correlated with the European requirements in this area; 2) Improve the decision-making quality by fostering the relationships with the civil society by means of implementing procedures that encourage the participatory democracy; 3) pt. 1.1.1. (NDS) Improvement of decision-making quality: i) improve the functioning framework of participatory democracy, including by ensuring administrative actions and political decisions transparency and communication with citizens; ii) involve the civil society in making decisions of public interest, including through public on-line debate of all decisions of public interest and their drafts</p>					
<p>Subprogram 1.2 Securing access to quality public services – includes policies on the public services provided by the Ministry of Justice.</p> <p>Program goal: to implement an advanced system that would ensure the quick access to and quality of services provided to citizens (qualitative notary and apostille services)</p>					
<p>A. Current situation</p> <p>§ Improvement of availability and quality of public services provided by the Ministry of Justice.</p> <p>B Medium-term policy objectives</p> <p>§ Promote mediation as an alternatives means to settlement of legal litigations</p> <p>§ Provide access of citizens to legal information</p> <p>§ Provide some complex and qualitative public services in this area</p>	<p>§ Translate and publish substantial summaries of rulings of the European Court of Human Rights (ECHR) versus Moldova and draft laws that are submitted to ECHR for expert assessment</p>	11.9	11.9	11.9	§ Number of translated and published ECHR decisions and draft laws
	<p>§ Develop and approve the regulatory framework for the implementation of the Law on Mediation and establishment of mediation services (NDS)</p>				§ The regulatory framework is developed and approved
	<p>§ Organize the activity of state notaries in order to improve the efficiency and availability of their services</p>	7716.5	8047.8	8389.1	§ Number of beneficiaries
	<p>§ Implement the electronic system of apostille registration and checking;</p>				§ Created and functional system
<p>Subprogram 1.3. Strengthening of institutional skills: includes activities for strengthening of human resources and improvement of decision making process</p> <p>Program goal: to ensure the efficiency of Ministry of Justice activity by consolidating the internal skills.</p>					
<p>A. Current situation</p> <p>§ Limited number of human resources within some divisions in relation to the workload</p> <p>§ Migration of human resources towards the private sector.</p> <p>B. Medium-term policy objectives</p> <p>§ Human resources management system based on ongoing training, and increase of motivation level,</p> <p>§ Increase the efficiency and stabilization of personnel</p>	<p>§ Improve the professional skills of MJ employees</p>	95.8	95.8	95.8	§ Number of participants in training courses
	<p>§ Implement a non-financial motivation mechanism for MJ employees</p>				
	<p>§ Ensure the current activity of the Ministry</p>	8706.8	8585.0	8705.5	

Key Issues /Policies	Priority Policy Actions	The Costs of the Actions by year (thousand MDL)			Monitoring Indicators
		2009	2010	2011	
migration					
Program II. Judicial administration – includes policies developed by the Supreme Council of Magistrature (SCM) and Department for Judicial Administration (DJA) (institution under MJ) in order to ensure the organization and functioning of the judiciary system					
Program goal – to strengthen the skills of the Supreme Council of Magistrature and Department for Judicial Administration in order to ensure the judicial independence and self-administration.					
A. Current situation					
§ Necessity to consolidate the management skills of the judiciary system	§ Ensure the performance of current duties and enhance the SCM activity	1418.0	959.1	987.9	§ Degree of citizen reliance on SCM activity
§ Necessity to ensure the functioning of Judicial Inspection created within SCM	§ Strengthen the functional capacity of the Judicial Inspection	845.3	845.3	845.3	§ Number of petitions examined within the Judicial Inspection (JI)
§ Functional consolidation of DJA					
§ The need to increase the access of citizens to information about the SCM activity	§ Ensure the organizational, administrative, and financial activity of courts of law by DJA	1998.2	1998.2	1998.2	§ DJA discharges plenary its functions
B. Medium-term policy objectives					
§ Strengthen the SCM role while ensuring justice efficiency	§ Participate in training courses in public management				§ Number of persons that attended the courses
§ Strengthen the Judicial Inspection activity within SCM and Judicial Administration Department	§ Ensure the implementation of “Judiciary Reform for 2006-2010” project	1060.0	0	0	§ The Project is implemented
Objective from NDS					
§ 1.2.1. Strengthen the judiciary system	§ Disseminate information about SCM activity through its webpage				§ Number of visits
§ d) strengthen the institutional skills of the Supreme Council of Magistrature					
Program III Pursuit of justice – includes 2 subprograms: (i) Institutional management of courts of law; and (ii) Strengthening of functional skills of Supreme Court of Justice					
Subprogram 3.1. Institutional management of courts of law includes public policies regarding the ensuring of functioning of judiciary system. The Program is implemented by the Ministry of Justice, courts of law (ordinary courts of law, courts of appeal). Subprogram Goal – to create conditions for adequate functioning of the judiciary system, improvement of process of law quality and citizen reliance on the process of law					
A. Current situation					
§ Limited access of courts of law to information technologies	§ Ensure the maintenance of judicial information system after the end of USA Millennium Challenge Program (NDS)	1726.5	1726.5	1726.5	§ The judicial information system is implemented and works

Key Issues /Policies	Priority Policy Actions	The Costs of the Actions by year (thousand MDL)			Monitoring Indicators
		2009	2010	2011	
§ Insufficiency of staff for some fundamental positions in courts of law § Numerical membership of courts of law has not been updated since 1996 § Need to introduce the uniforms for justice representatives; § Limited functional capacity of courts of law because of the inadequate funding structure § Lack of funding sources for procedural expenditures (subpoenas, issuance of copies, translations) § Need to reproduce entirely the legal action § Need to ensure adequate working conditions § 86% of the Economic Court of Appeal (ECA) equipment is worn out § Need to fit out the ECA with audio equipment	§ Re-define the structure of the auxiliary personnel for each individual court of law (NDS)	68789.0	68789.0	68789.0	§ The personnel structure is restructured
	§ Ensure the official uniform of court clerks	600.0	600.0	600.0	§ The number of uniforms distributed to court clerks
	§ Implement a budgetary funding mechanism adjusted to the real needs of the judiciary system (NDS)				§ Funding mechanism approved and implemented
	§ Ensuring the observance of legal proceedings	1756.6	1756.6	1756.6	§ Resources for legal proceedings are appropriated and used
	§ Fit out the courts of law with audio recording equipment	2200.0	2200.0	2200.0	§ Number of purchased audio recording devices
	§ Construct and reconstruct the premises of courts of law	10540.0	2500.0	3500.0	§ Number of constructed or reconstructed premises
	§ Procure computers for ECA	303.5	153.2	155.7	§ Number of purchased computers
	§ Fit out the ECA courtrooms with audio equipment	111.3			§ Number of purchased equipment
	§ Maintain the ECA website	56.6	43.0	43.6	§ The ECA website is completed and functions
	§ Ensure an appropriate functioning of ECA	4860.6	5188.1	5279.6	
<u>B. Medium-term policy objectives</u> § augment the level of information technologies penetration in the justice area § rational and predictable management of human resources § improve the budget development and execution process § NDS objectives that shall contribute to program implementation: 1.2.1. Strengthen the judiciary system § improve efficiency and accountability of the judiciary system by diminishing the length of judicial procedures, workload, and rational use of human resources § continue the informatization of the judiciary system through the implementation of the Judicial Information System Concept for 2007-2009					

Key Issues /Policies	Priority Policy Actions	The Costs of the Actions by year (thousand MDL)			Monitoring Indicators
		2009	2010	2011	
§ reform the justice funding by implementing a transparent mechanism of budget planning and control of the judiciary system					
Subprogram 3.2 Strengthening of functional skills of the Supreme Court of Justice (SCJ) – includes policies regarding the improvement of SCJ functioning conditions. Subprogram goal – to implement information technologies in SCJ activity and ensure the collaboration with the international specialized bodies					
<u>A. Current situation</u>					
§ Lack of voting right within the General Assembly of the Association of Francophone Supreme Courts and limited access to the “Juricaf” database.	Recover the voting right and ensure unlimited access to “Juricaf” database				§ Recovered voting right § Annual subscription payment directly from the SCJ budget
§ Limited cooperation with European Supreme Courts of Justice	§ Establish a mechanism of collaboration with the European SCJ and introduce a separate line in the SCJ budget, namely “International Cooperation”	100.00			§ Number of concluded cooperation agreements
§ Need to renew the SCJ car fleet	§ Procure new transport means	400.0	200.0	200.0	§ Number of purchased transport units
§ Exceeded wear and tear degree of Information Technology (IT) equipment and of the special information protection equipment	§ Provide the SCJ with IT equipment	500.0	400.0	300.0	§ Number of purchased equipment
<u>B. Medium-term objectives</u>					
§ Promote the role of the High Jurisdiction in the consolidation of the rule of law					
§ Strengthen juridical safety and unity of court rulings					
Program IV. Prosecution institutions – includes 3 subprograms: (i) Strengthening and development of the anticorruption skills of Prosecutor’s Offices; (ii) Implementation of IP telephony within the Republic of Moldova Prosecution bodies; and (iii) Securing legality and public order					
Subprogram 4.1. Strengthening and development of the anticorruption skills of Prosecutor’s Offices includes actions that relate to the performance of opinion survey and national legislation adjustment to international standards. Subprogram Goal – to increase the efficiency of Prosecutor’s Office while making efforts to prevent and combat efficiently the corruption and protectionism.					
<u>A. Current situation</u>					
§ Low degree of citizen information about the corruption phenomenon;	§ Organize surveys on the perception of corruption phenomenon				§ Survey results
§ High tolerance level for corruption acts;	§ Start and promote media campaigns at national level entitled "Say no to corruption!"				§ Number of organized actions
§ Necessity of ongoing training of personnel involved in corruption combating.	§ Develop a guideline on the conduct of patrimony investigations in case of corruption				§ Developed guideline
<u>B. Medium term policy objectives</u>					
§ Improve the citizen’s awareness level in order to	§ Strengthen and develop the anti-corruption skills of the Prosecutor’s Office;	600.0	400.0	400.0	§ Number of employees that participated in internship

Key Issues /Policies	Priority Policy Actions	The Costs of the Actions by year (thousand MDL)			Monitoring Indicators
		2009	2010	2011	
consolidate the efforts needed to combat corruption					courses
Subprogram 4.2. Implementation of IP telephony in the prosecution bodies of Republic of Moldova. Subprogram Goal – to ensure high quality and promptness of information exchange among prosecution bodies					
<u>A. Current situation</u>					
§ High share of interurban and international telephone discussions	§ Create a system of IP telephony for the entire prosecution system	300.0	500.0	700.0	§ IP system created
§ Expenditures for telephony services account for 10% of the funds appropriated for utilities	§ Connect the Prosecutor’s Offices to the IP telephony system				§ Number of connected Prosecutor’s offices
<u>B. Medium-term policy objectives</u>					
§ To ensure information exchange by using modern technologies at low costs					
Subprogram 4.3: “Securing legality and public order” – includes actions designated to contribute to the synthesize of changes introduced into work mechanisms and methods in the law area, especially in the criminal law, and show the way the prosecutor's functions and attributions should be used in order to consolidate the role of Prosecutor’s Office in the society and to develop a more solid institution and provide reliance both to citizens and state. Subprogram Goal: To strengthen and upgrade the Republic of Moldova Prosecution in prevention and combating of crimes, performance of the process of law, and, implicitly, promote consistently the image of the Prosecutor’s Office in the society					
<u>A. Current situation</u>	<u>B. Actions to make efficient the use of resources</u>				
§ The criminal phenomenon in the country becomes more complex	§ Strengthen the role of the Prosecutor’s Office in the organization, control, direction, and performance of criminal investigation;				
§ In 2007, the prosecutors conducted criminal investigation of 6918 cases, at the same time 46445 cases were criminally investigated;	§ Enhance the criminal investigation in criminal cases with high social resonance				
§ The share of criminal punishment and fine category increased by 4%.	§ Investigate the cases of minors’ involvement in criminal activities				
<u>B. Medium term policy objectives</u>					
§ Develop the cooperation with other judicial and control bodies and public authorities in the area of combating the criminal phenomenon and securing of public order;					
§ Develop and implement new methods of investigation and combating torture, human trafficking, corruption, smuggling and other					

Key Issues /Policies	Priority Policy Actions	The Costs of the Actions by year (thousand MDL)			Monitoring Indicators
		2009	2010	2011	
<p>phenomena of this type;</p> <p>§ Improve the responsibility of state prosecutors and lead prosecutors while diminishing the number of acquittal verdicts;</p> <p>§ Prevent and combat the child abuse and violence, secure the combating and prevention of child criminality;</p> <p>§ Promote of social guarantees package for the employees and pensioners of Prosecutor's Offices.</p>					
<p>Program V. Judicial execution and probation – includes 2 subprograms developed by the Enforcement Department: (i) Probation development; and (ii) Consolidation of enforcement activity of executive documents</p>					
<p>Subprogram 5.1. Probation development – includes policy development and ensures the planning of probation system. This program is implemented by the Enforcement Department. Program Goal: to develop the system of alternatives to detention, prevention of relapses into crime, assistance and consulting for the successful reintegration of lawbreakers in the society.</p>					
<p>A. Key issues:</p> <p>§ Overcrowded penitentiaries</p> <p>§ Necessity to apply some sanctions alternative to detention for the less dangerous crimes</p> <p>§ High level of child criminality;</p> <p>§ Imperfect mechanism for convicts' control</p> <p>§ Necessity to ensure the social rehabilitation and reintegration of criminals and prevention of relapses into crime</p> <p>B. Specific objectives:</p> <p>§ Wider application of alternatives to detention at the sentential probation and post-penitentiary stage;</p> <p>§ Strengthen the skills of the Probation Service</p> <p>§ Establish more efficient mechanism for convicts' record keeping and control at sentential probation stage;</p> <p>§ Keep records of persons in conflict with the law.</p> <p>§ Diminish the number of relapses into crime.</p>	<p>§ Adjust the legal framework to the Law on Probation</p> <p>§ Implement rehabilitation and reintegration programs for convicts;</p> <p>§ Develop the Probation Service (NDS no 17)</p> <p>§ Implement the electronic system for convicts' control (NDS no 17)</p> <p>§ Improve the working methodology in the area of probation</p>				<p>§ Number of adjusted and approved regulatory acts</p> <p>§ Number of convicts involved in rehabilitation programs</p> <p>§ Probation service fitted out with equipment</p> <p>§ Implemented electronic system for convicts' record keeping</p> <p>§ Developed methodology</p>
		9359.0	9000.0	9500.0	
		200.0	200.0	200.0	

Key Issues /Policies	Priority Policy Actions	The Costs of the Actions by year (thousand MDL)			Monitoring Indicators
		2009	2010	2011	
Subprogram 5. 2: Strengthening of enforcement activity of executive documents – includes activities aiming to make efficient the enforcement activity of executive documents, efficient use of available human and material resources and adequate fitting out of enforcement offices.					
A. Key issues:	§				
§ High turnover of staff within the enforcement system, insufficient motivation and qualification of personnel;	§ Revise the modalities of performance-based staff remuneration, proportional to the results of the work carried out				§ By 2011, all ED subdivisions shall be staffed with accountants, archive employees, and drivers. § By 2010, the law enforcement officers shall be provided with uniform
§ Need to disengage the law enforcement officers of non specific activities by employing in enforcement offices accountants, archive workers and drivers.	§ Establish some social protection and non-financial motivation measures for law enforcement officers	600.0	600.0	600.0	
§ The collection of information about debtor's goods and income is deficient and time-wasting;	§ Staff enforcement office with accountants, archive workers, and drivers.	2600.0	2600.0	2600.0	
§ The current system of data collection is fragmentary and is resource- and time-wasting.	§ Provide the law enforcement officers with a official uniforms	2100.0	1000.0	1000.0	
§ The current system of executive procedures registration and record keeping is imperfect.	§ Ensure the informatization of enforcement system: ◊ Improve the electronic system for enforcement procedures registration and record keeping ◊ Create a single system of data collection ◊ Provide the enforcement offices with access to databases that contain relevant information for the enforcement process	466.2	466.2	466.2	§ - The electronic system of execution procedure is improved and working; § - Single system of data collection is created § - Number of offices that have access to the necessary databases
§ The society is insufficiently informed about the enforcement activity;					
§ The society is little involved in addressing the problems regarding the enforcement system.					
§ Lack or unsatisfactory state of enforcement offices headquarters	§ Issue the ED Informative Bulletin;	45.0	45.0	45.0	§ The ED Informative Bulletin is issued half-yearly
	§ Create the ED web page;	5.2	5.2	5.2	§ The ED webpage is created
	§ Ensure the functioning of the enforcement system	25620.2	25667.7	25565.5	§ The enforcement system discharges plenary its attributions
Program VI Initial and ongoing training in the area of justice – foresees actions oriented towards the consolidation of National Institute of Justice aiming at the qualitative training of judges, prosecutors, candidates to judge and prosecutor positions, judicial executors, court clerks, and other staff categories from the judiciary system					
A. Key issues:					
§ Insufficiency of teachers and trainers in this area	§ Train the teaching staff in the area of teaching methodology and latest amendments in the national and international legislation (NDS)	1800.0	1800.0	1800.0	§ Number of trained teachers
§ Limited management skills of administrative staff	§ Train the administrative staff in the area of administrative management (NDS)				§ Number of persons that attended the training courses
§ Need to cooperate with similar judicial schools from					

Key Issues /Policies	Priority Policy Actions	The Costs of the Actions by year (thousand MDL)			Monitoring Indicators
		2009	2010	2011	
other countries § Need of capital repairs of the administrative building	§ The NIJ representatives to participate in training events, organized by similar judicial schools (NDS)				§ Annually, 6 persons will participate in training events
<u>B. Medium-term policy objectives</u> § strengthen the NIJ capacities § strengthen the NIJ technical-material basis	§ Develop a comprehensive curriculum related to the European Convention for the Protection of Human Rights and Fundamental Freedoms (NDS)				§ The curriculum is developed
	§ Publish periodical scientific-practical, informative, and legal papers of NJI (NDS)				§ Number of issued publications
	§ Make a thorough repair of the NIJ building (2/3 of the building)	4800.0	1000.0		§ Repaired building
	§ Capital repairs in the NIJ	3606.1	6500.0		§ Finished constructions
Program VII State guaranteed legal assistance includes policies in the area of access to free legal services for socially vulnerable persons.					
Program goal: ensure actual access of socially vulnerable persons to qualitative free legal services					
<u>A. Current situation</u> § There are no clear norms that would determine the cases and persons that can benefit of state-guaranteed legal assistance § There is no functional mechanism of assigning lawyers that would provide ex officio services § There are no selection criteria of lawyers that would provide free juridical assistance	§ Ensure the functioning of state-guaranteed legal assistance system (p 13, NDS)	6846.8	4037.8	4439.9	§ The system is implemented in compliance with the Law No 198 – XVI dated July 26 th 2007 § The number of beneficiaries of free legal services
<u>B. Medium term policy objectives:</u> § coherent and efficient system of state-guaranteed legal assistance provision § - actual access to justice for socially vulnerable persons § - inform the citizens about the forms and terms for obtaining state-guaranteed legal assistance	§ Organize some training courses for persons involved in provision of state-guaranteed legal assistance and promotion of information actions in this area (p 13, NDS)	100.0	100.0	100.0	§ Number of trained persons and number of distributed booklets and guidelines
<u>NDS objectives that shall contribute to program implementation:</u> § 1.1.6. Ensure free access to justice					

Key Issues /Policies	Priority Policy Actions	The Costs of the Actions by year (thousand MDL)			Monitoring Indicators
		2009	2010	2011	
<p>Program VIII Constitutional Justice is developed by the Constitutional Court and is designated to guarantee the Constitution sovereignty, actual separation of powers, strict observance of human rights, mutual responsibility of state and citizens, protection of society against some possible arbitrary acts</p> <p>Program Goal is to intensify the control of legal and regulatory acts constitutionality and make efficient the access of citizen to the constitutional jurisdiction in case of fundamental rights and freedoms infringement.</p>					
<p>A. Current situation</p> <p>§ Poor technical-material basis</p> <p>§ Inefficiency while using in practice the constitutional challenge by the Constitutional Court</p> <p>§ Lack of some tools designated to speed up the statement or recovery of citizens' rights</p> <p>§ Lack of legal tools designated to protect the citizens, granting the direct exercise of fundamental rights and freedoms observance by the Constitutional Court</p>	§ Improve the technical-material basis of the Constitutional Court (2009-2011);				§ Number of purchased equipment
	§ Streamline the Constitutional Court management in order to enhance the activity of this institution;				
	§ Improve the personnel structure (judges, assistant judges, Secretariat clerks) in the Constitutional Court				
	§ Resize the Constitutional Court structure				
<p>B. Medium-term policy objectives</p> <p>§ Implement the institution of constitutional complaint in the Republic of Moldova.</p> <p>§ Revive the “constitutional challenge” mechanism.</p>					
<p>Program IX. Integrated system of legal information – includes actions and public services, provided by the Center of Legal Information</p> <p>Program goal: to ensure the access of individuals and companies to legal information</p>					
<p>A. Current situation</p> <p>§ Improvement of availability and quality of public services, provided by the Center for Legal Information.</p> <p>B. Medium-term policy objectives</p> <p>§ Improve the quality of informational-legal services, provided to citizens</p>	§ Develop the state system of legal information	1079	1080.7	1082.2	<p>§ Number of times the database was accessed</p> <p>§ Number of beneficiaries</p>
	§ Maintain in operation the database of legal information				
	§ Provide information and legal services to citizens and businesses				

Key Issues /Policies	Priority Policy Actions	The Costs of the Actions by year (thousand MDL)			Monitoring Indicators
		2009	2010	2011	
Program X: Forensic Examination – foresees actions related to the performance of forensic examinations, implemented by the National Center of Forensic Examination					
Program goal: to ensure the consolidation of the institutional capacities of the National Center of Forensic Examination, improvement of technical-scientific quality, and diminution of the time for the performance of forensic examination					
<p><u>A. Current situation</u></p> <p>§ Turnover of staff is determined by insufficient motivation</p> <p>§ Need to implement advanced technologies while performing the forensic examination and ensuring adequate working conditions</p> <p>§ Absence of a well-defined regulatory framework correlated with the current situation that would regulate the way of forensic examination organization and conduct</p> <p>§ Need of ongoing training of NCJE experts within institutions specialized in this area</p> <p><u>B. Medium-term policy objectives</u></p> <p>§ High-quality forensic examination, performed within reasonable terms</p> <p>§ Strengthened institutional capacities</p> <p>§ Regulatory framework adjusted to the current situation in this area</p> <p>§ Human resources management system based on ongoing training, increasing of labour return</p> <p>§ Stabilize the staff turnover by providing appropriate working conditions</p>	§ Decrease the staff turnover (especially of young people) through the revision of payroll mechanism				§ Revised mechanism for salary calculation
	§ Establish an initial and ongoing staff qualification mechanism				§ Increased number of qualified staff
	§ Revise the regulatory framework that governs the forensic examination activity and adjust it to the current circumstances				§ Number of reviewed regulatory acts
	§ Supply the forensic examination subdivisions with working space and advanced equipment	800.0	800.0	800.0	§ Identified space and number of purchased equipment

Distribution of resource appropriations by expenditure program in the *justice* area, 2009-2011

Name of the program	Total expenditures (thousand MDL)		Forecast (thousand MDL)			Share of Total Program Expenditure (%)		
	2007 executed	2008 approved	2009	2010	2011	2009	2010	2011
Program I. Policy development and management in the area of justice	26557.8	39912.3	23013.0	23222.5	23684.3	7.1	7.4	7.5
Program II. Judicial administration	537.0	5290.9	5321.5	3870.5	3899.3	1.6	1.2	1.2
Program III. Pursuit of Justice	90684.3	114579.8	136999.6	133739.9	135904.2	42.3	42.5	43.2
Program IV. Prosecution institutions	71548.8	80187.9	81783.2	81208.7	84174.7	25.3	25.8	26.8
Program V. Judicial execution and probation	20614.0	29607.2	40995.6	39584.1	39982.2	12.7	12.6	12.7
Program VI. Initial and ongoing training in the area of justice	6276.3	7707.3	17271.9	17474.1	10179.8	5.3	5.5	3.2
Program VII. State guaranteed legal assistance	2718.9	3840.0	6946.8	4137.8	4539.9	2.1	1.3	1.4
Program VIII. Constitutional justice	3871.3	4778.9	5353.6	5596.9	5961.9	1.7	1.8	1.9
Program IX. Integrated system of legal information	1880.9	1003.4	1079.0	1080.7	1082.2	0.3	0.3	0.3
Program X. Forensic examination	2838.6	6241.1	5041.1	5041.1	5041.1	1.6	1.6	1.6
Total by program	227527.9	293148.8	323805.3	314956.3	314449.6	100	100	100
State budget	227527.9	293148.8	323805.3	314956.3	314449.6	100.0	100.0	100.0
including: main expenditures;	206816.0	255098.6	304300.3	296511.3	296004.6	94.0	94.1	94.1
special funds and means	20711.9	36535.2	18445.0	18445.0	18445.0	5.7	5.9	5.9
investment projects, funded from external sources	0.0	1515.0	1060.0	0.0	0.0	0.3	0.0	0.0
Budgets of the administrative-territorial units								
Total by program	227527.9	293148.8	323805.3	314956.3	314449.6			
Appropriation for the augmentation of salaries in this sector			16400.0	52900.0	52900.0			
Total by sector			340205.3	367856.3	367349.6			

Annex 14

**Penitentiary System Sector Strategic Expenditure Plan
2009-11**

Penitentiary System

Key Issues /Policies	Priority Policy Actions	The Costs of the Actions by year (thousand MDL)			Monitoring Indicators
		2009	2010	2011	
<p>Name of the program: <i>Penitentiary system.</i> This program has as its objective to put in execution the imprisonment punishment, maintenance of the persons detained in the criminal prosecution isolators, ensure the legal order and legality in penitentiary institutions, ensure convicts' security, ensure the detention conditions, health and social protection of the convicts. The specific objectives /goals are the establishment and maintenance of convicts in conditions that would meet the national and international standards in this area, for the achievement of which four directions were defined in the main activity: ensure the minimum detention conditions, ensure the security in prisons, health and social protection of convicts, social protection and financial security of the workers of penitentiary system.</p>					
<p><u>A. Key-issues:</u></p> <p>§ The planned reforms within the penitentiary system cannot be implemented because of insufficient financing. In previous years the money appropriated covered only about 50-60% of the need.</p> <p>§ The penitentiary system's urgent problems of late years are:</p> <ul style="list-style-type: none"> ◇ Overpopulated prisons. The detention conditions in most of the prisons do not comply with the national standards and international requirements on detention dictated by the Council of Europe; ◇ The food ration of convicts, established through the regulatory acts in force, is not covered financially; ◇ Insufficient endowment of penitentiary institutions with equipment and things of primary need; ◇ The guard and surveillance devices are morally and technically obsolete or do not work, thus creating difficulties in ensuring the security of penitentiary institutions; ◇ Insufficient endowment with medical equipment and medicines necessary for the prevention and prophylaxis of infectious diseases (tuberculosis, AIDS, etc.); ◇ The trade schools in the penitentiary institutions cannot adequately function because of the insufficient endowment with equipment, facilities, etc.; ◇ Attraction of well trained and qualified staff to work within the penitentiary system; ◇ Undersupply with equipment of the penitentiary system workers; ◇ Insufficient financial means to provide sanatorium therapy vouchers to employees; 	<p><u>B. Medium-term policy objectives:</u></p> <p>§ In order to achieve the established objectives and to fulfil the main tasks, for 2009-2011 four directions (subprograms) in the activity of penitentiary system were defined.</p> <p>§ Ensure the minimum detention conditions, of which:</p> <ul style="list-style-type: none"> ◇ Establish detention conditions that would meet the national and international standards in this area. Reduce the overpopulation of penitentiary institutions (including the actions stipulated in the National Development Plan) ◇ Convicts' nutrition in compliance with the legislation in force ◇ Provide to prisons equipment for food-related spaces, bath-wash houses, community rooms; provide soap and detergents to convicts. <p>§ Ensure the security of prisons by upgrading the guard and surveillance systems of the penitentiary institutions.</p> <p>§ Health care, social protection and training of the convicts by taking the following measures:</p> <ul style="list-style-type: none"> ◇ Endowment with modern medical equipment and medicines necessary for the provision of adequate treatment to convicts - health staff re-training; ◇ Repair of the classrooms and improve the technical-material base of the industrial schools and of the new classrooms of the penitentiary institutions, that will be inaugurated in the 2008-2009 school year, providing didactic literature and equipment; <p>§ Social protection, financial security and professional training of the employees of the penitentiary system, of which:</p> <ul style="list-style-type: none"> ◇ Procurement of equipment for the workers of the penitentiary system ◇ Provision of sanatorium therapy vouchers to employees ◇ Compensation of housing rent expenditures ◇ Provision of didactic literature, equipment, decent conditions in the Study Center of the penitentiary system 	87468.3	143870.4	153657.5	<p>§ Observance of national and international standards in the area of detention</p> <p>§ Maintenance of the legal order in prisons in compliance with the legislation in force</p> <p>§ The possibility to reduce the number of staff (2009 – 70 persons, 2010 – 155 persons)</p> <p>§ Observance of national and international standards in the area of detention</p> <p>§ Decrease of mortality and morbidity rates in prisons by 30%</p> <p>§ Remobilization of the convicts and provision of the opportunity to obtain a profession during the imprisonment</p> <p>§ Increase in the number of employed convicts up to 50% of the total number of convicts</p> <p>§ Ensure the observance of legislation in force in the area of social and legal protection of the penitentiary system employees</p>
		9500	12100.0	17100.0	
		30093.3	39319.0	39319.0	
		5529.9	12843.7	12843.7	
		11455	20329.8	20329.8	
		7745	8138.3	8138.3	
		200.0	100.0	100.0	
		156502.0	164708.0	164708.0	
		8600.0	10286.9	10286.9	
		1020.0	10676.0	10676.0	
		1000.0	1050.0	1050.0	
		1500.0	1500.0	1500.0	

Penitentiary System

Key Issues /Policies	Priority Policy Actions	The Costs of the Actions by year (thousand MDL)			Monitoring Indicators
		2009	2010	2011	
<p>◇ Impossibility to provide dwelling space to the employees of penitentiary system;</p> <p>◇ Poor professional training of the complement of troops and low officer ranks;</p> <p><u>B. Specific medium-term objectives:</u></p> <p>§ Establish detention conditions that would meet the national and international standards in this area</p> <p>§ Provide to employees equipment, sanatorium therapy vouchers and dwelling space</p> <p>§ Appropriately endow the industrial schools for convicts from the penitentiary institutions</p> <p>§ Improve the conditions of the Study Center of the Department of Penitentiary Institutions (DPI) for the adequate training of the penitentiary system employees</p>					

Distribution of the appropriated resources by expenditure program within the Penitentiary System, 2009-2011

Name of the program	Total expenditures (thousand MDL)		Forecast (thousand MDL)			Share of Total Program Expenditure (%)		
	2007 executed	2008 approved	2009	2010	2011	2009	2010	2011
Program I. Penitentiary System	185928.5	189225.3	263170.3	337046.5	346833.6	100.0	100.0	100.0
Total by Program	185928.5	189225.3	263170.3	337046.5	346833.6	100.0	100.0	100.0
<i>Financed from the:</i>								
State budget	185928.5	189225.3	263170.3	337046.5	346833.6	100.0	100.0	100.0
including: main expenditures;	175415.4	180925.3	254370.3	326746.5	331533.6	96.7	96.9	95.6
special funds and means	3973.6	6300.0	6300	6300	6300	2.4	1.9	1.8
investment projects, funded from external sources	6539.5	2000.0	2500	4000	9000	0.8	1.2	2.6
Budgets of the administrative-territorial units								
Total by program	185928.5	189225.3	263170.3	337046.5	346833.6	100.0	100.0	100.0
Appropriation for the augmentation of salaries in this sector			12200.0	47600.0	47600.0			
Total by sector	185928.5	189225.3	275370.3	384646.5	394433.6	100.0	100.0	100.0

Annex 15

**National Defence Sector Strategic Expenditure Plan
2009-11**

National Defence

Key Issues /Policies	Priority Policy Actions	The Costs of the Actions by year (thousand MDL)			Monitoring Indicators
		2009	2010	2011	
PROGRAM I. "POLICY DEVELOPMENT AND MANAGEMENT IN THE DEFENCE AREA" – has the goal of policy development and management in the area of national defence, central management and administration, mobilization of the national army.					
<p><u>A. Key issues</u></p> <p>§ Limited capacity for analysis and strategic planning of the Ministry of Defence</p> <p><u>B. Specific medium-term objectives</u></p> <p>§ Implement the IPAP provisions</p> <p>§ Perform experience exchange</p>	<p><u>A. Actions leading to a more efficient use of resources</u></p> <p>§ Train human resources in order to achieve the IPAP objectives.</p> <p><u>B. Newly identified actions regarded as priorities for the branch development</u></p> <p>§ Carry out measures for achievement of assumed objectives and ensure continuity in fulfilling these objectives. (Inventory and Strategic Defence Review (SDR), etc.)</p> <p>§ Ongoing compliance of the Chief Command and the Ministry of Defence structure with European standards and delimitation of responsibilities between the Chief Command and Ministry of Defence.</p> <p>§ Implement and improve an automated system for record-keeping, command and control within the managing bodies and institutions of the National Army that will increase the decision-making process in the Ministry of Defence and Chief Command.</p>	500.0	700.0	500.0	<p>§ The share of undertaken objectives accomplished through IPAP;</p> <p>§ The number of persons that have attended specialized courses in the areas they are working in.</p> <p>§ The automated services in the managing bodies and institutions of the National Army</p>
PROGRAM II „GROUND FORCES” (GF) – is that component of National Army, meant for the execution of the full range of ground military actions, in any region and any direction, conduct of defence and attacking battles and operations in order to repulse conjointly or independently the eventual aggression, maintenance (defence) of occupied strips and lines, expulsion of aggressor’s troops from the national territory and conduct of specific missions (including in crisis situations). The program consists of the following subprograms: Quick Reaction Forces, Geospatial Support of National Army, Training of Troops, Peace-keeping Operations in the East rayons of the Republic of Moldova.					
<p><u>A. Key issues:</u></p> <p>§ Undersupply of GF with modern equipment and technique.</p> <p><u>B. Specific medium-term objectives</u></p> <p>§ Structural reorganization of GF;</p> <p>§ Endow GF with modern military equipment and technique</p>	<p><u>A. Actions leading to a more efficient use of resources:</u></p> <p>§ Establish the Joint Forces Command and make it operational;</p> <p>§ Structural reorganization of large units and military units in order to comply with Western European standards</p> <p><u>B. Newly identified actions regarded as priorities for the branch development</u></p> <p>§ Transition to modern standards for training of active and reserve troops, as well as for conducting the missions assigned and commitments assumed.</p> <p>§ (About 2600 military will annually take part in: ◇ formation of groups - 130; - formation of platoons - 48; ◇ formation of companies – 16; - Chief Command and General</p>	5714.6	5700.0	5700.0	<p>§ The number of reorganized units;</p> <p>§ The number of trained military.</p>

National Defence

Key Issues /Policies	Priority Policy Actions	The Costs of the Actions by year (thousand MDL)			Monitoring Indicators	
		2009	2010	2011		
	Headquarters training – 34).					
<p>PROGRAM III „AIR FORCES” (AF): This program has as its objective: to ensure the capacity necessary to repel the first air attack in crisis situations, war, non-conventional and asymmetric threats; to take both active and passive measures targeted at maintaining and obtaining the required level of control of the air space in order to protect its own forces; to train and upgrade the Air Forces; to ensure the participation of Air Forces staff and equipment in international peace-keeping operations to achieve the national goal – contribution to national and international security; to implement the objectives of the Individual Partnership Action Plan (IPAP) between NATO and Republic of Moldova and the State Plan for Establishment and Development of Armed Forces.</p>						
<p><u>A. Key issues</u></p> <p>§ Undersupply of AF with modern technique and equipment</p> <p>§ Poor infrastructure</p> <p>§ Shortage of qualified staff.</p> <p><u>B. Specific medium-term objectives</u></p> <p>§ Supply the Air Forces with combat equipment and technique, which will allow the execution of set combat missions</p> <p>§ Repair and upgrade the existing combat equipment</p> <p>§ Attract the staff for contract-based enlistment</p> <p>§ Training and formation of units and staff in accordance with Western European procedures</p> <p>§ Train military staff for Air Forces within the country</p>	<p><u>B. Newly identified actions regarded as priorities for the branch development</u></p> <p>§ Establish the “Combat Service – Air Police”, executed by the military aviation.</p> <p>§ Upgrade the radiolocation stations, anti-air rocket systems.</p> <p>§ Create a search /rescue service with specialized helicopters with low consumption of fuel.</p> <p>§ Restore and fit out the airdrome infrastructure of the Air Base and supply it with flight guidance and control systems.</p> <p>§ Take part in UN operations.</p> <p>§ Configure and equip the Air Operations Center in line with Western European standards.</p> <p>§ Procure 2 training airplanes and 2 training helicopters.</p> <p>§ (Maintain the aircrafts and ensure the accomplishment of missions: special spare parts, special fuel, trainings, etc.)</p>		7500.0	18286.1	17521.1	<p>§ The number of aircrafts capable of executing missions.</p> <p>§ The surface for radar control and surveillance of the air space of the RM.</p> <p>§ The surface of air space protected anti-air.</p> <p>§ The number of persons trained by specialty.</p>
<p>PROGRAM IV „OPERATIONS ABROAD” – This program aims at achieving the objectives assumed by the Republic of Moldova with regard to the participation of National Army’s staff and military units in international peace-keeping operations in conformity with the legislation in force and promote the image of the Republic of Moldova both on the regional and international arenas as a progressive state, capable of contributing to the international stability and peace, as well as promote a positive image of the National Army in the civil society.</p>						
<p><u>A. Key issues</u></p> <p>§ Undersupply with modern equipment and technique, that would meet the requirements for interoperability with international organizations</p> <p>§ The available equipment requires repair works and upgrading.</p> <p><u>B. Specific medium-term objectives</u></p> <p>§ Repair and upgrade the individual military equipment and technique</p>	<p><u>Actions leading to a more efficient use of resources:</u></p> <p>§ The National Army participates with small contingents in peace-keeping operations (PKO) and humanitarian operations, which attract the technical and material support from partners and, at the same time, reimburse some participation expenditures.</p> <p><u>B. Newly identified actions regarded as priorities for the branch development</u></p> <p>§ Provide modern military equipment and technique to contingents.</p> <p>§ Promote through the agency of mass-media the advantages of</p>		42.4			<p>§ Increase the number of candidates to complement the contingent;</p> <p>§ Complement the 22 Battalion for Peace-Keeping and the Special Assignment Battalion with military staff on a contract basis</p> <p>§ The number of military</p>

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Key Issues /Policies	Priority Policy Actions	The Costs of the Actions by year (thousand MDL)			Monitoring Indicators
		2009	2010	2011	
<p>§ Attract the staff for contract-based enlistment;</p> <p>§ Train and form the troops contingent;</p> <p>§ Detach and support the contingents in peace-keeping operations.</p>	<p>contract-based enlistment in the peace-keeping subunits.</p> <p>§ Training accordance with the (modern) Western European standards.</p> <p>§ Detachment and participation of contingents in PKO.</p>	3992.2	599.6	627.5	contingents, each made of 150 military, trained in line with Western European standards.
<p>Program V "Communication and Information System" has as its objective to ensure the information network of combat command, designed for the operative management of troops with classified data exchange and the joint informational network, designed for the creation of the National Army's information space with unclassified data sharing.</p>					
<p><u>A. Key aspects:</u></p> <p>§ Portable equipment of the tactical communication and information systems are outdated, with expired life span and practically, cannot be fixed and integrated with the modern equipment. The available special equipment for data protection is worn-out and does not meet the current requirements for classified data protection.</p> <p><u>B. Specific medium-term objectives</u></p> <p>§ Expand the stationary component with special emphasis on the mobile component of the communication and information system based on the land telecommunication system and create an independent communication and information system of the National Army (CISNA), including in it all military units. Integrate within the system the equipment for centralized alerting of military units and staff.</p> <p>§ Supply the peace-keeping contingents with transmission means compatible with the standards of NATO countries.</p> <p>§ Supply of modern equipment and solutions for data protection.</p>	<p><u>A. Actions leading to a more efficient use of resources</u></p> <p>§ Provide zonal telephone stations and canalizing equipment (portable and stationary digital radio relay stations), which allow to increase the reliability of CISNA and exclude its dependence on domestic telecommunication operators.</p> <p>§ Provide communication and information equipment necessary for fitting out the mobile transmission centres, that will allow diminution of the number of staff and technique involved in the activity of force grouping in field conditions.</p> <p><u>B. Newly identified actions regarded as priorities for the branch development:</u></p> <p>§ Procure IT and network equipment necessary for the expansion of information systems that will allow to create the single information space of National Army (achievement of IPAP objectives) and streamline the operative management of troops.</p>		3184.4	1483.2	<p>§ Increase the number of military units connected to the stationary communication and information system.</p> <p>§ Increase the supply of peace-keeping contingent with a mobile and compact communication and information system.</p> <p>§ The number of modern mobile transmission centres of military units and force groupings.</p>

Key Issues /Policies	Priority Policy Actions	The Costs of the Actions by year (thousand MDL)			Monitoring Indicators
		2009	2010	2011	
<p>PROGRAM VI "SUPPORT OF THE NATIONAL ARMY" Represents a set of activities, which include the comprehensive provision of National Army with tangible goods (major equipment, spare parts, inventory, supplies), rendering services to staff, infrastructure and maintenance of equipment. The program "Support of the National Army" consists of the following subprograms: "Infrastructure Maintenance", "Provision of Housing", "Health Care Services", "Modernization of the field equipment of the National Army's military", "Nutrition of Troops", "Fuels and Lubricants", "Supply (re-supply) with weapons and technique", "National Army Plan of Building and Development", "Program for reconditioning the artillery systems available in the National Army for 2006-2014".</p>					
<p><u>A. Key issues</u></p> <p>§ Undersupply of National Army with technique, equipment and supplies</p> <p>§ Undersupply of the military of the National Army.</p> <p>§ B. Specific medium-term objectives</p> <p>§ Supply the National Army in conformity with the policy objectives and the provisions of the Concept for Reorganization and Modernization of the National Army by 2014 and the National Army Plan of Building and Development by 2008.</p> <p>§ Provision will be accomplished by logistic support category.</p>	<p><u>A. Actions leading to a more efficient use of resources</u></p> <p>§ Analyze and prioritize the use of fixed funds, renovate the engineering networks, streamline the deployment of military units.</p> <p>§ Review the efficiency of housing construction or procurement.</p> <p>§ Change the unused job premises in housing.</p> <p><u>B. Newly identified actions regarded as priorities for the branch development</u></p> <p>§ Maintenance and repair of edifices, buildings and engineering networks.</p> <p>§ Modernize the educational buildings and shooting grounds</p> <p>§ Upgrade the technical-material basis of the National Army institutions</p> <p>§ Recondition the available artillery systems and quantum distance meters.</p> <p>§ Supply (re-supply) with armament and special technique.</p> <p>§ Maintenance of military technique, as well as dispose of the unusable technique.</p> <p>§ The complete provision with fuel, lubricants, medicines, equipment, food products.</p> <p>§ Develop the training programs in line with NATO standards</p> <p>§ Provide housing to the military of National Army.</p> <p>§ Retrain the medical staff of the National Army.</p>	16350.0	29750.0	29950.0	<p>§ Increase the level of material goods supply</p> <p>§ The number of retrained medical workers</p> <p>§ The number of patients treated in health care facilities</p> <p>§ The number of people provided with housing</p> <p>§ The level of artillery systems reconditioning</p> <p>§ The level of technical preparedness</p>
		5400.0			
		400.0	300.0	300.0	
			2500.0	2500.0	
				72700.0	
		100.0	2300.0	2100.0	
		37085.0	71400.0	81300.0	
		300.0			

Key Issues /Policies	Priority Policy Actions	The Costs of the Actions by year (thousand MDL)			Monitoring Indicators
		2009	2010	2011	
<p>PROGRAM VII. "MILITARY EDUCATION" – Development of military education is an essential part of the Army Reform, has a comprehensive character and refers to transformations of the system taken as a whole and in its each structural-functional component. The development of military education aims basically at aligning with the general evolution trends of Moldovan society and the modern world. The membership of the Republic of Moldova to the Partnership for Peace requires compatibility and competitiveness in the operation of military mechanism between the partner armies. The program is designed for the development of military education in the Republic of Moldova with a view to aligning it to the requirements of a changing society and the Military Institute of Armed Forces, the single institution of military education in the Republic of Moldova, which trains qualified staff for all Armed Forces (National Army, Border Guard Service, Carabineer Troops).</p>					
<p><u>A. Key issues:</u></p> <p>§ The Military Institute of Armed Forces, which trains military staff for all Armed Forces, needs renovation of infrastructure, didactic and material basis and educational process in order to comply with the national and international standards of a military educational institution.</p> <p><u>B. Specific medium-term objectives</u></p> <p>§ Improve the material and didactic basis and renovate the infrastructure of the Military Institute of Armed Forces</p> <p>§ Improve the educational process and scientific work in the Military Institute of Armed Forces</p> <p>§ Continuous training of the military of National Army</p>	<p><u>A. Actions leading to a more efficient use of resources</u></p> <p>§ Review and adopt the normative acts on the military educational process in the Military Institute of Armed Forces in compliance with the standards of European armies.</p> <p>§ Estimate the number of floating staff which requires to be trained simultaneously (including the training of military women).</p> <p>§ Revise and improve the curricula of the Military Institute of Armed Forces.</p> <p><u>B. Newly identified actions regarded as priorities for the branch development</u></p> <p>§ Enlarge the area for the new infrastructure of the Military Institute of Armed Forces.</p> <p>§ Construct and reconstruct the educational buildings, accommodation, sports and recreation facilities for the student body of the Military Institute of Armed Forces.</p> <p>§ Professionally retrain the National Army's military during the courses organized abroad</p>				<p>§ The number of revised acts</p> <p>§ The number of built blocks</p> <p>§ The supply level</p> <p>§ The number of trained people</p>

Distribution of the resource appropriation by expenditure program within the "National Defence" sector for 2009-2011

Name of the program	Total expenditures (thousand MDL)		Forecast (thousand MDL)			Share of Total Program Expenditure (%)		
	2007 executed	2008 approved	2009	2010	2011	2009	2010	2011
Program I. "Policy development and management in the area of defence"	61092.6	78228.7	75848.5	94876.1	98710.0	26.8	25.2	21.6
Program II "Ground Forces"	78924.8	67264.2	75127.7	76336.0	78012.1	26.5	20.3	17.1
Program III "Air Forces"	23386.2	17956.5	20435.7	46581.0	38775.0	7.2	12.4	8.5
Program IV "Operations abroad"	2203.5	445.5	3091.6	539.3	539.3	1.1	0.1	0.1
Program V "Communication and Information System"	4526.6	3563.9	3992.2	7249.2	5635.8	1.4	2.0	1.2%
Program VI "Support of the National Army"	92979.3	102774.1	87948.1	133191.7	218250.1	31.1	35.4	47.7
Program VII "Higher Education"	12669.1	15109.5	16778.4	17122.2	17589.8	5.9	4.6	3.8
Total by Program	275782.1	285342.4	283222.2	375895.5	457512.1	100	100	100
<i>Financed from the:</i>								
State budget	268573.4	279441.1	276753.8	369117.0	450730.7	97.7	98.2	98.5
including: main expenditures;	231843.5	245441.1	250753.8	340817.0	419930.7	90.6	92.3	93.2
special funds and means	36729.9	34000.0	26000.0	28300.0	30800.0	9.4	7.7	6.8
investment projects, funded from external sources								
Budgets of the administrative-territorial units	7208.7	5901.3	6468.4	6778.5	6781.4	2.3	1.8	1.5
Total by program	275782.1	285342.4	283222.2	375895.5	457512.1			
Appropriation for the augmentation of salaries in this sector			11400	32400	32400			
Total by sector			294622.2	408295.5	489912.1			

Annex 16

**Agriculture Sector Strategic Expenditure Plan
2009-11**

Key Issues /Policies	Priority Policy Actions	The Costs of the Actions by year (thousand MDL)			Monitoring Indicators
		2009	2010	2011	
Program I "Development of agriculture" consists of 4 subprograms: 1.1 Policy and management development in the sector of agriculture, 1.2 Sustainable development of plant cultivation and horticulture, 1.3 Sustainable development of viticulture, 1.4 Reproduction, breeding and health of animals					
Subprogram 1.1. „Policy and management development in the sector of agriculture" includes institutions and services responsible for the development of policies in this field and monitoring of their implementation (Office of the Ministry of Agriculture and Food Industry and territorial agricultural divisions). The main goal of this program is to strengthen the role of the Ministry of Agriculture and Food Industry as a central public authority responsible for the state policy development and implementation, by changing its role of an executive body to a facilitator and promoter of minimum regulation in compliance with the legislation in force so that its responsibilities meet the requirements of support and development of an agri-food sector oriented towards the market economy.					
<p>Key issues</p> <p>§ Efficient use of the two mechanisms: budget negotiation and program-based budget management - will be centrally addressed within the national reform of public financial management.</p> <p>§ The Ministry makes the forecast on the sales markets of agricultural products still at a very low level. Thus, the information provided to the farmers in this respect is very poor.</p> <p>§ Ministry's minimal influence on the development of the consultation system for agricultural producers.</p> <p>B. Medium-term policy objectives</p> <p>§ Redefine the role and competence of the Ministry of Agriculture and Food Industry by changing its executive role into that of facilitator and promoter of minimum regulation in compliance with the legislation in force.</p>	<p>§ Strengthen the Ministry's role as a central public authority responsible for the development of policies in this area, monitoring of their implementation and assessment of their impact.</p> <p>§ Create favourable conditions for sustainable development and integration of the agro industrial sector economy into the European economy.</p> <p>§ Regulatory functions with a view to ensuring the food security of the country.</p> <p>§ Coordinate the agricultural programs and observe the legislation in this area.</p>	7608.2	7557.4	7642.8	<p>§ The number of employees in this field that will attend training courses will increase by 30% by 2009.</p> <p>§ The number of activities (as % of the total) undertaken in the medium-term.</p>
Subprogram 1.2. „Sustainable development of plant cultivation and horticulture sectors" This program comprises a set of measures facilitating the development of horticulture and plant cultivation, undertaken by the Central Agricultural Inspectorate, State Committee for Seeds Testing, Special Service for Active Influence on Hydro meteorological Processes. This program represents the largest program in the agricultural sector and includes actions related to the fields mentioned below. The goal of this program is to implement modern technologies of agricultural products and plant cultivation by diversifying the high productivity varieties and high quality seeds.					
<p><i>In the area of protection of agricultural lands against hailstorms</i></p> <p>A. Key issues</p> <p>§ The need to extend the area protected against hailstorms;</p> <p>§ Develop the information network for improving the</p>	<p>§ Create new rocket stations for preventing hailstorm and protect the agricultural lands.</p> <p>§ Create the infrastructure necessary to ensure anti-hail protection.</p>	47288.6	62263.3	63493.2	<p>The number of rocket stations for hailstorm prevention will increase by 76% by 2011.</p> <p>The protected area will cover 2</p>

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Key Issues /Policies	Priority Policy Actions	The Costs of the Actions by year (thousand MDL)			Monitoring Indicators
		2009	2010	2011	
<p>execution technology of anti-hail works</p> <p><u>B. Medium-term policy objectives</u></p> <p>§ Annually, starting with 2010, the protected area will be extended by 300 hectares against 2008</p> <p>§ Increase of the arable hail-protected areas will be about 2.0 million hectares by 2011.</p>					million hectares by 2011
<p><i>In the area monitoring and supervision of agricultural produce production</i></p> <p><u>A. Key issues</u></p> <p>§ The technical-material basis of the seed testing laboratories is physically and morally obsolete</p> <p>§ Strengthening of control of grain-growing sectors</p> <p>§ Acceleration of seed and planting material certification</p> <p>§ The system for classification of seeds and planting material, used in the Republic of Moldova, differs from the one approved in the European Union.</p> <p>§ The frequent infringements of the legislation regulating the livestock sector activity, which thwart the livestock sector development;</p> <p>§ Failure to include under the control area 9 administrative-territorial units (9 rayons) because of the staff (inspectors) shortage;</p> <p><u>B. Medium-term policy objectives</u></p> <p>§ Supervise the production of seeds and planting material</p> <p>§ Strengthen the institutional and administrative capacity in the field of control of the quality of seeds and planting material</p> <p>§ Ensure a favourable veterinary situation in the country by controlling the epizootic condition</p>	<p>§ During the implementation of programs reforming actions will be undertaken as concerns the endowment with equipment and outfit the seed testing laboratories</p> <p>§ Perform the seed control by approving the grain-growing sectors</p> <p>§ Provide to producers high quality planting material</p>	12894.8	12959.3	13671	<p>§ The annual production of seed material will cover the farmers' needs</p> <p>§ The percentage of animal production increase countrywide</p> <p>§ The number of places /stabled animals</p>

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Key Issues /Policies	Priority Policy Actions	The Costs of the Actions by year (thousand MDL)			Monitoring Indicators
		2009	2010	2011	
<p><i>In the field of testing the plant varieties</i></p> <p><u>A. Key-issues</u></p> <p>§ Testing of new plant species at their agronomic value (VAT) and the patenting criteria (DUS), according to the provisions of the International Union for the Protection of New Varieties of Plants (UPOV) Convention and the approved methodologies.</p> <p><u>B. Medium-term policy objectives</u></p> <p>§ Use the plant species included in the National Register of Plant Varieties</p>	<p>§ Allow the use in the production process of plant species included in the Register of Plant Varieties, as a result of VAT testing</p> <p>§ Issue the patent for plant species and provide legal protection as a result of performing the DUS test</p>	7467.0	7664.0	7880.0	<p>§ The number of VAT tested species</p> <p>§ The number of published copies of the Register of Plant varieties</p> <p>§ The number of published copies of the Certificate for plant species for the registered varieties</p>
<p><i>In the field of subsidized insurance of agricultural production risks</i></p> <p><u>A. Key issues</u></p> <p>§ Insufficient familiarization of agricultural producers and rayon agricultural divisions with the advantages provided by the subsidized insurance of agricultural risks.</p> <p><u>B. Medium-term policy objectives:</u></p> <p>§ State regulation of the insurance activity in order to meet the needs of insured people</p>	<p>§ Promote the information of agricultural economic units about the subsidizing of agricultural risks</p> <p>§ Annual determination of the crops liable to subsidized insurance against agricultural risks</p>	18500.0	25000.0.	25000.0	<p>§ The number of economic units who insured the agricultural products</p>

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Key Issues /Policies	Priority Policy Actions	The Costs of the Actions by year (thousand MDL)			Monitoring Indicators
		2009	2010	2011	
<i>In the field of supporting agricultural producers</i>					
<u>A. Key issues</u>					
§ The low share of investment subsidies in the agricultural sector.	§ Observance of the concept of agricultural sector subsidizing			353868.6	§ The share of investment subsidies in the total of subsidies will increase yearly by 11-13%, accounting in 2010 for 90% of the total appropriated subsidies § The number of subvention beneficiaries by category
§ Lack of a regulation, which would establish a standing method in the area of agricultural subsidies	§ Create an efficient mechanism for the use of financial means appropriated for the investment subsidies in agricultural sector.			10000.0	
§ The great influence of meteorological conditions	§ Organize the measures for pest control and soil fertilization	444051.9	383597.7	2000.0	
§ The current situation, created as a result of a new subsidizing process that lacks the necessary organizational and functional arrangements.	§ Increase the potential of producing agricultural commodities free of noxious organisms				
§ Lack of an institution specialized in management and control of agricultural funds, responsible for the management of subsidies in the agricultural sector.	§ Increase of pollution-free products				
	§ Increase the capacity of small and medium-sized enterprises from rural areas to process the value-added agricultural products (sub-actions 134.1 and 134.2 of the NDS Action Plan)				
	§ Implement pilot-projects for consolidation – reparing of agricultural lands (sub-action 129.1 of the NDS Action Plan)				
	§ Create and implement an integrated system for the increase and reproduction of soil fertility (action 130 of the NDS Action Plan)	1000.0	10000.0		
	§ Increase the capacities of national laboratories by equipping them in accordance with EU requirements (action 136 of the NDS Action Plan)				
	§ Subsidizing agricultural producers for inland deliveries of their own agricultural products				
	§ Encourage investments in vegetable growing and procurement of irrigation equipment				
	§ Encourage investments in the procurement of agricultural technique and machinery and creation of technologic motor vehicle fleets (action 132 of the NDS Action Plan).				
	§ Establish the Agency of Payments and Intervention in Agriculture (sub-action 143.2 of the NDS Action Plan)	2000.0	2000.0		

Key Issues /Policies	Priority Policy Actions	The Costs of the Actions by year (thousand MDL)			Monitoring Indicators
		2009	2010	2011	
Subprogram 1.3. “Sustainable development of viticulture” This program comprises a set of measures facilitating viticulture development, undertaken by the “Moldova-Vin” Agroindustrial Agency and subordinated institutions. The goal of the Program is to ensure the increase of vineyards areas and maintain the qualitative wine production.					
<p>A. Key issues</p> <p>§ Lack of significant capital investments for planting vineyards, including through mortgage.</p> <p>§ The long period of vineyards exploitation</p> <p>B. Medium-term policy objectives</p> <p>§ Increase the area of vine and wine growing plantations</p> <p>§ Planting vineyards using the mortgage method</p> <p>§ Enhance the state control of the production and sale of alcoholic beverages</p> <p>§ Register and protect the state-owned trademarks</p> <p>§ Maintain in optimal conditions the viticultural genetic fund</p>	<p>§ Replace the existing vineyards with fresh vineyards (sub-action 140.1 of the NDS Action Plan)</p> <p>§ Extend the areas of table grapes vineyards.</p> <p>§ Support the small and medium-sized producers in planting vineyards by providing them with planting material.</p> <p>§ Support the small and medium-sized producers through the mortgage method.</p> <p>§ Implement the practice of planting vineyards through mortgage with an objective of at least 2.5 thousand hectares.</p> <p>§ Strict supervision of the observance of technological discipline and regulations on alcoholic production quality by the producers and wholesale dealers of alcoholic production (sub-action 140.2 of the NDS Action Plan)</p> <p>§ Obtain the protection of state-owned trademarks in the Republic of Moldova and abroad (sub-action 140.3 of the NDS Action Plan)</p> <p>§ Ongoing supplementation and maintaining of the viticulture genofond (sub-action 140.4 of the NDS Action Plan)</p> <p>§ Virologic rehabilitation of the genetic fund</p>	92922.0	116370.3	147404.1	<p>§ Majorarea suprafețelor de plantații viticole noi.</p> <p>§ Majorarea volumului de producere a materialului săditor și micșorarea importului.</p> <p>§ Optimizarea compensărilor pe categorii de plantații.</p> <p>§ Gradul de menținere a genotipurilor</p> <p>§ Realizarea obiectivelor de înființare a plantațiilor viticole, preconizate în Programul de restabilire și dezvoltare a viticulturii și vinificației în anii 2002-2020.</p>
Subprogram 1.4. “Reproduction, breeding and health of animals” includes the work of the Sanitary and Veterinary Agency and the Foodstuffs Safety Agency, the measures of supporting pure-bred animals and anti- epizootic measures in the area of reproduction, breeding and health of animals. The goal of this program is to improve the state control of the livestock sector activity, protection against the diseases common both to human beings and animals and maintain an epizootic state at the level required by the international bodies.					
<p>A. Key issues</p> <p>§ Endowment of institutions with equipment for carrying out analyses and tests both on the central and local decentralized levels and traineeship of specialists</p> <p>§ The unfavourable situation due to the increase in the number of cases of chicken cholera (pasteurella).</p> <p>§ The problem of non-observance by both individuals and legal entities of the requirements on raw</p>	<p>§ Optimize vaccination terms depending on age and species</p> <p>§ Increase the number of supervised animals to 100%</p> <p>§ Increase to the highest possible extent the number of diagnosed diseases</p> <p>§ Supervise the remedies quality control.</p> <p>§ Establish zonal centres, which will provide counselling to specialists</p>	136102.5	148730.0	151367.9	<p>§ <u>The amount of controls and tests</u></p> <p>§ The number of supervised animals</p> <p>§ The amount of consultations</p> <p>§ The number of animals vaccinated against the</p>

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Key Issues /Policies	Priority Policy Actions	The Costs of the Actions by year (thousand MDL)			Monitoring Indicators
		2009	2010	2011	
<p>materials production, processing and storage and veterinary requirements on the health care of animals</p> <p>§ The number of replacement animals is very low, i.e. 10 times lower as against the livestock norms in force</p> <p>§ Lack of imported genetic resources of cattle, necessary for “blood renewal”;</p> <p><u>B. Specific medium-term objectives</u></p> <p>§ Maintain the share of animal products at the level of 35-38% of the total amount of agricultural products</p> <p>§ Increase the number of replacement animals to the level that will cover the need of the livestock sector from the country with the genetic resources necessary for “blood renewal”</p> <p>§ Enhance the efficiency of diagnosis and prevention works</p> <p>§ Ensure the quality of veterinary remedies</p> <p>§ Streamline the state control of the livestock sector activity for the development of this sector in the country</p> <p>§ Protection against the diseases common both to human beings and animals by maintaining the protection of animals against infectious and non-infectious diseases at the level required by the International Office of Epizootic Diseases.</p> <p>§ Broaden the field of vaccine preventable diseases and specifically with respect to pasteurilla.</p> <p>§ Enhance the efficiency of diagnosis and prevention works</p>	<p>§ Vaccination of all animals against diseases dangerous both for human beings and animals</p> <p>§ Include pasteurilla in the vaccination list.</p> <p>§ Equip the sanitary-veterinary expertise laboratories in the rayon and municipal markets with modern devices</p> <p>§ Start an information campaign about the observance of the sanitary-veterinary requirements in producing and sale of animal products in compliance with the EU requirements;</p> <p>§ Animal reproduction by using the modern method of artificial insemination. (action 137 of the NDS Action Plan)</p> <p>§ Ameliorate the genetic capacities of animals by crossing with imported improved races and new homologated types (action 137 of the NDS Action Plan)</p> <p>§ Improve the conditions of animal maintenance and supervision, renovate and reconstruct the material infrastructure (action 137 of the NDS Action Plan)</p> <p>§ Use of medicines registered in the Republic of Moldova</p> <p>§ Encourage the procurement of technological equipment for: the reproduction of breeder cattle for milk and meat, reproduction of first generation half-breed sows, animal decapitation, breeding of fowls, and construction of modern mini-farms with a capacity of 20 cows.</p>				<p>mentioned diseases.</p> <p>§ The number of trained veterinaries</p> <p>§ The number of equipped laboratories</p> <p>§ The number of prescriptions and minutes drafted</p> <p>§ The number of agricultural holdings and registered animals will increase by 80% by 2009</p> <p>§ The number of animals subject to artificial insemination</p> <p>§ The number of imported animals and new homologated types (cattle, swine, sheep, fowl).</p>
<p>Program II “Development of the national forestry sector” comprises the activities of the State Agency for Forestry “Moldsilva” for the conservation of /and forest biological diversity, extension of forest vegetation areas, safeguard and protection of forest fund, reasonable use of forest resources and others. The goal of the program is conservation and development of forest resources with a view to improving the life and environmental conditions.</p>					
<p><u>A. Key-issues</u></p> <p>§ Low level of afforestation of country’s territory</p>	<p>§ Develop and implement the Program of Forest Ecological</p>	40798.4	40663.6	83487.3	<p>§ The area of forests</p>

Key Issues /Policies	Priority Policy Actions	The Costs of the Actions by year (thousand MDL)			Monitoring Indicators
		2009	2010	2011	
<p>§ High level of forests scattering, which are located irregularly</p> <p>§ Lack of forest interconnecting corridors, which are important for tree viability and protection of biodiversity</p> <p>§ Reduction of biological diversity of forest ecosystems and species in the biocenoses</p> <p>§ The great share of arborets coming out from third /fourth generation saplings, resulting in degradation of forests vitality and health</p> <p><u>B. Specific medium-term objectives:</u></p> <p>§ Increase the eco-protective and bio-productive potential of natural forests.</p> <p>§ Conservation of forest biological diversity;</p> <p>§ Extend the areas covered with forest vegetation;</p> <p>§ Increase the efficiency of forest fund safeguarding and protection;</p> <p>§ Increase the contribution of forestry sector in the settlement of social and economic problems</p> <p>§ Conservation of national rural landscape</p>	<p>Reconstruction on 24500 hectares (action 149 of the NDS Action Plan)</p> <p>§ Sustainable development of forest resources by implementing the State Program on Regeneration and Afforestation of the Forest Fund Lands on an area of 95100 hectares (action 149 of the NDS Action Plan);</p> <p>§ Implement the Complex Program for New Land Plots Capitalization and Soil Fertility Enrichment on an area of 128000 hectares.</p>				<p>ecologically reconstructed per year.</p> <p>§ The area of lands subject to works of natural regeneration per year.</p> <p>§ The area of lands subject to works of forest vegetation outspread.</p>
<p>Program III “Water Management” includes the activities undertaken by the “Moldovan Waters” Agency, which exercises the regulation, control and management of aquatic resources, maintenance of protection constructions against floods, hydrotechnic constructions and flood plain areas, related to the construction, installation, exploitation of irrigation systems, dams and water basins. The goal of this program is regulation, control and management of aquatic resources.</p>					
<p><u>Key issues</u></p> <p>§ Limited irrigation possibilities. In 2007 32.6 thousand hectares were irrigated, the need being of 300.0 thousand hectares;</p> <p>§ Emergency condition of the dams around reservoirs with a total capacity of 400 million m3</p> <p>§ Many protection dams need to be repaired – 450 km</p> <p>§ Silt-filling of draining canals</p>	<p>§ Increase the area of irrigated agricultural lands, which will increase the production of agricultural crops on the irrigated areas (sub-action 131.1 of the NDS Action Plan)</p> <p>§ Repair the dams around reservoirs of general use</p> <p>§ Repair the most dangerous parts of the protection dams on 220 km in length.</p> <p>§ Clean 400 km of the drainage sump</p>	28493.5	29058.8	59303.0	<p>§ The area of irrigated agricultural lands will increase annually by 15 thousand hectares</p> <p>§ 10 km of protection dams will be repaired annually</p> <p>§ Annual renovation of irrigation systems will constitute 15.0 thousand</p>

Key Issues /Policies	Priority Policy Actions	The Costs of the Actions by year (thousand MDL)			Monitoring Indicators
		2009	2010	2011	
<p>B. Specific medium-term objectives:</p> <ul style="list-style-type: none"> • Diminish the consequences of droughts and protect agricultural lands against inundations 					hectares § Construction of new irrigation systems. § Repair of the protection dams
<p>Program IV “Food Safety” includes the activity of the Phytosanitary Agency in the area of plant protection and plant quarantine, the Republican Center for Radiological Control, the activities related to the implementation of the animal identification and traceability system, activities related to propaganda and contests organization in the area of foodstuffs quality.</p> <p>Program Goal: is to monitor the possible epizootics, transmissible from animals to humans and the traceability of products of animal origin.</p>					
<p>A. Key Issues</p> <p>§ Implementation of the system for animal identification and traceability on the whole territory of the country</p> <p>§ Use of the certificate of grain deposit as a financial instrument for cereals pledged by agricultural producers in the warehouses authorized in this area.</p> <p>§ Nowadays, there are 6 control posts in the country, which is insufficient for fair assessment of the radioprotection situation in the agri-food production area;</p> <p>§ Shortage of financial means to master and use the modern physical-nuclear equipment received under the technical cooperation project with ALFA.</p> <p>§ There is no office for the Center for Quarantine, Identification and Arbitration Expertise, its technical endowment and of the other structures subordinated to the Phytosanitary Agency;</p> <p>§ Monitoring and supervising the treatment of agricultural crops with phytosanitary products and fertilizers, increase the productivity and quality of agricultural production, monitoring and supervising the storage and neutralization of prohibited and unusable pesticides.</p> <p>B. Specific medium-term objectives</p> <p>§ Implementation of the system for animal identification and traceability on the whole territory</p>	<p>§ Maintain the system of information technologies for animal identification and adjust it to the national databases. (sub-action 138.2 of the NDS Action Plan)</p> <p>§ Keep the record of certificates of deposit and make tests of cereal quality by the authorized laboratories.</p> <p>§ Increase the number of control posts for a correct assessment of the radiological situation of agricultural lands</p> <p>§ Provide office for the Center for Quarantine, Identification and Arbitration Expertise, equip it and other structures subordinated to the Phytosanitary Agency, as well as train the employees of these structures.</p> <p>§ State control and supervision of plant production and import of phytosanitary products.</p> <p>§ The control of the import of phytosanitary products</p> <p>§ Toxicological inspection of active substances in pesticides and agricultural products</p> <p>§ Treatment of national routes</p> <p>§ Treatment of pest-holes and mass diseases</p> <p>§ Inspection and control of unusable pesticides by group</p> <p>§ Packing and stocking pesticides in sacks and casks</p> <p>§ The quantity of pesticides transported to centralized warehouses</p>	41323.1	40921.4	31517.4	<p>§ By 2011 the implementation of system will be countrywide</p> <p>§ The number of equipped laboratories</p> <p>§ The amount of controls of the observance of sanitary-veterinary requirements</p> <p>§ The level of using the storage capacities.</p> <p>§ The number of beneficiaries of certificates of deposit and quality certificates.</p> <p>§ The number of inspections of the good working conditions of laboratories, observance of the radioactive security.</p> <p>§ The amount of information about the radioactive situation in CAI.</p> <p>§ The number of controls</p> <p>§ The number of analyses</p> <p>§ The amount of green areas protection</p> <p>§ The number of sacks (casks)</p>
		10000.0	9900.0		

Agriculture

Key Issues /Policies	Priority Policy Actions	The Costs of the Actions by year (thousand MDL)			Monitoring Indicators
		2009	2010	2011	
<p>of the country</p> <p>§ Modernize, strengthen and maintain the capacities of the control and inspection services;</p> <p>§ Improve the control capacity of laboratories;</p> <p>§ Implement the system of overall quality for agricultural and food products;</p> <p>§ Increase people awareness and education as regards the consumer protection policy and the food security policy by carrying out seminars, workshops and communication campaigns;</p> <p>§ Pay the membership fee to the European and Mediterranean Organization for Plant Protection.</p> <p>§ Run training courses for professional qualification.</p> <p>§ Provide to land beneficiaries qualitative phytosanitary products and fertilizers; green areas and environment protection</p>					

Distribution of resource appropriations by expenditure program in the area of agriculture, 2009-2011

Name of the program	Total expenditures (thousand MDL)		Forecast (thousand MDL)			Share of Total Program Expenditure (%)		
	2007 executed	2008 approved	2009	2010	2011	2009	2010	2011
Program I. "Agriculture development"	1095351.3	780964.0	773985.0	856798.8	897918.9	87.5	88.6	83.7
Subprogram 1.1 "Policy development in the agriculture area"	6092.3	6890.4	7608.2	7557.4	7642.8	0.9	0.8	0.7
Subprogram 1.2. " Sustainable development of plant cultivation and horticulture sectors"	832536.5	528251.2	533152.3	496034.3	467563.1	60.2	55.9	48.9
<i>Area of protection of agricultural lands against hailstorms</i>	40391.0	43591.7	47288.6	62263.3	63493.2	5.4	7.1	6.7
<i>Area of monitoring and supervision of agricultural produce production</i>	7873.5	8889.9	12894.8	12959.3	13671.3	1.5	1.5	1.4
<i>Area of testing the plant varieties</i>	6015.6	6901.7	7467.0	7664.0	7880.0	0.8	0.9	0.8
<i>Area of subsidized insurance of agricultural production risks</i>	14803.1	16500.0	18500.0	25000.0	25000.0	2.1	2.8	2.6
<i>Area of supporting agricultural producers</i>	755002.0	442956.0	444051.9	383597.7	353868.6	50.4	43.6	37.3
Subprogram 1.3. " Sustainable development of viticulture	111681.8	96734.1	92922.0	116370.3	147404.1	10.6	13.2	15.5
Subprogram 1.4 "Reproduction, breeding and health of animals".	145040.7	149088.3	136102.5	148730.8	151367.9	15.5	16.9	16.0
Program II "Development of the national forestry sector"	46017.2	45895.0	40798.4	40663.6	83487.3	4.6	4.6	8.8
Program III "Water management"	41357.9	18099.5	28493.0	29058.8	59303.0	3.2	3.0	6.3
Program IV "Food Security"	45934.8	20509.0	41323.1	40921.4	31517.4	4.7	4.7	3.3
Total by program	1228661.2	865467.5	880399.5	879336.6	948285.6	100.0	100.0	100.0
State budget	1174352.2	776318.8	866366.1	865210.4	934131.3	98.4	98.4	98.5
including: main expenditures;	944099.5	549785.9	667219.3	747166.2	878125.4	77.0	86.4	94.0
special funds and means	47963.3	23570.9	29420.9	29420.9	29420.9	3.4	3.4	3.1
investment projects, funded from external sources	182289.4	202962.0	169725.9	88623.3	26585.0	19.6	10.2	2.8
Budgets of the administrative-territorial units	54309.00	89148.7	14033.4	14026.2	14154.3	1.6	1.6	1.5
Total by program	1228661.2	865467.5	880399.5	879336.6	948285.6			
Appropriation for the augmentation of salaries in this sector			5800.0	18800.0	18800.0			
Total by sector	1228661.2	865467.5	886199.5	898136.6	967085.6			

Annex 17

**Transport Sector Strategic Expenditure Plan
2009-11**

Key Issues /Policies	Priority Policy Actions	The Costs of the Actions by year (thousand MDL)			Monitoring Indicators
		2009	2010	2011	
<p>Program I. „Policy development and management in the field of transport and road management” includes the activities of the institutions and services responsible for development of policies in this field and monitoring of their implementation.</p> <p>The main goal of this program is to strengthen the role of the responsible authorities for policy development and monitoring of their implementation.</p>					
<p>A. Key issues</p> <p>§ Shortage of qualified staff for management and development of plans and strategies at the branch level</p> <p>B. Medium-Term Policy goals</p> <p>§ Improve the management in the field of transport and road management.</p>	<p>§ Develop an adjusted training program for strategic planning</p> <p>§ Reform and implement the systems for staff retraining</p>	11696.3	9267.9	9297.6	§ The number of staff trained in strategic planning
<p>Program II. „Roads Development” comprises the activities related to the maintenance, repair and reconstruction of public, national and local roads. Also, there are included the activities related to developments and research in this field, as well as the expenditures for the management of roads. The Road Management Division is responsible for the implementation of this program.</p> <p>The goal of the program is to streamline the road traffic on the public roads network.</p>					
<p>A. Key issues</p> <p>§ The road infrastructure has not been lately a priority action for the development policies, so we have big problems in this field as a consequence.</p> <p>B. Medium-term policy objectives</p> <p>§ Repair of the national public roads</p> <p>§ Streamline the transport services and increase their quality through the development and modernization of transport infrastructure</p>	<p>§ Maintain and repair the roads.</p> <p>§ Rehabilitation of roads (p. 4 of the NDS)</p> <p>§ Formulate strategies for the development of transport sector</p>	978460.0	969376.0	1107424.0	<p>§ Km of repaired roads</p> <p>§ Km of rehabilitated roads</p>

Key Issues /Policies	Priority Policy Actions	The Costs of the Actions by year (thousand MDL)			Monitoring Indicators
		2009	2010	2011	
<p>Program III „Navy Transport”. The goal of this program is to revive and develop the naval transportation in the country. This program includes the activities related to the state support of navy transport and refers to the development of the internal navy transport infrastructure on the Prut and Nistru rivers. The Navy Transport Services, subordinated to the Ministry of Transport and Road Management, is responsible for the implementation of this program.</p>					
<p><u>Key issues</u></p> <p>§ Support the navy transport</p> <p>§ Develop and implement a national program for execution of hydrotechnical works of dredging, cleaning and deepening the Prut River bed, as well as shore up the erosion-affected sectors.</p> <p><u>B. Medium-term policy objectives</u></p> <p>§ Develop the national river transport</p>	<p>§ Create the appropriate conditions for the activity of enterprises in this sector.</p> <p>§ Arrange the internal river navigation canal (the Prut, Nistru rivers) together with the neighbouring countries</p> <p>§ Undertake actions and develop strategies for direct achievement of objectives</p> <p>§ Ensure the functioning of the Giurgiulesti passenger port.</p>	5815.6	6615.6	5615.6	<p>§ Km of routes fitted out for navigation</p> <p>§ The average number of passengers transported through Giurgiulesti passenger port.</p> <p>§ Vessels registered with the State Register of Vessels of the Republic of Moldova</p>

Distribution of financial means appropriations by expenditure program *in the area of transport, 2009-2011*

Name of the program	Total expenditures (thousand MDL)		Forecast (thousand MDL)			Share of Total Program Expenditure (%)		
	2007 executed	2008 approved	2009	2010	2011	2009	2010	2011
Program I. Policy development and management in the field of transport and road management	1971.8	2443.2	11696.3	9267.9	9297.6	1.2	0.9	0.8
Program II. Roads Development	650074.5	636153.0	978460.0	969376.0	1107424.0	98.2	98.4	98.7
Program III. Navy transport	3034.0	5493.4	5815.6	6615.6	5615.6	0.6	0.7	0.5
Total by program	655080.3	644089.6	995971.9	985259.5	1122337.2	100	100	100
State budget	620742.2	613449.6	954771.9	942759.5	1078237.2	95.9	95.7	96.1
including: main expenditures;	616015.7	437081.6	523603.1	608983.5	774013.2	54.8	64.6	71.8
special funds and means	1142.9	3128.0	3200.0	3200.0	3200.0	0.3	0.3	0.3
investment projects, funded from external sources	3583.6	173240.0	427968.8	330576.0	301024.0	44.8	35.1	27.9
Budgets of the administrative-territorial units	34338.1	30640.0	41200.0	42500.0	44100.0	4.1	4.3	3.9
Total by program	655080.3	644089.6	995971.9	985259.5	1122337.2			
Appropriation for the augmentation of salaries in this sector			200.0	1100.0	1100.0			
Total by sector			996171.9	986359.5	1123437.2			

Annex 18

**Environmental Protection Sector Strategic Expenditure Plan
2009-11**

Environmental Protection

Key Issues /Policies	Priority Policy Actions	The Costs of the Actions by year (thousand MDL)			Monitoring Indicators					
		2009	2010	2011						
<p>Program 1. Policy design and management in the field of environmental protection, includes 2 subprograms: 1.1. Environmental policy design and 1.2. Actions and measures within the National Ecologic Fund</p> <p>Subprogram 1.1. Environmental policy development includes policy development in the field of environmental protection and sustainable use of natural resources and ensuring strategic planning within the sector at the level of all components and subdivisions. The program is implemented by the Ministry of Ecology and Natural Resources and its subordinated institutions responsible for the design and monitoring of environmental policy implementation. Sub-program Goal is to fortify the role and capacities of the Ministry of Ecology and Natural Resources in the context of their alignment to European standards in the field of environmental protection, in particular in the process of approximation of the national environmental legislation to the Environmental Directives of the European Union and fulfilment of obligations assumed by our country under the international environmental conventions and agreements to which Moldova is a party.</p>										
<p>A. Key issues:</p> <p>§ Insufficient number of MENR staff to carry out its statutory tasks. It is necessary to have a certain institutional consolidation and strengthening of the administrative capacities for the Ministry to continue to advance towards a more efficient implementation of environment policies and strategies.</p> <p>§ The lack of an appropriate system for human resources management, strategic and budgetary planning, communication and public relations, bilateral and international relations.</p> <p>B. Medium-term policy objectives:</p> <p>§ Increase the number of staff in order to fulfil the function of strategic planning, policy analysis, monitoring and assessment;</p> <p>§ Improve the cooperation with the EU Member States and third countries by developing the existing legal framework, concluding new bilateral agreements, mutual visits of state officials and experts, etc.</p> <p>§ Attract investments in the environmental protection area</p>						<p>§ Strengthen the capacities of the central office of the Ministry of Ecology and Natural Resources;</p> <p>§ Implement, extend and improve the program-based budgeting in a multi-annual framework;</p> <p>§ Improve the capacities of organizational structures in the policy/program implementation, monitoring and assessment;</p> <p>§ Ongoing training of staff (in the subject-matter area, English courses, participation in training courses).</p> <p>§ Harmonization of the national environmental legislation to the provisions of the EU Directives</p>	3252.0	3169.7	3188.7	<p>§ The number of employed people</p> <p>§ By 2011, 15 people from this area will have participated in courses of strategic planning.</p>
<p>Subprogram 1.2. Actions and measures within the National Ecologic Fund (NEF). This program will be implemented by the Ministry of Ecology and Natural Resources and its subdivisions. Program goal: This program includes a series of measures that contribute to prevention of pollution and maintenance of environmental factors' quality, protection during the reconstruction of ecosystems, sanitation of communities, waste management, land afforestation, construction and reconstruction of sewerage systems and waste water treatment plants, etc.</p>										
<p><i>In the field of protection of water resources</i></p> <p>A. Key issues</p> <p>§ At present the majority of waste water treatment</p>						<p>§ Construction and reconstruction of sewerage systems and waste</p>	20600.0	22900.0	24000.0	<p>§ Increase in the share of</p>

Environmental Protection

Key Issues /Policies	Priority Policy Actions	The Costs of the Actions by year (thousand MDL)			Monitoring Indicators
		2009	2010	2011	
<p>biphenyls (PCB) and land contaminated with PCB on the territory of transformer stations in the energy sector.</p> <p>§ About 1000 locations throughout the country are contaminated with pesticides, including POP, and require remedy works.</p> <p>B. Medium-term policy objectives:</p> <p>§ Management, controlled storage and destruction of toxic chemicals and persistent organic pollutants;</p> <p>§ Implementation of the National Implementation Plan for the Stockholm Convention on Persistent Organic Pollutants (POP)</p>	<p>§ Remedy the locations polluted with pesticides, POP and polychlorinated biphenyls (PCB)</p>				<p>contaminated with PCB, the quantity of polluted oil and the level of pollution by the end of 2009</p> <p>§ Identified the number of locations contaminated with POP, area of contaminated land and the level of contamination by the end of 2009</p> <p>§ Decontaminated three contaminated areas (locations) by the middle of 2009</p> <p>§ The size of remedied areas and volume of evacuated and isolated contaminated material by the end of 2009</p>
<p>Program 3. Ecological security and environmental quality control – is structured by subprograms: Subprogram 3.1. Ensuring ecological security of environment and Subprogram 3.2. Building capacity for the development of carbon finance projects.</p> <p>Program objective is to ensure the country's ecological security, prevent the negative impact on the environment and people's health</p>					
<p>Subprogram 3.1. Provision of ecological environment security includes the activity of the State Ecological Inspectorate, Ecological Agencies and Ecological Inspectorates in the field of ecologic control and supervision of environmental protection, whose activity ensure the adoption and implementation of some technical and organizational measures, maintenance of a more sustainable state of environment or recovery and improvement of the deteriorated components of the ecosystem. The actions will be financed partially from the resources of the ecologic funds. This program includes actions relating to the above-mentioned areas.</p>					
<p>A. Key issues:</p> <p>§ Insufficient staff to ensure the ecologic security and protection of environmental factors' quality</p> <p>§ Shortage of financial means for the procurement of technical equipment to be used to determine the environmental pollution level.</p> <p>§ Lack of people's knowledge in the area of environmental protection and quality of environmental factors;</p>	<p>§ Improve the IES capacities of regional units</p> <p>§ Provision of Ecological Research Centres from the ecological agencies with high-tech equipment.</p> <p>§ Improve the develop new methodological norms on the organization and performance of the State ecological control;</p> <p>§ Establish a single environmental informational system;</p> <p>§ Develop the annual report on the Inspectorate's activity and quality</p>	14917.7	14917.7	14917.7	<p>§ In 2009-2010, Research Centres will be provided with high-tech equipment</p> <p>§ A single online environmental informational system will be established in 2009-2011</p>

Environmental Protection

Key Issues /Policies	Priority Policy Actions	The Costs of the Actions by year (thousand MDL)			Monitoring Indicators
		2009	2010	2011	
<p>B. Medium-term specific objectives:</p> <p>§ Improve the state control to ensure the implementation of the legislation on environmental protection and sustainable use of natural resources.</p> <p>§ Improve the technical-material base of the regional units in the area of environmental protection and control of the environmental factors quality;</p> <p>§ Ensure people's education in the field of environmental protection policy, provision of ecological security during the production, transportation, sale and storage of products that pollute the environment.</p> <p><i>In the field of ecologic security relating to the import of goods and products, which contribute to environmental pollution while being used</i></p> <p>A. Key issues:</p> <p>§ Insufficiency of financial resources for the procurement of technical equipment for the identification of the level of toxicity and radioactivity of imported products and goods.</p> <p>B. Medium-term specific objectives:</p> <p>§ Building the technical capacity of services for control and inspection of imported goods.</p> <p><i>In the field of control and provision of ecological security, supervision in the field of industrial and domestic waste management</i></p> <p>A. Key issues:</p> <p>§ Increase in the number of unauthorised and spontaneous waste dumps.</p> <p>§ Lack of a mechanism for collection and utilization of waste.</p> <p>§ Lack of the systematic control of the waste</p>	<p>of environmental factors.</p> <p>§ Provision of Ecological Research Centres from the ecological agencies with high-tech equipment.</p> <p>§ Reconstruction and improvement of existing waste dumps, bringing them in line with the established requirements.</p> <p>§ Development and implementation jointly with economic agents of a mechanism for collection of plastic, glass, and cardboard wrapping;</p> <p>§ Transfers to the National Ecological Fund (30% of total revenues)</p>	<p>3500.0</p> <p>4900.0</p> <p>2100.0</p>	<p>4000.0</p> <p>4900.0</p> <p>2100.0</p>	<p>4000.0</p> <p>4900.0</p> <p>2100.0</p>	<p>§ The report on the Inspectorate's activity and quality of environmental factors will be developed on an annual basis.</p> <p>§ The number of reconstructed and improved waste</p>

Environmental Protection

Key Issues /Policies	Priority Policy Actions	The Costs of the Actions by year (thousand MDL)			Monitoring Indicators
		2009	2010	2011	
<p>management activity.</p> <p><u>B. Medium-term specific objectives.</u></p> <p>§ Increase the effectiveness of works for the improvement and management of waste.</p> <p>§ Develop the regulations on the procedure for issuing authorizations to conduct a waste management activity, transportation, storage, processing, neutralization, recovery, utilization, inhumation and destruction of waste.</p> <p>§ Prepare proposals on the size of waste storage fees.</p> <p>§ Take sanitation measures to liquidate unauthorised waste dumps and establish new waste storage sites.</p>					<p>dumps in throughout the country.</p>
<p>Subprogram 3.2. Building capacity for the development of carbon finance projects. This program is implemented by the Implementing Unit – the Carbon Finance Unit, established under the GD no. 899 of 25 August 2005, the Implementing Agency is the World Bank. The subprogram goal: to develop CDM projects and facilitate the reception of carbon benefits.</p>					
<p><u>A. Key issues:</u></p> <p>§ Each registered Clean Development Mechanism (CDM) project should monitor the reduction of greenhouse gases emissions</p> <p>§ There are no procedures for verification and certification of reduction of emissions</p> <p>§ Develop and monitor Clean Development Mechanism (CDM) projects</p> <p><u>B. Medium-term policy objectives:</u></p> <p>§ Implement the provisions of the Kyoto Protocol and facilitate the reception of carbon benefits for communities</p> <p>§ Improve the efficiency of energy consumption, promote the renewable energy and cleaner production;</p>	<p>§ Monitor the reduction of emissions in activities of the registered projects</p> <p>§ Establish procedures for verification and certification of reduction of emissions</p> <p>§ Reception of carbon benefits from the World Bank</p>				<p>§ In 2008-2009, 2009-2010 and 2010-2011 greenhouse gases for 3 CDM projects will be reduced: 34,553tCO₂, 39,554tCO₂ and 40,009tCO₂</p> <p>§ The level of comfort in the buildings supplied with heat from the rehabilitated heat supply plants, included in the CDM projects, in 2009-2010 will meet the hygiene and health standards (180C)</p>

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Key Issues /Policies	Priority Policy Actions	The Costs of the Actions by year (thousand MDL)			Monitoring Indicators
		2009	2010	2011	
<p>Program 4. Hydrometeorological monitoring and monitoring of the quality of environmental components. This program is implemented by the State Hydrometeorological Service and its subdivisions.</p> <p>Program goal: Upgrade the hydrometeorological monitoring system in the Republic of Moldova to ensure a more efficient development and dissemination of forecasts and warnings about upcoming dangerous and spontaneous hydrometeorological phenomena, which can potentially produce material damages and even human deaths</p>					
<p>A. Key issues:</p> <p>§ The economy of the Republic of Moldova is very dependent on the hydrometeorological conditions, which sometimes represent an imminent risk to people's life and health, paralyse the production activity of some economic sectors.</p> <p>§ The need to upgrade and raise the efficiency of the fast comprehensive, uninterrupted and full hydrometeorological monitoring system.</p> <p>§ The need to upgrade and raise the efficiency of the system of monitoring of the quality of environmental components.</p> <p>§ The need to improve the system of warning of the central and local public authorities, the population and the economic agents about dangerous and spontaneous hydrometeorological phenomena.</p> <p>B. Medium-term policy objectives:</p> <p>§ Upgrade and raise the efficiency of the national system of monitoring of the state and evolution of hydrometeorological conditions, including natural hazards and of the environmental quality;</p>	<p>§ Upgrade and raise the efficiency of the national system of monitoring of the state and evolution of hydrometeorological conditions, including the state of the air and the solid weather phenomena (action 151 from the NDS Action Plan):</p> <ul style="list-style-type: none"> ◇ Procure and install two automated stations for the monitoring of air quality in Chisinau (subaction 151.2. from the NDS Action Plan); ◇ Procure and install three automated stations for the monitoring of air quality in Chisinau (subaction 151.3. from the NDS Action Plan); ◇ Design a regional and national database in order to improve the hydrometeorological natural hazard warning and forecast system (subaction 151.4. from the NDS Action Plan). ◇ Implement new methods for a long-term forecast of weather and unfavourable phenomena. Improvement of the warning system. (subaction 151.5 of the NDS Action Plan) ◇ Procure hardware, software and equipment required for the establishment and equipment of the National Hydrometeorological Hazard Monitoring and Prevention Centre. (subaction 151.6 of the NDS Action Plan) <p>§ Upgrade the infrastructure for hydrological observations in the network of hydrological posts of the State Hydrometeorological Service.</p> <ul style="list-style-type: none"> ◇ Procure and install modern hydrological equipment, which would allow for a fast and comprehensive hydrological monitoring. ◇ Upgrade the hydrological monitoring system in the Republic of Moldova in order to raise the efficiency and disseminate the forecasts and warnings about upcoming dangerous and spontaneous hydrometeorological phenomena. 	21036.3	20736.1	24279.8	<p>§ In 2009:</p> <ul style="list-style-type: none"> ◇ 2 automated stations for the monitoring of the air quality in Chisinau will be procured and installed. ◇ 3 stations for the monitoring of the air quality in Chisinau and Cahul will be procured and installed. ◇ equipment for improvement of hazard warning and alert system of the Service will be procured and installed. ◇ new methods for a long-term forecast of weather and unfavourable phenomena will be implemented by the end of 2009. ◇ hardware, software and equipment required for the National Hydrometeorological Hazard Monitoring and Prevention Centre will be procured. ◇ modern hydrological equipment for 40 hydrometric posts will be procured and

Environmental Protection

Key Issues /Policies	Priority Policy Actions	The Costs of the Actions by year (thousand MDL)			Monitoring Indicators
		2009	2010	2011	
					installed. ◇ Throughout 2010 40 hydrometric posts from the hydrological monitoring system of the Republic of Moldova will be provided with new equipment.
<p>Program 5 State-protected natural areas fund. This program is implemented by the Biodiversity office established to implement the National Strategy and the Action Plan in the field of conservation of biological diversity approved by the Parliament Decision no.112-XV of 27 April 2001 under the Ministry of Ecology and Natural Resources.</p> <p>Program goal: Conservation, rehabilitation and rational use of biological and landscape diversity to ensure a sustainable social-economic development of the Republic of Moldova. Creation of the national ecological network is part of the conservation of biological diversity and will contribute to the reduction of the anthropic impact on the landscape diversity, improvement of the ecological situation in the country.</p>					
<p><u>A. Key issues:</u></p> <p>§ Lack of a network of state-protected natural areas;</p> <p>§ Lack of a policy and management relating to the National Ecological Network;</p> <p>§ Design the territorial chart of the National Ecological Network;</p> <p>§ Design and implement measures for afforestation of the ecological corridors in order to establish a forest cover.</p> <p><u>B. Medium-term policy objectives:</u></p> <p>§ Extend the protected natural areas and protect flora and fauna;</p> <p>§ Implement the National Strategy and the Action Plan in the field of conservation of biological diversity.</p>	<p>§ Enhance the capacity of the state-protected natural areas.</p> <p>§ Integrate the activities for conservation and sustainable use of biological diversity in sector and cross-sector policies, programs and action plans.</p> <p>§ Raising public awareness about the protection of biological diversity.</p>	500.0	1000.0	1000.0	<p>§ The territorial chart of the National Ecological Network will be created by the end of 2011.</p> <p>§ Measures for the establishment of connecting corridors will be identified by the end 2011.</p>
<p>Program 6. Design and management of a policy in the field of geological research and use of subsoil. This program will be implemented by the State Agency for Geology „AGeOM”. Program goal: Regulation and coordination of research, rational use of subsoil and development of the stockpiles of mineral raw materials.</p>					
<p><u>A. Key issues:</u></p> <p>§ Lack of a policy in the field of geological research, rational use and protection of subsoil</p>	<p>§ Design programs for development (plans for each facility) of geological prospecting for the reproduction of the stockpiles of</p>	1244.8	1233.9	1251.6	<p>§ Two plans for each facility and two state balances of reserves of</p>

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Key Issues /Policies	Priority Policy Actions	The Costs of the Actions by year (thousand MDL)			Monitoring Indicators
		2009	2010	2011	
<p>§ Insufficient volume of regulatory acts in the area of mini-warehouses</p> <p><u>B. Medium-term policy objectives:</u></p> <p>§ Design and implement a policy in the field of geological research, rational use and protection of subsoil</p>	<p>mineral raw materials.</p> <p>§ Design the state balance of reserves of useful mineral substances;</p> <p>§ Design the draft laws and regulations in the field of mining relations.</p> <p>§ Methodical management and control over geological prospecting works conducted with the support of the state budget.</p> <p>§ Provision of the state authorities with geological information.</p>				<p>useful mineral substances will be developed in 2009–11;</p> <p>§ 4 regulations in the field of mining relations will be developed in 2009–11</p>
<p>Program 7. Development of the sector of research, use and protection of subsoil. This programme will be implemented by the State Enterprise „Hydrogeological Expedition” „EHGeoM”.</p> <p>Program objective develop the sector of research, use and protection of subsoil</p>					
<p><u>A. Key issues:</u></p> <p>§ Lack of perspective objects in the database with mineral raw material</p> <p>§ No proper monitoring of the underground waters is conducted at present</p> <p>§ Lack of monitoring of dangerous geological processes</p> <p><u>B. Medium-term policy objectives:</u></p> <p>§ Geological research of subsoil in order to develop the stockpiles of mineral raw materials and forecast the dangerous geological processes</p>	<p>§ Research and evaluation of useful non-ferrous substances.</p> <p>§ Exploration of underground waters for centralized water supply.</p> <p>§ Monitoring of underground waters in order to protect them from pollution and exhaustion, and to ensure their efficient use.</p> <p>§ Monitoring of dangerous geological processes to forecast their development and exclude the dangerous impact (landslides, erosion, earthquakes etc.).</p>	6000.0	6000.0	6000.	<p>§ At least 2 reports will be prepared each year.</p> <p>§ One report for the evaluation and re-evaluation of underground water reserves will be prepared each year.</p>
<p>Program 8. Radioprotection and nuclear security. This program is implemented by the National Agency for regulation of nuclear and radiological activities (ANRANR)</p> <p>Program goal: Nuclear and radiological regulation, authorization and control.</p>					
<p><u>A. Key issues:</u></p> <p>§ Lack of a legal and regulatory framework for the regulation of nuclear and radiological activities, adjusted to the international requests;</p> <p><u>B. Medium-term policy objectives:</u></p> <p>§ Keep records of the sources of ionizing radiation and the authorized individuals and legal entities.</p> <p>§ State control and supervision of the nuclear and radiologic activities in order to protect the staff,</p>	<p>§ Create and manage the National Register of the sources of ionizing radiation and the authorized individuals and legal entities.</p> <p>§ Develop and implement the procedures of evaluating and authorizing the nuclear and radiological activity;</p> <p>§ Develop and implement the procedures of experts accreditation in the nuclear and radiological area,</p> <p>§ Develop and implement the procedures of certifying the staff that works in the nuclear and radiological area.</p>	1036.4	991.1	1001.6	<p>§ In 2009 the state inventory counting of sources of ionizing radiation will be completed and a National Register of the sources of ionizing radiation and the authorized individuals and legal entities will be developed.</p>

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Key Issues /Policies	Priority Policy Actions	The Costs of the Actions by year (thousand MDL)			Monitoring Indicators
		2009	2010	2011	
<p>population, and environment from the negative impact of ionizing radiations.</p> <p>§ Evaluate and authorize the nuclear and radiological activity.</p> <p>§ Safety of radioactive waste management.</p> <p>§ Implement the provisions of the Nuclear Non-Proliferation Treaty, Agreement between the Republic of Moldova and the International Agency for Atomic Energy on the application of guarantees in relation with the Nuclear Non-Proliferation Treaty;</p> <p>§ Implement the Convention on the Physical Protection of Nuclear Material, the Amendment to this Convention and the Convention to Combat Nuclear Terrorism by introducing specific regulations on the physical protection of the nuclear material and radioactive sources.</p> <p>§ International cooperation in the nuclear and radiological area</p> <p>§ Strengthen the capacity to regulate the nuclear and radiological activity by revising the structure, technical endowment and staffing of the National Regulator of Nuclear and Radiological Activity.</p>	<p>§ Develop the concept paper on the safety of radioactive waste management;</p> <p>§ Develop the draft Law on the Ratification of the Joint Convention on Safety of Spent Fuel Management and on the Safety of Radioactive Waste Management. Develop the regulatory acts, needed for the implementation of the provisions of the Convention.</p> <p>§ Develop specific regulatory acts needed for the introduction of the quality management system</p> <p>§ Develop specific regulations on how to keep records of the doses for the exposed professionals,</p> <p>§ Develop norm on radiological protection of people in case of medical exposure to ionizing radiation</p> <p>§ Develop the Norms on Radiological Safety in Radiology, Diagnosis and Interventional Radiology Practices</p> <p>§ Adjust the structure and capacities of the National Regulator of Nuclear and Radiological Activity to the assigned functions and actual needs</p> <p>§</p> <p>§</p>				<p>§ Approval of the Regulations on the Accreditation of Experts in the Nuclear and Radiological Area (2010)</p> <p>§ Approval of the procedure of issuing work permits (2009).</p> <p>§ Approval of the Concept Paper on Safety of Radioactive Waste Management (2010)</p> <p>§ Ratification of the aforementioned convention (2009).</p> <p>§ Approval of the specific regulations for keeping records of the doses for the exposed professionals (2010).</p> <p>§ Approval of the norms on radiological protection of people in case of medical exposure to ionizing radiation (2011).</p> <p>§ Approval of the Norms on Radiological Safety in Radiology, Diagnosis and Interventional Radiology Practices (2010).</p> <p>§ Approval of the new structure of the National Regulator of Nuclear and Radiological Activity and technical endowment of this institution (2010)</p>

Environmental Protection

Distribution of resource allocations by expenditure programs within the sector of *Environmental Protection and hydrometeorology* 2009-2011

Name of the program	Total expenditures (thousand MDL)		Forecast (thousand MDL)			Share of Total Program Expenditure (%)		
	2007 executed	2008 approved	2009	2010	2011	2009	2010	2011
Program I. Policy design and management in the field of environmental protection,	66043.5	47568.2	52352.0	56769.7	57888.7	44.0	47.4	49.3
Program 2. Sustainable management of persistent organic pollutants and other chemicals.	19000.0	20624.0	11228.1	6999.2	0.0	9.4	5.8	0.0
Program 3. Ecological security of the environment	29447.4	30207.7	25417.7	25917.7	25917.7	21.4	21.7	22.1
Program 4. Hydrometeorological monitoring and monitoring of the quality of environmental components.	13105.1	12910.3	21091.8	20736.1	24279.8	17.7	17.3	20.7
Program 5 State-protected natural areas fund.			500.0	1000.0	1000.0	0.4	0.8	0.9
Program 6. Design and management of a policy in the field of geological research and use of subsoil.	938.0	1114.9	1244.6	1233.9	1251.6	1.0	1.0	1.1
Program 7. Development of the sector of research, use and protection of subsoil.	4000.0	4000.0	6000.0	6000.0	6000.0	5.0	5.0	5.1
Program 8. Radioprotection and nuclear security.	769.0	862.9	1036.4	991.1	1001.6	0.9	0.8	0.9
Total by program	133303.0	117288.0	118870.6	119647.7	117339.4	100.0	100.0	100.0
State budget	133303.0	117288.0	118870.6	119647.7	117339.4	100.0	100.0	100.0
including: main expenditures;	29431.5	37070.7	40942.5	40048.5	43189.4	34.5	33.5	36.8
special funds and means	84871.5	59593.3	66700.0	72600.0	74150.0	56.1	60.7	63.2
investment projects, funded from external sources	19000.0	20624.0	11228.1	6999.2	0.0	9.4	5.8	0.0
Budgets of the administrative-territorial units								
Total by program	133303.0	117288.0	118870.6	119647.7	117339.4			
Appropriation for the augmentation of salaries in this sector			3000.0	7900.0	7900.0			
Total by sector			121870.6	127547.7	125239.4			

Annex `19

Spending Limits by Sector and Central Public Authority 2009-11

Anexa 19.1. Spending ceilings for Government budget by sectors and central public authorities for 2009

MDL thousand

	Code:			2009						
	Chapt er/ key group	Paragr aph/ group	Public author ity	Total	including					
					base revenue /expenditure	including		Projects financed with external funds	Special funds	Special means
						net of capital investments	capital investments			
1	2	3	4	5	6	7	8	9	10	11
Spending, total				18308700.0	15560336.9	14652843.5	907493.4	1388480.0	162825.0	1202993.7
General destination government services	1			1188184.2	937525.3	856131.4	81393.9	85266.6		165392.3
Law authorities	1	1		79158.5	78043.5	78043.5				1115.0
Parliament	1	1	101	79158.5	78043.5	78043.5				1115.0
Implementing authorities	1	2		130639.5	81875.1	80892.5	982.6			48764.4
President of the Republic of Moldova apparatus	1	2	102	14126.7	13926.7	13926.7				200.0
State apparatus	1	2	104	116512.8	67948.4	66965.8	982.6			48564.4
Financial, budget/fiscal and control activities	1	3		696198.4	559428.3	483017.0	76411.3	73410.6		63359.5
Court of Accounts	1	3	103	31394.6	17284.0	17284.0		14110.6		
Ministry of Finance	1	3	122	346903.8	225744.3	225744.3		59300.0		61859.5
Customs Service	1	3	145	317900.0	316400.0	239988.7	76411.3			1500.0
Statistics and planning services	1	4		42873.5	40771.9	40771.9				2101.6
National Bureau for Statistics	1	4	143	42873.5	40771.9	40771.9				2101.6
General destination authorities and services that could not be attributed elsewhere	1	8		165155.8	104492.5	102492.5	2000.0	11856.0		48807.3
State apparatus	1	8	104	21856.0	10000.0	10000.0		11856.0		
State Archive Service	1	8	154	5938.3	5388.3	3388.3	2000.0			550.0
Central Electoral Commission	1	8	195	59848.7	59848.7	59848.7				
Special couriers services	1	8	199	2647.7	1947.7	1947.7				700.0
General actions (running elections)	1	8	200	22206.0	22206.0	22206.0				
Human rights center	1	8	257	9302.2	3944.9	3944.9				5357.3
Information Development Ministry	1	8	296	42200.0						42200.0
Alternative Service Department	1	8	312	1156.9	1156.9	1156.9				
Administrative authorities	1	10		74158.5	72914.0	70914.0	2000.0			1244.5
Ministry of Economy and Trade	1	10	121	20036.2	19236.2	19236.2				800.0
Ministry of Finance	1	10	122	26608.3	26608.3	24608.3	2000.0			
Ministry of Local Public Administration	1	10	137	11561.2	11561.2	11561.2				
National Bureau for Statistics	1	10	143	6965.0	6965.0	6965.0				
Bureau for cross-ethnic relations	1	10	149	1660.9	1216.4	1216.4				444.5
State Archive Service	1	10	154	1003.4	1003.4	1003.4				
Ministry of Information Development	1	10	296	3702.3	3702.3	3702.3				
Licensure Chamber	1	10	310	2621.2	2621.2	2621.2				
External activities	2			261904.8	249749.4	241749.4	8000.0	1376.6		16714.4
International cooperation	2	1		51326.6	49950.0	49950.0		1376.6		
Ministry of Economy and Trade	2	1	121	1376.6				1376.6		
General actions	2	1	200	49950.0	49950.0	49950.0				
Diplomatic missions	2	4		194678.4	183899.6	175899.6	8000.0			16714.4
Ministry of Foreign Affairs and European Integration	2	4	135	194678.4	183899.6	175899.6	8000.0			16714.4
Administrative authorities	2	10		15899.8	15899.8	15899.8				
Ministry of Foreign Affairs and European Integration	2	10	135	15899.8	15899.8	15899.8				
National defense	3			276753.8	250753.8	250753.8				26000.0
National Army	3	1		276753.8	250753.8	250753.8				26000.0
Ministry of Defense	3	1	132	276753.8	250753.8	250753.8				26000.0
Justice	4			318594.2	299089.2	287343.1	11746.1	1060.0		18445.0
Courts	4	3		137142.1	126259.4	120619.4	5640.0			10882.7
Supreme Court of Justice	4	3	108	24925.8	24643.1	20643.1	4000.0			282.7
Ministry of Justice (courts)	4	3	131	112216.3	101616.3	99976.3	1640.0			10600.0

MDL thousand

	Code:			2009						
	Chapt er / key group	Paragr aph / group	Public author ity	Total	including					
					base revenue /expenditure	including		Projects financed with external funds	Special funds	Special means
						net of capital investments	capital investments			
1	2	3	4	5	6	7	8	9	10	11
Prosecutor's office	4	4		81783.2	81640.9	79140.9	2500.0			142.3
General prosecutor's office	4	4	113	81783.2	81640.9	79140.9	2500.0			142.3
Notary's offices	4	5		7716.5	7716.5	7716.5				
Ministry of Justice	4	5	131	7716.5	7716.5	7716.5				
Justice authorities not attributable to other groups	4	6		42036.3	33656.3	30050.2	3606.1	1060.0		7320.0
Magistrate's Senior Advisory Board	4	6	107	3323.3	2263.3	2263.3		1060.0		
Ministry of Justice	4	6	131	21441.1	14121.1	14121.1				7320.0
National Institute for Justice	4	6	139	17271.9	17271.9	13665.8	3606.1			
Court decisions enforcement	4	7		40995.6	40995.6	40995.6				
Ministry of Justice	4	7	131	40995.6	40995.6	40995.6				
Administrative authorities	4	10		8920.5	8820.5	8820.5				100.0
Ministry of Justice	4	10	131	8920.5	8820.5	8820.5				100.0
Constitutional rights	4¹			5353.6	5353.6	5353.6				
Constitutional jurisdiction authorities	4¹	1		5353.6	5353.6	5353.6				
Constitutional Court	4 ¹	1	106	5353.6	5353.6	5353.6				
Public order enforcement, and national security	5			1365650.6	1150349.7	1136249.7	14100.0			215300.9
Internal affair authorities	5	1		556670.1	358716.1	355916.1	2800.0			197954.0
Ministry of the Interior	5	1	133	556670.1	358716.1	355916.1	2800.0			197954.0
Carabineers Troops	5	2		73513.4	72168.4	72168.4				1345.0
Ministry of the Interior	5	2	133	73513.4	72168.4	72168.4				1345.0
Penitentiaries	5	3		263170.3	256870.3	254370.3	2500.0			6300.0
Ministry of Justice	5	3	131	263170.3	256870.3	254370.3	2500.0			6300.0
National security authorities	5	4		299846.7	295740.7	289540.7	6200.0			4106.0
Boarder guards service	5	4	152	177323.2	176273.2	173573.2	2700.0			1050.0
State Protection and Security Service	5	4	183	34754.8	34754.8	32754.8	2000.0			
Information and Security Service	5	4	285	87768.7	84712.7	83212.7	1500.0			3056.0
Civil protection and force majeure	5	6		117937.6	113602.4	112502.4	1100.0			4335.2
Ministry of the Interior	5	6	133	117937.6	113602.4	112502.4	1100.0			4335.2
Facilities and authorities not attributable to other groups	5	9		54512.5	53251.8	51751.8	1500.0			1260.7
Center for fighting Economic Crime and Corruption	5	9	297	54512.5	53251.8	51751.8	1500.0			1260.7
Education	6			1874193.8	1264254.3	1255854.3	8400.0	56435.8	22825.0	530678.7
Pre-school education	6	1		34838.4				34838.4		
Ministry of Education and Youth	6	1	129	34838.4				34838.4		
Secondary education	6	3		624590.1	559357.1	556457.1	2900.0	21597.4	22825.0	20810.6
Ministry of Agriculture and Food Industry	6	3	125	732.9	667.9	667.9				65.0
Ministry of Education and Youth	6	3	129	601177.2	536189.2	533289.2	2900.0	21597.4	22825.0	20565.6
Ministry of Culture and Tourism	6	3	130	12636.1	12456.1	12456.1				180.0
National Academy of Sciences	6	3	157	10043.9	10043.9	10043.9				
Higher education	6	4		802197.0	393717.8	390917.8	2800.0			408479.2
Ministry of Agriculture and Food Industry	6	4	125	57605.5	38253.7	36253.7	2000.0			19351.8
Ministry of Health	6	4	128	127873.9	77463.9	76663.9	800.0			50410.0
Ministry of Education and Youth	6	4	129	582431.3	247768.2	247768.2				334663.1
Ministry of Culture and Tourism	6	4	130	26676.1	22621.8	22621.8				4054.3
National Academy of Sciences	6	4	157	7022.4	7022.4	7022.4				
Public Administration Academy under the President of the Republic of Moldova	6	4	158	587.8	587.8	587.8				
Postgraduate education	6	5		71478.9	62230.0	62030.0	200.0			9248.9

MDL thousand

	Code:			2009							
	Chapt er / key group	Paragr aph / group	Public author ity	Total	including						
					base revenue /expenditure	including		Projects financed with external funds	Special funds	Special means	
						net of capital investments	capital investments				
1	2	3	4	5	6	7	8	9	10	11	
Ministry of Health	6	5	128	60941.9	53721.6	53521.6	200.0				7220.3
Ministry of Education and Youth	6	5	129	364.8	305.5	305.5					59.3
Ministry of Culture and Tourism	6	5	130	145.8	105.2	105.2					40.6
Public Administration Academy under the President of the Republic of Moldova	6	5	158	10026.4	8097.7	8097.7					1928.7
Staff retraining courses and facilities	6	6		15585.5	12730.2	12530.2	200.0				2855.3
Ministry of Finance	6	6	122	366.1	366.1	366.1					
Ministry of Agriculture and Food Industry	6	6	125	934.4	934.4	934.4					
Ministry of Health	6	6	128	6974.9	5223.7	5023.7	200.0				1751.2
Ministry of Education and Youth	6	6	129	6569.4	5703.4	5703.4					866.0
Ministry of Culture and Tourism	6	6	130	35.5	35.5	35.5					
Public Administration Academy under the President of the Republic of Moldova	6	6	158	705.2	467.1	467.1					238.1
Education facilities and actions not attributable to other groups	6	7		21290.0	20979.0	20979.0					311.0
Ministry of Agriculture and Food Industry	6	7	125	2651.9	2460.9	2460.9					191.0
Ministry of Health and Social Protection	6	7	128	127.5	127.5	127.5					
Ministry of Education, Youth, & Sports	6	7	129	18510.6	18390.6	18390.6					120.0
Vocational secondary education	6	8		298302.1	209828.4	207528.4	2300.0				88473.7
Ministry of Agriculture and Food Industry	6	8	125	53714.6	37005.6	37005.6					16709.0
Ministry of Health	6	8	128	53707.2	42141.0	40841.0	1300.0				11566.2
Ministry of Education and Youth	6	8	129	161015.8	104629.1	104629.1					56386.7
Ministry of Culture and Tourism	6	8	130	29864.5	26052.7	25052.7	1000.0				3811.8
Administrative authorities	6	10		5911.8	5411.8	5411.8					500.0
Ministry of Education, Youth, and Sports	6	10	129	5911.8	5411.8	5411.8					500.0
Science/research and innovations	7			511010.0	485000.0	401000.0	84000.0		500.0		25510.0
Fundamental theory and applied research	7	1.2		378741.0	361041.0	347541.0	13500.0				17700.0
National Academy of Sciences	7	1.2	157	378741.0	361041.0	347541.0	13500.0				17700.0
Training of research staff	7	3		20333.8	16833.8	14833.8	2000.0				3500.0
National Academy of Sciences	7	3	157	20333.8	16833.8	14833.8	2000.0				3500.0
Research and innovation facilities and actions not attributable elsewhere	7	4		95846.7	95046.7	26546.7	68500.0			500.0	300.0
Government Aparatus	7	4	104	100.0	100.0	100.0					
National Academy of Sciences	7	4	157	95746.7	94946.7	26446.7	68500.0			500.0	300.0
Administrative authorities	7	10		16088.5	12078.5	12078.5					4010.0
National Academy of Sciences	7	10	157	13345.7	9585.7	9585.7					3760.0
National Board for Attestation and Accreditation	7	10	454	2742.8	2492.8	2492.8					250.0
sports and actions	8			299463.4	293498.3	264498.3	29000.0				5965.1
Culture related activities	8	2		138978.9	134797.0	105797.0	29000.0				4181.9
Ministry of Education and Youth	8	2	129	701.1	618.8	618.8					82.3
Ministry of Culture and Tourism	8	2	130	116277.8	112178.2	105178.2	7000.0				4099.6
Social investment fund	8	2	249	22000.0	22000.0		22000.0				
Radio television	8	3		92374.5	92374.5	92374.5					
National Public Facility for Audiovisual, company «Teleradio-Moldova»	8	3	173	92374.5	92374.5	92374.5					
Editorials and periodicals	8	4		4359.0	4359.0	4359.0					
Ministry of Education, Youth, and Sports	8	4	129	1314.0	1314.0	1314.0					
Ministry of Culture and Tourism	8	4	130	3045.0	3045.0	3045.0					
Youth-targeting sports and actions	8	5		42239.0	41556.1	41556.1					682.9
Sport Agency	8	5	138	42239.0	41556.1	41556.1					682.9

	Code:			2009								
	Chapt er / key group	Paragr aph / group	Public author ity	Total	including							
					base revenue /expenditure	including		Projects financed with external funds	Special funds	Special means		
						net of capital investments	capital investments					
1	2	3	4	5	6	7	8	9	10	11		
Culture, arts, religion, and sports related facilities and actions not attributable to other groups	8	6		8656.5	8625.3	8625.3						31.2
Ministry of Culture and Tourism	8	6	130	7652.1	7620.9	7620.9						31.2
Sport Agency	8	6	138	341.7	341.7	341.7						
Bureau for cross-ethnic relations	8	6	149	662.7	662.7	662.7						
Youth actions	8	7		3799.8	3799.8	3799.8						
Ministry of Education and Youth	8	7	129	3799.8	3799.8	3799.8						
Administrative authorities	8	10		9055.7	7986.6	7986.6						1069.1
Ministry of Culture and Tourism	8	10	130	4302.9	3833.8	3833.8						469.1
Sport Agency	8	10	138	1317.9	1317.9	1317.9						
TV Council	8	10	161	3434.9	2834.9	2834.9						600.0
Healthcare	9			2675983.0	2333131.8	2309583.8	23548.0	235099.0				107752.2
Hospitals	9	1		50653.7	31493.7	8678.9	22814.8					19160.0
Ministry of Health	9	1	128	50653.7	31493.7	8678.9	22814.8					19160.0
Outpatient facilities and family doctor centers	9	2		12577.1	5810.6	5810.6						6766.5
Ministry of Health	9	2	128	12577.1	5810.6	5810.6						6766.5
Epidemiological, and prevention health facilities and services	9	3		188280.5	149272.5	148539.3	733.2					39008.0
Ministry of Health	9	3	128	188280.5	149272.5	148539.3	733.2					39008.0
Health care services and facilities not attributable to other groups	9	5		296742.2	22516.5	22516.5		235099.0				39126.7
Ministry of Health	9	5	128	296742.2	22516.5	22516.5		235099.0				39126.7
National health programs	9	6		300517.8	296826.8	296826.8						3691.0
Ministry of Health	9	6	128	245492.8	241801.8	241801.8						3691.0
National Health Insurance Company	9	6	322	55025.0	55025.0	55025.0						
Mandatory health insurance bound services	9	7		1820800.0	1820800.0	1820800.0						
National Health Insurance Company	9	7	322	1820800.0	1820800.0	1820800.0						
Administrative authorities	9	10		6411.7	6411.7	6411.7						
Ministry of Health	9	10	128	6411.7	6411.7	6411.7						
Social insurance and support	10			2344260.8	2223649.6	2218449.6	5200.0	31920.0	79000.0			9691.2
Pensions of military	10	1		577504.0	577504.0	577504.0						
Ministry of Justice	10	1	131	62077.9	62077.9	62077.9						
Ministry of Defense	10	1	132	185850.3	185850.3	185850.3						
Ministry of the Interior	10	1	133	261392.0	261392.0	261392.0						
Boarder guards service	10	1	152	17988.7	17988.7	17988.7						
State Protection and Security Service	10	1	183	7533.8	7533.8	7533.8						
Information and Security Service	10	1	285	36452.0	36452.0	36452.0						
Center for fighting Economic Crime and Corruption	10	1	297	6209.3	6209.3	6209.3						
Social assistance facilities	10	3		172995.4	164339.2	159139.2	5200.0					8656.2
Ministry of Economy and Trade	10	3	121	23763.2	23763.2	23763.2						
Ministry of Social Protection, Family and Child	10	3	127	149232.2	140576.0	135376.0	5200.0					8656.2
Compensations paid for the costs incurred by transport companies for granting benefits to certain groups of citizens	10	5		200.0	200.0	200.0						
Transport Agency	10	5	303	200.0	200.0	200.0						
Phased indexation of people's deposits at the «Banca de Economii»	10	6		85000.0	85000.0	85000.0						
General actions	10	6	200	85000.0	85000.0	85000.0						
Administrative authorities	10	10		6265.9	5565.9	5565.9						700.0
Ministry of Social Protection, Family and Child	10	10	127	6265.9	5565.9	5565.9						700.0

	Code:			2009							
	Chapt er / key group	Paragr aph / group	Public author ity	Total	including						
					base revenue /expenditure	including		Projects financed with external funds	Special funds	Special means	
						net of capital investments	capital investments				
1	2	3	4	5	6	7	8	9	10	11	
Social support and welfare services and facilities not attributable to other groups	10	11		243956.6	211701.6	211701.6			31920.0		335.0
Ministry of Economy and Trade	10	11	121	33672.7	33672.7	33672.7					
Ministry of Agriculture and Food Industry	10	11	125	1398.7	1398.7	1398.7					
Ministry of Social Protection, Family and Child	10	11	127	86928.4	54673.4	54673.4			31920.0		335.0
Ministry of Health	10	11	128	1882.7	1882.7	1882.7					
Ministry of Education, Youth, and Sports	10	11	129	37724.1	37724.1	37724.1					
Ministry of Culture and Tourism	10	11	130	350.0	350.0	350.0					
Ministry of Local Public Administration	10	11	137	60500.0	60500.0	60500.0					
General actions	10	11	200	21500.0	21500.0	21500.0					
Nominative compensations, benefits and allowances	10	13		21977.0	21977.0	21977.0					
Ministry of Justice	10	13	131	899.8	899.8	899.8					
Ministry of Defense	10	13	132	7606.5	7606.5	7606.5					
Ministry of the Interior	10	13	133	10500.7	10500.7	10500.7					
Border Guards Service	10	13	152	1125.3	1125.3	1125.3					
State Protection and Security Service	10	13	183	30.0	30.0	30.0					
Information and Security Service	10	13	285	1806.6	1806.6	1806.6					
Center for fighting Economic Crime and Corruption	10	13	297	8.1	8.1	8.1					
Subsidizing the interest rate and re-payment of preferential bank loans made available to population and residential house construction cooperatives	10	18		93500.0	93500.0	93500.0					
General actions	10	18	200	93500.0	93500.0	93500.0					
Social support funds for population	10	20		79000.0						79000.0	
Ministry of Social Protection, Family and Child	10	20	127	79000.0						79000.0	
Pensions and social disbursements paid from the Government social insurance budget (GSIB)	10	21		1063861.9	1063861.9	1063861.9					
National Social Insurance House	10	21	289	1063861.9	1063861.9	1063861.9					
Agriculture, Forestry Services, Fishery, and Water services	11			866366.7	667219.9	634219.9	33000.0	169725.9			29420.9
Agriculture	11	1		610042.7	581542.7	581042.7	500.0				28500.0
Ministry of Agriculture and Food Industry	11	1	125	521692.7	493192.7	492692.7	500.0				28500.0
Agro-industrial company "Moldova-Vin"	11	1	324	88350.0	88350.0	88350.0					
Forestry Services	11	2		39212.1	39212.1	8212.1	31000.0				
Forestry Agency "Moldsilva"	11	2	178	39212.1	39212.1	8212.1	31000.0				
Water services	11	4		25945.0	25945.0	25945.0					
"Apele Moldovei" Agency	11	4	402	25945.0	25945.0	25945.0					
Agriculture services and activities, forestry services, fishery, and water services, not attributable to other groups	11	5		177812.1	8086.2	6586.2	1500.0	169725.9			
Ministry of Agriculture and Food Industry	11	5	125	174851.9	5126.0	5126.0		169725.9			
Agro-industrial Agency "Moldova-Vin"	11	5	324	2960.2	2960.2	1460.2	1500.0				
Administrative authorities	11	10		13354.8	12433.9	12433.9					920.9
Ministry of Agriculture and Food Industry	11	10	125	7608.2	6848.2	6848.2					760.0
Forestry Agency "Moldsilva"	11	10	178	1586.3	1425.4	1425.4					160.9
Agro-industrial Agency "Moldova-Vin"	11	10	324	1611.8	1611.8	1611.8					
"Apele Moldovei" Agency	11	10	402	2548.5	2548.5	2548.5					
Environment protection, and hydrometeorology	12			109526.0	33697.9	33697.9		11228.1	60500.0		4100.0
Environment protection	12	1		78917.7	14917.7	14917.7			60500.0		3500.0

	Code:			2009							
	Chapt er / key group	Paragr aph / group	Public author ity	Total	including						
					base revenue /expenditure	including		Projects financed with external funds	Special funds	Special means	
						net of capital investments	capital investments				
1	2	3	4	5	6	7	8	9	10	11	
Ministry of Environment and Natural Resources	12	1	284	78917.7	14917.7	14917.7				60500.0	3500.0
Hydrometeorology	12	3		15091.8	14491.8	14491.8					600.0
Ministry of Environment and Natural Resources	12	3	284	15091.8	14491.8	14491.8					600.0
Environment protection and hydrometeorology activities not attributable to other groups	12	5		12228.1	1000.0	1000.0			11228.1		
Ministry of Environment and Natural Resources	12	5	284	12228.1	1000.0	1000.0			11228.1		
Administrative authorities	12	10		3288.4	3288.4	3288.4					
Ministry of Environment and Natural Resources	12	10	284	3288.4	3288.4	3288.4					
Industry and constructions	13			28080.7	28080.7	28080.7					
Extractive industry	13	1		6000.0	6000.0	6000.0					
Ministry of Environment and Natural Resources	13	1	284	6000.0	6000.0	6000.0					
Industry and construction services and activities not attributable to other groups	13	5		14916.1	14916.1	14916.1					
Ministry of Social Protection, Family and Child	13	5	127	1960.0	1960.0	1960.0					
Ministry of Construction and Development	13	5	147	12956.1	12956.1	12956.1					
Administrative authorities	13	10		7164.6	7164.6	7164.6					
Ministry of Construction and Development	13	10	147	5920.0	5920.0	5920.0					
Ministry of Environment and Natural Resources	13	10	284	1244.6	1244.6	1244.6					
Transports, roads service, communications, and information management	14			959871.9	528703.1	244757.7	283945.4	427968.8			3200.0
Ship transport	14	2		5815.6	2615.6	2615.6					3200.0
Transport Agency	14	2	303	5815.6	2615.6	2615.6					3200.0
Road services	14	7		943360.0	515391.2	231445.8	283945.4	427968.8			
Ministry of Construction and Development	14	7	147	943360.0	515391.2	231445.8	283945.4	427968.8			
Communications and information	14	8		5100.0	5100.0	5100.0					
Information and Security Service	14	8	285	5100.0	5100.0	5100.0					
Activities and services in the field of transportation, communication and information, not includede in other groups	14	9		3000.0	3000.0	3000.0					
Transport Agency	14	9	303	3000.0	3000.0	3000.0					
Administrative authorities	14	10		2596.3	2596.3	2596.3					
Transport Agency	14	10	303	2596.3	2596.3	2596.3					
Utilities, and residential housing services	15			357172.1	166464.1	1192.1	165272.0	190608.0			100.0
Residential space exploitation services	15	1		26400.0	3600.0		3600.0	22800.0			
Ministry of Social Protection, Family and Child	15	1	127	1000.0	1000.0		1000.0				
Ministry of Education and Youth	15	1	129	600.0	600.0		600.0				
Custom Department	15	1	145	2000.0	2000.0		2000.0				
Ministry of Construction and Development	15	1	147	22800.0				22800.0			
Utilities	15	2		329280.0	161472.0		161472.0	167808.0			
Ministry of Local Public Administration	15	2	137	156000.0	156000.0		156000.0				
"Apele Moldovei" Agency	15	2	402	173280.0	5472.0		5472.0	167808.0			
Health activity, including control over environment pollution	15	3		1492.1	1392.1	1192.1	200.0				100.0
Ministry of the Interior	15	3	133	1492.1	1392.1	1192.1	200.0				100.0
Industry and energy sectors	16			74981.0	6193.8	6193.8		68787.2			
Fuel and energy services and actions not attributable to other groups	16	4		74981.0	6193.8	6193.8		68787.2			
Ministry of Economy and Trade	16	4	121	74981.0	6193.8	6193.8		68787.2			
Government debt repayment	17			782500.0	782500.0	782500.0					
Government internal debt repayment	17	1		580900.0	580900.0	580900.0					

MDL thousand

	Code:			2009							
	Chapt er/ key group	Paragr aph/ group	Public author ity	Total	including						
					base revenue /expenditure	including		Projects financed with external funds	Special funds	Special means	
						net of capital investments	capital investments				
1	2	3	4	5	6	7	8	9	10	11	
General actions	17	1	200	580900.0	580900.0	580900.0					
Government foreign debt repayment	17	3		201600.0	201600.0	201600.0					
General actions	17	3	200	201600.0	201600.0	201600.0					
Filling up of government reserves	18			60099.6	15799.6	15799.6					44300.0
Government's material reserves	18	2		48000.0	8000.0	8000.0					40000.0
Agency for mineral ores, public procurement, and humanitarian aid	18	2	169	48000.0	8000.0	8000.0					40000.0
Other services to pay off government reserves	18	4		7776.7	3776.7	3776.7					4000.0
Agency for mineral ores, public procurement, and humanitarian aid	18	4	169	7776.7	3776.7	3776.7					4000.0
Administrative authorities	18	10		4322.9	4022.9	4022.9					300.0
Agency for mineral ores, public procurement, and humanitarian aid	18	10	169	4322.9	4022.9	4022.9					300.0
Other economy related services	19			151972.6	90912.6	90912.6		60637.0			423.0
Other economy related services	19	3		149063.2	88003.2	88003.2		60637.0			423.0
Ministry of Economy and Trade	19	3	121	87763.3	27126.3	27126.3		60637.0			
Ministry of Culture and Tourism	19	3	130	20.0							20.0
Land and Cadastre Agency	19	3	155	52273.7	52070.7	52070.7					203.0
General actions	19	3	200	5000.0	5000.0	5000.0					
National Agency for Competitiveness Protection	19	3	453	4006.2	3806.2	3806.2					200.0
Administrative authorities	19	10		2909.4	2909.4	2909.4					
Land and Cadastre Agency	19	10	155	2909.4	2909.4	2909.4					
Spending not attributable to other core groups	20			3856269.1	3807902.1	3648014.1	159888.0	48367.0			
Government's reserve fund	20	2		155400.0	155400.0	155400.0					
General actions	20	2	200	155400.0	155400.0	155400.0					
Transfers to the budgets of administrative-territorial units	20	4		2841900.0	2841900.0	2841900.0					
General actions	20	4	200	2841900.0	2841900.0	2841900.0					
Transfers to the budgets of administrative-territorial units with special destination	20	5		201054.1	201054.1	41166.1	159888.0				
General activities	20	5	200	201054.1	201054.1	41166.1	159888.0				
Spending not attributable to other groups	20	9		657915.0	609548.0	609548.0		48367.0			
Land and Cadastre Agency	20	9	155	5200.0	5200.0	5200.0					
General actions	20	9	200	700.0	700.0	700.0					
Social investment fund	20	9	249	52015.0	3648.0	3648.0		48367.0			
Funds to raise salaries within public budget	20	9	295	600000.0	600000.0	600000.0					
Net crediting	23			-59491.9	-59491.9	-59491.9					

Anexa 19.2. Spending ceilings for Government budget by sectors and central public authorities for 2010

MDL thousand

	Code:			2010						
	Chapt er / key group	Paragr aph / group	Public authori ty	Total	including					
					base revenue /expenditure	net of capital investments	capital investments	Projects financed with external funds	Special funds	Special means
2	3	4	5	6	7	8	9	10	11	
Spending, total				20006080.5	17876786.3	16815093.3	1061693.0	753832.6	173485.4	1207911.8
General destination government services	1			1145613.2	963436.5	878299.7	85136.8	16784.4		165392.3
Law authorities	1	1		74807.7	73692.7	73692.7				1115.0
Parliament	1	1	101	74807.7	73692.7	73692.7				1115.0
Implementing authorities	1	2		132262.9	83498.5	81498.5	2000.0			48764.4
President of the Republic of Moldova apparatus	1	2	102	14286.3	14086.3	14086.3				200.0
State apparatus	1	2	104	117976.6	69412.2	67412.2	2000.0			48564.4
Financial, budget/fiscal and control activities	1	3		667177.7	587033.8	510397.0	76636.8	16784.4		63359.5
Court of Accounts	1	3	103	16006.8	16006.8	16006.8				
Ministry of Finance	1	3	122	299070.9	220427.0	220427.0		16784.4		61859.5
Customs Service	1	3	145	352100.0	350600.0	273963.2	76636.8			1500.0
Statistics and planning services	1	4		57611.2	55509.6	55509.6				2101.6
National Bureau for Statistics	1	4	143	57611.2	55509.6	55509.6				2101.6
General destination authorities and services that could not be attributed elsewhere	1	8		140520.4	91713.1	88213.1	3500.0			48807.3
State apparatus	1	8	104	10000.0	10000.0	10000.0				
State Archive Service	1	8	154	7556.8	7006.8	3506.8	3500.0			550.0
Central Electoral Commission	1	8	195	22420.4	22420.4	22420.4				
Special couriers services	1	8	199	2584.6	1884.6	1884.6				700.0
General actions (running elections)	1	8	200	45325.0	45325.0	45325.0				
Human rights center	1	8	257	9240.7	3883.4	3883.4				5357.3
Information Development Ministry	1	8	296	42200.0						42200.0
Alternative Service Department	1	8	312	1192.9	1192.9	1192.9				
Administrative authorities	1	10		73233.3	71988.8	68988.8	3000.0			1244.5
Ministry of Economy and Trade	1	10	121	19649.3	18849.3	18849.3				800.0
Ministry of Finance	1	10	122	26149.7	26149.7	23149.7	3000.0			
Ministry of Local Public Administration	1	10	137	11468.6	11468.6	11468.6				
National Bureau for Statistics	1	10	143	7055.3	7055.3	7055.3				
Bureau for cross-ethnic relations	1	10	149	1652.0	1207.5	1207.5				444.5
State Archive Service	1	10	154	1000.2	1000.2	1000.2				
Ministry of Information Development	1	10	296	3654.9	3654.9	3654.9				
Licensure Chamber	1	10	310	2603.3	2603.3	2603.3				
External activities	2			274188.3	263409.5	252409.5	11000.0			16714.4
International cooperation	2	1		65550.0	65550.0	65550.0				
General actions	2	1	200	65550.0	65550.0	65550.0				
Diplomatic missions	2	4		192755.8	181977.0	170977.0	11000.0			16714.4
Ministry of Foreign Affairs and European Integration	2	4	135	192755.8	181977.0	170977.0	11000.0			16714.4
Administrative authorities	2	10		15882.5	15882.5	15882.5				
Ministry of Foreign Affairs and European Integration	2	10	135	15882.5	15882.5	15882.5				
National defense	3			369117.0	340817.0	340817.0				28300.0
National Army	3	1		369117.0	340817.0	340817.0				28300.0
Ministry of Defense	3	1	132	369117.0	340817.0	340817.0				28300.0
Justice	4			309359.5	290914.5	278914.5	12000.0			18445.0
Courts	4	3		133740.0	122857.3	120357.3	2500.0			10882.7
Supreme Court of Justice	4	3	108	19828.1	19545.4	19545.4				282.7
Ministry of Justice (courts)	4	3	131	113911.9	103311.9	100811.9	2500.0			10600.0
Prosecutor's office	4	4		81208.7	81066.4	78066.4	3000.0			142.3

	Code:			2010						
	Chapt er/ key group	Paragr aph/ group	Public authori ty	Total	including					
					base revenue /expenditure	including		Projects financed with external funds	Special funds	Special means
2	3	4	5	6	7	8	9	10	11	
General prosecutor's office	4	4	113	81208.7	81066.4	78066.4	3000.0			142.3
Notary's offices	4	5		8047.8	8047.8	8047.8				
Ministry of Justice	4	5	131	8047.8	8047.8	8047.8				
Justice authorities not attributable to other groups	4	6		37980.2	30660.2	24160.2	6500.0			7320.0
Magistrate's Senior Advisory Board	4	6	107	1872.3	1872.3	1872.3				
Ministry of Justice	4	6	131	18633.8	11313.8	11313.8				7320.0
National Institute for Justice	4	6	139	17474.1	17474.1	10974.1	6500.0			
Court decisions enforcement	4	7		39584.1	39584.1	39584.1				
Ministry of Justice	4	7	131	39584.1	39584.1	39584.1				
Administrative authorities	4	10		8798.7	8698.7	8698.7				100.0
Ministry of Justice	4	10	131	8798.7	8698.7	8698.7				100.0
Constitutional rights	4¹			5596.9	5596.9	5596.9				
Constitutional jurisdiction authorities	4¹	1		5596.9	5596.9	5596.9				
Constitutional Court	4 ¹	1	106	5596.9	5596.9	5596.9				
Public order enforcement, and national security	5			1616500.1	1401199.2	1380193.1	21006.1			215300.9
Internal affair authorities	5	1		697753.7	499799.7	493543.6	6256.1			197954.0
Ministry of the Interior	5	1	133	697753.7	499799.7	493543.6	6256.1			197954.0
Carabineers Troops	5	2		73492.4	72147.4	72147.4				1345.0
Ministry of the Interior	5	2	133	73492.4	72147.4	72147.4				1345.0
Penitentiaries	5	3		337296.5	330996.5	326746.5	4250.0			6300.0
Ministry of Justice	5	3	131	337296.5	330996.5	326746.5	4250.0			6300.0
National security authorities	5	4		321015.9	316909.9	309659.9	7250.0			4106.0
Boarder guards service	5	4	152	194197.3	193147.3	189147.3	4000.0			1050.0
State Protection and Security Service	5	4	183	32949.2	32949.2	32949.2				
Information and Security Service	5	4	285	93869.4	90813.4	87563.4	3250.0			3056.0
Civil protection and force majeure	5	6		131390.6	127055.4	125555.4	1500.0			4335.2
Ministry of the Interior	5	6	133	131390.6	127055.4	125555.4	1500.0			4335.2
Facilities and authorities not attributable to other groups	5	9		55551.0	54290.3	52540.3	1750.0			1260.7
Center for fighting Economic Crime and Corruption	5	9	297	55551.0	54290.3	52540.3	1750.0			1260.7
Education	6			1929896.0	1317982.4	1300832.4	17150.0	63649.5	17585.4	530678.7
Pre-school education	6	1		32376.0				32376.0		
Ministry of Education and Youth	6	1	129	32376.0				32376.0		
Secondary education	6	3		668719.8	599050.3	596050.3	3000.0	31273.5	17585.4	20810.6
Ministry of Agriculture and Food Industry	6	3	125	732.9	667.9	667.9				65.0
Ministry of Education and Youth	6	3	129	642940.4	573515.9	570515.9	3000.0	31273.5	17585.4	20565.6
Ministry of Culture and Tourism	6	3	130	12646.5	12466.5	12466.5				180.0
National Academy of Sciences	6	3	157	12400.0	12400.0	12400.0				
Higher education	6	4		814576.8	406097.6	396097.6	10000.0			408479.2
Ministry of Agriculture and Food Industry	6	4	125	61008.8	41657.0	36657.0	5000.0			19351.8
Ministry of Health	6	4	128	128508.3	78098.3	77098.3	1000.0			50410.0
Ministry of Education and Youth	6	4	129	585891.3	251228.2	248228.2	3000.0			334663.1
Ministry of Culture and Tourism	6	4	130	27603.7	23549.4	22549.4	1000.0			4054.3
National Academy of Sciences	6	4	157	11000.0	11000.0	11000.0				
Public Administration Academy under the President of the Republic of Moldova	6	4	158	564.7	564.7	564.7				
Postgraduate education	6	5		72139.4	62890.5	62490.5	400.0			9248.9
Ministry of Health	6	5	128	61297.8	54077.5	53677.5	400.0			7220.3
Ministry of Education and Youth	6	5	129	585.3	526.0	526.0				59.3

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	Chapt er/ key group	Paragr aph/ group	Public authori ty	Total	including						
					base revenue /expenditure	including		Projects financed with external funds	Special funds	Special means	
						net of capital investments	capital investments				
2	3	4	5	6	7	8	9	10	11		
Ministry of Culture and Tourism	6	5	130	172.2	131.6	131.6					40.6
Public Administration Academy under the President of the Republic of Moldova	6	5	158	10084.1	8155.4	8155.4					1928.7
Staff retraining courses and facilities	6	6		15746.0	12890.7	12640.7	250.0				2855.3
Ministry of Finance	6	6	122	386.3	386.3	386.3					
Ministry of Agriculture and Food Industry	6	6	125	944.3	944.3	944.3					
Ministry of Health	6	6	128	7061.5	5310.3	5060.3	250.0				1751.2
Ministry of Education and Youth	6	6	129	6606.1	5740.1	5740.1					866.0
Ministry of Culture and Tourism	6	6	130	38.0	38.0	38.0					
Public Administration Academy under the President of the Republic of Moldova	6	6	158	709.8	471.7	471.7					238.1
Education facilities and actions not attributable to other groups	6	7		22080.1	21769.1	21769.1					311.0
Ministry of Agriculture and Food Industry	6	7	125	2692.3	2501.3	2501.3					191.0
Ministry of Health and Social Protection	6	7	128	127.7	127.7	127.7					
Ministry of Education, Youth, & Sports	6	7	129	19260.1	19140.1	19140.1					120.0
Vocational secondary education	6	8		298312.3	209838.6	206338.6	3500.0				88473.7
Ministry of Agriculture and Food Industry	6	8	125	53589.6	36880.6	36880.6					16709.0
Ministry of Health	6	8	128	54409.1	42842.9	41092.9	1750.0				11566.2
Ministry of Education and Youth	6	8	129	161436.2	105049.5	103299.5	1750.0				56386.7
Ministry of Culture and Tourism	6	8	130	28877.4	25065.6	25065.6					3811.8
Administrative authorities	6	10		5945.6	5445.6	5445.6					500.0
Ministry of Education, Youth, and Sports	6	10	129	5945.6	5445.6	5445.6					500.0
Science/research and innovations	7			639900.0	612900.0	516900.0	96000.0		500.0		26500.0
Fundamental theory and applied research	7	1.2		489900.0	471250.0	448250.0	23000.0				18650.0
National Academy of Sciences	7	1.2	157	489900.0	471250.0	448250.0	23000.0				18650.0
Training of research staff	7	3		23000.0	19500.0	19500.0					3500.0
National Academy of Sciences	7	3	157	23000.0	19500.0	19500.0					3500.0
Research and innovation facilities and actions not attributable elsewhere	7	4		107000.0	106200.0	33200.0	73000.0		500.0		300.0
Government Aparatus	7	4	104	12200.0	12200.0	12200.0					
National Academy of Sciences	7	4	157	94800.0	94000.0	21000.0	73000.0		500.0		300.0
Administrative authorities	7	10		20000.0	15950.0	15950.0					4050.0
National Academy of Sciences	7	10	157	16400.0	12600.0	12600.0					3800.0
National Board for Attestation and Accreditation	7	10	454	3600.0	3350.0	3350.0					250.0
Culture, arts, religion, and youth-targeting sports and actions	8			278369.3	272404.2	241404.2	31000.0				5965.1
Culture related activities	8	2		136771.2	132589.3	101589.3	31000.0				4181.9
Ministry of Education and Youth	8	2	129	707.3	625.0	625.0					82.3
Ministry of Culture and Tourism	8	2	130	113063.9	108964.3	100964.3	8000.0				4099.6
Social investment fund	8	2	249	23000.0	23000.0		23000.0				
Radio television	8	3		72274.5	72274.5	72274.5					
National Public Facility for Audiovisual, company «Teleradio-Moldova»	8	3	173	72274.5	72274.5	72274.5					
Editorials and periodicals	8	4		4563.7	4563.7	4563.7					
Ministry of Education and Youth	8	4	129	1425.6	1425.6	1425.6					
Ministry of Culture and Tourism	8	4	130	3138.1	3138.1	3138.1					
Youth-targeting sports and actions	8	5		42152.9	41470.0	41470.0					682.9
Sport Agency	8	5	138	42152.9	41470.0	41470.0					682.9
facilities and actions not attributable to other groups	8	6		9498.1	9466.9	9466.9					31.2
Ministry of Culture and Tourism	8	6	130	8483.9	8452.7	8452.7					31.2

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2	3	4	5	6	7	8	9	10	11	
Sport Agency	8	6	138	342.6	342.6	342.6				
Bureau for cross-ethnic relations	8	6	149	671.6	671.6	671.6				
Youth actions	8	7		4008.8	4008.8	4008.8				
Ministry of Education and Youth	8	7	129	4008.8	4008.8	4008.8				
Administrative authorities	8	10		9100.1	8031.0	8031.0				1069.1
Ministry of Culture and Tourism	8	10	130	4365.0	3895.9	3895.9				469.1
Sport Agency	8	10	138	1311.6	1311.6	1311.6				
TV Council	8	10	161	3423.5	2823.5	2823.5				600.0
Healthcare	9			2893238.2	2643414.1	2619414.1	24000.0	142071.9		107752.2
Hospitals	9	1		51979.1	32819.1	8819.1	24000.0			19160.0
Ministry of Health	9	1	128	51979.1	32819.1	8819.1	24000.0			19160.0
Outpatient facilities and family doctor centers	9	2		12639.4	5872.9	5872.9				6766.5
Ministry of Health	9	2	128	12639.4	5872.9	5872.9				6766.5
Epidemiological, and prevention health facilities and services	9	3		187740.0	148732.0	148732.0				39008.0
Ministry of Health	9	3	128	187740.0	148732.0	148732.0				39008.0
Health care services and facilities not attributable to other groups	9	5		203901.3	22702.7	22702.7		142071.9		39126.7
Ministry of Health	9	5	128	203901.3	22702.7	22702.7		142071.9		39126.7
National health programs	9	6		313220.9	309529.9	309529.9				3691.0
Ministry of Health	9	6	128	252295.9	248604.9	248604.9				3691.0
National Health Insurance Company	9	6	322	60925.0	60925.0	60925.0				
Mandatory health insurance bound services	9	7		2117400.0	2117400.0	2117400.0				
National Health Insurance Company	9	7	322	2117400.0	2117400.0	2117400.0				
Administrative authorities	9	10		6357.5	6357.5	6357.5				
Ministry of Health	9	10	128	6357.5	6357.5	6357.5				
Social insurance and support	10			2480798.2	2382578.9	2381578.9	1000.0		87400.0	10819.3
Pensions of military	10	1		619008.0	619008.0	619008.0				
Ministry of Justice	10	1	131	66464.0	66464.0	66464.0				
Ministry of Defense	10	1	132	199201.6	199201.6	199201.6				
Ministry of the Interior	10	1	133	280244.3	280244.3	280244.3				
Boarder guards service	10	1	152	19288.1	19288.1	19288.1				
State Protection and Security Service	10	1	183	8082.7	8082.7	8082.7				
Information and Security Service	10	1	285	39054.5	39054.5	39054.5				
Center for fighting Economic Crime and Corruption	10	1	297	6672.8	6672.8	6672.8				
Social assistance facilities	10	3		173983.6	164228.0	163228.0	1000.0			9755.6
Ministry of Economy and Trade	10	3	121	23811.1	23811.1	23811.1				
Ministry of Social Protection, Family and Child	10	3	127	150172.5	140416.9	139416.9	1000.0			9755.6
Compensations paid for the costs incurred by transport companies for granting benefits to certain groups of citizens	10	5		200.0	200.0	200.0				
Transport Agency	10	5	303	200.0	200.0	200.0				
Phased indexation of people's deposits at the «Banca de Economii»	10	6		115000.0	115000.0	115000.0				
General actions	10	6	200	115000.0	115000.0	115000.0				
Administrative authorities	10	10		6223.4	5523.4	5523.4				700.0
Ministry of Social Protection, Family and Child	10	10	127	6223.4	5523.4	5523.4				700.0
Social support and welfare services and facilities not attributable to other groups	10	11		232457.2	232093.5	232093.5				363.7
Ministry of Economy and Trade	10	11	121	37745.6	37745.6	37745.6				
Ministry of Agriculture and Food Industry	10	11	125	1411.8	1411.8	1411.8				
Ministry of Social Protection, Family and Child	10	11	127	57683.1	57319.4	57319.4				363.7

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2	3	4	5	6	7	8	9	10	11	
Ministry of Health	10	11	128	1910.2	1910.2	1910.2				
Ministry of Education and Youth	10	11	129	38348.1	38348.1	38348.1				
Ministry of Culture and Tourism	10	11	130	358.4	358.4	358.4				
Ministry of Local Public Administration	10	11	137	60500.0	60500.0	60500.0				
General actions	10	11	200	34500.0	34500.0	34500.0				
Nominative compensations, benefits and allowances	10	13		21977.0	21977.0	21977.0				
Ministry of Justice	10	13	131	899.8	899.8	899.8				
Ministry of Defense	10	13	132	7606.5	7606.5	7606.5				
Ministry of the Interior	10	13	133	10500.7	10500.7	10500.7				
Border Guards Service	10	13	152	1125.3	1125.3	1125.3				
State Protection and Security Service	10	13	183	30.0	30.0	30.0				
Information and Security Service	10	13	285	1806.6	1806.6	1806.6				
Center for fighting Economic Crime and Corruption	10	13	297	8.1	8.1	8.1				
Subsidizing the interest rate and re-payment of preferential bank loans made available to population and residential house construction cooperatives	10	18		103000.0	103000.0	103000.0				
General actions	10	18	200	103000.0	103000.0	103000.0				
Social support funds for population	10	20		87400.0					87400.0	
Ministry of Social Protection, Family and Child	10	20	127	87400.0					87400.0	
Pensions and social disbursements paid from the Government social insurance budget (GSIB)	10	21		1121549.0	1121549.0	1121549.0				
National Social Insurance House	10	21	289	1121549.0	1121549.0	1121549.0				
Agriculture, Forestry Services, Fishery, and Water services	11			865210.4	747166.2	712966.2	34200.0	88623.3		29420.9
Agriculture	11	1		694362.6	665862.6	662662.6	3200.0			28500.0
Ministry of Agriculture and Food Industry	11	1	125	581062.6	552562.6	551362.6	1200.0			28500.0
Agro-industrial company "Moldova-Vin"	11	1	324	113300.0	113300.0	111300.0	2000.0			
Forestry Services	11	2		39081.9	39081.9	8081.9	31000.0			
Forestry Agency "Moldsilva"	11	2	178	39081.9	39081.9	8081.9	31000.0			
Water services	11	4		26545.0	26545.0	26545.0				
"Apele Moldovei" Agency	11	4	402	26545.0	26545.0	26545.0				
Agriculture services and activities, forestry services, fishery, and water services, not attributable to other groups	11	5		91960.8	3337.5	3337.5		88623.3		
Ministry of Agriculture and Food Industry	11	5	125	90497.7	1874.4	1874.4		88623.3		
Agro-industrial Agency "Moldova-Vin"	11	5	324	1463.1	1463.1	1463.1				
Administrative authorities	11	10		13260.1	12339.2	12339.2				920.9
Ministry of Agriculture and Food Industry	11	10	125	7557.4	6797.4	6797.4				760.0
Forestry Agency "Moldsilva"	11	10	178	1581.7	1420.8	1420.8				160.9
Agro-industrial Agency "Moldova-Vin"	11	10	324	1607.2	1607.2	1607.2				
"Apele Moldovei" Agency	11	10	402	2513.8	2513.8	2513.8				
Environment protection, and hydrometeorology	12			112413.8	32814.6	32814.6		6999.2	68000.0	4600.0
Environment protection	12	1		86917.7	14917.7	14917.7			68000.0	4000.0
Ministry of Environment and Natural Resources	12	1	284	86917.7	14917.7	14917.7			68000.0	4000.0
Hydrometeorology	12	3		14336.1	13736.1	13736.1				600.0
Ministry of Environment and Natural Resources	12	3	284	14336.1	13736.1	13736.1				600.0
Environment protection and hydrometeorology activities not attributable to other groups	12	5		7999.2	1000.0	1000.0		6999.2		
Ministry of Environment and Natural Resources	12	5	284	7999.2	1000.0	1000.0		6999.2		
Administrative authorities	12	10		3160.8	3160.8	3160.8				

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						net of capital investments	capital investments			
2	3	4	5	6	7	8	9	10	11	
Ministry of Environment and Natural Resources	12	10	284	3160.8	3160.8	3160.8				
Industry and constructions	13			28414.6	28414.6	28414.6				
Extractive industry	13	1		6000.0	6000.0	6000.0				
Ministry of Environment and Natural Resources	13	1	284	6000.0	6000.0	6000.0				
Industry and construction services and activities not attributable to other groups	13	5		15260.3	15260.3	15260.3				
Ministry of Social Protection, Family and Child	13	5	127	1960.0	1960.0	1960.0				
Ministry of Construction and Development	13	5	147	13300.3	13300.3	13300.3				
Administrative authorities	13	10		7154.3	7154.3	7154.3				
Ministry of Construction and Development	13	10	147	5920.4	5920.4	5920.4				
Ministry of Environment and Natural Resources	13	10	284	1233.9	1233.9	1233.9				
Transports, roads service, communications, and information management	14			967659.5	633883.5	315683.5	318200.0	330576.0		3200.0
Ship transport	14	2		6615.6	3415.6	3415.6				3200.0
Transport Agency	14	2	303	6615.6	3415.6	3415.6				3200.0
Road services	14	7		930576.0	600000.0	281800.0	318200.0	330576.0		
Ministry of Construction and Development	14	7	147	930576.0	600000.0	281800.0	318200.0	330576.0		
Communications and information	14	8		24900.0	24900.0	24900.0				
Information and Security Service	14	8	285	24900.0	24900.0	24900.0				
Activities and services in the field of transportation, communication and information, not includede in other groups	14	9		3000.0	3000.0	3000.0				
Transport Agency	14	9	303	3000.0	3000.0	3000.0				
Administrative authorities	14	10		2567.9	2567.9	2567.9				
Transport Agency	14	10	303	2567.9	2567.9	2567.9				
Utilities, and residential housing services	15			287772.1	190968.4	1208.4	189760.0	96703.7		100.0
Residential space exploitation services	15	1		6000.0	6000.0		6000.0			
Ministry of Social Protection, Family and Child	15	1	127	5000.0	5000.0		5000.0			
Ministry of Education and Youth	15	1	129	1000.0	1000.0		1000.0			
Utilities	15	2		280463.7	183760.0		183760.0	96703.7		
Ministry of Local Public Administration	15	2	137	181700.0	181700.0		181700.0			
"Apele Moldovei" Agency	15	2	402	98763.7	2060.0		2060.0	96703.7		
Health activity, including control over environment pollution	15	3		1308.4	1208.4	1208.4				100.0
Ministry of the Interior	15	3	133	1308.4	1208.4	1208.4				100.0
Industry and energy sectors	16			10186.0	6001.8	6001.8		4184.2		
Fuel and energy services and actions not attributable to other groups	16	4		10186.0	6001.8	6001.8		4184.2		
Ministry of Economy and Trade	16	4	121	10186.0	6001.8	6001.8		4184.2		
Government debt repayment	17			726000.0	726000.0	726000.0				
Government internal debt repayment	17	1		502800.0	502800.0	502800.0				
General actions	17	1	200	502800.0	502800.0	502800.0				
Government foreign debt repayment	17	3		223200.0	223200.0	223200.0				
General actions	17	3	200	223200.0	223200.0	223200.0				
Filling up of government reserves	18			65184.6	20884.6	20884.6				44300.0
Government's material reserves	18	2		53000.0	13000.0	13000.0				4000.0
Agency for mineral ores, public procurement, and humanitarian aid	18	2	169	53000.0	13000.0	13000.0				4000.0
Other services to pay off government reserves	18	4		7833.4	3833.4	3833.4				4000.0
Agency for mineral ores, public procurement, and humanitarian aid	18	4	169	7833.4	3833.4	3833.4				4000.0

	Code:			2010						
	Chapt er / key group	Paragr aph / group	Public authori ty	Total	including					
					base revenue /expenditure	including		Projects financed with external funds	Special funds	Special means
						net of capital investments	capital investments			
2	3	4	5	6	7	8	9	10	11	
Administrative authorities	18	10		4351.2	4051.2	4051.2				300.0
Agency for mineral ores, public procurement, and humanitarian aid	18	10	169	4351.2	4051.2	4051.2				300.0
Other economy related services	19			193533.9	190787.5	190787.5		2323.4		423.0
Other economy related services	19	3		190648.0	187901.6	187901.6		2323.4		423.0
Ministry of Economy and Trade	19	3	121	23667.9	21344.5	21344.5		2323.4		
Ministry of Culture and Tourism	19	3	130	1105.0	1085.0	1085.0				20.0
Land and Cadastre Agency	19	3	155	156873.7	156670.7	156670.7				203.0
General actions	19	3	200	5000.0	5000.0	5000.0				
National Agency for Competitiveness Protection	19	3	453	4001.4	3801.4	3801.4				200.0
Administrative authorities	19	10		2885.9	2885.9	2885.9				
Land and Cadastre Agency	19	10	155	2885.9	2885.9	2885.9				
Spending not attributable to other core groups	20			4894577.5	4892660.5	4671420.4	221240.1	1917.0		
Government's reserve fund	20	2		187201.4	187201.4	187201.4				
General actions	20	2	200	187201.4	187201.4	187201.4				
Transfers to the budgets of administrative-territorial units	20	4		2909123.9	2909123.9	2909123.9				
General actions	20	4	200	2909123.9	2909123.9	2909123.9				
Transfers to the budgets of administrative-territorial units with special destination	20	5		238090.2	238090.2	16850.1	221240.1			
General activities	20	5	200	238090.2	238090.2	16850.1	221240.1			
Spending not attributable to other groups	20	9		1560162.0	1558245.0	1558245.0		1917.0		
Land and Cadastre Agency	20	9	155	5200.0	5200.0	5200.0				
General actions	20	9	200	100700.0	100700.0	100700.0				
Social investment fund	20	9	249	3462.0	1545.0	1545.0		1917.0		
Funds to raise salaries within public budget	20	9	295	1450800.0	1450800.0	1450800.0				
Net crediting	23			-87448.6	-87448.6	-87448.6				

Anexa 19.3. Spending ceilings for Government budget by sectors and central public authorities for 2011

MDL thousand

	Code:			2011						
	Chapter / key group	Paragraph / group	Public authority	Total	including					
					base revenue /expenditure	including		Projects financed with external funds	Special funds	Special means
						net of capital investments	capital investments			
2	3	4	5	6	7	8	9	10	11	
Spending, total				22313709.2	20365304.0	19126077.7	1239226.3	561770.5	180900.0	1211670.3
General destination government services	1			1240441.1	1075048.8	1021759.4	53289.4			165392.3
Law authorities	1	1		76425.6	75310.6	75310.6				1115.0
Parliament	1	1	101	76425.6	75310.6	75310.6				1115.0
Implementing authorities	1	2		135976.7	87212.3	83122.9	4089.4			48764.4
President of the Republic of Moldova apparatus	1	2	102	14565.9	14365.9	14365.9				200.0
State apparatus	1	2	104	121410.8	72846.4	68757.0	4089.4			48564.4
Financial, budget/fiscal and control activities	1	3		705921.9	642562.4	602362.4	40200.0			63359.5
Court of Accounts	1	3	103	16203.0	16203.0	16203.0				
Ministry of Finance	1	3	122	288218.9	226359.4	226359.4				61859.5
Customs Service	1	3	145	401500.0	400000.0	359800.0	40200.0			1500.0
Statistics and planning services	1	4		43163.7	41062.1	41062.1				2101.6
National Bureau for Statistics	1	4	143	43163.7	41062.1	41062.1				2101.6
General destination authorities and services that could not be attributed elsewhere	1	8		204296.1	155488.8	150488.8	5000.0			48807.3
State apparatus	1	8	104	10000.0	10000.0	10000.0				
State Archive Service	1	8	154	9185.3	8635.3	3635.3	5000.0			550.0
Central Electoral Commission	1	8	195	74119.3	74119.3	74119.3				
Special couriers services	1	8	199	2594.3	1894.3	1894.3				700.0
General actions (running elections)	1	8	200	55674.0	55674.0	55674.0				
Human rights center	1	8	257	9283.4	3926.1	3926.1				5357.3
Information Development Ministry	1	8	296	42200.0						42200.0
Alternative Service Department	1	8	312	1239.8	1239.8	1239.8				
Administrative authorities	1	10		74657.1	73412.6	69412.6	4000.0			1244.5
Ministry of Economy and Trade	1	10	121	19719.5	18919.5	18919.5				800.0
Ministry of Finance	1	10	122	27235.9	27235.9	23235.9	4000.0			
Ministry of Local Public Administration	1	10	137	11553.4	11553.4	11553.4				
National Bureau for Statistics	1	10	143	7139.0	7139.0	7139.0				
Bureau for cross-ethnic relations	1	10	149	1669.8	1225.3	1225.3				444.5
State Archive Service	1	10	154	1016.7	1016.7	1016.7				
Ministry of Information Development	1	10	296	3680.4	3680.4	3680.4				
Licensure Chamber	1	10	310	2642.4	2642.4	2642.4				
External activities	2			271919.4	261140.6	241140.6	20000.0			16714.4
International cooperation	2	1		54050.0	54050.0	54050.0				
General actions	2	1	200	54050.0	54050.0	54050.0				
Diplomatic missions	2	4		201755.8	190977.0	170977.0	20000.0			16714.4
Ministry of Foreign Affairs and European	2	4	135	201755.8	190977.0	170977.0	20000.0			16714.4
Administrative authorities	2	10		16113.6	16113.6	16113.6				
Integration	2	10	135	16113.6	16113.6	16113.6				
National defense	3			450730.7	419930.7	419930.7				30800.0
National Army	3	1		450730.7	419930.7	419930.7				30800.0
Ministry of Defense	3	1	132	450730.7	419930.7	419930.7				30800.0
Justice	4			308487.8	290042.8	281542.8	8500.0			18445.0
Courts	4	3		135904.3	125021.6	121521.6	3500.0			10882.7
Supreme Court of Justice	4	3	108	25364.3	25081.6	25081.6				282.7
Ministry of Justice (courts)	4	3	131	110540.0	99940.0	96440.0	3500.0			10600.0
Prosecutor's office	4	4		84174.7	84032.4	79032.4	5000.0			142.3
General prosecutor's office	4	4	113	84174.7	84032.4	79032.4	5000.0			142.3
Notary's offices	4	5		8389.1	8389.1	8389.1				
Ministry of Justice	4	5	131	8389.1	8389.1	8389.1				

	Code:			2011							
	Chapter / key group	Paragraph / group	Public authority	Total	including						
					base revenue /expenditure	including		Projects financed with external funds	Special funds	Special means	
						net of capital investments	capital investments				
2	3	4	5	6	7	8	9	10	11		
Justice authorities not attributable to other groups	4	6		31118.3	23798.3	23798.3				7320.0	#
Magistrate's Senior Advisory Board	4	6	107	1901.1	1901.1	1901.1					
Ministry of Justice	4	6	131	19037.4	11717.4	11717.4				7320.0	
National Institute for Justice	4	6	139	10179.8	10179.8	10179.8					
Court decisions enforcement	4	7		39982.2	39982.2	39982.2					
Ministry of Justice	4	7	131	39982.2	39982.2	39982.2					
Administrative authorities	4	10		8919.2	8819.2	8819.2					100.0
Ministry of Justice	4	10	131	8919.2	8819.2	8819.2				100.0	
Constitutional rights	4¹			5961.9	5961.9	5961.9					
Constitutional jurisdiction authorities	4¹	1		5961.9	5961.9	5961.9					
Constitutional Court	4 ¹	1	106	5961.9	5961.9	5961.9					
Public order enforcement, and national security	5			1684276.2	1468975.3	1435975.3	33000.0				215300.9
Internal affair authorities	5	1		671504.7	473550.7	461550.7	12000.0				197954.0
Ministry of the Interior	5	1	133	671504.7	473550.7	461550.7	12000.0				197954.0
Carabineers Troops	5	2		75726.3	74381.3	74381.3					1345.0
Ministry of the Interior	5	2	133	75726.3	74381.3	74381.3					1345.0
Penitentiaries	5	3		343833.6	337533.6	331533.6	6000.0				6300.0
Ministry of Justice	5	3	131	343833.6	337533.6	331533.6	6000.0				6300.0
National security authorities	5	4		362188.4	358082.4	347082.4	11000.0				4106.0
Boarder guards service	5	4	152	200750.6	199700.6	192700.6	7000.0				1050.0
State Protection and Security Service	5	4	183	30713.8	30713.8	30713.8					
Information and Security Service	5	4	285	130724.0	127668.0	123668.0	4000.0				3056.0
Civil protection and force majeure	5	6		174136.7	169801.5	167801.5	2000.0				4335.2
Ministry of the Interior	5	6	133	174136.7	169801.5	167801.5	2000.0				4335.2
Facilities and authorities not attributable to other groups	5	9		56886.5	55625.8	53625.8	2000.0				1260.7
Center for fighting Economic Crime and Corruption	5	9	297	56886.5	55625.8	53625.8	2000.0				1260.7
Education	6			2061749.4	1514070.7	1488170.7	25900.0		17000.0		530678.7
Secondary education	6	3		662469.8	624659.2	621459.2	3200.0		17000.0		20810.6
Ministry of Agriculture and Food Industry	6	3	125	735.2	670.2	670.2					65.0
Ministry of Education and Youth	6	3	129	636003.6	598438.0	595238.0	3200.0		17000.0		20565.6
Ministry of Culture and Tourism	6	3	130	12731.0	12551.0	12551.0					180.0
National Academy of Sciences	6	3	157	13000.0	13000.0	13000.0					
Higher education	6	4		917146.6	508667.4	491667.4	17000.0				408479.2
Ministry of Agriculture and Food Industry	6	4	125	83494.7	64142.9	57142.9	7000.0				19351.8
Ministry of Health	6	4	128	172343.0	121933.0	119433.0	2500.0				50410.0
Ministry of Education and Youth	6	4	129	596309.7	261646.6	256646.6	5000.0				334663.1
Ministry of Culture and Tourism	6	4	130	52434.5	48380.2	45880.2	2500.0				4054.3
National Academy of Sciences	6	4	157	12000.0	12000.0	12000.0					
Public Administration Academy under the President of the Republic of Moldova	6	4	158	564.7	564.7	564.7					
Postgraduate education	6	5		72951.0	63702.1	62802.1	900.0				9248.9
Ministry of Health	6	5	128	62048.3	54828.0	53928.0	900.0				7220.3
Ministry of Education and Youth	6	5	129	585.5	526.2	526.2					59.3
Ministry of Culture and Tourism	6	5	130	172.2	131.6	131.6					40.6
Public Administration Academy under the President of the Republic of Moldova	6	5	158	10145.0	8216.3	8216.3					1928.7
Staff retraining courses and facilities	6	6		19779.2	16923.9	16623.9	300.0				2855.3
Ministry of Finance	6	6	122	414.8	414.8	414.8					
Ministry of Agriculture and Food Industry	6	6	125	959.3	959.3	959.3					
Ministry of Health	6	6	128	10988.3	9237.1	8937.1	300.0				1751.2
Ministry of Education and Youth	6	6	129	6659.5	5793.5	5793.5					866.0
Ministry of Culture and Tourism	6	6	130	41.0	41.0	41.0					#

	Code:			2011							
	Chapter / key group	Paragraph / group	Public authority	Total	including						
					base revenue /expenditure	including		Projects financed with external funds	Special funds	Special means	
						net of capital investments	capital investments				
2	3	4	5	6	7	8	9	10	11		
Public Administration Academy under the President of the Republic of Moldova	6	6	158	716.3	478.2	478.2					238.1
Education facilities and actions not attributable to other groups	6	7		22757.8	22446.8	22446.8					311.0
Ministry of Agriculture and Food Industry	6	7	125	2750.6	2559.6	2559.6					191.0
Ministry of Health and Social Protection	6	7	128	128.0	128.0	128.0					
Ministry of Education, Youth, & Sports	6	7	129	19879.2	19759.2	19759.2					120.0
Vocational secondary education	6	8		360640.2	272166.5	267666.5	4500.0				88473.7
Ministry of Agriculture and Food Industry	6	8	125	60163.3	43454.3	43454.3					16709.0
Ministry of Health	6	8	128	99339.6	87773.4	85773.4	2000.0				11566.2
Ministry of Education and Youth	6	8	129	165779.4	109392.7	106892.7	2500.0				56386.7
Ministry of Culture and Tourism	6	8	130	35357.9	31546.1	31546.1					3811.8
Administrative authorities	6	10		6004.8	5504.8	5504.8					500.0
Ministry of Education, Youth, and Sports	6	10	129	6004.8	5504.8	5504.8					500.0
Science/research and innovations	7			789000.0	761500.0	710500.0	51000.0		500.0		27000.0
Fundamental theory and applied research	7	1.2		642800.0	623650.0	612650.0	11000.0				19150.0
National Academy of Sciences	7	1.2	157	642800.0	623650.0	612650.0	11000.0				19150.0
Training of research staff	7	3		29000.0	25500.0	25500.0					3500.0
National Academy of Sciences	7	3	157	29000.0	25500.0	25500.0					3500.0
Research and innovation facilities and actions not attributable elsewhere	7	4		93200.0	92400.0	52400.0	40000.0		500.0		300.0
Government Aparatus	7	4	104	200.0	200.0	200.0					
National Academy of Sciences	7	4	157	93000.0	92200.0	52200.0	40000.0		500.0		300.0
Administrative authorities	7	10		24000.0	19950.0	19950.0					4050.0
National Academy of Sciences	7	10	157	20000.0	16200.0	16200.0					3800.0
National Board for Attestation and Accreditation	7	10	454	4000.0	3750.0	3750.0					250.0
Culture, arts, religion, and youth-targeting sports and actions	8			359254.9	353289.8	318289.8	35000.0				5965.1
Culture related activities	8	2		172758.1	168576.2	133576.2	35000.0				4181.9
Ministry of Education and Youth	8	2	129	716.6	634.3	634.3					82.3
Ministry of Culture and Tourism	8	2	130	148041.5	143941.9	132941.9	11000.0				4099.6
Social investment fund	8	2	249	24000.0	24000.0		24000.0				
Radio television	8	3		111350.2	111350.2	111350.2					
National Public Facility for Audiovisual, company «Teleradio-Moldova»	8	3	173	111350.2	111350.2	111350.2					
Editorials and periodicals	8	4		3846.7	3846.7	3846.7					
Ministry of Education and Youth	8	4	129	1525.5	1525.5	1525.5					
Ministry of Culture and Tourism	8	4	130	2321.2	2321.2	2321.2					
Youth-targeting sports and actions	8	5		48420.8	47737.9	47737.9					682.9
Sport Agency	8	5	138	48420.8	47737.9	47737.9					682.9
Culture, arts, religion, and sports related facilities and actions not attributable to other groups	8	6		9347.1	9315.9	9315.9					31.2
Ministry of Culture and Tourism	8	6	130	8316.3	8285.1	8285.1					31.2
Sport Agency	8	6	138	346.5	346.5	346.5					
Bureau for cross-ethnic relations	8	6	149	684.3	684.3	684.3					
Youth actions	8	7		4304.4	4304.4	4304.4					
Ministry of Education and Youth	8	7	129	4304.4	4304.4	4304.4					
Administrative authorities	8	10		9227.6	8158.5	8158.5					1069.1
Ministry of Culture and Tourism	8	10	130	4425.5	3956.4	3956.4					469.1
Sport Agency	8	10	138	1334.4	1334.4	1334.4					
TV Council	8	10	161	3467.7	2867.7	2867.7					600.0
Healthcare	9			3209496.7	2948254.2	2920254.2	28000.0	153490.3			107752.2
Hospitals	9	1		56193.0	37033.0	9033.0	28000.0				19160.0
Ministry of Health	9	1	128	56193.0	37033.0	9033.0	28000.0				19160.0
Outpatient facilities and family doctor centers	9	2		12734.5	5968.0	5968.0					6766.5

	Code:			2011						
	Chapter / key group	Paragraph / group	Public authority	Total	including					
					base revenue /expenditure	including		Projects financed with external funds	Special funds	Special means
						net of capital investments	capital investments			
2	3	4	5	6	7	8	9	10	11	
Ministry of Health	9	2	128	12734.5	5968.0	5968.0				6766.5 #
Epidemiological, and prevention health facilities and services	9	3		191160.6	152152.6	152152.6				39008.0
Ministry of Health	9	3	128	191160.6	152152.6	152152.6				39008.0
Health care services and facilities not attributable to other groups	9	5		225136.2	32519.2	32519.2		153490.3		39126.7
Ministry of Health	9	5	128	225136.2	32519.2	32519.2		153490.3		39126.7
National health programs	9	6		333640.7	329949.7	329949.7				3691.0
Ministry of Health	9	6	128	272715.7	269024.7	269024.7				3691.0
National Health Insurance Company	9	6	322	60925.0	60925.0	60925.0				
Mandatory health insurance bound services	9	7		2384200.0	2384200.0	2384200.0				
National Health Insurance Company	9	7	322	2384200.0	2384200.0	2384200.0				
Administrative authorities	9	10		6431.7	6431.7	6431.7				
Ministry of Health	9	10	128	6431.7	6431.7	6431.7				
Social insurance and support	10			2855155.7	2749727.9	2748227.9	1500.0		93900.0	11527.8
Pensions of military	10	1		658838.7	658838.7	658838.7				
Ministry of Justice	10	1	131	70703.6	70703.6	70703.6				
Ministry of Defense	10	1	132	211963.2	211963.2	211963.2				
Ministry of the Interior	10	1	133	298491.9	298491.9	298491.9				
Boarder guards service	10	1	152	20488.8	20488.8	20488.8				
State Protection and Security Service	10	1	183	8579.7	8579.7	8579.7				
Information and Security Service	10	1	285	41513.2	41513.2	41513.2				
Center for fighting Economic Crime and Corruption	10	1	297	7098.3	7098.3	7098.3				
Social assistance facilities	10	3		181786.5	171347.9	169847.9	1500.0			10438.6
Ministry of Economy and Trade	10	3	121	24104.6	24104.6	24104.6				
Ministry of Social Protection, Family and Child	10	3	127	157681.9	147243.3	145743.3	1500.0			10438.6
Compensations paid for the costs incurred by transport companies for granting benefits to certain groups of citizens	10	5		200.0	200.0	200.0				
Transport Agency	10	5	303	200.0	200.0	200.0				
Phased indexation of people's deposits at the «Banca de Economii»	10	6		150000.0	150000.0	150000.0				
General actions	10	6	200	150000.0	150000.0	150000.0				
Administrative authorities	10	10		6304.0	5604.0	5604.0				700.0
Ministry of Social Protection, Family and Child	10	10	127	6304.0	5604.0	5604.0				700.0
Social support and welfare services and facilities not attributable to other groups	10	11		241214.2	240825.0	240825.0				389.2
Ministry of Economy and Trade	10	11	121	41717.7	41717.7	41717.7				
Ministry of Agriculture and Food Industry	10	11	125	1439.2	1439.2	1439.2				
Ministry of Social Protection, Family and Child	10	11	127	61475.3	61086.1	61086.1				389.2
Ministry of Health	10	11	128	1959.3	1959.3	1959.3				
Ministry of Education and Youth	10	11	129	39250.6	39250.6	39250.6				
Ministry of Culture and Tourism	10	11	130	372.1	372.1	372.1				
Ministry of Local Public Administration	10	11	137	60500.0	60500.0	60500.0				
General actions	10	11	200	34500.0	34500.0	34500.0				
Nominative compensations, benefits and allowances	10	13		21977.0	21977.0	21977.0				
Ministry of Justice	10	13	131	899.8	899.8	899.8				
Ministry of Defense	10	13	132	7606.5	7606.5	7606.5				
Ministry of the Interior	10	13	133	10500.7	10500.7	10500.7				
Border Guards Service	10	13	152	1125.3	1125.3	1125.3				
State Protection and Security Service	10	13	183	30.0	30.0	30.0				
Information and Security Service	10	13	285	1806.6	1806.6	1806.6				

	Code:			2011								
	Chapter / key group	Paragraph / group	Public authority	Total	including							
					base revenue /expenditure	including			Projects financed with external funds	Special funds	Special means	
						net of capital investments	capital investments					
2	3	4	5	6	7	8	9	10	11			
Center for fighting Economic Crime and Corruption	10	13	297	8.1	8.1	8.1						#
Subsidizing the interest rate and re-payment of preferential bank loans made available to population and residential house construction cooperatives	10	18		102500.0	102500.0	102500.0						
General actions	10	18	200	102500.0	102500.0	102500.0						
Social support funds for population	10	20		93900.0					93900.0			
Ministry of Social Protection, Family and Child	10	20	127	93900.0					93900.0			
Pensions and social disbursements paid from the Government social insurance budget (GSIB)	10	21		1398435.3	1398435.3	1398435.3						
National Social Insurance House	10	21	289	1398435.3	1398435.3	1398435.3						
Agriculture, Forestry Services, Fishery, and Water services	11			934131.3	878125.4	800125.4	78000.0	26585.0			29420.9	
Agriculture	11	1		753845.5	725345.5	720345.5	5000.0				28500.0	
Ministry of Agriculture and Food Industry	11	1	125	609545.5	581045.5	579045.5	2000.0				28500.0	
Agro-industrial company "Moldova-Vin"	11	1	324	144300.0	144300.0	141300.0	3000.0					
Forestry Services	11	2		81881.9	81881.9	8881.9	73000.0					
Forestry Agency "Moldsilva"	11	2	178	81881.9	81881.9	8881.9	73000.0					
Water services	11	4		56745.0	56745.0	56745.0						
"Apele Moldovei" Agency	11	4	402	56745.0	56745.0	56745.0						
Agriculture services and activities, forestry services, fishery, and water services, not attributable to other groups	11	5		28216.2	1631.2	1631.2		26585.0				
Ministry of Agriculture and Food Industry	11	5	125	26748.6	163.6	163.6		26585.0				
Agro-industrial Agency "Moldova-Vin"	11	5	324	1467.6	1467.6	1467.6						
Administrative authorities	11	10		13442.7	12521.8	12521.8					920.9	
Ministry of Agriculture and Food Industry	11	10	125	7642.8	6882.8	6882.8					760.0	
Forestry Agency "Moldsilva"	11	10	178	1605.4	1444.5	1444.5					160.9	
Agro-industrial Agency "Moldova-Vin"	11	10	324	1636.5	1636.5	1636.5						
"Apele Moldovei" Agency	11	10	402	2558.0	2558.0	2558.0						
Environment protection, and hydrometeorology	12			110087.8	35937.8	35937.8				69500.0	4650.0	
Environment protection	12	1		88417.7	14917.7	14917.7				69500.0	4000.0	
Ministry of Environment and Natural Resources	12	1	284	88417.7	14917.7	14917.7				69500.0	4000.0	
Hydrometeorology	12	3		17479.8	16829.8	16829.8					650.0	
Ministry of Environment and Natural Resources	12	3	284	17479.8	16829.8	16829.8					650.0	
Environment protection and hydrometeorology activities not attributable to other groups	12	5		1000.0	1000.0	1000.0						
Ministry of Environment and Natural Resources	12	5	284	1000.0	1000.0	1000.0						
Administrative authorities	12	10		3190.3	3190.3	3190.3						
Ministry of Environment and Natural Resources	12	10	284	3190.3	3190.3	3190.3						
Industry and constructions	13			29118.9	29118.9	29118.9						
Extractive industry	13	1		6000.0	6000.0	6000.0						
Ministry of Environment and Natural Resources	13	1	284	6000.0	6000.0	6000.0						
Industry and construction services and activities not attributable to other groups	13	5		15899.9	15899.9	15899.9						
Ministry of Social Protection, Family and Child	13	5	127	1960.0	1960.0	1960.0						
Ministry of Construction and Development	13	5	147	13939.9	13939.9	13939.9						
Administrative authorities	13	10		7219.0	7219.0	7219.0						
Ministry of Construction and Development	13	10	147	5967.4	5967.4	5967.4						
Ministry of Environment and Natural Resources	13	10	284	1251.6	1251.6	1251.6						
Transports, roads service, communications, and information management	14			1093237.2	789013.2	387913.2	401100.0	301024.0			3200.0	
Ship transport	14	2		5615.6	2415.6	2415.6					3200.0	
Transport Agency	14	2	303	5615.6	2415.6	2415.6					3200.0	
Road services	14	7		1067024.0	766000.0	364900.0	401100.0	301024.0				

	Code:			2011							
	Chapter / key group	Paragraph / group	Public authority	Total	including						
					base revenue /expenditure	including		Projects financed with external funds	Special funds	Special means	
						net of capital investments	capital investments				
2	3	4	5	6	7	8	9	10	11		
Communications and information	14	8		15000.0	15000.0	15000.0					
Information and Security Service	14	8	285	15000.0	15000.0	15000.0					
Activities and services in the field of transportation, communication and information, not includede in other groups	14	9		3000.0	3000.0	3000.0					
Transport Agency	14	9	303	3000.0	3000.0	3000.0					
Administrative authorities	14	10		2597.6	2597.6	2597.6					
Transport Agency	14	10	303	2597.6	2597.6	2597.6					
Utilities, and residential housing services	15			295288.1	214516.9	1232.9	213284.0	80671.2		100.0	
Residential space exploitation services	15	1		11500.0	11500.0		11500.0				
Ministry of Social Protection, Family and Child	15	1	127	10000.0	10000.0		10000.0				
Ministry of Education and Youth	15	1	129	1500.0	1500.0		1500.0				
Utilities	15	2		282455.2	201784.0		201784.0	80671.2			
Ministry of Local Public Administration	15	2	137	200700.0	200700.0		200700.0				
"Apele Moldovei" Agency	15	2	402	81755.2	1084.0		1084.0	80671.2			
Health activity, including control over environment pollution	15	3		1332.9	1232.9	1232.9				100.0	
Ministry of the Interior	15	3	133	1332.9	1232.9	1232.9				100.0	
Industry and energy sectors	16			6001.8	6001.8	6001.8					
Fuel and energy services and actions not attributable to other groups	16	4		6001.8	6001.8	6001.8					
Ministry of Economy and Trade	16	4	121	6001.8	6001.8	6001.8					
Government debt repayment	17			574400.0	574400.0	574400.0					
Government internal debt repayment	17	1		387900.0	387900.0	387900.0					
General actions	17	1	200	387900.0	387900.0	387900.0					
Government foreign debt repayment	17	3		186500.0	186500.0	186500.0					
General actions	17	3	200	186500.0	186500.0	186500.0					
Filling up of government reserves	18			60314.7	16014.7	16014.7				44300.0	
Government's material reserves	18	2		48000.0	8000.0	8000.0				40000.0	
Agency for mineral ores, public procurement, and humanitarian aid	18	2	169	48000.0	8000.0	8000.0				40000.0	
Other services to pay off government reserves	18	4		7918.9	3918.9	3918.9				4000.0	
Agency for mineral ores, public procurement, and humanitarian aid	18	4	169	7918.9	3918.9	3918.9				4000.0	
Administrative authorities	18	10		4395.8	4095.8	4095.8				300.0	
Agency for mineral ores, public procurement, and humanitarian aid	18	10	169	4395.8	4095.8	4095.8				300.0	
Other economy related services	19			199270.0	198847.0	198847.0				423.0	
Other economy related services	19	3		196344.2	195921.2	195921.2				423.0	
Ministry of Economy and Trade	19	3	121	21419.5	21419.5	21419.5					
Ministry of Culture and Tourism	19	3	130	1181.0	1161.0	1161.0					20.0
Land and Cadastre Agency	19	3	155	164673.7	164470.7	164470.7					203.0
General actions	19	3	200	5000.0	5000.0	5000.0					
National Agency for Competitiveness Protection	19	3	453	4070.0	3870.0	3870.0					200.0
Administrative authorities	19	10		2925.8	2925.8	2925.8					
Land and Cadastre Agency	19	10	155	2925.8	2925.8	2925.8					
Spending not attributable to other core groups	20			5857690.6	5857690.6	5567037.7	290652.9				
Government's reserve fund	20	2		168476.7	168476.7	168476.7					
General actions	20	2	200	168476.7	168476.7	168476.7					
Transfers to the budgets of administrative-territorial units	20	4		3065010.9	3065010.9	3065010.9					
General actions	20	4	200	3065010.9	3065010.9	3065010.9					

	Code:			2011							
	Chapter / key group	Paragr aph/ group	Public authority	Total	including						
					base revenue /expenditure	including		Projects financed with external funds	Special funds	Special means	
						net of capital investments	capital investments				
2	3	4	5	6	7	8	9	10	11		
Transfers to the budgets of administrative- territorial units with special destination	20	5		307503.0	307503.0	16850.1	290652.9				#
General actions	20	5	200	307503.0	307503.0	16850.1	290652.9				
Spending not attributable to other groups	20	9		2316700.0	2316700.0	2316700.0					
Land and Cadastre Agency	20	9	155	5200.0	5200.0	5200.0					
General actions	20	9	200	100700.0	100700.0	100700.0					
Funds to raise salaries within public budget	20	9	295	2210800.0	2210800.0	2210800.0					
Net crediting	23			-82305.0	-82305.0	-82305.0					

Annex 20

Current and Planned State Borrowing

Nr.	Creditor	Loan destination	Loan amount (thous.)	Credit conditions			
				Period of loan validation	Loan life cycle	Loan reimbursment year	Interest
Current state loans							
BILATERALS							
1	Government of Romania	Debt restructuring	9,400 USD		(2004-2018)	2012	no interest
2	CCC (Commodity Credit Corporation)	Cereals Import	10,000 USD	1992	(1992-2022)	1999	3%-2%
3	CCC (Commodity Credit Corporation)	Cereals Import	10,000 USD	1993	(1993-2023)	2000	3%-2%
4	CCC (Commodity Credit Corporation)	Cereals Import	20,000 USD	1994	(1994-2024)	2001	3%-2%
5	CCC (Commodity Credit Corporation)	Cereals Import	10,000 USD	1995	(1995-2025)	2002	3%-2%
6	CCC (Commodity Credit Corporation)	Cereals Import	16,500 USD	1996	(1996-2026)	2001	3.25%-2.25%
7	Government of USA	Debt relief	21,144 USD		(2006-2008)	2006	3.06%
8	Government of Russia	Debt restructuring	91,676 USD 30,388 USD		(2000-2014)	2005	7%
9	Government of Russia	Debt relief	91,064 USD		(2006-2008)	2006	LIBOR + 0.5 %
10	German Bank KfW (Kreditanstalt für Wiederaufbau)	Debt restructuring	13,355 EUR		(2002-2015)	2005	LIBOR + 0.875%
11	Government of Germany	Debt relief	18,208 EUR		(2006-2008)	2006	4.20%
12	German Bank KfW (Kreditanstalt für Wiederaufbau)	Micro, small and middle enterprise promotion	3,579 EURO	(2002-2003)	(2002-2042)	2012	0.75%
13	German Bank KfW (Kreditanstalt für Wiederaufbau)	Creating service stations agro-technic	2,000 EURO	(2003-2005)	(2003-2041)	2012	0.75%
14	German Bank KfW (Kreditanstalt für Wiederaufbau)	Economic and social infrastructure rehabilitation from rural and urban regions	1,610 EURO	(2004-2007)	(2004-2044)	2014	0.75%
15	Turk Eximbank	Debt restructuring	8,333 USD		(2005-2019)	2009	2.50%
16	Japonise Bank (JBIC)	Economic imrovment	5,307,500 YEN	1995	(1994-2013)	1999	LTPLR
17	Government of Japan	Debt relief	1,820,260 YEN		(2006-2008)	2006	LIBOR + 0.5%
18	Government of Italy	Debt relief	953,929 USD		(2006-2008)	2006	LIBOR + 0.5%
19	Kuwait Fund	Improvement of water sistem in 6 vilages	1,900,000 KWD	(2004-2008)	(2004-2030)	2010	1.50%
20	Government of Poland	Water and sanitration	15,000 USD	(2007-2009)	(2007-2027)	2009	1.40%

Nr.	Creditor	Loan destination	Loan amount (thous.)	Credit conditions			
				Period of loan validation	Loan life cycle	Loan reimbursement year	Interest
Current state loans							
MULTILATERALS							
21	BIRD	Economic rehabilitation of the state	60,000 USD	(1993-1995)	(1993-2013)	1999	CQB+0,5%
22	BIRD	Drouth consequences liquidation	26,000 USD	(1993-1994)	(1993-2010)	1998	CQB+0,5%
23	BIRD	Structural adjustment	60,000 USD	(1994-1996)	(1994-2015)	2000	CQB+0,5%
24	BIRD	Agricultural sector developmet	10,000 USD	(1997-2001)	(1996-2016)	2001	CQB+0,5%
25	BIRD	Private sector development	35,000 USD	(1996-2016)	(1996-2001)	2001	LIBOR+0.5%
26	BIRD	Education development	11,800 USD 700 USD	(1997-2002)	(1997-2017)	2003	CQB+0,5%
27	BIRD	Energy sector reform	10,000 USD	(1997-2001)	(1997-2016)	2001	CQB+0,5%
28	BIRD	Structural adjustment	55,000 USD	(1997-2000)	(1997-2032)	2003	LIBOR(6M)
29	IDA	Cadastr Development	3,500 SDR	(1997-2003)	(1997-2032)	2008	0.75%
30	IDA	Cadastr Development	11,500 SDR	(1996-2007)	(1998-2033)	2008	0.75%
	IDA	Cadastr Development	2,000 SDR	(2005-2007)	(2005-2045)	2015	0.75%
	IDA	Structural adjustment	33,000 SDR	(1997-1999)	(1997-2032)	2007	0.75%
32	IDA	Rural sector development	3,700 SDR	(1998-2001)	(1998-2032)	2008	0.75%
33	IDA	Social services development	10 900 SDR 500 USD	(1999-2004)	(1999-2033)	2009	0.75%
34	IDA	Managerial capacity development	6,600 SDR	(1997-2002)	(1997-2032)	2007	0.75%
35	IDA	Social protection management	8,200 SDR	(1999-2005)	(1999-2034)	2009	0.75%
36	IDA	Ajustarea structurala	33,600 SDR	(1999-2001)	(1999-2034)	2009	0.75%
37	IDA	Restructurarea sistemului sanatatii	7,600 SDR	(2000-2005)	(2000-2040)	2010	0.75%
38	IDA	Structural adjustment	24,100 SDR	(2002-2003)	(2002-2042)	2012	0.75%
39	IDA	Rural sector development	8,300 SDR	(2002-2003)	(2002-2042)	2012	0.75%
	IDA	Rural sector development	3,400 SDR	2004	(2004-2043)	2013	0.75%
40	IDA	Energy sector development	25,700 SDR	(2003-2008)	(2003-2043)	2014	0.75%
41	IDA	Transport development	5,300 SDR	(2003-2007)	(2003-2043)	2013	0.75%
42	IDA	Water and sanitation	8,800 SDR	(2003-2007)	(2003-2043)	2013	0.75%
43	IDA	Services development	13,800 SDR	(2004 - 2010)	(2004 - 2044)	2014	0.75%
44	IDA	Public finance management	5,700 SDR	(2006-2010)	(2006-2045)	2015	0.75%
45	IDA	Competitiveness improvement	3,350 SDR	(2006-2009)	(2006-2045)	2016	0.75%
46	IDA	Quality education implementation	3,600 SDR	(2006-2010)	(2006-2046)	2016	0.75%
47	IDA	Economic growth of agricultural sector	5,200 SDR	2006	(2006-2045)	2016	0.75%
48	IDA	Minimization of bird flu consicueces	2,800 SDR	(2006-2009)	(2006-2046)	2016	0.75%
49	IDA	Economic growth and poverty reduction (phase I)	6,800 SDR	2006	(2006-2046)	2016	0.75%
50	IDA	Road rehabilitation	10,800 SDR	(2007-2011)	(2007-2046)	2017	0.75%
51	IDA	Health services	11,300 SDR	(2007-2011)	(2007-2047)	2017	0.75%
52	IFAD	Rural financing and small entreprise development	5,800 SDR	(2000-2005)	(2000-2039)	2010	0.75%
53	IFAD	Agriculture revitalization project	10,300 SDR	(2004-2011)	(2004-2043)	2014	0.75%
54	IFAD	Program for rural bussiness development	9,100 SDR	(2006-2012)	(2006-2045)	2016	0.75%
55	BERD	Road reconstruction	28,600 USD diminuata pina la 11,976 USD	(1996-2000)	(1996-2011)	2000	LIBOR+3%
56	CEB	Financing of the project " blood safe transfusion in Republic of Moldova"	6,000 EUR	2006- perioada nedeterminata	2012- perioada nedeterminata	2012	1.91%
57	CEB	Social housing construction in RM	4,900 EUR	(2007-2009)	(2007-2027)	2012	concessional
COMMERCIAL							
58	Eurobond holders	Budget deficit covering and external debt reimbursement	39,685 USD		(2002-2009)	2003	LIBOR 6M + 4,625 %

Nr.	Creditor	Loan destination	Loan amount (thous.)	Credit conditions			
				Period of loan validation	Loan life cycle	Loan reimbursement year	Interest
Loans to be contracted in 2008							
1	BERD	Road rehabilitation	30,000 EUR	(2008-2009)	(2008-2023)	2011	Euribor + 1%
2	BEI	European roads in RM	30,000 EUR	(2008-2009)	(2008-2028)	2013	commercial
3	CEB	Modernization of the Republican Clinical Hospital	9,000 EUR	2008-undetermined period	(2008-2028)	2013	concessional
4	IFAD	Services for rural financing and marketing	circa 13,000 USD	(2008-2013)	(2008-2048)	2018	0.75%
5	IDA	Economic growth of agricultural sector	6,000 SDR	(2008 - 2009)	(2008-2048)	2018	0.75%
6	IDA	Water and sanitation	14,000 SDR	(2008 - 2009)	(2008-2048)	2018	0.75%
7	IDA	Economic growth and poverty reduction (phase II)	10,000 USD	(2008 - 2009)	(2008-2048)	2018	0.75%
Loans to be contracted in 2009							
1	IDA	Economic growth and poverty reduction (phase III)	10,000 USD	2009	(2009-2049)	2019	0.75%
2	BEI	Financing of National Project for water and sanitation	10,000 USD	(2009-2010)	(2009-2029)	2014	commercial
3	BERD	Financing of National Project for water and sanitation	10,000 USD	(2009-2010)	(2009-2024)	2014	commercial
4	CEB	Financing of National Project for water and sanitation	20,000 EUR	2009-undetermined period	(2009-2029)	2014	concessional
Loans to be contracted in 2010							
1	IDA	Economic growth and poverty reduction (phase IV)	10,000 USD	2010	(2010-2050)	2020	0.75%
2	IFAD	Investment in rural sector	about 13,500 USD	(2010-2015)	(2010-2050)	2020	0.75%
Loans to be contracted in 2010							
1	IDA	Economic growth and poverty reduction (phase V)	10,000 USD	2011	(2011-2051)	2021	0.75%
2	IDA	Road rehabilitation	16,000 USD	2011	(2011-2051)	2021	0.75%

CCC - Commodity Credit Corporation
 BIRD - International Bank for Reconstruction and Development
 IDA - International Association for Development
 IFAD - International Fund for Agricultural Development
 BERD - European Bank for Reconstruction and Development
 CEB - Central European Bank
 BEI - European Bank for Investment