SPC - Circular Economy - NGER – Republic of Moldova
Relevance of SCP and CE to sustainable production and trade in Moldova

- *The Republic of Moldova has climatic conditions favorable to the agricultural sector development with a comparative advantage for organic farming.*
- *Agriculture’s role is critical for achieving Moldova’s 2030 Agenda*

SCP and Green/Circular Economy approach is reflected in:

- most of Moldova’s framework documents: National Development Strategy Moldova 2030; the Green Economy Package (adopted in 2018) and the National Strategy on Agriculture and Rural Development of Moldova 2014-2020
- relevant provisions of the Association Agreement with the European Union,
- UN SDGs to which Moldova is actively participating

Government’s consistent liberalization efforts haven’t yet registered the expected structural transformation towards increased high value-added activities. The economy continues to be dominated by the services sector (60% of GDP and 50% of labor force in 2016).

Agriculture: Low productivity / 80% of land is used for low value products (crops, oil plants, sugar beet). Stagnated 10% of GDP and 32% of employment.

Manufacturing is dominated by low-value activities and weak technological capabilities. Decreasing 25% of GDP and stagnated 12% of employment.

*Urgent importance for a more added value SP, including organic agriculture, is recognized at the policy level but business lacks behind*
MOLDOVA NGER & SWOT

Strengths
• Favorable pedo-climatic conditions
• International Trade Agreements, especially DCFTA, that facilitate access to important markets
• Continuously growing demand for organic products – clear opportunities for organic production development
• Geographic proximity to one of the main organic as well as walnut / honey / cereal markets – the EU

Weaknesses
• Weak legislative and institutional framework, not yet fully adapted to the EU legislation
• Poor coordination mechanisms for generating increase in scale and quality of supply
• Limited value-added production, reliance on raw commodities exports to foreign markets
• Insufficient infrastructure for storage for smallholders and small intermediaries
• Limited availability of effective micro-financing instruments for small farmers
Experience from the project

Area registered as organic agriculture in RM in 2003-2017, ha

- Official data reported by certification bodies recognised and accredited by MOLDAC/MARDE.
- Data from all certification bodies (accredited and non-accredited) operating in the RM.
Potential of market diversification and generating added value in the cereal sector

1. Reorientation towards high-value SPECIALTY CEREALS

<table>
<thead>
<tr>
<th>Product</th>
<th>Moldova net trade</th>
<th>EU net trade</th>
<th>Export potential</th>
</tr>
</thead>
<tbody>
<tr>
<td>Wheat</td>
<td>330</td>
<td>20,558</td>
<td>no</td>
</tr>
<tr>
<td>Maize</td>
<td>156</td>
<td>-8,875</td>
<td>Yes</td>
</tr>
<tr>
<td>Barley</td>
<td>137</td>
<td>7,334</td>
<td>no</td>
</tr>
<tr>
<td>Rye</td>
<td>0</td>
<td>165</td>
<td>rather yes, if production increases considerably</td>
</tr>
<tr>
<td>Oats</td>
<td>0</td>
<td>146</td>
<td>rather yes, if production increases considerably</td>
</tr>
<tr>
<td>Millet</td>
<td>0</td>
<td>-56</td>
<td>Yes</td>
</tr>
<tr>
<td>Sorghum</td>
<td>0</td>
<td>-356</td>
<td>Yes</td>
</tr>
<tr>
<td>Buckwheat</td>
<td>0</td>
<td>-23</td>
<td>Yes</td>
</tr>
</tbody>
</table>

MOLDOVA NGER & NATIONAL ACTION PLAN

Main Finding:
1) Obtaining organic certification (EU equivalent) is the primary goal of the majority of Moldovan agri producers to meet increased income potential and growing demand in world markets
2) Increase capacity for sustainable production

ACTIONS RELATED TO ALL THREE SECTORS

• Harmonization of the National Legislation in accordance with EU Organic Agriculture legislation
• Development of the national organic agriculture inputs market (seeds and seedling materials, fertilizers, crops protecting products)
• Instituting a large scale training program and extension services on organic production and certification
• Support in market research and creation of effective trade partnerships for the added-value product
Thanks! ...and let’s make SCP work everywhere!

Artur Nadcrinicinii, NGER Moldova National Expert