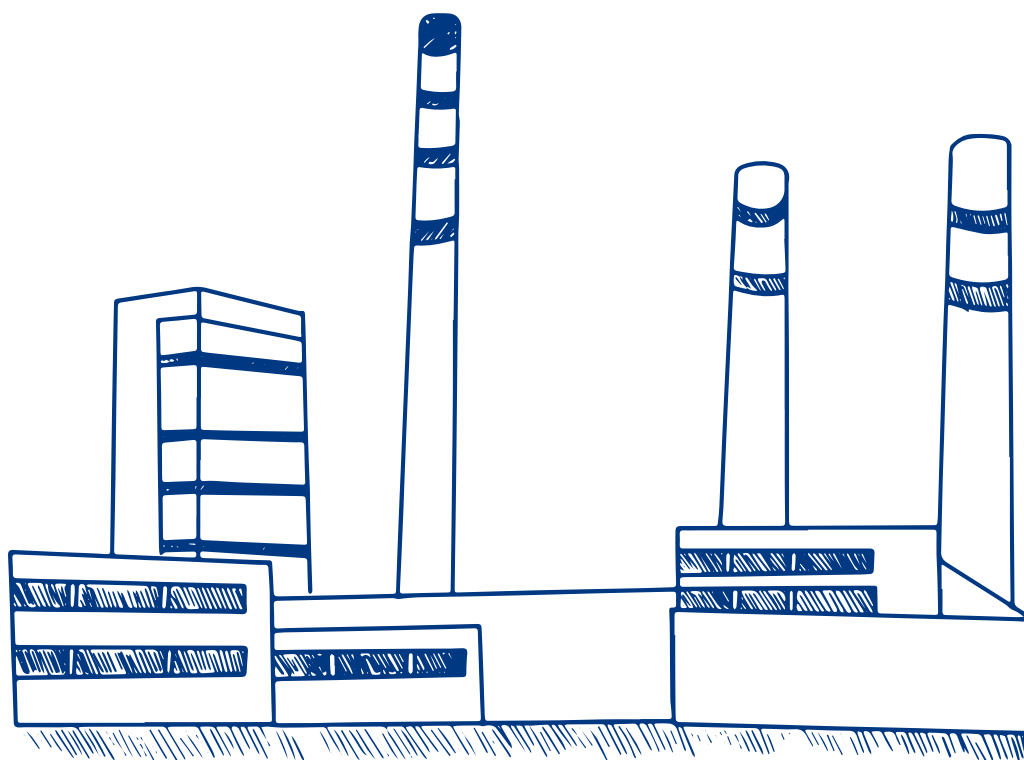


Moldova

Annual Implementation Report


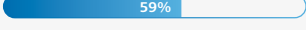

1 November 2021





Moldova

Summary Implementation

Summary Indicators	Transposition Assessment	Implementation Status	Descriptions
 Electricity		 43%	Implementation in the electricity sector of Moldova is moderately advanced.
 Gas		 43%	Implementation in the gas sector of Moldova is moderately advanced.
 Oil		 15%	Implementation in the oil sector of Moldova is yet to begin.
 Renewable Energy		 59%	Implementation in the renewable energy sector of Moldova is moderately advanced.
 Energy Efficiency		 78%	Implementation in the energy efficiency sector of Moldova is well advanced.
 Environment		 68%	Implementation in the environment sector of Moldova is well advanced.
 Climate		 55%	Implementation in the climate sector of Moldova is moderately advanced.
 Infrastructure		 8%	Implementation in the infrastructure sector of Moldova is yet to begin.
 Statistics		 98%	Implementation in the statistics sector of Moldova is almost completed.
 Cybersecurity		 43%	Implementation in the cybersecurity sector of Moldova is moderately advanced.

Overall number of cases: **5**

Procedure by Article **91**

ECS-14/16 Energy efficiency

ECS-9/17 Electricity

ECS-7/18 Environment

ECS-18/21 Electricity

ECS-24/21 Environment



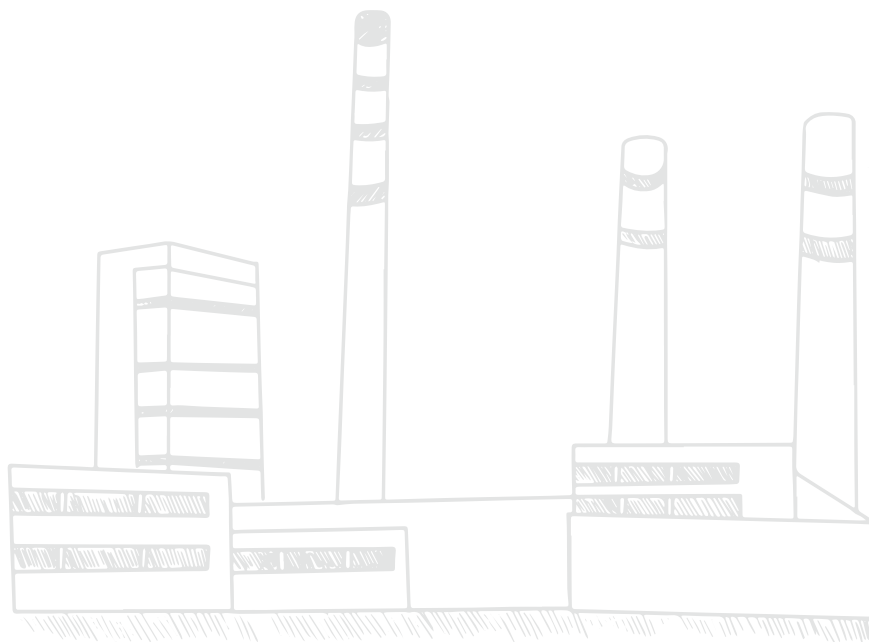
Moldova

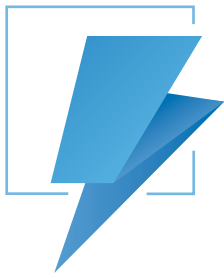
State of Energy Sector Reforms

Moldova's reform process has almost stalled during the reporting period. Necessary updates of all energy-related laws have not taken place, and the unbundling of both incumbent transmission system operators has failed. The next step towards opening up the wholesale power market, the establishment

of a functioning balancing mechanism, has been postponed. The gas market is even more foreclosed. Nevertheless, a new gas interconnector with Romania was completed and certified. Further progress in the areas of renewable auctions and energy efficiency depends on the adoption of new legislation.

Moldova's electricity sector is characterized by dependence on one source, a thermal power plant in the Transnistria region, while still not being interconnected with its Western neighbour Romania. Development of the interconnection project is slow. Asynchronous interconnection (through back-to-back stations) is expected to be completed by 2024. Dependence in the gas sector, where Gazprom controls the national gas incumbent, is equally high. The Romanian system operator Transgaz built a pipeline connecting Moldova's key consumption centres to the Romanian system, thus providing alternative infrastructure. The country has a high potential for renewable energy projects, which is yet to be exploited.





Moldova Electricity

Electricity Implementation

Electricity Indicators	Transposition Assessment	Implementation Status	Descriptions
Unbundling		<div style="width: 55%;"><div style="width: 55%;"></div></div> 55%	The lack of unbundling of electricity transmission is subject to an infringement case. Unbundling of the distribution system operators is compliant.
Access to the system		<div style="width: 48%;"><div style="width: 48%;"></div></div> 48%	Tariffs are approved and published. The Connection Network Codes are implemented since January 2020. The Transparency Regulation is transposed by the wholesale electricity market rules, which are not yet in force.
Wholesale market		<div style="width: 38%;"><div style="width: 38%;"></div></div> 38%	The entry into force of the wholesale electricity market rules, initially envisaged for 2 October 2021, is expected to be postponed until 1 January 2022. The transposition and implementation of REMIT depends on amendments to the Laws on Electricity and Energy.
Retail market		<div style="width: 58%;"><div style="width: 58%;"></div></div> 58%	Though all customers are formally eligible, they still have access to regulated service supply until 2026. Despite that, market opening reached 9,7% in 2020 compared with 7,4 % in 2019.
Regional integration		<div style="width: 15%;"><div style="width: 15%;"></div></div> 15%	The Moldovan and Ukrainian transmission system operators have made progress towards joint allocation of cross-border capacities and settlement of unintentional deviations. The delays in adoption of the wholesale electricity market rules in Moldova impede further progress.

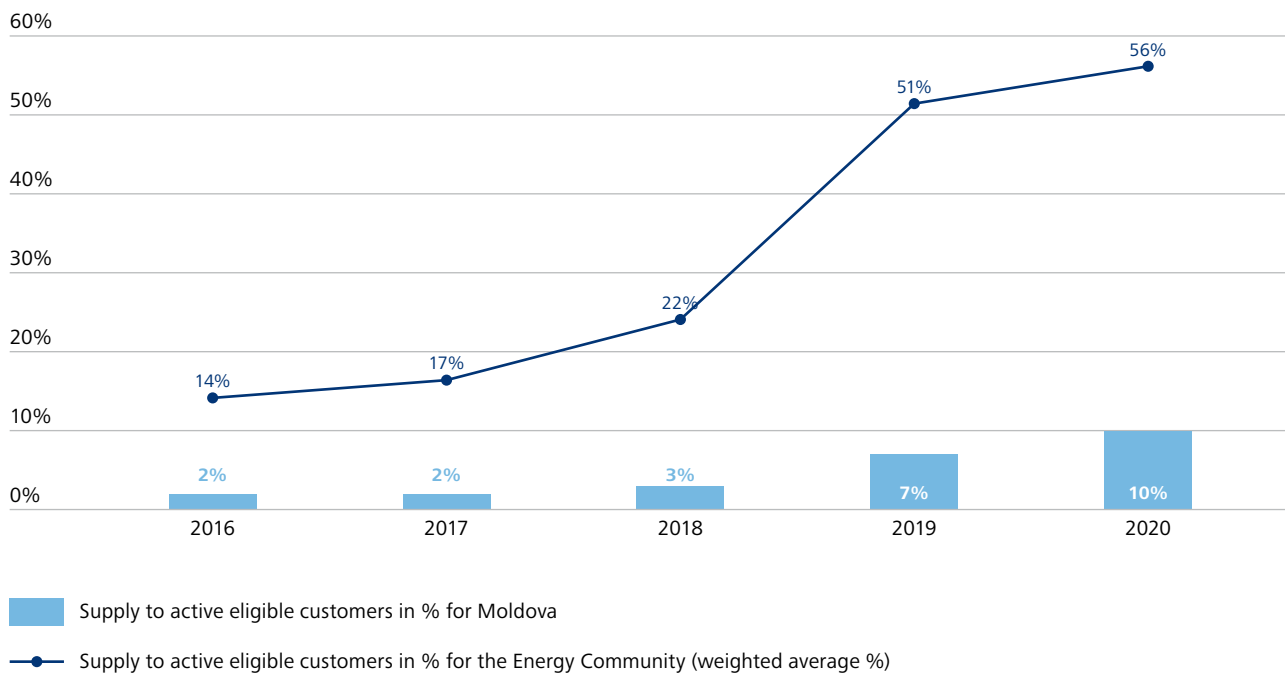
There was little progress in the electricity sector during this reporting period. Five years after the legal deadline, unbundling of the transmission system operator still needs to be achieved. None of the Third Energy Package unbundling models can be implemented under the current legislative framework. There has been no progress in transposing the independent system operator model in the Law on Electricity. The Secretariat opened dispute settlement proceedings against Moldova for lack of unbundling in May 2021. The two distribution system operators, on the other hand, are fully unbundled.

Further reform of the electricity market also hinges on the implementation of the wholesale electricity market rules. The energy regulator ANRE, the Moldovan transmission system operator and Moldavskaya GRES, the power plant located in the region of Transnistria, are working on an agreement on balancing issues regarding the left bank of the Dniester river.

The 2021 electricity procurement was affected by the lack of a balancing mechanism, which prevented improvements compared to previous years. The alleged impossibility to import the balancing electricity needed from Ukraine made Moldavskaya GRES win the tender organised by system operators and universal suppliers. Smaller suppliers or foreign suppliers could not enter the market. The Ukrainian company D.Trading is contesting the compliance of the procedure with the acquis.

Lack of competition in the retail market mirrors the situation in the wholesale market. On the positive side, the last reporting period saw the market share of suppliers at unregulated prices increase to around 10% of total consumption. The Electricity Law provides that regulated prices must be gradually eliminated in line with a timeline to be established by the regulatory authority ANRE following an assessment of competition in the market. This assessment has not been carried out and no timeline was set.

Retail Market Opening



Source: National Agency for Energy Regulation of Republic of Moldova, compiled by the Energy Community Secretariat

The implementation of joint cross-border capacity allocations on the Moldovan-Ukrainian border has been agreed in principle by the transmission system operators. Agreements and allocation rules are expected to be finalised and implemented in the first quarter of 2022. The transmission system operators of Moldova

and Ukraine entered into an agreement on the financial settlement of unintended deviations. Its implementation, however, depends on the introduction of a proper balancing mechanism in Moldova.



Moldova

Gas

Gas Implementation

Gas Indicators	Transposition Assessment	Implementation Status	Descriptions
Unbundling			Certification of Moldovatrangaz was rejected by the national regulatory authority in August 2021. ANRE certified Vestmoldtrangaz in September 2021.
Access to the system			ANRE adopted a list of entry/exit points and established a provisional tariff for those. Gas Network Codes have been transposed formally. Third party access is not ensured - Moldovatrangaz has signed a transmission service contract only with its owner, the incumbent Moldovagaz. Moldovatrangaz has not yet started to allocate capacity at any capacity booking platform.
Wholesale market			Moldova's gas market is still monopolised and without a virtual trading point. The REMIT Regulation is not transposed.
Retail market			The retail market is still heavily regulated with a public service obligation and a supplier of last resort universally applying to all customers without eligibility criteria for such gas supply.
Interconnectivity			With the construction of the Vestmold-gastrans pipeline, Moldova has access to another route and source of supply. The Trans-Balkan route remains untapped in the absence of reverse flow.

Despite the regional pattern of gas flows, the implementation of the Third Energy Package remains limited in practice. The only notable positive development is the finalisation of the interconnector operated by the certified transmission system operator, Vestmoldtrangaz.

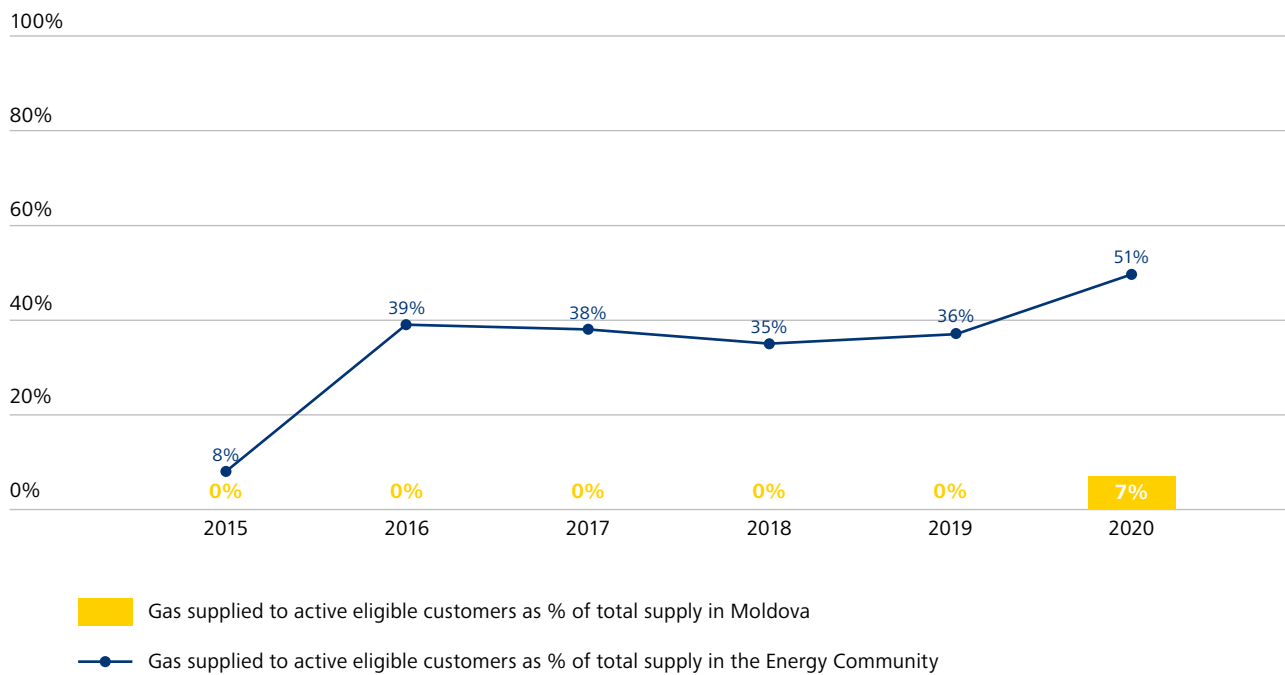
ANRE transposed all relevant gas Network Codes, but they are not implemented by Moldovatrangaz. The same goes for the Network Code on tariffs, which has not yet been implemented in the national tariff methodology. Amendments to the Gas Law and other related legislative acts are being drafted to enable comprehensive market reforms but the Government remained inactive throughout the entire reporting period.

Although numerous acts have been prepared by Moldovagaz and Moldovatrangaz, in cooperation with the Secretariat, to enable an independent transmission operator unbundling model to be applied, none of them were adopted. ANRE had to reject the certification request of Moldovatrangaz. Under the inde-

pendent transmission operator model, the gas supply activities of Moldovagaz should be transferred to a newly set up affiliated company, Moldovagaz-Furnizare LLC.

Third party access to the transmission system is not in place, as Moldovatrangaz holds a transmission service contract only with its owner - Moldovagaz. Third party access to users which do not belong to Moldovagaz' shareholders is impossible. Backhaul (contractual reverse flow) is still not offered by Moldovatrangaz. To bring Moldovatrangaz' transmission network in line with the Capacity Allocation Mechanism Network Code, a contract was signed for the use of the capacity booking platform (RBP) in November 2020, under which the capacity auctions should have started by 30 June 2021, but did not. The capacity auctions should start after the new tariffs are approved by ANRE, which is anticipated by the end of 2021. Once in place, they are expected to benefit the bookings along the Trans-Balkan route and stimulate trading activity in the South-Eastern European region.

Retail Market Opening



Source: National Energy Regulatory Agency (ANRE), compiled by the Energy Community Secretariat

The other infrastructure company, Vestmoldtransgaz, owned by the Romanian transmission system operator Transgaz, has received a positive Opinion on certification by the Secretariat and was certified by ANRE in September 2021.

According to the Natural Gas Market Rules, the transmission system operators of Moldova, Vestmoldtransgaz and Moldovatrangaz, took a common decision on the role of a balancing entity in the common balancing zone. Moldovatrangaz was designated by ANRE as the balancing entity. However, the Balancing Network Code has not been implemented in practice.

At the wholesale level, Moldova's gas market remains illiquid and foreclosed. Moldovagaz is responsible for gas imports from Gazprom, and in turn exercises control over Moldovatrangaz and Tiraspoltransgaz, a natural gas undertaking operating on the left bank of the river Dniester. Attempts have been made to transfer to Moldovatrangaz the right to represent Tiraspoltransgaz at the interconnection points Grebeniky, Ananyiv and Limanskoe, but no clear solution has emerged yet. Any arrangements will have to be in line with the Third Energy Package unbundling requirements.

On 31 December 2020, Moldovagaz signed a new supply contract from 1 January to 30 September 2021 with Gazprom, ensuring gas supply through the traditional route from Ukraine, but it no longer transits gas through the Trans-Balkan Pipeline to the Balkans and Turkey. A new supply contract concluded with Gazprom covers only the month of October.

Gas flows in the South-Eastern Europe markets have changed, which offers the possibility for new network users to become active on the Moldovan market from two new directions – reverse flow on the Trans-Balkan Pipeline and directly via the new connection from Romania (operated by the newly certified transmission system operator, Vestmoldtransgaz). However, due to lack of unbundling of the gas incumbent Moldovagaz and non-implementation of the current regulatory framework, this is still not reality.

The retail market is still heavily regulated under a public service obligation scheme, under which Moldovagaz is responsible for the supply of households, appointed by an act of ANRE without transparent or competitive procedures. Provisions on supply of last resort universally apply to all customers without adequate eligibility criteria for such gas supply. The security of supply regulatory framework is well established.

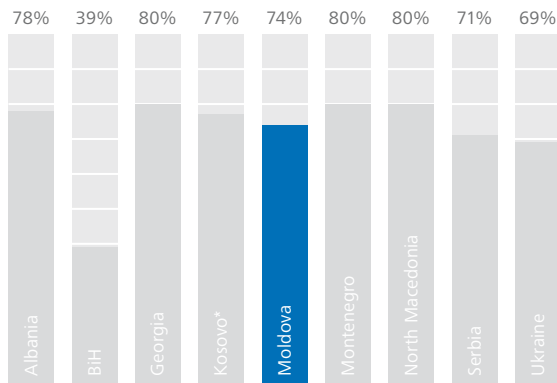


Moldova

National Authorities



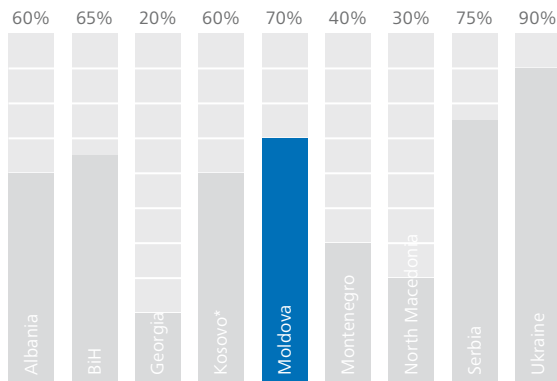
Regulatory Authority



In the reporting period, the National Agency for Energy Regulation (ANRE) was again exposed to serious interventions in its functional and financial independence. Legislative proposals filed in December 2020 targeted the dismissal of ANRE's Board and a cap of salaries. Following increases in petroleum prices in March 2021, the Parliament gave ANRE a no-confidence vote for its alleged inefficient activity in monitoring the petroleum market. The Parliament's attempt to undermine ANRE's independence was in conflict with the *acquis*, under which regulators must be independent from political pressure. The Secretariat's intervention put an end to this process. In October 2021, however, a law introducing new reasons for the dismissal of Board members, including "unsatisfactory fulfillment of tasks", was adopted by the Parliament, despite the Secretariat's warning that this constitutes a breach of the *acquis*. In the gas sector, ANRE's decisions are constantly challenged by the incumbent company, blocking ANRE in performing its tasks. These developments are alarming. ANRE has improved its technical performance, including its certification of Vestmoldtransgaz and rejection of the application of Moldovatransgaz for unbundling. ANRE adopted the gas and electricity Network Codes. Adoption of the REMIT Regulation is pending due to lack of legal competences.



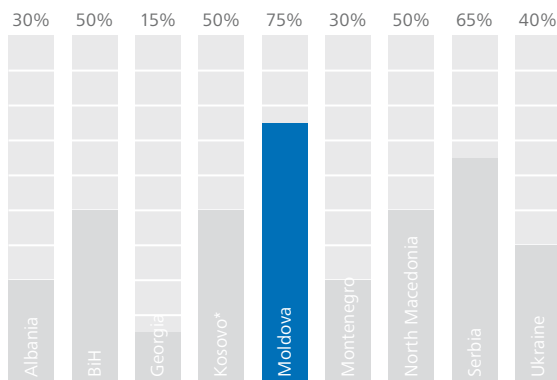
Competition Authority



In the reporting period, the Competition Council conducted an investigation into the signs of a breach of competition law by Premier Energy Distribution on the application of unequal conditions to the provision of electricity distribution services, and an investigation into the national energy regulatory agency's actions on the approval of tariffs for electricity produced from wind. Additionally, the Competition Council initiated an investigation into potential anti-competitive price setting for the sale of petroleum products and liquefied gas. The Competition Council is conducting a sector inquiry into the wholesale electricity market, in particular the organization and implementation of a tender for the purchase of electricity and balancing electricity.



State Aid Authority



In the reporting period, the Competition Council rendered a decision finding that the support measure for projects in the field of energy efficiency and improving the use of renewable energy constitutes State aid, which is compatible with the proper functioning of the market.



Moldova Oil

Oil Implementation

Oil Indicators	Transposition Assessment	Implementation Status	Descriptions
Stockholding obligation		<div style="border: 1px solid blue; border-radius: 10px; width: 100%; height: 15px; position: relative;"><div style="position: absolute; left: -10px; top: -5px;">0%</div></div>	At present, Moldova has no emergency oil stocks. The country has drafted a law on creating and maintaining a minimum level of oil product stocks.
Emergency procedures		<div style="border: 1px solid blue; border-radius: 10px; width: 100%; height: 15px; position: relative;"><div style="position: absolute; left: -10px; top: -5px;">0%</div></div>	There are no emergency procedures in place. The draft law envisages that only the Government has the authority to release and put into circulation, at the market price for oil, the oil stocks located in Moldova or kept outside its territory.
Fuel specifications of petrol, diesel and gas oil for non-road mobile machinery (NRMM)		<div style="border: 1px solid blue; border-radius: 10px; width: 100%; height: 15px; position: relative;"><div style="background-color: blue; width: 80%;"></div><div style="position: absolute; left: -10px; top: -5px;">80%</div></div>	Moldova's legal framework sets the requirements for the quality of petrol and diesel, which meet the Fuel Quality Directive's specifications. Gas oil used for NRMM is not covered.
Monitoring compliance and reporting including the lay down the rules on penalties		<div style="border: 1px solid blue; border-radius: 10px; width: 100%; height: 15px; position: relative;"><div style="background-color: blue; width: 20%;"></div><div style="position: absolute; left: -10px; top: -5px;">20%</div></div>	The first report on monitoring the quality of petrol and diesel is not completed and there is no clearly defined timeframe when it could occur. Fines for not meeting the quality standards are defined in the Penalty Code of 2008.

Moldova does not maintain emergency oil stocks as required by the Oil Stocks Directive. The country has drafted a law on creating and maintaining a minimum level of oil product stocks in 2017. The draft Law was adapted to meet the new requirements of Directive (EU) 2018/1581 as regards the methods for calculating stockholding obligations. It is expected that the draft Law will be submitted for adoption to the Government and subsequently the Parliament during the fourth quarter of 2021 or first quarter of 2022.

The quality of fuels on the Moldovan market is regulated by the Government Decision of 2019, which amended a previous decision from 2002. The legal framework conforms with the Fuel Quality Directive to a large extent. If gas oil for non-road mobile machinery (NRMM) would be introduced in the domestic market, an additional governmental decision, amending the 2002 Decision, should follow.



Moldova

Renewable Energy

Renewable Energy Implementation

Renewable Energy Indicators	Transposition Assessment	Implementation Status	Descriptions
National Renewable Energy Action Plan			Moldova exceeded its overall 2020 target of 17% by reaching 23,84% of renewable energy in 2019. However, the total share of renewable energy in gross final energy consumption decreased significantly compared to the previous year. Only the sectorial target for heating and cooling was overreached, while contributions of renewable energy to electricity and transport are still very low.
Quality of support schemes			The 2018 Renewable Law sets the legal basis for renewable energy support schemes. Administratively set feed-in tariffs (FIT) for small producers are implemented, while an auctioning scheme is still under discussion. Renewable energy producers are liable for imbalances. Standard balance responsibility was expected to be extended to renewables producers after the entry into force of new Electricity Market Rules on 2 October 2021, however, it is delayed until January 2022.
Grid integration			Non-discriminatory grid connection and priority dispatch for renewable energy producers is prescribed by the Law. The Electricity Market Rules detail procedures for priority dispatch of electricity produced from renewable energy sources. The methodology for setting the costs for connection to the transmission and distribution system is approved by the regulatory agency.
Administrative procedures and guarantees of origin			The Energy Efficiency Agency acts as an informal one-stop shop, providing all the needed assistance to potential investors in the fields of renewable energy and energy efficiency. Moldova has expressed interest to join the Energy Community regional initiative to establish an electronic system for guarantees of origin.
Renewable energy in transport			Provisions related to sustainability of biofuels are still not transposed and the legal framework remains completely non-compliant with Directive 2009/28/EC. The share of renewables in transport was only 0,17% compared to the objective of 10% in 2020.

The development of renewable energy is stagnating and there has been almost no progress compared to the previous reporting period. Moldova overreached its 17% target for the share of renewable energy in gross final energy consumption by 2020 due to the revision of biomass data and increasing the use of biomass in the heating sector. However, additional efforts are needed to increase the share of renewable energy in electricity and transport.

A new draft of the Government Decision on approving capacity limits, maximum quotas and capacity categories in the field of electricity from renewable sources for the period 2021 - 2025,

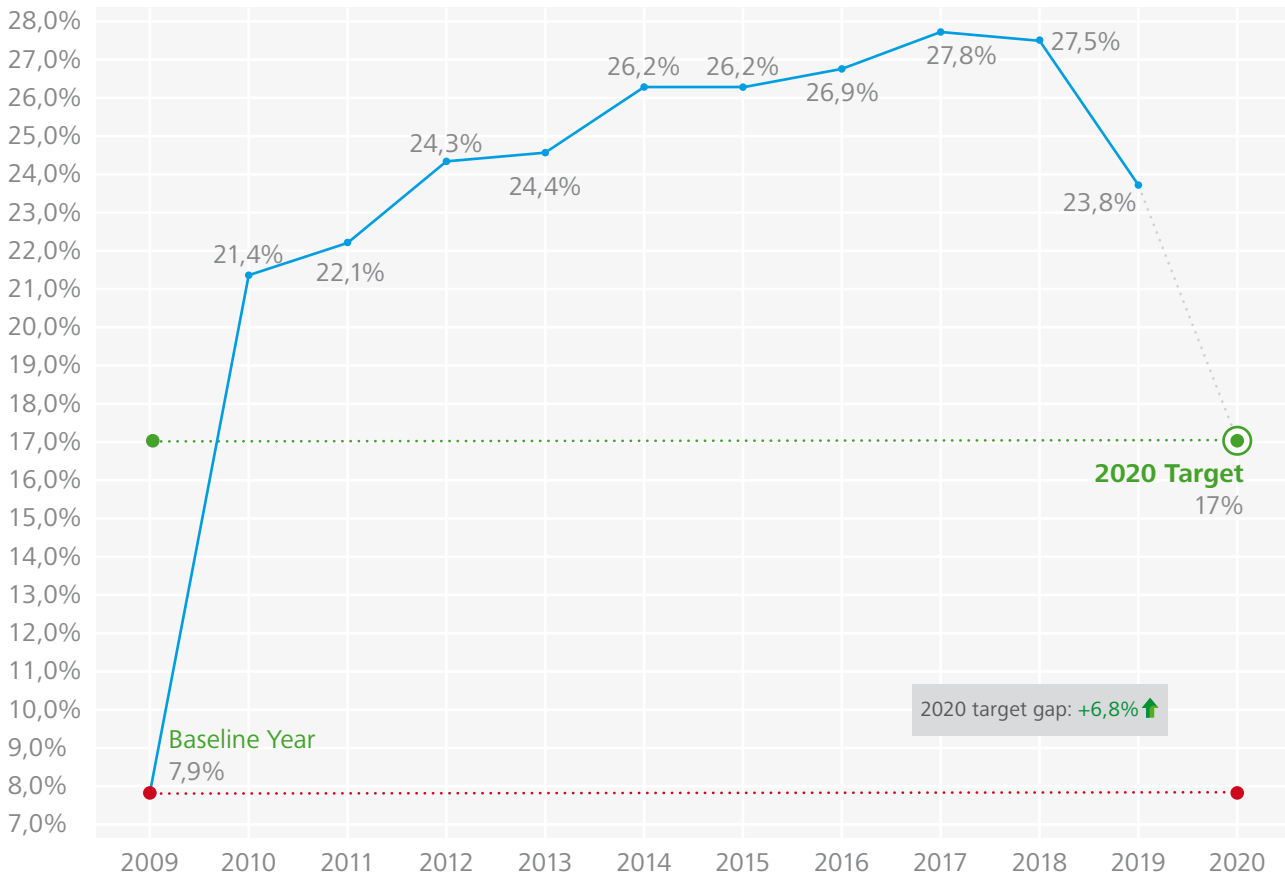
currently under public consultation, is expected to be approved in November 2021. According to the Decision, intermittent capacities will be increased and a considerable emphasis will put on investments in biogas-based cogeneration.

Moldova enabled a net-metering scheme for self-consumption through the Renewable Law resulting in 269 solar PV applications with 4,85 MW of installed power at the end of 2020. The scheme is currently being revised to align with provisions of the new Renewable Energy Directive 2018/2001/EU and attract even more users.

The designation period of the off-taker for electricity produced from renewables, the Central Electricity Supplier, was extended in December 2020 for the period of validity of the license for the supply of electricity (until 2028).

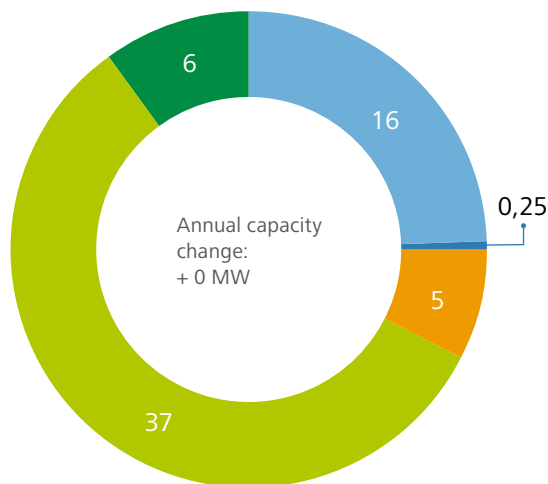
Priority for Moldova should be the preparation of a market-based support mechanism and adoption of the needed enabling secondary legislation. The country should also focus on the transposition of provisions related to the sustainability of biofuels and implement an electronic system for guarantees of origin.

Shares of Energy from Renewable Sources



Source: Ministry of Economy and Infrastructure based on the Short Assessment of Renewable Energy Sources 2018 report

Total Capacities of Renewable Energy 2020 (MW)



- Large hydropower
- Small hydropower <10 MW
- Solar
- Wind
- Biogas

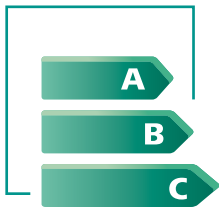
Source: National Agency for Energy Regulation of Republic of Moldova

In 2020, no renewable energy capacities were added in the electricity sector. Therefore, renewable capacities remain the same as reported in 2020, namely one hydropower plant (Costești, 16 MW) constructed in the late 1970s, 37 MW of wind, 5 MW of solar PV and around 6 MW of biogas.

Due to the revision of biomass data, Moldova exceeded its overall 2020 target for renewable energy in gross final energy consumption already in 2010. While the use of bioenergy, as the main renewable energy source, remains a national priority, it is important to note that the biomass, mostly firewood, is used in inefficient boilers and stoves. The recent installation of several solar water heaters in public institutions is a cost-effective and environmentally friendly solution for high hot water demand.

Total capacities of renewable energy (MW):

65



Moldova

Energy Efficiency

Energy Efficiency Implementation

Energy Efficiency Indicators	Transposition Assessment	Implementation Status	Descriptions
Energy efficiency targets and policy measures			In 2019, Moldova was already very close to reaching the 2020 cap consumption target. In the reporting period, the fifth Annual Progress Report was submitted to the Secretariat in line with the Energy Efficiency Directive. The Government adopted the new Regulations on energy audits and energy auditors. The Energy Efficiency Agency has drafted the template for energy audit reports in buildings, industry and transport, and the guides for quality checking of the energy audit reports.
Energy efficiency in buildings			The implementation of the Buildings Directive is still incomplete. Progress in 2020 included the preparation of by-laws on an updated national methodology for minimum energy performance of buildings as well as a long-term strategy for mobilising investments, albeit they were not adopted. The national action plan to increase the number of nearly zero-energy buildings has been developed with the support of the Energy Efficiency Agency. The Government also approved a EUR 1,2 million programme for the renovation of central government buildings till 2022.
Energy efficiency financing			In the reporting period, the EUR 75 million national Energy Efficiency Project for renovation of public buildings was prepared with international donors. Its implementation is expected to start in 2022.
Energy efficient products - labelling			In the reporting period, Moldova prepared a law to transpose Regulation (EU) 2017/1369 with regard to energy labelling.
Efficiency in heating and cooling			Moldova has two towns (Chisinau and Balti) with district heating systems, using combined heat and power based on natural gas. New efficient internal combustion engines are being built in both systems with donors' support. Biomass-fired heating systems are used in 144 rural public buildings. Moldova has prepared and updated the national assessment of its high-efficiency cogeneration and efficient district heating potential as required by the Energy Efficiency Directive.

Moldova made good progress, including by drafting several missing energy efficiency regulations.

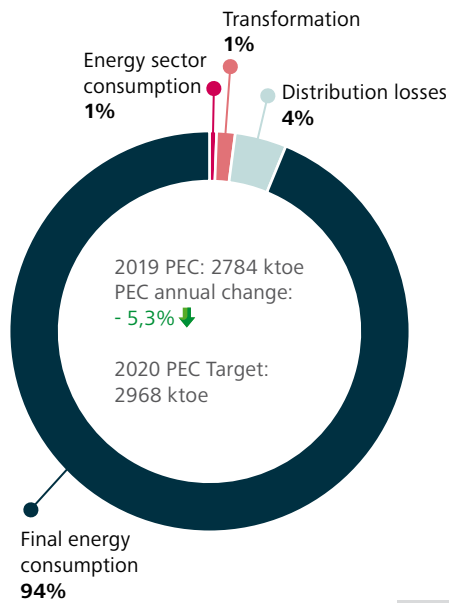
In the next reporting period, Moldova's first priority is the full implementation of the Energy Efficiency Law to bring the country into full compliance with new Directive 2012/27/EU, by adopting the by-laws on mandatory energy audits for large enterprises and the long-term building renovation strategy, both

already drafted.

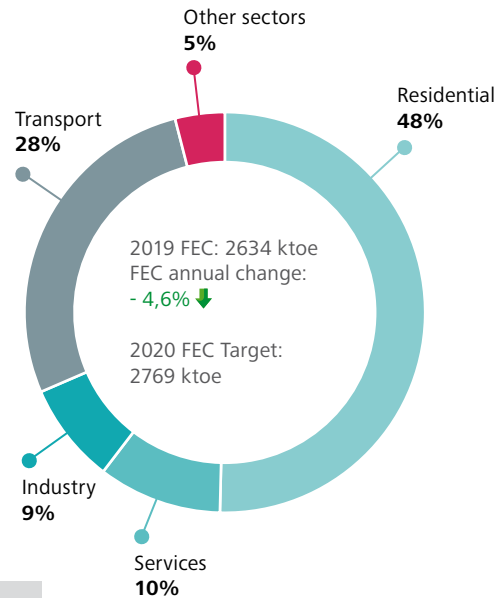
The second priority is to achieve full compliance of the Law on Energy Performance of Buildings with Directive 2010/31/EU by implementing the building certification system, including the calculation tool for building performance certificates. The relevant by-law is already drafted.

2019 Energy Efficiency Indicators and Trends

Primary Energy Consumption (PEC)



Final Energy Consumption (FEC)



Energy intensity,
2019 value and trends:
0,38 ktoe/mil EUR, -8,8% ↓

Source: EUROSTAT 2021 data and Contracting Party's Annual Reports under Directive 2012/27/EU

Energy Efficient Products – Overview of Implementation of Labelling Regulation

FRAMEWORK REGULATION*											
Household dishwashers	●	●	●	●	●	●	●	●	●	●	●
Fridges and freezers*	●	●	●	●	●	●	●	●	●	●	●
Household washing machines	●	●	●	●	●	●	●	●	●	●	●
Televisions	●	●	●	●	●	●	●	●	●	●	●
Air conditioners and fans*	●	●	●	●	●	●	●	●	●	●	●
Household tumble driers	●	●	●	●	●	●	●	●	●	●	●
Electrical lamps and luminaires	●	●	●	●	●	●	●	●	●	●	●
Solid fuel boilers*	●	●	●	●	●	●	●	●	●	●	●
Space heaters*	●	●	●	●	●	●	●	●	●	●	●
Water heaters & storage tanks	●	●	●	●	●	●	●	●	●	●	●
Domestic ovens and range hoods	●	●	●	●	●	●	●	●	●	●	●

● Adopted and implemented ● Compliance or implementation issues detected ● No progress with adoption/implementation

* The new labelling package adopted by the Ministerial Council in November 2018 was assessed, as the transposition deadline expired in January 2020.

Source: multiple sources of data (EECG reports, NEEAPs etc.), compiled by the Energy Community Secretariat



Moldova Environment

Environment Implementation

Environment Indicators	Transposition Assessment	Implementation Status	Descriptions
Environmental impact assessment (EIA) and strategic environmental assessment (SEA)			Moldova has not transposed Directive 2014/52/EU. Further alignment and improvements of the SEA law are needed in order to secure monitoring of the environmental effects from the implementation of the plans and programmes. Early and effective opportunities for participation in the decision-making process should be secured both at project and plan/programme level.
Sulphur in fuels			Moldova has transposed the provisions of the Sulphur in Fuels Directive into its domestic legal framework in a compliant manner.
Large combustions plants and industrial emissions			The Large Combustion Plants and Industrial Emissions Directives are still not transposed, which is subject to an infringement procedure. Existing combustion plants meet the emission limit values of the Large Combustion Plants Directive on an individual basis.
Nature protection			The designation of special protected areas for wild birds is at an early stage and measures for the protection of wild birds have also not been established yet.
Environmental liability		n/a	Moldova has not transposed the Environmental Liability Directive into its domestic legal framework.

Moldova failed to transpose the amendments introduced by Directive 2014/52/EU. The EIA process and quality control mechanisms of the EIA reports need further improvement. In particular, further efforts are needed in the EIA screening procedures for small wind power projects. None of the 16 small wind development projects approved in the reporting period were made subject to an EIA.

The initially planned amendments to the SEA law were not adopted and the shortcomings related to the lack of proper monitoring mechanisms for the environmental effects of the plans/programmes as stipulated in Article 10 of the SEA Directive still remain. The limited capacities of the national authorities responsible for SEA reports quality control should be properly addressed. In the SEA procedure for the National Energy and Climate Plan, Moldova should secure early and effective participation of the designated authorities and the public.

The Government Decision on the Reduction of the Sulphur Content of Certain Liquid Fuels transposes the provisions of the Directive into national law. The sulphur limits for heavy fuel oil and

gas oil are compliant with those required by the Directive. The State Environmental Inspectorate is in charge of implementing the provisions of the transposing legislation in accordance with the standards stipulated therein.

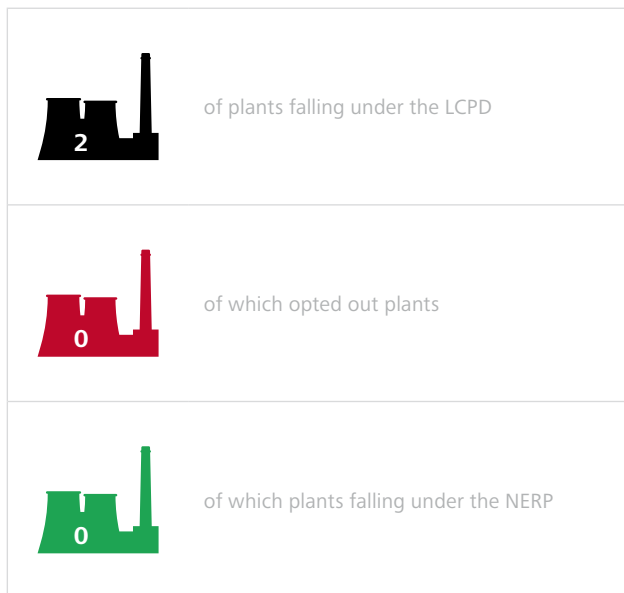
Moldova has still not transposed the requirements of the two Directives regulating the emissions of large combustion plants into national law. Infringement proceedings against Moldova have been launched in September 2018. The draft Law on Industrial Emissions, to be adopted by the end of 2021, would address the non-compliance. Moldova complied with its reporting obligations for 2020, which confirmed that the emissions for all pollutants remained close to 2019 levels. Based on the technical characteristics of Moldova's two gas-fired plants falling under the scope of the Large Combustion Plants Directive (with a total of eight units), the emission limit values of the Directive are complied with on an individual basis.

The adoption of the draft law amending and supplementing the Law on Wildlife, which is to transpose Article 4(2) of the Wild Birds Directive, was postponed again. Temporary protection

status should be introduced for the identified important nature conservation areas (including the eleven Important Bird Areas) until the legislation is fully aligned. Measures against prohibited means and methods of killing, capture and other forms of ex-

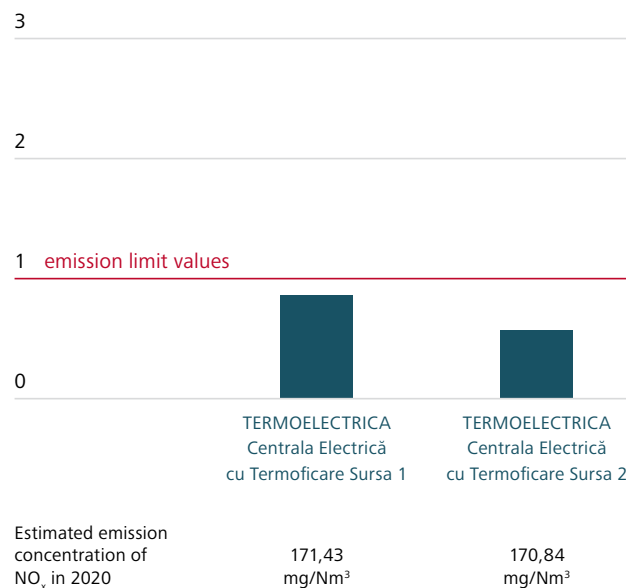
ploitation of protected species (e.g. by closed seasons or temporary or local prohibition of exploitation) must be introduced and enforced.

Installations under the Large Combustion Plants Directive

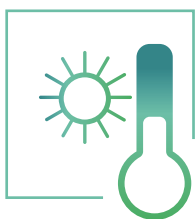


Source: compiled by the Energy Community Secretariat




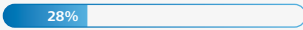
2020 emissions of NO_x versus applicable emission limit values (ELV)



Source: calculated by the Energy Community Secretariat



Moldova Climate

Climate Indicators	Transposition Assessment	Implementation Status	Descriptions
National greenhouse gas emissions monitoring and reporting systems			Legislation transposing Regulation (EU) 525/2013 and a system for policies, measures and projections was adopted in a compliant manner in 2019. The Low Emissions Development Strategy has been revised based on the NDC2 and publicly consulted. The strategic environmental assessment is to be launched by the end of 2021.
National Energy and Climate Plans (NECPs)			Moldova still needs to adopt a legal basis for NECP adoption. A first informal draft of the NECP is expected by the end of 2021.

Moldova updated and submitted its NDC2 under the Paris Agreement to the UNFCCC Secretariat as the fourth country in the world on 4 March 2020. The country increased the ambition level and committed to unconditionally reduce its GHG emissions by 70% below its 1990 level in 2030, and by up to 88% when receiving technical, financial and technological support. Moldova is currently developing its third Biennial Update Report and updating its National Inventory Report.

The Regulation on the Organisation and Functioning of the National Monitoring and Reporting of Greenhouse Gas Emissions and Other Information relevant to Climate Change transposed Regulation (EU) 525/2013 in a compliant manner. According to Governmental Decision No. 1277/2018 on establishing the National System for Monitoring and Reporting Greenhouse Gas Emissions and Other Information Relevant to Climate Change, the Environment Agency of the Republic of Moldova was designated as the single national entity responsible for the national

inventory. However, due to the Agency's lack of capacity, an external expert team was tasked to develop the GHG inventory reports. A software for gathering GHG emissions data, based on Annex 1 of the Governmental Decision, was not yet developed. The Government is expected to amend the Decision based on the enhanced transparency framework requirements of the Paris Agreement by the end of 2021.

The Government updated its Low Emissions Development Strategy 2030 based on the more ambitious targets established in the NDC2. The document was publicly consulted on 17 June 2021. The evaluation report is under development.

The drafting of the narrative component of four NECP chapters and the development of different policy scenarios took place in 2021. The energy-related parts are discussed internally every two weeks. Work on the non-energy related parts has to commence. The legal basis for the NECP is yet to be adopted.



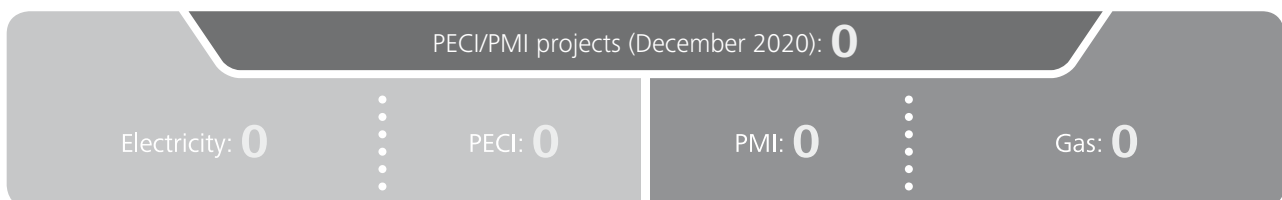
Moldova Infrastructure

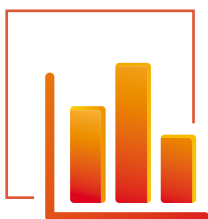
Infrastructure Implementation

Infrastructure Indicators	Transposition Assessment	Implementation Status	Descriptions
National competent authority		<div style="width: 20%;"><div style="width: 20%;"></div></div> 20%	The adoption of the draft Law on amending the Law on Energy, which would transpose at least elements of Regulation (EU) 347/2013, is still pending.
Manual of procedures		<div style="width: 0%;"><div style="width: 0%;"></div></div> 0%	There is no manual of procedures for the permitting process of Projects of Energy Community Interest or Projects of Mutual Interest. According to the draft Law, a guide on the procedures for the permit granting process shall be elaborated and published on the website of the Ministry of Economy and Infrastructure.
National regulatory authority involvement		<div style="width: 0%;"><div style="width: 0%;"></div></div> 0%	The methodology and criteria to be used to evaluate infrastructure investments shall be defined and published by the regulatory authority after the approval of the draft Law on amending the Law on Energy.

Moldova has initiated the transposition of Regulation (EU) 347/2013 by preparing an amendment to the Law on Energy, which was scheduled for adoption by the end of 2020, but has not progressed. The Ministry of Economy and Infrastructure was designated to act as the national competent authority. Until the amending law is adopted, Moldova will continue to be in breach of the Energy Community infrastructure acquis.

The transposition of the Regulation will facilitate the realization of future strategic infrastructure projects in gas and electricity. Particularly important is the facilitation of the infrastructure projects related to the integration of Moldova into the Continental Europe power system in order to upgrade the country's security of energy supply.





Moldova Statistics

Statistics Implementation

Statistics Indicators	Transposition Assessment	Implementation Status	Descriptions
Annual statistics			The five annual questionnaires and the questionnaire on final energy consumption of households for 2019 were transmitted to EUROSTAT.
Monthly statistics			Monthly collections were compiled and disseminated and transmitted to EUROSTAT, including short-term monthly oil data.
Price statistics			Price statistics for electricity and natural gas for 2019 were compiled and transmitted in accordance with the acquis.

Moldova transposed the general requirements on energy statistics and complies with all key obligations of the statistical acquis.

In accordance with the Law on Official Statistics, the National Bureau of Statistics of the Republic of Moldova (NBS) is responsible for the coordination of the Moldovan statistical system. With the Law on Ratification of the Energy Community Treaty, the Energy Community acquis is also part of the legal framework.

NBS transmits annual questionnaires to EUROSTAT on time and publishes them on its website. Annual questionnaires for 2019 are compiled and transmitted in full compliance with the acquis, as well as the preliminary data for 2020. Disaggregated data on energy consumption in households are compiled and transmitted to EUROSTAT within the set deadlines. NBS also prepares information for calculating the renewables share. The established quality system has allowed NBS to timely prepare and transmit the quality report on its annual statistics in accordance with the Regulation.

The reporting scheme for monthly data has been established and NBS publishes monthly datasets for coal, oil and petroleum products, natural gas and electricity and transmits them to EUROSTAT. Natural gas and monthly oil data are also reported to the JODI database. Short-term monthly oil data, including oil stocks, are transmitted to EUROSTAT. Short-term reporting of natural gas to EUROSTAT is not completed yet. NBS has begun reporting the COIR questionnaire (crude oil import and production), although this is still not mandatory for the Contracting Parties.

NBS has established a methodology and a reporting system to collect electricity and natural gas prices, per consumption band and breakdown per price component. The price data are transmitted to EUROSTAT.

NBS has only to continue with the steady improvement of the timeliness of its energy statistics.



Moldova Cybersecurity

Cybersecurity Implementation

Cybersecurity indicators	Transposition Assessment	Implementation Status	Descriptions
Institutions and legislation			Cybersecurity policies are adopted with no energy-specific components. Cyber defence mechanisms are implemented through the national CERT (CERT-GOV-MD). There is no complete transposition of the cybersecurity acquis in the law. Critical infrastructure identification mechanisms include energy transportation.
Requirements for operators and energy regulatory authority			Minimum mandatory security obligations for energy operators are defined in a basic and general manner only. The energy regulatory authority ANRE has no cybersecurity-related powers.

The 2013 Strategy “Digital Moldova 2020” aims at boosting security in the digital space and improving the cybersecurity level of critical information infrastructures including those used by the energy networks. The Cybersecurity Programme 2016 - 2020 is the basic policy act addressing provisions of Directive (EU) 2016/1148 (NIS Directive). The main targets are creation of a cybersecurity management system for safety of data processing and security and integrity of electronic communication networks and services, establishment of a CERT, preventing cybercrime, education and international cooperation.

Directive 2008/114/EC on critical infrastructures is partially transposed in the Law on Preventing and Combating Terrorism of 2017 but with no specific references to cyber threats. It defines the concept of critical infrastructure based on potential impact on vital functions in society applicable to energy transport facilities. The follow-up Government Regulation provides quantitative criteria for identification of critical infrastructures and outlines indicative domains including electricity, gas and oil transport and storage. The identity of the designated critical infrastructure operators is classified.

The Information Technology and Cybersecurity Service (STISC) is the national competent authority responsible for developing information and communication infrastructure of the public ad-

ministration and implementing cybersecurity policies. It hosts the national CERT (CERT-GOV-MD), acting as a contact point for reporting, coordinating and assisting in the response to incidents and providing cybersecurity services to the public administration including the energy sector. It takes part in implementing measures for risk mitigation, exchange of information and best practices, capacity building and raising security awareness.

The Cybersecurity Guidelines for Civil Servants published by CERT-GOV-MD provide a basic framework for risk management and impose security measures applicable to the operators of critical infrastructures in the energy sector. The Mandatory Minimum Cybersecurity Requirements adopted by the Government apply to governmental bodies, the public administration and state institutions including state-owned operators of information and communication infrastructures, including in the energy sector. The requirements define security measures including the establishment of internal cybersecurity mechanisms for data protection, access to information and communication technology infrastructure and incident recovery and notification.

The energy regulator ANRE is authorised to approve the expenses for anti-terrorism protection in the energy sector. However, the current legislation fails to grant the regulator competences over specific aspects of cybersecurity.