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### FACILITATIVE SHARING OF VIEWS – REPUBLIC OF MOLDOVA

Stela DRUCIOC, UNFCCC National Focal Point, Ministry of Environment of the Republic of Moldova

Wednesday, 7<sup>th</sup> of June 2023

# National context

Independence: 27 August 1991 Area: 33.8 km<sup>2</sup> (135<sup>th</sup>) (2022) Population: 3.0 million (136<sup>th</sup>) (2022) GDP (PPP) (per capita): 17,483 USD (89<sup>th</sup>) (by IMF, 2022)

**Contribution to global GHG emissions:** less than 0.027 per cent (2020) (World – 49.76 Gt CO<sub>2</sub> eq., Moldova – 13.7 Mt  $CO_2$  eq., by CAIT WRI, 2022)

**Vulnerability and key hazards:** highly vulnerable to climate change and extreme meteorological events, such as droughts, extreme temperatures and heat waves, storms, heavy rainfall, floods, hail and epidemics.





Moldova

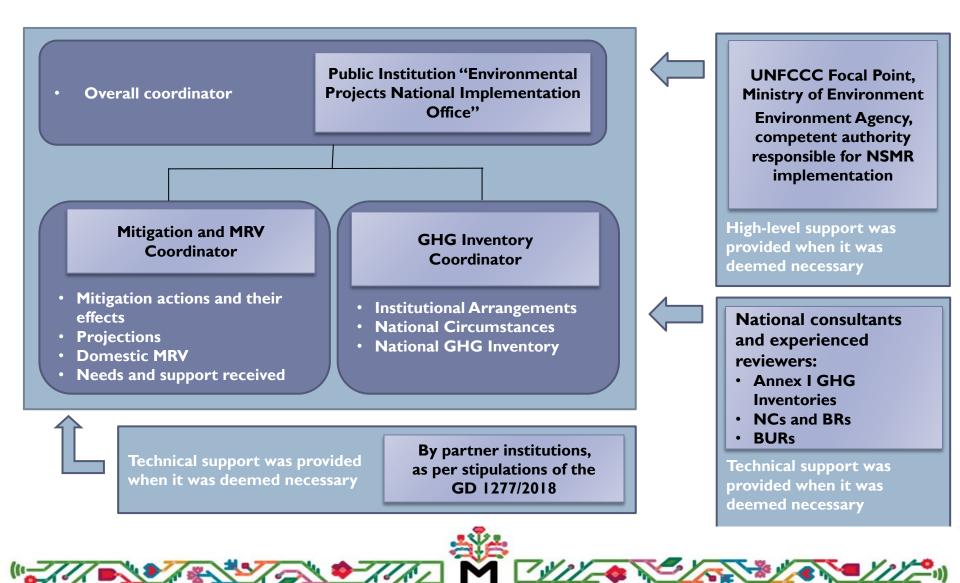
# National context



- The Parliament of the Republic of Moldova (RoM) ratified the UNFCCC on 16 March 1995 (Decision 404/1995), the Kyoto Protocol on 13 February 2003 (Law 29/2003) and the Paris Agreement (PA) on 4 May 2017 (Law 78/2017).
- 2. Republic of Moldova's submissions to the UNFCCC:
  - ▶ INC and the GHG Inventory for the period 1990-1998 (2000);
  - > 2NC and the NIR for the period 1990-2005 (2010);
  - > 3NC and the NIR for the period 1990-2010 (2014);
  - ▶ IBUR and the NIR for the period 1990-2013 (2016);
  - 4NC and the NIR for the period 1990-2015 (2018);
  - > 2BUR and the NIR for the period 1990-2016 (2019);
  - > 3BUR and the NIR for the period 1990-2019 (2021);
  - 5NC and the NIR for the period 1990-2020 (2022).

# Institutional arrangements for preparing and participation in the ICA Process

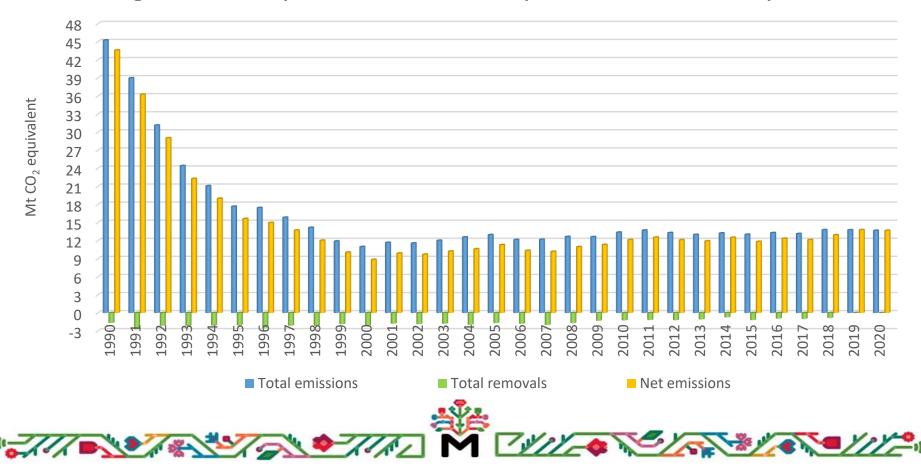




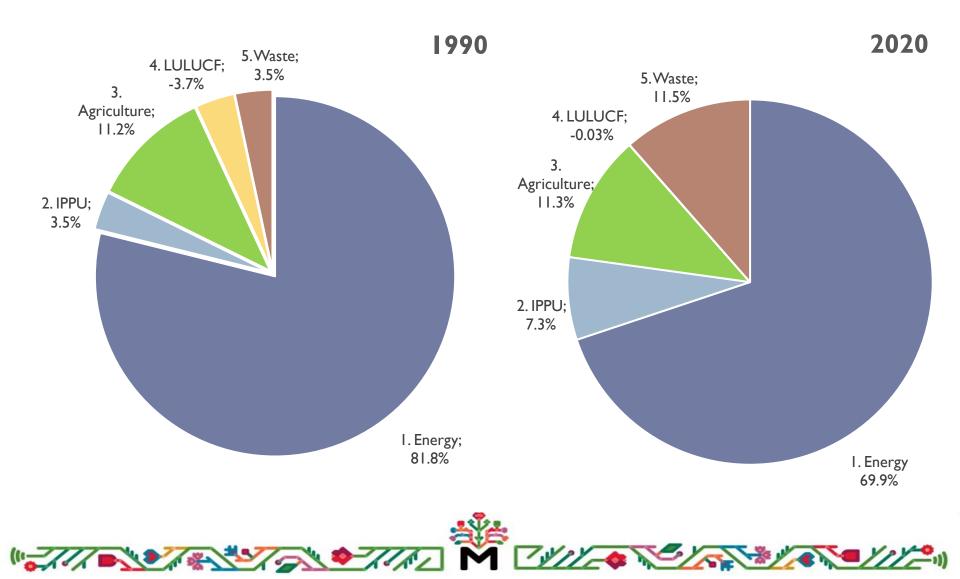
### **GHG Inventory Profile**



Between 1990 and 2020, the total and net GHG emissions decreased by 69.8 per cent (from 45.25 to 13.66 Mt  $CO_2$  eq.), respectively by 68.7 per cent (from 43.59 to 13.66 Mt  $CO_2$  eq.). Within the respective period of time, the sectoral GHG emissions decrease as well: Energy - by 74.2%, IPPU - by 37.8%, Agriculture – by 69.5%, LULUCF – by 99.8% and Waste by 0.4%.



#### Sectoral breakdown of the RoM's total GHG emissions in 1990 and 2020 years



# Trends in associated variables

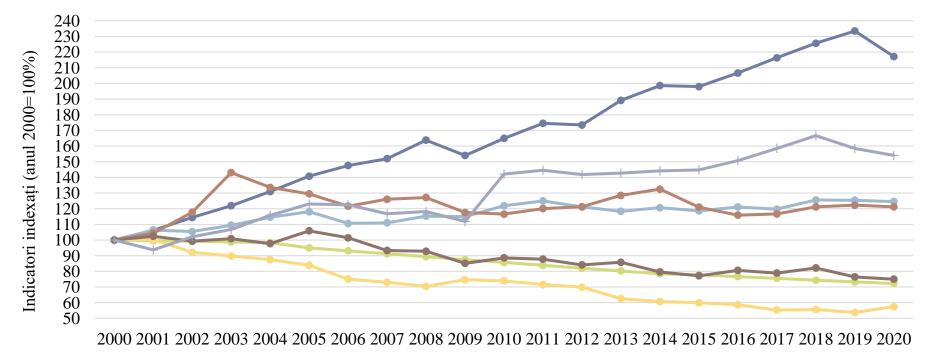


- The registered reduction in GHG emissions since 1990 to 2020 is consistent with the decrease in some important socio-economic indicators:
  - Heat consumption decreased by 84%,
  - Primary energy resources consumption by 73%,
  - Electricity consumption by 52%,
  - GHG intensity ( $CO_2$  eq./GDP) by 60%,
  - Population by 29%,
  - ▶ Real GDP by 24%.
- Concomitantly, within 2000-2020, it was noted an increase of real GDP by 217 per cent. The GDP growth indicate that economy is developing in the correct direction, although in 2020 the real GDP reached only to 76% of 1990 year's level.

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#### **Trends in associated variables**

Since 2000 to 2020, the consumption of primary energy resources increased by 54%, while the GHG intensity (CO<sub>2</sub> eq/GDP) decreased by 43%, showing signs of the decoupling the economic growth from GHG emissions increase (by 25%).



- ----Real GDP
- ----Population
- ---Electricity consumption
- ----Primary energy resources consumption

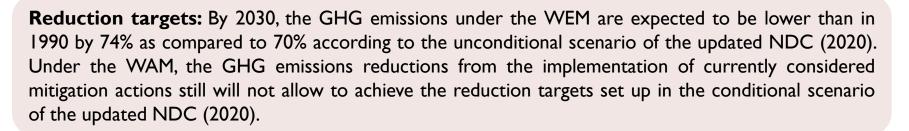
- ——Total GHG emissions
  - GHG intensity (CO2/GDP)
- Heat consumption

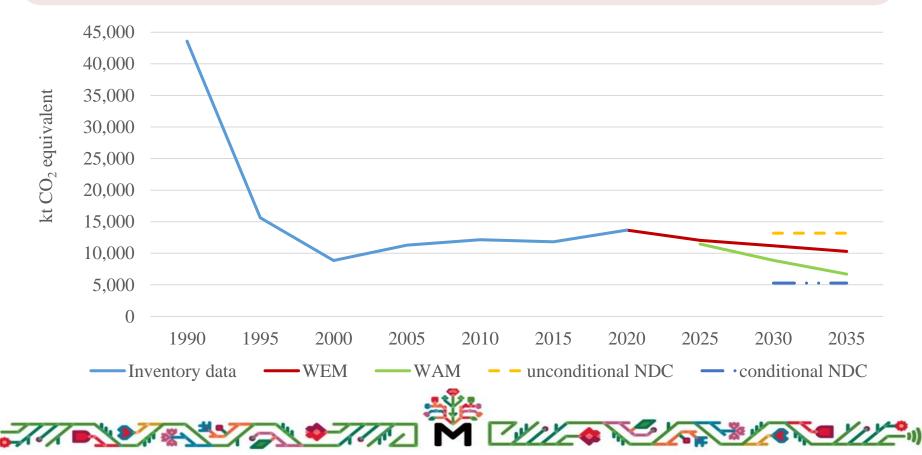


The Low Emissions Development Programme until 2030 and the Action Plan for its implementation, is aiming the updated NDC (2020) implementation.

The LEDP 2030 nationally wide and sectorial reduction targets vs 1990 year level are presented below:

Sectors	By 2030	
	Unconditional	Conditional
	(with existing measures scenario)	(with additional measures scenario)
Energy	81	87
Transport	52	55
Buildings	74	77
Industry	27	31
Agriculture	44	47
LULUCF	10	391
Waste	14	18
TOTAL	70	88







#### **Results achieved in energy sector:**

- ✓ The energy intensity in 2010 was 0.6 toe/thou. Euro, in 2020 33% less (0.4 toe/thou. Euro);
- ✓ 25% of the energy from RES in the total internal gross consumption have been achieved by 2020;
- ✓ 4% electricity from RES in total power produced in the country was reached by 2020 year, to be increased to 27% by 2030;
- The level of losses in the transmission and distribution networks in 2020 were less by 5% for heat, by 11% for power and by 39% for natural gas vs the 2010 year level;
- ✓ The energy consumption in buildings has a constant decreasing trend (the reduction achieved in 2020 was 20% less than the 2010 year level).



### **Domestic MRV**



- The following regulatory acts have been approved recently with reference to the Domestic MRV System:
  - GD No. 1277 dated 26.12.2018 on establishing and functioning of National System for Monitoring and Reporting (NSMR) greenhouse gas emissions and other information relevant to climate change (partly transpose MMR Regulation (EU) 525/2013);
  - GD No. 444 dated 01.07.2020 on establishing the mechanism for coordinating activities in the climate change area. The mechanism will become fully operational by the end of 2021 year.
- The Environment Agency was created by GD No. 549 dated 13.06.2018, being responsible for NSMR implementation.



### **Obstacles and barriers**



Obstacles and barriers have been identified for each sector:

- Energy: consumers reduced payment capacity; relatively high cost of capital investments; delaying the promotion of large RES projects; low state support to EE;
- Transport: second-hand vehicules used; heavy traffic in some cities, lack of clear regulatory signals in the form of vehicles efficiency standards; poor urban transport demand planning; not adequate roads;
- Buildings: Poor financing of energy efficiency institutions, including the staff salaries; the financial reserves of the majority population and state are very tight;
- Industry: legislative instability in fiscal and budgetary policy; increasing scarcity of technicalengineering personnel and skilled workers in the industry; lack of state financial support to restructuring of industrial enterprises, outdated;
- Agriculture: the sector competitiveness is greatly reduced; soil degradation, including as a result of excessive fragmentation of agricultural land; small budgetary allocations; underdeveloped conservative agriculture; lack of investment for livestock sector recovery and manure management systems;
- Forestry: inadequate forest management; insufficient size of the surfaces covered with forests (only about 12% of the country), continuous degradation of protection belts of the rivers and water basins;
- Waste: insufficient financing of the waste management sector; the sector is still underdeveloped, requiring a restructuring of both legal and institutional framework and development of an integrated recycling and waste recovery system.





#### Financing support received:

- By end of 2022 year, the GEF Trust Fund provided to the RoM the total amount of 35.8 million USD for implementation of national projects. A total amount of 142.3 million USD was mobilized in the form of co-financing.
- The BUR3 project (2020-2021) was supported by GEF with 352,000 US dollars, while the NC5 project (2019-2023), was supported by GEF with 500,000 US dollars.

#### Financing support needed:

- Technical and capacity development needs were estimated to around US \$1.5 million;
- The financial needs for the implementation of unconditional and conditional mitigation actions (NAMAs) considered in the Low Emissions Development Programme of the RoM until 2030 were estimated to US \$10.9 billion.





MINISTERUL MEDIULUI AL REPUBLICII MOLDOVA

#### Thank you for attention!



