

TITLE IV

ECONOMIC AND OTHER SECTORAL COOPERATION

CHAPTER 1

Public administration reform*Article 21*

Cooperation shall focus on the development of efficient and accountable public administration in the Republic of Moldova, with the aim of supporting implementation of the rule of law, ensuring that state institutions work for the benefit of the entire population of the Republic of Moldova, and promoting the smooth development of relations between the Republic of Moldova and its partners. Particular attention will be given to the modernisation and development of executive functions, with the goal of providing quality services to the citizens of the Republic of Moldova.

Article 22

Cooperation shall cover the following areas:

- (a) the institutional and functional development of public authorities, in order to increase the efficiency of their activity and to ensure an efficient, participatory and transparent decision-making and strategic planning process;
- (b) modernisation of public services, including the introduction and implementation of e-Governance, with a view to increasing the efficiency of service delivery to citizens and reducing the costs of doing business;
- (c) creation of a professional civil service based on the principle of managerial accountability and effective delegation of authority, as well as fair and transparent recruitment, training, assessment and remuneration;
- (d) effective and professional human resource management and career development; and
- (e) the promotion of ethical values in the civil service.

Article 23

Cooperation shall cover all levels of public administration, including local administration.

CHAPTER 2

Economic dialogue*Article 24*

1. The EU and the Republic of Moldova shall facilitate the process of economic reform by improving the understanding of the fundamentals of their respective economies. Cooperation between the Parties shall aim to promote economic policies pertinent to functioning market economies as well as the formulation and implementation of those economic policies.

2. The Republic of Moldova shall strive to establish a functioning market economy and to gradually approximate its policies to those of the EU, in accordance with the guiding principles of sound macroeconomic and fiscal policies, including central bank independence and price stability, sound public finances and a sustainable balance of payments.

Article 25

1. To those ends, the Parties agree to cooperate in the following areas:

- (a) exchange of information on macroeconomic policies and structural reforms as well as on macroeconomic performance and prospects, and on strategies for economic development;

- (b) joint analysis of economic issues of mutual interest, including economic policy measures and the instruments for implementing them, such as methods for economic forecasting and elaboration of strategic policy documents, with a view to strengthening the policy-making of the Republic of Moldova in line with EU principles and practices; and
 - (c) exchange of expertise in the macroeconomic and macrofinancial sphere, including public finances, financial sector developments and regulation, monetary and exchange rate policies and frameworks, external financial assistance, and economic statistics.
2. Cooperation will also include exchange of information concerning the principles and functioning of the European economic and monetary union.

Article 26

A regular dialogue will take place on the issues covered by this Chapter.

CHAPTER 3

Company law, accounting and auditing and corporate governance

Article 27

1. Recognising the importance of an effective set of rules and practices in the areas of company law and corporate governance, as well as in accounting and auditing, for the creation of a fully-functioning market economy and for fostering trade, the Parties agree to cooperate:
- (a) on the protection of shareholders, creditors and other stakeholders in line with EU rules in this area;
 - (b) on the introduction of relevant international standards at national level and gradual approximation of the rules of the Republic of Moldova with those of the EU in the field of accounting and auditing; and
 - (c) on further development of corporate governance policy in line with international standards, as well as gradual approximation of the rules of the Republic of Moldova with the EU rules and recommendations in this area.
2. The relevant EU rules and recommendations are listed in Annex II to this Agreement.

Article 28

The Parties will aim at sharing information and expertise on both existing systems and relevant new developments in those areas. In addition, the Parties will seek to improve information exchange between the business registers of Member States and the national register of companies of the Republic of Moldova.

Article 29

A regular dialogue will take place on the issues covered by this Chapter.

Article 30

The Republic of Moldova shall carry out approximation of its legislation to the EU acts and international instruments referred to in Annex II to this Agreement according to the provisions of that Annex.

CHAPTER 4

Employment, social policy and equal opportunities

Article 31

The Parties shall strengthen their dialogue and cooperation on promoting the International Labour Organisation (ILO) Decent Work Agenda, employment policy, health and safety at work, social dialogue, social protection, social inclusion, gender equality and anti-discrimination, and social rights, and thereby contribute to the promotion of more and better jobs, poverty reduction, enhanced social cohesion, sustainable development and improved quality of life.

Article 32

Cooperation, based on exchange of information and best practices, may cover a selected number of issues to be identified among the following areas:

- (a) poverty reduction and the enhancement of social cohesion;
- (b) employment policy, aiming at more and better jobs with decent working conditions, including with a view to reducing the informal economy and informal employment;
- (c) promoting active labour market measures and efficient employment services to modernise the labour markets and to adapt to labour market needs;
- (d) fostering more inclusive labour markets and social safety systems that integrate disadvantaged people, including people with disabilities and people from minority groups;
- (e) efficient management of labour migration, aiming at strengthening its positive impact on development;
- (f) equal opportunities, aiming at enhancing gender equality and ensuring equal opportunities between women and men, as well as combating discrimination on all grounds;
- (g) social policy, aiming at enhancing the level of social protection, including social assistance and social insurance, and modernising social protection systems, in terms of quality, accessibility and financial sustainability;
- (h) enhancing the participation of social partners and promoting social dialogue, including through strengthening the capacity of all relevant stakeholders; and
- (i) promoting health and safety at work.

Article 33

The Parties shall encourage the involvement of all relevant stakeholders, including civil society organisations and in particular social partners, in policy development and reforms in the Republic of Moldova and in the cooperation between the Parties under this Agreement.

Article 34

The Parties shall aim at enhancing cooperation on employment and social policy matters in all relevant regional, multi-lateral and international fora and organisations.

Article 35

The Parties shall promote corporate social responsibility and accountability and encourage responsible business practices, such as those promoted by the UN Global Compact and the ILO tripartite declaration of principles concerning multinational enterprises and social policy.

Article 36

A regular dialogue will take place on the issues covered by this Chapter.

Article 37

The Republic of Moldova shall carry out approximation of its legislation to the EU acts and international instruments referred to in Annex III to this Agreement according to the provisions of that Annex.

CHAPTER 5

Consumer protection*Article 38*

The Parties shall cooperate in order to ensure a high level of consumer protection and to achieve compatibility between their systems of consumer protection.

Article 39

In order to achieve those objectives, the cooperation may comprise, when appropriate:

- (a) aiming at the approximation of consumer legislation, based on the priorities in Annex IV to this Agreement, while avoiding barriers to trade for ensuring consumers' real choices;
- (b) promoting exchange of information on consumer protection systems, including consumer legislation and its enforcement, consumer product safety, including market surveillance, consumer information systems and tools, consumer education, empowerment and consumer redress, and sales and service contracts concluded between traders and consumers;
- (c) promoting training activities for administration officials and other consumer interest representatives; and
- (d) encouraging the development of independent consumer associations, including non-governmental consumer organisations (NGOs), and contacts between consumer representatives, as well as collaboration between authorities and NGOs in the field of consumer protection.

Article 40

The Republic of Moldova shall carry out approximation of its legislation to the EU acts and international instruments referred to in Annex IV to this Agreement according to the provisions of that Annex.

CHAPTER 6

Statistics*Article 41*

The Parties shall develop and strengthen their cooperation on statistical issues, thereby contributing to the long-term objective of providing timely, internationally comparable and reliable statistical data. It is expected that a sustainable, efficient and professionally independent national statistical system shall produce information relevant for citizens, businesses and decision makers in the EU and in the Republic of Moldova, enabling them to take informed decisions on that basis. The national statistical system should respect the UN Fundamental Principles of Official Statistics, taking into account the EU *acquis* in statistics, including the European Statistics Code of Practice, in order to align the national statistical system with the European norms and standards.

Article 42

Cooperation shall aim at:

- (a) further strengthening the capacity of the national statistical system, focusing on the sound legal basis, production of adequate data and metadata, dissemination policy and user- friendliness, taking into account various groups of users, including public and private sectors, the academic community and other users;
- (b) progressive alignment of the statistical system of the Republic of Moldova with the European Statistical System;
- (c) fine-tuning of data provision to the EU, taking into account the application of relevant international and European methodologies, including classifications;
- (d) enhancing the professional and management capacity of the national statistical staff to facilitate the application of EU statistical standards and to contribute to the development of the statistical system of the Republic of Moldova;

- (e) exchanging experience between the Parties on the development of statistical know-how; and
- (f) promoting total quality management of all statistical production processes and dissemination.

Article 43

The Parties shall cooperate within the framework of the European Statistical System in which Eurostat is the European statistical authority. The cooperation shall include a focus on:

- (a) demographic statistics, including censuses, and social statistics;
- (b) agricultural statistics, including agricultural censuses and environment statistics;
- (c) business statistics, including business registers and use of administrative sources for statistical purposes;
- (d) macroeconomic statistics, including national accounts, foreign trade statistics, and foreign direct investment statistics;
- (e) energy statistics, including balances;
- (f) regional statistics; and
- (g) horizontal activities, including statistical classifications, quality management, training, dissemination and use of modern information technologies.

Article 44

The Parties shall, inter alia, exchange information and expertise and shall develop their cooperation, taking into account the already accumulated experience in the reform of the statistical system launched within the framework of various assistance programmes. Efforts shall be directed towards further alignment with the EU *acquis* in statistics, on the basis of the national strategy for the development of the statistical system of the Republic of Moldova, and taking into account the development of the European Statistical System. The emphasis in the statistical data production process shall be the further development of sample surveys and usage of administrative records, while taking into account the need to reduce the response burden. The data shall be relevant for the designing and monitoring of policies in key areas of social and economic life.

Article 45

A regular dialogue shall take place on the issues covered by this Chapter. To the extent possible, the activities undertaken within the European Statistical System, including training, should be open for the participation of the Republic of Moldova.

Article 46

1. The Parties undertake to establish and revise on a periodic basis a programme of gradual approximation of the legislation of the Republic of Moldova to the EU *acquis* in the field of statistics.
2. The EU *acquis* in the field of statistics is set out in the annually updated Statistical Requirements Compendium, which is considered by the Parties as annexed to this Agreement (Annex V).

CHAPTER 7

Management of public finances: budget policy, internal control, financial inspection and external audit

Article 47

Cooperation in the field covered by this Chapter will focus on the implementation of international standards as well as EU good practice in this field, which will contribute to the development of a modern public finance management system in the Republic of Moldova, compatible with basic EU and international principles of transparency, accountability, economy, efficiency and effectiveness.

*Article 48***Budget and accounting systems**

The Parties shall cooperate in relation to:

- (a) improvement and systematisation of regulatory documents on the budgetary, treasury, accounting and reporting systems and their harmonisation on the basis of international standards, respecting also good practice in the EU public sector;
- (b) continuous development of multi-annual budget planning and the alignment to EU good practice;
- (c) studying the practices of the European countries in inter-budget relations, in order to improve this field in the Republic of Moldova;
- (d) fostering approximation of procurement procedures with existing practices in the EU; and
- (e) exchange of information, experiences and good practice, including through personnel exchange and joint training in this field.

*Article 49***Internal control, financial inspection and external audit**

The Parties shall also cooperate in relation to:

- (a) further improvement of the internal control system (including a functionally independent internal audit function) in state and local authorities by means of harmonisation with generally accepted international standards and methodologies and EU good practice;
- (b) the development of an adequate financial inspection system that will complement but not duplicate the internal audit function and will ensure adequate control coverage of government income and expenditure during a transitional period and thereafter;
- (c) effective cooperation between the actors involved in financial management and control, audit and inspection with the actors for budget, treasury and accounting to foster the development of governance;
- (d) strengthening the competences of the Central Harmonisation Unit for the Public Internal Financial Control (PIFC);
- (e) the implementation of internationally accepted external audit standards by the International Organisation of Supreme Audit Institutions (INTOSAI); and
- (f) exchange of information, experiences and good practice through, inter alia, personnel exchange and joint training in this field.

*Article 50***Fight against fraud and corruption**

The Parties shall also cooperate in relation to:

- (a) exchanging information, experience and good practice;
- (b) improving methods to combat and prevent fraud and corruption in the areas covered by this Chapter, including co-operation between relevant administrative bodies; and
- (c) ensuring effective cooperation with the relevant EU institutions and bodies, in the case of on-the-spot checks, inspections and audits related to the management and control of EU funds, according to relevant rules and procedures.

Article 51

A regular dialogue will take place on the issues covered by this Chapter.

CHAPTER 8

Taxation*Article 52*

The Parties shall cooperate to enhance good governance in the tax area, with a view to the further improvement of economic relations, trade, investment and fair competition.

Article 53

With reference to Article 52 of this Agreement, the Parties recognise and commit themselves to implement the principles of good governance in the tax area, i.e. the principles of transparency, exchange of information and fair tax competition, as subscribed to by Member States at EU level. To that effect, without prejudice to EU and Member State competences, the Parties will improve international cooperation in the tax area, facilitate the collection of legitimate tax revenues, and develop measures for the effective implementation of the above mentioned principles.

Article 54

The Parties shall enhance and strengthen their cooperation aimed at the improvement and development of the Republic of Moldova's tax system and administration, including the enhancement of collection and control capacity, with a specific focus on Value Added Tax (VAT) refund procedures, to avoid accumulation of arrears, ensure effective tax collection and reinforce the fight against tax fraud and tax avoidance. The Parties shall strive to enhance cooperation and sharing of experiences in combating tax fraud, and in particular carousel fraud.

Article 55

The Parties shall develop their cooperation and harmonise policies in counteracting and fighting fraud and the smuggling of excisable products. That cooperation will include, inter alia, the gradual approximation of excise rates on tobacco products, as far as possible, taking into account the constraints of the regional context, including through a dialogue at regional level and in line with the World Health Organisation Framework Convention on Tobacco Control of 2003 (WHO FCTC). To that end, the Parties will strive to strengthen their cooperation within the regional context.

Article 56

A regular dialogue will take place on the issues covered by this Chapter.

Article 57

The Republic of Moldova shall carry out approximation of its legislation to the EU acts and international instruments referred to in Annex VI to this Agreement according to the provisions of that Annex.

CHAPTER 9

Financial services*Article 58*

Recognising the relevance of an effective set of rules and practices in the areas of financial services to establish a fully-functioning market economy and in order to foster trade exchanges among the Parties, the Parties agree to cooperate in the area of financial services in line with the following objectives:

- (a) supporting the process of adapting financial services regulation to the needs of an open market economy;
- (b) ensuring effective and adequate protection of investors and other consumers of financial services;

- (c) ensuring the stability and integrity of the financial system of the Republic of Moldova in its entirety;
- (d) promoting cooperation between different actors of the financial system, including regulators and supervisors; and
- (e) ensuring independent and effective supervision.

Article 59

1. The Parties shall encourage cooperation between relevant regulatory and supervisory authorities, including information exchange, sharing of expertise on financial markets and other such measures.
2. Special attention shall be paid to the development of administrative capacity of such authorities, including through personnel exchange and joint training.

Article 60

A regular dialogue will take place on the issues covered by this Chapter.

Article 61

The Republic of Moldova shall carry out approximation of its legislation to the EU acts and international instruments referred to in Annex XXVIII-A to this Agreement, according to the provisions of that Annex.

CHAPTER 10

Industrial and enterprise policy

Article 62

The Parties shall develop and strengthen their cooperation on industrial and enterprise policy, thereby improving the business environment for all economic operators, but with particular emphasis on small and medium-sized enterprises (SMEs). Enhanced cooperation should improve the administrative and regulatory framework for both EU businesses and businesses of the Republic of Moldova operating in the EU and in the Republic of Moldova, and should be based on the EU's SME and industrial policies, taking into account internationally recognised principles and practices in this field.

Article 63

To those ends, the Parties shall cooperate in order to:

- (a) implement strategies for SME development, based on the principles of the Small Business Act for Europe, and monitoring of the implementation process through regular reporting and dialogue. That cooperation will also include a focus on micro enterprises, which are extremely important for both the economies of the EU and of the Republic of Moldova;
- (b) create better framework conditions, via the exchange of information and good practice, thereby contributing to improving competitiveness. That cooperation will include the management of structural changes (restructuring), the development of public-private partnerships, and environmental and energy issues, such as energy efficiency and cleaner production;
- (c) simplify and rationalise regulations and regulatory practice, with specific focus on exchange of good practice on regulatory techniques, including the EU's principles;
- (d) encourage the development of innovation policy, via the exchange of information and good practice regarding the commercialisation of research and development (including support instruments for technology-based business start-ups), cluster development and access to finance;
- (e) encourage greater contacts between EU businesses and businesses of the Republic of Moldova and between those businesses and the authorities of the EU and the Republic of Moldova;
- (f) support the establishment of export promotion activities in the Republic of Moldova; and
- (g) facilitate the modernisation and restructuring of the industry of the Republic of Moldova in certain sectors.

Article 64

A regular dialogue will take place on the issues covered by this Chapter. That will also involve representatives of EU businesses and businesses of the Republic of Moldova.

*CHAPTER 11****Mining and raw materials****Article 65*

The Parties shall develop and strengthen cooperation covering mining industries and trade in raw materials, with the objectives of promoting mutual understanding, improvement of the business environment, information exchange and co-operation on non-energy issues, relating in particular to the mining of metallic ores and industrial minerals.

Article 66

To that end, the Parties shall cooperate in the following areas:

- (a) exchange of information by the Parties on developments in their mining and raw material sectors;
- (b) exchange of information on matters related to trade in raw materials, with the aim of promoting bilateral exchanges;
- (c) exchange of information and best practices in relation to sustainable development aspects of the mining industries; and
- (d) exchange of information and best practices in relation to training, skills and safety in the mining industries.

*CHAPTER 12****Agriculture and rural development****Article 67*

The Parties shall cooperate to promote agricultural and rural development, in particular through progressive convergence of policies and legislation.

Article 68

Cooperation between the Parties in the field of agriculture and rural development shall cover, inter alia, the following areas:

- (a) facilitating the mutual understanding of agricultural and rural development policies;
- (b) enhancing the administrative capacities at central and local level in the planning, evaluation and implementation of policies in accordance with EU regulations and best practices;
- (c) promoting the modernisation and the sustainability of agricultural production;
- (d) sharing knowledge and best practices of rural development policies to promote economic well-being for rural communities;
- (e) improving the competitiveness of the agricultural sector and the efficiency and transparency of the markets;
- (f) promoting quality policies and their control mechanisms, in particular geographical indications and organic farming;

- (g) disseminating knowledge and promoting extension services to agricultural producers; and
- (h) enhancing the harmonisation of issues dealt within the framework of international organisations of which the Parties are members.

Article 69

A regular dialogue will take place on the issues covered by this Chapter.

Article 70

The Republic of Moldova shall carry out approximation of its legislation to the EU acts and international instruments referred to in Annex VII to this Agreement according to the provisions of that Annex.

CHAPTER 13

Fisheries & maritime policy

Section 1

Fisheries policy

Article 71

The Parties shall develop and strengthen their cooperation on issues covering fisheries and maritime governance, thereby developing closer bilateral and multilateral cooperation in the fisheries sector. The Parties shall also encourage an integrated approach to fisheries issues and promote sustainable fisheries development.

Article 72

The Parties shall take joint actions, exchange information and provide support to each other in order to promote:

- (a) good governance and best practices in fisheries management with a view to ensuring conservation and management of fish stocks in a sustainable manner and based on the ecosystem approach;
- (b) responsible fishing and fisheries management consistent with the principles of sustainable development, so as to conserve fish stocks and ecosystems in a healthy state; and
- (c) cooperation through appropriate regional organisations responsible for management and conservation of living aquatic resources.

Article 73

The Parties will support initiatives, such as mutual exchange of experience and providing support, in order to ensure the implementation of a sustainable fisheries policy, including:

- (a) management of fisheries and aquaculture resources;
- (b) inspection and control of fishing activities, as well as development of corresponding administrative and judicial structures capable of applying appropriate measures;
- (c) collection of catch, landing, biological and economic data;
- (d) improving the efficiency of the markets, in particular by promoting producer organisations, providing information to consumers, and through marketing standards and traceability; and
- (e) development of a structural policy for the fisheries sector, with particular attention to the sustainable development of fisheries areas which are defined as an area with lake shore or including ponds or a river estuary and with a significant level of employment in the fisheries sector.

Section 2

Maritime policy*Article 74*

Taking into account their cooperation in the spheres of fisheries, transport, environment and other sea-related policies, the Parties shall also develop cooperation and mutual support, when appropriate, on maritime issues, in particular by actively supporting an integrated approach to maritime affairs and good governance in the Black Sea in the relevant international maritime fora.

Article 75

A regular dialogue will take place on the issues covered by this Chapter.

CHAPTER 14

Energy cooperation*Article 76*

The Parties agree to continue their current cooperation on energy matters on the basis of the principles of partnership, mutual interest, transparency and predictability. The cooperation should aim at energy efficiency, market integration and regulatory convergence in the energy sector, taking into account the need to ensure competitiveness and access to secure, environmentally sustainable and affordable energy, including through the provisions of the Energy Community Treaty.

Article 77

The cooperation shall cover, among others, the following areas and objectives:

- (a) energy strategies and policies;
- (b) the development of competitive, transparent and non-discriminatory energy markets in accordance with EU standards, including obligations under the Energy Community Treaty, through regulatory reforms and through the participation in regional energy cooperation;
- (c) development of an attractive and stable investment climate by addressing institutional, legal, fiscal and other conditions;
- (d) energy infrastructure, including projects of common interest, in order to diversify energy sources, suppliers and transportation routes in an efficient economic and environmentally sound manner, inter alia, through the facilitation of loan and grant funded investments;
- (e) enhancement and strengthening of long-term stability and security of energy supply and trade, transit and transport on a mutually beneficial and non-discriminatory basis in accordance with EU and international rules;
- (f) promotion of energy efficiency and energy saving, inter alia, concerning energy performance of buildings, and the development and support of renewable energies in an economic and environmentally sound manner;
- (g) reduction of emissions of greenhouse gases, including through energy efficiency and renewable energy projects;
- (h) scientific and technical cooperation and exchange of information for the development and improvement of technologies in energy production, transportation, supply and end use, with particular attention to energy efficient and environmentally friendly technologies; and
- (i) cooperation may be pursued in the areas of nuclear safety, security and radiation protection, in accordance with the principles and standards of the International Atomic Energy Agency (IAEA) and the relevant international treaties and conventions concluded within the framework of the IAEA, as well as in accordance with the Treaty establishing the European Atomic Energy Community, where applicable.

Article 78

A regular dialogue will take place on the issues covered by this Chapter.

Article 79

The Republic of Moldova shall carry out approximation of its legislation to the EU acts and international instruments referred to in Annex VIII to this Agreement according to the provisions of that Annex.

*CHAPTER 15***Transport***Article 80*

The Parties shall:

- (a) expand and strengthen their transport cooperation in order to contribute to the development of sustainable transport systems;
- (b) promote efficient, safe and secure transport operations as well as intermodality and interoperability of transport systems; and
- (c) endeavour to enhance the main transport links between their territories.

Article 81

That cooperation shall cover, among others, the following areas:

- (a) development of a sustainable national transport policy covering all modes of transport, particularly with a view to ensuring efficient, safe and secure transport systems and promoting the integration of considerations in the sphere of transport into other policy areas;
- (b) development of sector strategies in light of the national transport policy (including legal requirements for the upgrading of technical equipment and transport fleets to meet highest international standards) for road, rail, inland waterway, aviation, and intermodality, including timetables and milestones for implementation, administrative responsibilities as well as financing plans;
- (c) improvement of the infrastructure policy in order to better identify and evaluate infrastructure projects in the various modes of transport;
- (d) development of funding strategies focusing on maintenance, capacity constraints and missing link infrastructure as well as activating and promoting the participation of the private sector in transport projects;
- (e) accession to relevant international transport organisations and agreements, including procedures for ensuring strict implementation and effective enforcement of international transport agreements and conventions;
- (f) scientific and technical cooperation and exchange of information for the development and improvement of technologies in transport, such as intelligent transport systems; and
- (g) promotion of the use of intelligent transport systems and information technology in managing and operating all modes of transport as well as supporting intermodality and cooperation in the use of space systems and commercial applications facilitating transport.

Article 82

1. Cooperation shall also aim at improving the movement of passengers and goods, increasing fluidity of transport flows between the Republic of Moldova, the EU and third countries in the region, by removing administrative, technical and other obstacles, improving transport networks and upgrading the infrastructure in particular on the main axes connecting the Parties. That cooperation shall include actions to facilitate border crossings.

2. Cooperation shall include information exchange and joint activities:
 - (a) at regional level, in particular taking into consideration and integrating progress achieved under various regional transport cooperation arrangements such as the Transport Corridor Europe-Caucasus-Asia (TRACECA), transport co-operation within the framework of the Eastern Partnership and other transport initiatives; and
 - (b) at international level, including with regard to international transport organisations and international agreements and conventions ratified by the Parties, and in the framework of the various transport agencies of the EU.

Article 83

A regular dialogue will take place on the issues covered by this Chapter.

Article 84

The Parties will cooperate on improving transport connections according to the provisions referred to in Annex IX to this Agreement.

Article 85

The Republic of Moldova shall carry out approximation of its legislation to the EU acts and international instruments referred to in Annex X and in Annex XXVIII-D to this Agreement, according to the provisions of those Annexes.

CHAPTER 16

Environment

Article 86

The Parties shall develop and strengthen their cooperation on environmental issues, thereby contributing to the long-term objective of sustainable development and greening the economy. It is expected that enhanced environment protection will bring benefits to citizens and businesses in the EU and in the Republic of Moldova, including through improved public health, preserved natural resources, increased economic and environmental efficiency, integration of the environment into other policy areas, as well as the use of modern, cleaner technologies contributing to more sustainable production patterns. Cooperation shall be conducted considering the interests of the Parties on the basis of equality and mutual benefit, as well as taking into account the interdependence existing between the Parties in the field of environment protection, and multilateral agreements in that field.

Article 87

Cooperation shall aim at preserving, protecting, improving, and rehabilitating the quality of the environment, protecting human health, sustainable utilisation of natural resources and promoting measures at international level to deal with regional or global environmental problems, including in the areas of:

- (a) environmental governance and horizontal issues, including Environmental Impact Assessment and Strategic Environmental Assessment, education and training, environmental liability, combating environmental crime, trans-boundary cooperation, access to environmental information, decision-making processes and effective administrative and judicial review procedures;
- (b) air quality;
- (c) water quality and resource management, including flood risk management, water scarcity and droughts;
- (d) waste and resource management and shipment of waste;
- (e) nature protection, including conservation and protection of biological and landscape diversity;
- (f) industrial pollution and industrial hazards;
- (g) chemicals;

- (h) noise pollution;
- (i) soil protection;
- (j) urban and rural environment;
- (k) environmental fees and taxes;
- (l) monitoring and environmental information systems;
- (m) inspection and enforcement; and
- (n) eco-innovation including best available technologies.

Article 88

The Parties shall, inter alia:

- (a) exchange information and expertise;
- (b) implement joint research activities and exchange of information on cleaner technologies;
- (c) plan the handling of industrial hazards and accidents;
- (d) implement joint activities at regional and international level, including with regard to multilateral environment agreements ratified by the Parties, and joint activities in the framework of relevant agencies, as appropriate.

The Parties shall pay special attention to transboundary issues and regional cooperation.

Article 89

The cooperation shall cover, inter alia, the following objectives:

- (a) development of an overall strategy on the environment, covering planned institutional reforms (with timetables) for ensuring implementation and enforcement of environmental legislation; division of competence for the environmental administration at national, regional and municipal levels; procedures for decision making and the implementation of decisions; procedures for the promotion of the integration of the environment into other policy areas; promotion of green economy measures and eco-innovation, identification of the necessary human and financial resources and a review mechanism; and
- (b) development of sector strategies on air quality; water quality and resource management; waste and resource management; biodiversity and nature protection; industrial pollution and industrial hazards and chemicals, noise pollution, soil protection, urban and rural environment, eco-innovation including clearly defined timetables and milestones for implementation, administrative responsibilities, as well as financing strategies for investments for infrastructure and technology.

Article 90

A regular dialogue will take place on the issues covered by this Chapter.

Article 91

The Republic of Moldova shall carry out approximation of its legislation to the EU acts and international instruments referred to in Annex XI to this Agreement according to the provisions of that Annex.

CHAPTER 17

Climate action

Article 92

The Parties shall develop and strengthen their cooperation to combat climate change. Cooperation shall be conducted considering the interests of the Parties on the basis of equality and mutual benefit and taking into account the interdependence existing between bilateral and multilateral commitments in this field.

Article 93

Cooperation shall promote measures at domestic, regional and international level, including in the areas of:

- (a) mitigation of climate change;
- (b) adaptation to climate change;
- (c) carbon trading;
- (d) research, development, demonstration, deployment and diffusion of safe and sustainable low-carbon and adaptation technologies;
- (e) mainstreaming of climate considerations into sector policies; and
- (f) awareness raising, education and training.

Article 94

The Parties shall, inter alia:

- (a) exchange information and expertise;
- (b) implement joint research activities and exchanges of information on cleaner technologies;
- (c) implement joint activities at regional and international level, including with regard to multilateral environment agreements ratified by the Parties, and joint activities in the framework of relevant agencies, as appropriate.

The Parties shall pay special attention to transboundary issues and regional cooperation.

Article 95

The cooperation shall cover, among others, the development and implementation of:

- (a) an overall climate strategy and action plan for the long-term mitigation of and adaptation to climate change;
- (b) vulnerability and adaptation assessments;
- (c) a National Strategy for Adaptation to Climate Change;
- (d) a low-carbon development strategy;
- (e) long-term measures to reduce emissions of greenhouse gases;
- (f) measures to prepare for carbon trading;
- (g) measures to promote technology transfer on the basis of a technology needs assessment;
- (h) measures to mainstream climate considerations into sector policies; and
- (i) measures related to ozone-depleting substances.

Article 96

A regular dialogue will take place on the issues covered by this Chapter.

Article 97

The Republic of Moldova shall carry out approximation of its legislation to the EU acts and international instruments referred to in Annex XII to this Agreement according to the provisions of that Annex.

CHAPTER 18

Information society*Article 98*

The Parties shall strengthen cooperation on the development of the Information Society to benefit citizens and businesses through the widespread availability of Information and Communication Technology (ICT) and through better quality of services at affordable prices. That cooperation should aim at facilitating access to electronic communications markets, encouraging competition and investment in the sector, and promoting the development of public services online.

Article 99

Cooperation may cover the following subjects:

- (a) exchange of information and best practices on the implementation of national Information Society strategies, including, inter alia, initiatives aiming at promoting broadband access, improving network security and developing public services online;
- (b) exchange of information, best practices and experience to promote the development of a comprehensive regulatory framework for electronic communications, and in particular to strengthen the administrative capacity of the national administration in Information and Communication Technologies, as well as of the independent regulator, to foster a better use of spectrum resources and to promote interoperability of networks in the Republic of Moldova and with the EU;
- (c) encouraging and promoting the implementation of ICT tools for a better governance, e-learning and research, public healthcare, digitisation of cultural heritage, development of e — content and electronic commerce; and
- (d) enhancing the level of security of personal data and the protection of privacy in electronic communications.

Article 100

The Parties shall promote cooperation between EU regulators and the national regulatory authorities of the Republic of Moldova in the field of electronic communications. The Parties shall also consider cooperation in other relevant areas, including through regional initiatives.

Article 101

A regular dialogue will take place on the issues covered by this Chapter.

Article 102

The Republic of Moldova shall carry out approximation of its legislation to the EU acts and international instruments referred to in Annex XXVIII-B to this Agreement, according to the provisions of that Annex.

CHAPTER 19

Tourism*Article 103*

The Parties shall cooperate in the field of tourism, with the aim of strengthening the development of a competitive and sustainable tourism industry as a generator of economic growth, empowerment, employment and foreign exchange.

Article 104

Cooperation at bilateral, regional and European level would be based on the following principles:

- (a) respect for the integrity and interests of local communities, particularly in rural areas;
- (b) the importance of cultural heritage; and
- (c) positive interaction between tourism and environmental preservation.

Article 105

Cooperation shall focus on the following topics:

- (a) exchange of information, best practices, experience and 'know-how' transfer, including on innovative technologies;
- (b) establishment of a strategic partnership between public, private and community interests in order to ensure the sustainable development of tourism;
- (c) promotion and development of tourism products and markets, infrastructure, human resources and institutional structures as well as the identification and elimination of barriers to travel services;
- (d) development and implementation of efficient policies and strategies including appropriate legal, administrative and financial aspects;
- (e) tourism training and capacity building in order to improve service standards; and
- (f) development and promotion of community-based tourism.

Article 106

A regular dialogue will take place on the issues covered by this Chapter.

*CHAPTER 20****Regional development, cross-border and regional level cooperation****Article 107*

1. The Parties shall promote mutual understanding and bilateral cooperation in the field of regional policy, including methods of formulation and implementation of regional policies, multi-level governance and partnership, with special emphasis on the development of disadvantaged areas and territorial cooperation, with the objective of establishing channels of communication and enhancing exchange of information and experience between national, regional and local authorities, socioeconomic actors and civil society.

2. In particular the Parties shall cooperate with a view to aligning the practice of the Republic of Moldova with the following principles:

- (a) decentralisation of the decision-making process, from the central level to the level of regional communities;
- (b) consolidation of the partnership between all the parties involved in regional development; and
- (c) co-financing through the financial contribution of the Parties involved in the implementation of regional development programmes and projects.

Article 108

1. The Parties shall support and strengthen the involvement of local and regional level authorities in cross-border and regional cooperation and the related management structures, enhance cooperation through the establishment of an enabling legislative framework, sustain and develop capacity building measures and promote the strengthening of cross-border and regional economic and business networks.

2. The Parties will cooperate to consolidate the institutional and operational capacities of national and regional institutions in the fields of regional development and land use planning by, inter alia:
 - (a) improving the mechanism of vertical and horizontal interaction of central and local public administration in the process of development and implementation of regional policies;
 - (b) developing the capacity of local public authorities to promote cross-border cooperation in compliance with EU regulations and practices; and
 - (c) sharing knowledge, information and best practices on regional development policies to promote economic well-being for local communities and the uniform development of the regions.

Article 109

1. The Parties shall strengthen and encourage development of cross-border and regional elements of, inter alia, transport, energy, communication networks, culture, education, tourism, health and other areas covered by this Agreement which have a bearing on cross-border and regional cooperation.
2. The Parties shall intensify cooperation between their regions in the form of transnational and cross-border programmes, encouraging the participation of regions of the Republic of Moldova in European regional structures and organisations and promoting their economic and institutional development by implementing projects of common interest.

Those activities will take place in the context of:

- (a) continuing territorial cooperation with European regions, including through trans-national and cross-border cooperation programmes;
- (b) cooperation within the framework of the Eastern Partnership, with EU bodies, including the Committee of the Regions, and participation in various European regional projects and initiatives; and
- (c) cooperation with, inter alia, the European Economic and Social Committee, the European Association of Development Agencies (EURADA) and the European Spatial Planning Observation Network (ESPON).

Article 110

1. The Parties shall intensify and ensure better coordination and cooperation between the countries and regions within the EU Strategy for the Danube Region, focusing, inter alia, on improving transport and energy connections, environment, economic and social development and security which will contribute to faster road and rail transportation, cheaper and more secure energy, a better environment with cleaner water, protected biodiversity, and more efficient cross-border flood prevention.
2. The Parties shall increase the cross-border cooperation aiming at restoring the navigation on Prut river which will lead to flood prevention in the basin of the river, improving the water quality and agricultural irrigation, intensifying economic activities, promoting tourism and cultural activities and contributing to capacity building.

Article 111

The Parties shall facilitate the movement of citizens of the EU and of the Republic of Moldova who are called upon to cross the border on a frequent basis and over short distances.

Article 112

A regular dialogue will take place on the issues covered by this Chapter.

CHAPTER 21

Public health*Article 113*

The Parties agree to develop their cooperation in the field of public health, with a view to raising the level of public health safety and protection of human health as a precondition for sustainable development and economic growth.

Article 114

The cooperation shall cover, in particular, the following areas:

- (a) strengthening of the public health system of the Republic of Moldova, in particular through implementing health sector reform, ensuring high-quality primary healthcare, and improving health governance and healthcare financing;
- (b) epidemiological surveillance and control of communicable diseases, such as HIV/AIDS, viral hepatitis and tuberculosis, as well as increased preparedness for public health threats and emergencies;
- (c) prevention and control of non-communicable diseases, mainly through exchange of information and best practices, promoting healthy lifestyles and addressing major health determinants, such as nutrition and addiction to alcohol, drugs and tobacco;
- (d) quality and safety of substances of human origin;
- (e) health information and knowledge; and
- (f) full and timely implementation of international health agreements, in particular the International Health Regulations and the World Health Organisation Framework Convention on Tobacco Control of 2003.

Article 115

The cooperation shall enable:

- (a) the progressive integration of the Republic of Moldova into the EU's health related networks; and
- (b) the progressive enhancement of interaction between the Republic of Moldova and the European Centre for Disease Prevention and Control.

Article 116

The Republic of Moldova shall carry out approximation of its legislation to the EU acts and international instruments referred to in Annex XIII to this Agreement according to the provisions of that Annex.

CHAPTER 22

Civil protection*Article 117*

The Parties shall develop and strengthen their cooperation on natural and man-made disasters. Cooperation shall be conducted considering the interests of the Parties on the basis of equality and mutual benefit, as well as taking into account the interdependence existing between the Parties and multilateral activities in the field of civil protection.

Article 118

Cooperation shall aim at improving the prevention of, preparation for and response to natural and man-made disasters.

Article 119

The Parties shall, inter alia, exchange information and expertise and implement joint activities at national, regional and international level. Cooperation shall include the implementation of specific agreements and administrative arrangements in this field, concluded between the Parties according to the respective powers and competences of the EU and its Member States and in accordance with the legal procedures of the Parties.

Article 120

The cooperation shall cover, amongst others, the following objectives:

- (a) facilitating mutual assistance in case of emergencies;
- (b) exchanging on a 24-hour basis early warnings and updated information on large scale emergencies affecting the EU or the Republic of Moldova, including requests for and offers of assistance;
- (c) assessment of the environmental impact of disasters;
- (d) inviting experts to specific technical workshops and symposia on civil protection issues;
- (e) inviting, on a case by case basis, observers to specific exercises and trainings organised by the EU and/or the Republic of Moldova; and
- (f) strengthening cooperation on the most effective use of available civil protection capabilities.

Article 121

A regular dialogue will take place on the issues covered by this Chapter.

*CHAPTER 23****Cooperation on education, training, multilingualism, youth and sport****Article 122*

The Parties shall cooperate to promote lifelong learning and encourage cooperation and transparency at all levels of education and training, with a special focus on higher education.

Article 123

That cooperation shall focus, inter alia, on the following areas:

- (a) promoting lifelong learning, which is a key to growth and jobs and can allow citizens to participate fully in society;
- (b) modernising education and training systems, enhancing quality, relevance and access;
- (c) promoting convergence in higher education, deriving from the Bologna process and the EU higher education modernisation agenda;
- (d) reinforcing international academic cooperation and participation in EU cooperation programmes, increasing student and teacher mobility;
- (e) establishing a national qualification framework to improve the transparency and recognition of qualifications and competences; and
- (f) promoting the aims set in the Copenhagen process on enhanced European cooperation in vocational education and training.

Article 124

The Parties shall promote cooperation and exchanges in areas of mutual interest, such as linguistic diversity and lifelong language learning, through an exchange of information and best practices.

Article 125

The Parties agree to cooperate in the field of youth to:

- (a) reinforce cooperation and exchanges in the field of youth policy and non-formal education for young people and youth workers;
- (b) facilitate active participation of all young people in society;
- (c) support young people and youth workers' mobility as a means to promote intercultural dialogue and the acquisition of knowledge, skills and competences outside the formal educational systems, including through volunteering; and
- (d) promote cooperation between youth organisations to support civil society.

Article 126

The Parties shall promote cooperation in the field of sport and physical activity through the exchange of information and good practices in order to promote a healthy lifestyle, the social and educational values of sport and good governance in sport within the societies of the EU and the Republic of Moldova.

*CHAPTER 24****Cooperation in research, technological development and demonstration****Article 127*

The Parties shall promote cooperation in all areas of civil scientific research and technological development and demonstration (RTD) on the basis of mutual benefit and subject to appropriate and effective protection of intellectual property rights.

Article 128

Cooperation in RTD shall cover:

- (a) policy dialogue and the exchange of scientific and technological information;
- (b) facilitating adequate access to the respective programmes of the Parties;
- (c) increasing research capacity and the participation of research entities of the Republic of Moldova in the research framework programmes of the EU;
- (d) the promotion of joint projects for research in all areas of RTD;
- (e) training activities and mobility programmes for scientists, researchers and other research staff engaged in RTD activities on both sides;
- (f) facilitating, within the framework of applicable legislation, the free movement of research workers participating in the activities covered by this Agreement and the cross-border movement of goods intended for use in such activities; and
- (g) other forms of cooperation in RTD (including through regional approaches and initiatives), on the basis of the Parties' mutual agreement.

Article 129

In carrying out cooperation activities in RTD, synergies should be sought with activities funded by the Science and Technology Centre (STCU) and other activities carried out within the framework of financial cooperation between the EU and the Republic of Moldova.

CHAPTER 25

Cooperation on culture, audio-visual policy and media*Article 130*

The Parties will promote cultural cooperation in accordance with the principles enshrined in the United Nations Educational, Scientific and Cultural Organisation (Unesco) Convention on the Protection and Promotion of the Diversity of Cultural Expressions of 2005. The Parties will seek a regular policy dialogue in areas of mutual interest, including the development of cultural industries in the EU and the Republic of Moldova. Cooperation between the Parties will foster intercultural dialogue, including through the participation of the culture sector and civil society of the EU and of the Republic of Moldova.

Article 131

1. The Parties shall develop a regular dialogue and cooperate to promote the audiovisual industry in Europe and encourage co-production in the fields of cinema and television.
2. Cooperation could include, inter alia, the issue of the training of journalists and other media professionals, as well as support to the media, so as to reinforce their independence, professionalism and links with EU media in compliance with European standards, including standards of the Council of Europe and the 2005 Unesco Convention on the Protection and Promotion of the Diversity of Cultural Expressions.

Article 132

The Parties shall concentrate their cooperation on a number of fields:

- (a) cultural cooperation and cultural exchanges, as well as the mobility of art and artists;
- (b) intercultural dialogue;
- (c) policy dialogue on cultural policy and audiovisual policy;
- (d) cooperation in international fora such as Unesco and the Council of Europe, in order to, inter alia, develop cultural diversity and preserve and valorise cultural and historical heritage; and
- (e) cooperation in the field of media.

Article 133

The Republic of Moldova shall carry out approximation of its legislation to the EU acts and international instruments referred to in Annex XIV to this Agreement according to the provisions of that Annex.

CHAPTER 26

Civil society cooperation*Article 134*

The Parties shall establish a dialogue on civil society cooperation, with the following objectives:

- (a) to strengthen contacts and the exchange of information and experience between all sectors of civil society in the EU and in the Republic of Moldova;

- (b) to ensure a better knowledge and understanding of the Republic of Moldova, including its history and culture, in the EU and in particular among civil society organisations based in the Member States, thus allowing for a better awareness of the opportunities and challenges for future relations; and
- (c) to ensure, reciprocally, a better knowledge and understanding of the EU in the Republic of Moldova and in particular among civil society organisations of the Republic of Moldova, with a non-exclusive focus on the values on which the EU is founded, its policies and its functioning.

Article 135

The Parties shall promote dialogue and cooperation between civil society stakeholders from both sides as an integral part of the relations between the EU and the Republic of Moldova. The aims of such a dialogue and such cooperation are:

- (a) to ensure the involvement of civil society in EU-Republic of Moldova relations, in particular in the implementation of this Agreement;
- (b) to enhance civil society participation in the public decision-making process, particularly by establishing an open, transparent and regular dialogue between the public institutions and representative associations and civil society;
- (c) to facilitate a process of institution-building and consolidation of civil society organisations in various ways, including advocacy support, informal and formal networking, mutual visits and workshops, in particular with a view to improving the legal framework for civil society; and
- (d) to enable civil society representatives from each side to become acquainted with the processes of consultation and dialogue between civil and social partners on the other side, in particular with a view to further integrating civil society in the public policy-making process in the Republic of Moldova.

Article 136

A regular dialogue will take place between the Parties on the issues covered by this Chapter.

CHAPTER 27

Cooperation in the protection and promotion of the rights of the child

Article 137

The Parties agree to cooperate in ensuring the promotion of the rights of the child according to international laws and standards, in particular the United Nations Convention on the Rights of the Child of 1989, taking into account the priorities identified in the specific context of the Republic of Moldova, in particular for vulnerable groups.

Article 138

Such cooperation shall include, in particular:

- (a) the prevention and combating of all forms of exploitation (including child labour), abuse, negligence and violence against children, including by developing and strengthening the legal and institutional framework as well as through awareness-raising campaigns in that domain;
- (b) the improvement of the system of identification and assistance of children in vulnerable situations, including increased participation by children in decision-making processes and the implementation of efficient mechanisms to handle individual complaints made by children;
- (c) exchange of information and best practices on the alleviation of poverty among children, including on measures to focus social policies on children's wellbeing, and to promote and facilitate children's access to education;
- (d) the implementation of measures aimed at promoting children's rights within the family and institutions, and strengthening the capacity of parents and carers in order to ensure child development; and

- (e) accession to, ratification and implementation of the relevant international documents, including those developed within the United Nations, the Council of Europe and the Hague Conference on Private International Law, with the purpose of promoting and protecting of children's rights in line with the highest standards in the field.

Article 139

A regular dialogue will take place on the issues covered by this Chapter.

CHAPTER 28

Participation in Union agencies and programmes

Article 140

The Republic of Moldova shall be allowed to participate in all agencies of the Union open to the participation of the Republic of Moldova in accordance with the relevant provisions establishing those agencies. The Republic of Moldova shall enter into separate agreements with the EU to enable its participation in each such agency, including the amount of financial contribution.

Article 141

The Republic of Moldova shall be allowed to participate in all current and future programmes of the Union open to the participation of the Republic of Moldova in accordance with the relevant provisions establishing those programmes. The participation of the Republic of Moldova in the programmes of the Union shall be in accordance with the provisions laid down in Protocol I to this Agreement on a Framework Agreement between the European Union and the Republic of Moldova on the General Principles for the Participation of the Republic of Moldova in Union Programmes.

Article 142

The Parties will conduct a regular dialogue on the participation of the Republic of Moldova in Union programmes and agencies. In particular, the EU shall inform the Republic of Moldova in the case of establishment of new Union agencies and programmes, as well as regarding changes in terms of participation in Union programmes and agencies, referred to in Articles 140 and 141 of this Agreement.

TITLE V

TRADE AND TRADE-RELATED MATTERS

CHAPTER 1

National treatment and market access for goods

Section 1

Common provisions

Article 143

Objective

The Parties shall progressively establish a free trade area over a transitional period of a maximum of 10 years starting from the entry into force of this Agreement, in accordance with the provisions of this Agreement and in accordance with Article XXIV of the General Agreement on Tariffs and Trade 1994 (GATT 1994).