



GUVERNUL REPUBLICII MOLDOVA
GOVERNMENT OF REPUBLIC OF MOLDOVA

UNITATEA CONSOLIDATĂ PENTRU IMPLEMENTAREA PROGRAMELOR IFAD
THE CONSOLIDATED PROGRAMMES IMPLEMENTATION UNIT (CPIU IFAD)



TALENT RETENTION FOR RURAL TRANSFORMATION PROJECT

Annual Report



IFAD LOAN NO: 2000003414
AF Grant NO: 2000003413

2024

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ABREVIATIONS & ACRONYMS

ABD	Agribusiness development
AIPA	Agency of Interventions and Payments for Agriculture
AF	Adaptation Fund
AWP&B	Annual Work Plan and Budget
ASAP	Adaptation for Smallholder Agriculture Programme
BOEC	Bids Opening and Evaluation Commission
BP	Business Plan
CB	Commercial Bank
CA	Conservation Agriculture
CC	Climate Change
CFD	Contract Farming Development
CPIU IFAD	IFAD Consolidated Programme Implementation Unit
CW	Civil Works
EF	Entrepreneurship Finance
GoM	Government of Republic of Moldova
IFAD	International Fund for Agricultural Development
IPSC	IFAD Programme Steering Committee
LLC	Limited Liability Company
MAFI	Ministry of Agriculture and Food Industry
MoF	Ministry of Finance
MSMEs	Micro, Small and Medium Enterprises
NBCO	Non-Banking Credit Organization
NBM	National Bank of Moldova
NCFM	National Commission for Financial Market
NFSGB	National Federation of Sheep and Goat Breeders for Meat and Milk
OA	Organic Agriculture
OEAPM	Office for External Assistance Program Management
PB	Programme Beneficiaries
PCB	Partner Commercial Bank
PFI	Participating Financial Institutions
PIM	Programme implementation manual
PG	Producers group
CCRIVC	Climate Change Resilience and Inclusive Value Chains
PY	Programme year
RC	Recurrent Costs
RM	Republic of Moldova
RRP	Rural Resilience Project
SCAs	Savings and Credit Associations
SMEs	Small and Medium Enterprises
SPs	Service providers
TRTP	Talent Retention for Rural Transformation
VCPGs	Value Chain for Producers Groups
YWE	Youth and Women Entrepreneurs

PROGRAMME OVERVIEW

Title:	Talent Retention for Rural Transformation Project – IFAD VIII
Financing Agreement Number:	IFAD Loan No: 2000003414 AF Grant No: 2000003413
Goal and Objective:	The overall goal of TRTP: reduction in poverty and out-migration from rural areas through the enhancement of smallholder resilience to climate change. Development Objective: to enable the rural poor (especially youth, women, and smallholders) to increase their productive capacity, resilience to economic, environmental, and climate-related risks and their access to markets.
Components:	Component 1: Resilient Economic Transformation This component is aimed at enhancing resilient economic transformation in the rural areas and will provide the entry point for addressing constraints related to infrastructure, agribusiness, and marketing. Particular attention will be devoted to the promotion of climate-resilient technologies and building the capacity of government institutions for enhancing awareness and technical knowledge about conservation agriculture and strengthening government capacity for economic and market analysis regarding the agribusiness sector for smallholder farmers. This component will have two sub-components; 1.1: Enhancing Climate Resilience and 1.2 Agribusiness Development. <u>Sub-component 1.1: Enhancing Climate Resilience</u> <u>A. Climate Resilient Infrastructure (CRI):</u> The subcomponent is designed to support investments in productive rural infrastructure enhancing resilient rural economic transformation by removing infrastructure bottlenecks. <u>B. On-farm Climate Adaptive Water Management:</u> The subcomponent is designed to build smallholder farmer's resilience to climate change by fostering the adoption of climate smart, water saving technologies and building smallholder awareness and capacity in climate adaptive agricultural practices. <u>Sub-Component 1.2 Agribusiness Development</u> <u>A. Strengthening Value Chains for Producer Groups:</u> This sub-component will be focused on enhancing the potential for agri-processing and agribusiness in rural areas aimed at individual farmers willing to undertake agro-processing and agribusiness development through producer groups, farmer associations or cooperatives. <u>B. Strengthening MAFI Technical Capacity:</u> The project will strengthen the capacity of MAFI by providing it technical specialists for economic and market analysis. These specialists will be kept informed of the experience of the project in undertaking some of the innovative arrangements in organizing the market facilitation meetings, partnership with private sector entities and the experience of PGs in the equity partnerships. Component 2: Entrepreneurship Finance This component will consist of two complementary subcomponents: 2.1. Affordable credit for youth and women; and 2.2. Rural finance sector development. <u>Sub-component 2.1. Affordable credit for youth and women:</u> Will be focused on addressing the two main bottlenecks affecting access to credit for the rural youth and women – the cost of capital and lack of collateral to access loans. <u>Sub-component 2.2. Rural finance sector development:</u> This sub-component is designed to build capacity and strengthen some of the initiatives of the previous IFAD projects and will further strengthen the SCA sector and the regulatory and supervisory capacity of the National Commission for Financial Markets (NCFM).
Term:	13.01.2021 - 30.03.2027; Financing closing 30.09.2027
Project Year:	4
Reporting period:	January - December 2024
Initial Allocation:	IFAD Loan 18 939 000 EUR, AF Grant 5 537 415 USD.

INTRODUCTION

The present report has been developed by the Consolidated Unit for the Implementation of IFAD Programs in Republic of Moldova in accordance with the Financing Agreement (Loan No: 2000003414, AF Grant No: 2000003413), PIM, Revised Project Costabs, Final Project Design Report, and recommendations of the TRTP missions. It reflects the activities implemented during the period 01.01.2024-31.12.2024.

Talent Retention for Rural Transformation Project – IFAD VIII, the eighth IFAD Project in Moldova, was designed to be implemented during a six-year period, entered in force on 13th of January 2021 and completed on 30th March 2027. For the implementation of overall Project's activities, IFAD has allocated EUR 18.9 million and USD 5.53 million from Adaptation Fund.

INITIAL PROJECT ALLOCATION

1. Initial allocation. The total Cost of the Project activities to be implemented during the lifetime of the Project is estimated at EUR 44.2 million. This includes a 43% share IFAD contribution of EUR 18.9 million as Loan and 11% share Adaptation Fund contribution of EUR 5.05 million¹. The donor financing is expected to generate an in-country contribution from: The Government - EUR 1.99 million (5%) to cover the exemption of VAT and other taxes; Beneficiaries - EUR 2.8 million (6%); PFIs - EUR 13.8 million (31%) and AIPA – EUR 1.52 million (3%) (*see details in the table 1*).

Table 1: Initial Allocation, by financier

(EUR '000)

	IFAD Loan	AF Grant	Total Project Funds	GoM	Beneficiaries	PFIs	AIPA*	Total
Appraisal	18 939.6	5 054.6	23 994.2	1 995.1	2 817.4	13 886.6	1 524.1	44 217.35
Share (%)	43%	11%	54%	5%	6%	31%	3%	100%

*Based on IFAD SM, AIPA was withdrawn from Project

2. As per Project design documents, EUR 17.04 million is to be spent under Component 1 “Resilient Economic Transformation”; EUR 24.21 million - under “Entrepreneurship Finance” component, EUR 1.08 million - under “Project Management” and EUR 1.89 million - “Unallocated” (*see details in the table 2*).

Table 2: Initial allocation, by Component

(EUR '000)

Component	Appraisal							
	IFAD Loan	AF Grant	Total project funds	GoM	Beneficiaries	PFIs	AIPA	Total
Component 1: Resilient Economic Transformation	9 224.9	4 840.58	14 065.5	1 835.4	1 136.0	-	-	17 036.9
Component 2: Entrepreneurship Finance	7 121.4	-	7 121.4	-	1 681.4	13 886.6	1 524.1	24 213.5
Project Management	705.25	214.06	919.3	159.7	-	-	-	1 079.0
Unallocated	1 888.0	-	1 888.0	-	-	-	-	1 888.0
Total	18 939.56	5 054.64	23 994.2	1 995.1	2 817.4	13 886.6	1 524.1	44 217.4

¹ The AF budget was expressed in USD at the time of design and at the time of financing agreement. Conversion rate used: EUR 1 = USD 1.0956

3. According to the Financing Agreement, the total financing has been divided into 6 categories of expenditures. The largest part of the funds (USD 30.1 million), have been allocated under the category „Credit, Grant”, followed by category „Works” – USD 8.4 million (*see details in the table 3*).

Table 3: Allocations at Financing Agreement, by Categories

(EUR '000)

Categories	Appraisal							
	IFAD Loan	AF Grant	Total project funds	GoM	Beneficiaries	PFI	AIPA	Total
Consultancies	874.9	1 217.9	2 092.8	-	-	-	-	2 092.8
Credit, Grant	11 076.5	2 019.9	13 096.4	-	1 681.4	13 886.6	1524.1	30 188.5
Equipment, Material, Goods and Services	681.1	-	681.1	170.3	-	-	-	851.4
Works	3 975.1	1 621.1	5 596.1	1 682.8	1 136.0	-	-	8 414.9
Operating Cost	444.0	195.7	639.7	142.1	-	-	-	781.8
Unallocated	1 888.0	-	1 888.0	-	-	-	-	1 888.0
Total	18 939.56	5 054.64	23 994.2	1 995.1	2 817.4	13886.6	1524.1	44 217.4

IMPLEMENTATION PROGRESS

4. **FINANCIAL PROGRESS.** The **total revised cost** of activities planned to be implemented in 2024 is **EUR 6.66 million**. Due to regional instability, the demand for investments decreased compare to the same period of 2023 and as a result, AWPB was revised and decreased with EUR 0.67 million. Thus, the total revised AWPB, amounts **EUR 6.66 million**: from IFAD Loan sources it was planned to disburse EUR 3.91 million and EUR 755.88 thousand from AF Grant, bringing to a total donor's funds of EUR 4.67 million.

Execution of the donors' funds as of 31 December, 2024, reported to revised annual plan was achieved at **87 %**, that is an amount of **EUR 4.04 million**. From IFAD Loan was disbursed **EUR 3.71 million**, that represent **95%** from the revised annual planned amount and **EUR 334.97 thousand** or **44%** from AF Grant (*see details in the table 4*).

Table 4: Financial execution by donor's funds at 31.12.2024, TRTP

(EUR '000)

TRTP	IFAD Loan	AF Grant	Total Donors funds
Initial Annual Plan	3.978,59	1.277,70	5.256,29
Revised Annual Plan	3.914,46	755.88	4.670,34
Actual as of 31.12.2024	3.703,42	334.97	4.038,39
Actual/Revised AWPB, %	94.6%	44.3%	86.5%

5. From the total amount planned for 2024, **EUR 3.71 million** was disbursed from IFAD Loan, that represents **95%**, AF Grant source has an execution of **44%**, that represents **EUR 334.97 thousand**.

Thus, Component 1 has an execution of 69% IFAD Loan and 43% AF Grant. Component 2 has an achievement of 107% IFAD Loan. Project Management has an execution of 81% IFAD Loan and 82% AF Grant (*see details in the table 5*).

Table 5: Revised Annual Plan vs. Actual Figures Components, by donor's funds at 31.12.2024, TRTP (EUR '000)

Component	IFAD Loan			AF Grant		
	Revised Annual Plan	Actual as of 31.12.2024	Disbursed (%)	Revised Annual Plan	Actual as of 31.12.2024	Disbursed (%)
Component 1: Resilient Economic Transformation	1.095,49	759,70	69.35%	721.48	306.93	42.54%
Component 2: Entrepreneurship Finance	2.546,63	2.723,98	106.96%	-	-	-
Project Management	272.34	219.74	80.69%	34.40	28.04	81.51%
Total	3.914,46	3.703,42	94.61%	755,88	334.97	44.31%

6. PHYSICAL PROGRESS. The key achievements during the reporting period are as follows:

- ❑ **108 investment projects** have been financed, including:
 - **24** investment projects aimed at business development and diversification for youth and women;
 - **18** investment projects focused on business development for micro and small agro-production enterprises;
 - **8** investment projects supporting business development for micro and small agro-processing enterprises;
 - **21** investment projects dedicated to micro-entrepreneurs;
 - **33** investment projects for the purchase of irrigation equipment;
 - **4** investment projects to establish demo plots for the dissemination of on-farm water management practices in rural areas vulnerable to climate change;
- ❑ **49 young men and women** have received the following mentoring support: assistance in developing business plans, individual mentoring, group mentoring and participation in online events;
- ❑ **304 smallholder farmers** were trained to strengthen climate resilience through climate-resilient water management practices in farm households;
- ❑ **a research study on conservative agriculture in the Republic of Moldova** was carried out. As a result, the **"White Paper" on conservative agriculture**, which includes recommendations for developing Conservation Agriculture in the country, was created and presented at a dedicated event at the Moldova State University, attended by 45 participants. The document was discussed with local experts in roundtable meetings and presented to stakeholders during the National Convention;
- ❑ **21 funding applications** were received, and are currently under review and approval, as per donor procedures:
 - **3** applications for water harvesting ponds;
 - **1** application for road construction funding;
 - **3** applications for irrigation system construction;
 - **12** applications for financing irrigation equipment;
 - **2** applications for establishment demo plots;
- ❑ **12 events were organized**, attracting **897 participants**, including: roundtable discussions and informational seminars with **417 attendees**, **52%** (214) of whom were women and **51%** (213) were young people;

- ❑ **a video spot has been produced.** This video is a key element of the promotional campaign highlighting IFAD's initiatives in Moldova, aimed at increasing visibility and sharing information about available funding opportunities.

Meanwhile, CPIU is in the process of identifying the support needs of **PGs**. Several field meetings have been held, including discussions with producer associations. During field visits and discussions with four women's producer groups, two groups were identified as functional and in clear need of support. Given the specific characteristics of their activities and the agricultural context of 2024, it has been decided to begin support activities for these groups in 2025.

From the field visits to **WGs**, it was determined that only **2 WGs** require assistance. These groups (comprising 10 individuals) are expected to be included in the ongoing mentoring program. Sufficient funds are available, and an amendment to the contract with the Service Provider is being drafted.

7. BOTTLENECKS. The figures presented above provide an overview of the project's progress and expenditures during the reporting period. It is worth mentioning that there are a series of impediments that hamper a good fulfilment of the planned activities and budget under the TRTP project. Discussions with beneficiaries during field visits have highlighted several key impediments:

- **Economic instability:** the ongoing war in Ukraine has caused significant economic instability in the region, leading to a reduction in the number of investment requests. Entrepreneurs have become more hesitant to commit resources, which is limiting the overall impact of the project;
- **Severe drought:** the severe drought has had a substantial effect on economic activities, particularly on farming. This has made it difficult for farmers to gather the necessary contributions for investment projects;
- **Rising raw material costs:** the sharp increase in raw material prices has significantly raised the cost of contributions required from beneficiaries, further complicating their ability to participate in the program;
- **Supply chain disruptions:** the conflict in Ukraine has disrupted global supply chains, particularly for agricultural equipment. Many suppliers who previously relied on imports from Russia and Ukraine are now unable to provide the necessary equipment. As a result, farmers are facing challenges in procuring vital equipment, which affects their operations and overall productivity. This disruption not only impacts individual farmers but also has broader implications for food production and supply in the region;
- **Vulnerability of target groups:** the target group—micro and small entrepreneurs with low risk tolerance—is particularly vulnerable. Due to increased costs, these entrepreneurs are struggling to meet their required contributions, making it difficult to attract funding and support. This further hinders their growth and long-term sustainability.

ADDRESSING THE CHALLENGES. To overcome the challenges faced by farmers, CPIU IFAD is implementing the following key activities:

- ❑ **enhancing communication and visibility of the TRTP project by:**
 - developed tailored communication campaigns: to highlight the specific benefits of the TRTP project compared to similar ones, focusing on beneficiaries' success stories;
 - organized workshops and informational sessions/ events with local communities, entrepreneurs, and other stakeholders: to raise awareness about the TRTP project, its objectives, and the support it provides;

❑ **building stronger partnerships in terms of:**

- collaboration with Moldova State University, National Employment Agency, NGOs, etc. to explore synergies with the TRTP project such as joint events or shared resources to create a more unified approach that maximizes visibility and impact of the Project;
- engaging local public authorities (LPAs), NGOs, business associations and participating financial institutions (PFIs) to leverage their networks and resources to reach the target group more effectively;

❑ **creating a supportive ecosystem by:**

- capacity building: implementing training programs that enhance the skills and knowledge of entrepreneurs, making them more resilient to economic fluctuations and better prepared to manage their finances;
- access to market information: providing entrepreneurs with market insights and data to help them make informed decisions and identify new growth opportunities;

❑ **leveraging technology by using of digital platforms:** implementing electronic tools and web-based applications for outreach, training and support to streamline access to resources for entrepreneurs and enable them to connect effectively with each other;

❑ **monitoring and feedback mechanisms by:**

- regular assessments: establishing a system for ongoing monitoring and evaluation to assess the effectiveness of strategies and make necessary adjustments based on participants' feedback;
- feedback mechanisms: conducting/distributing regular surveys and questionnaires for entrepreneurs to gather structured feedback on various aspects of the project, including support services, training effectiveness and overall satisfaction. This ensures that participants' needs and concerns are addressed in a timely manner;

❑ **promoting success stories by highlighting impact:** regular sharing success stories and case studies through various media channels to showcase the tangible benefits of the TRTP project, thereby generating increased interest and participation. See among others the CPIU website: <https://www.ucipifad.md/en/success/> and <https://www.ucipifad.md/noutati/>.

By implementing the above-mentioned strategies, the TRTP project aims to enhance its effectiveness, attract more potential applicants and achieve its goals despite the existing challenges.

1. Component 1: Resilient Economic Transformation (RET)

Resilient Economic Transformation Component:

Total estimated budget for the revised 2024 annual plan: EUR 2.61 million, including IFAD Loan - EUR 1.10 million, AF Grant - EUR 721.48 thousand; GoM contribution – EUR 305.91 thousand and beneficiaries' contribution – EUR 488.97 thousand.

Actual/Executed as of 31.12.2024: EUR 1.87 million or **≈ 72% of revised plan**, including IFAD Loan - EUR 759.70 thousand, AF Grant - EUR 306.93 thousand, GoM contribution – EUR 204.53 thousand and beneficiaries' contribution – EUR 600.54 thousand.

Cumulative as of 31.12.2024: EUR 2.25 million, including IFAD Loan - EUR 924.86 thousand, AF Grant - EUR 418.20 thousand, GoM contribution – EUR 250.62 thousand and beneficiaries' contribution – EUR 659.94 thousand.

8. This component is aimed at enhancing resilient economic transformation in the rural areas and will provide the entry point for addressing constraints related to infrastructure, agribusiness and

marketing. Particular attention is devoted to the promotion of climate-resilient technologies and building the capacity of government institutions for enhancing awareness and technical knowledge about conservation agriculture and strengthening government capacity for economic and market analysis regarding the agribusiness sector for smallholder farmers. This component has two sub-components: 1.1. Enhancing Climate Resilience; and 1.2. Agribusiness Development.

Sub-component 1.1: Enhancing Climate Resilience

Enhancing Climate Resilience sub-component:

Total estimated budget for the revised 2024 annual plan: EUR 1.16 million, including IFAD Loan - EUR 95.38 thousand, AF Grant - EUR 721.48 thousand, GoM contribution – EUR 163.27 thousand and beneficiaries' contribution – EUR 181.97 thousand.

Actual/Executed as of 31.12.2024: EUR 654.78 thousand or **≈ 56% of revised plan**, including IFAD Loan - EUR 20.98 thousand, AF Grant - EUR 306.93 thousand, GoM contribution – EUR 54.09 thousand and beneficiaries' contribution – EUR 272.78 thousand.

Cumulative as of 31.12.2024: EUR 781.23 thousand, including IFAD Loan - EUR 20.98 thousand, AF Grant - EUR 418.20 thousand, GoM contribution – EUR 58.35 thousand and beneficiaries' contribution – EUR 283.70 thousand.

9. The sub-component consists of two main activities: A. Climate Resilient Infrastructure and B. On-Farm Climate Adaptive Water Management. These activities have been implemented across rural areas of Moldova, without any specific geographic limitations. However, priority has been given to proposals from regions that are more vulnerable to climate risks and to areas with higher concentrations of poverty, as identified by the Small Areas Deprivation Index (SADI) indicators.

A. Climate Resilient Infrastructure:

10. The subcomponent is designed to support investments in productive rural infrastructure enhancing resilient rural economic transformation by removing infrastructure bottlenecks. The expected outputs from the project under Climate Resilient Infrastructure interventions include: (i) up to 80 micro or small irrigation schemes with the final target of 400 beneficiaries, including rainwater harvesting ponds and (ii) 3 km feeder roads improved and climate-proofed.

11. In November 2021, the 1st Call for infrastructure project funding was published, but no applications were received by the January 2022 deadline. After an extension was granted until March 2022, only one proposal was submitted, though it was deemed ineligible. Following this, the CPIU IFAD requested IFAD's approval to continue the call with quarterly reviews. Based on the recommendations from the IFAD Supervision mission in June 2022, the call was closed for amendments to the eligibility criteria.

12. Following operated changes in the Project Implementation Manual and Steering Committee approval, the Call for Proposal was relaunched on 07th November 2022 and remained open throughout the entire year. It is important to note that the announcement for the Call for Proposals is periodically published and widely distributed across all media sources accessible to CPIU IFAD

13. As a subsequent activity, to assess the feasibility of the objects, an announcement was launched for contracting a service provider to develop the feasibility studies. The contract with "Global Business Access SRL & Nova Global SRL" was signed on December 14, 2023. As of the reporting date, seven feasibility studies have been received by CPIU IFAD, in accordance with the deadline.

14. As a result of the meetings held and legislative changes to the contest, during the Implementation Support Mission from December 2023 it was agreed to revise eligibility criteria for the land size increasing the requirement from 10 hectares to 50 hectares. Consequently, the Project Implementation Manual (PIM) was amended, and the call for grants was updated accordingly in January 2024.

15. Following the IFAD Supervision Mission's recommendations, and due to the lack of increased applications for infrastructure projects, further adjustments were made to the competition's terms and conditions:

- the grant amount for irrigation infrastructure was raised to USD 500.000;
- the grant amount for road infrastructure was increased to EUR 75.000 per kilometer of road.

16. As of December 31, 2024, seven applications were under progress:

- 3 applications from Unguri village, Calarașovca village and Corestauți village in Ocnița district - for irrigation infrastructure financing (rehabilitation of water harvesting ponds), which successfully passed both the pre-qualification and qualification stages. Feasibility studies were developed and approved by the Beneficiary Selection and Grant Approval Committee;
- 3 applications from Țelița village (Anenii Noi district), from Pelinei village (Cahul district), from Marculești village (Floresti district) - for irrigation infrastructure financing (construction of irrigation systems). These applications passed the pre-qualification and qualification stages, with feasibility studies approved by the Beneficiary Selection and Grant Approval Committee;
- 1 application from Țelița village, Anenii Noi district - for feeder roads infrastructure financing (construction of a 1.25 km light-type road section), which also passed the pre-qualification and qualification stages, and was approved by the Beneficiary Selection and Grant Approval Committee.

17. A significant challenge remains the mindset of economic agents and citizens in the Republic of Moldova, which may hinder the uptake and effective utilization of these opportunities. Many individuals and businesses in rural areas are often resistant to change due to traditional practices, lack of awareness about the benefits of modern agricultural practices, and concerns about the sustainability and costs of new technologies. Additionally, there is a general hesitation to engage with financial support programs due to limited trust in the effectiveness of such initiatives, past experiences with bureaucracy, or a lack of understanding of the long-term advantages. Overcoming these barriers requires continuous education, awareness campaigns, and the demonstration of successful examples that showcase the tangible benefits of embracing innovative practices and accessing financial support.

B. On-Farm Climate Adaptive Water Management

18. The subcomponent is designed to build smallholder farmer's resilience to climate change by fostering the adoption of climate smart, water saving technologies and building smallholder awareness and capacity in climate adaptive agricultural practices. According to the updated logical framework, up to 400 farmers should implement water saving technologies and adopt practices which are climate resilient. About 5000 farmers should be trained in water and soil conservation agriculture.

19. The service provider (SP1) for supporting On-Farm Climate Adaptive Water Management Activities, provided the following deliverables during the reporting period:

- assisted 8 applicants to apply for demo plots' grants for dissemination of efficient irrigation practices, which is according to the AWPB provisions;
- assisted 37 farmers to apply for small grants (up to USD 7.5 thousand) for irrigation equipment. The initial plan was to assist to 50 farmers during the reporting period, however the archived figures were lower mainly due to such issues as lack of the quality water for irrigation as well as

the complexity of the application process (mainly the need to collect three comparable offers from the equipment suppliers). It's worth mentioning that 3 more farmers applied for small grants individually (without assistance of the SP) so the total number of applied farmers is 40;

- assisted four group of farmers to prepare application package for irrigation infrastructure grant. The initial plan was to assist 10 client groups by the end of 2024, however the SP encountered numerous problems in reaching this target. Among them we can count the lack of quality water for irrigation; lack of beneficiary's representatives willing to lead the project implementation process; small size of grant per one beneficiary (that raises the beneficiaries' contribution to the level much higher than the planned 10%);
- trained 304 farmers on water saving efficient irrigation technologies in 14 regional training sessions. At the beginning the SP1 encountered the problem of gathering groups of minimum 20 participants for a 3-day seminar due to lack of demand. Therefore, the approach to farmers training was revised in August and the duration of the trainings was reduced, which was stipulated in the revised contract with the SP1, and which resulted in the achieved figures. It's worth to mention that the initial plan was to train 60 farmers during 2024, so this target was significantly exceeded.

20. Among the activities that were planned, but not implemented during the reporting period there were dissemination of the best practices (lessons learned) in 2 published articles and during 2 TV shows. As the grant disbursement started slowly, there were not much information to share with the potential beneficiaries about the success stories and examples of the implemented projects. SP1 managed to organise participation in only one TV show at the end of December, 2024.

The total cost of these activities delivered, invoiced and paid to the SP1 during the reporting period was EUR 33,17 thousand vs the EUR 28.90 thousand planned, the SP1 exceeded the planned number of the farmers trained.

21. During the reporting period, CPIU approved grants for 5 demo plots applicants and disbursed grants to four of them, with the total amount of EUR 22,45 thousand.

22. CPIU approved 40 small grants for efficient irrigation equipment, out of 43 applications and disbursed 33 grants in the total amount of EUR 210.25 thousand (the remaining 10 applications are planned to be disbursed in Q1 2025). Among the main reasons causing the delay of the disbursement is the complexity of the CPIU procurement approvals and length of process of signing escrow contracts with banks as well as the temporary lack of the farmers' resources need for their own contribution. The initially planned and allocated amount for this activity for the reporting period was EUR 325.00 thousand for 50 beneficiaries.

23. In May 2023 CPIU IFAD signed a contract with the second Service Provider (SP2) responsible for the activities related to Conservation Agriculture. However, due to the systematic non-performance (delays) of this SP2 at the end of the reporting period the contract with this company was terminated and a Call for Proposals was launched in June 2024 in order to select a new Service Provider for the remaining activities related to CA (training of trainers and training of CA professionals; designing CA curriculum for universities and colleges). Due to the lack of interested service providers the CfP was once extended and once relaunched and CPIU expects to sign a contract with a new SP2 in Q1 2025. The following deliverables there were presented by the previous SP2 in the reporting period:

- the report on the national survey regarding the adaptation of Conservation Agriculture in Moldova (the methodology and questionnaire for this survey were presented in 2023);
- the White Paper with recommendations on how to develop Conservation Agriculture in Moldova, including the event report on the results of the roundtables where this document was

discussed with the local CA experts and the event report on the National Convention where this document was presented to the stakeholders;

- assistance to three research institutions in applying to CA research grants.

The value of the services provided by the SP2 and disbursed to it was EUR 16.57 thousand (including the deliverables presented in 2023, but invoiced in the reporting period and taking into account the penalty of 5% for low performance).

24. In June, 2024, CPIU finalized selection a scientific research institution that will receive a grant from Adaptation Fund for CA research activities, CA equipment, demo plot and soil lab. This institution is the National Seed Research and Production Center (NSRPC). The grant contract was signed in October 2024. The selection process took longer than expected mainly because of numerous adjustments of the proposal in order to make it compliant to the conditions of the Call for Proposals. The grant amount planned to be disbursed in 2025 is EUR 100 thousand for procurement of CA machinery.

25. During 2024 CPIU planned to spend EUR 10.00 thousand on translation and printing CA related manual. However, the selection of the manual to be translated was postponed to 2025 and this will also depend on the experts' opinion on the new SP2 that will be contracted for the remaining CA activities.

26. In the reporting period CPIU IFAD initially planned to disburse EUR 20.00 thousand for the CA related master scholarship grants (out of the total allocated amount of EUR 40 thousand). This was not done because of the need to further clarify the eligibility criteria for the educational instructions and master programs as well as the eligibility criteria for the type of costs to be covered from the grant sources. Finally, CPIU decided to establish a partnership with the technical University of Moldova, which is the only institution that has CA master students who will be sent for one semester of academic exchange to the Iasi University of Life Sciences (Romania). The grant agreement was signed in December 2024. Due to the proximity of the host University, the costs are much lower than initially planned, so the total maximum number of students to be sent will be increased from 2 to 12 during the years 2025 and 2026. The grant disbursement will be made in 2025 and 2026 correspondingly.

Sub-component 1.2: Agribusiness Development

Agribusiness Development sub-component:

Total estimated budget for the revised 2024 annual plan: EUR 1.45 million, including IFAD Loan - EUR 1.0 million, GoM contribution - EUR 142.64 thousand and beneficiaries' contribution - EUR 307.0 thousand.

Actual/Executed as of 31.12.2024: EUR 1.22 million or ≈ 84% of revised plan, including IFAD Loan - EUR 738.72 thousand, GoM contribution - EUR 150.44 thousand and beneficiaries' contribution - EUR 327.76 thousand (*see details in the table 6*).

Cumulative as of 31.12.2024: EUR 1.47 million, including IFAD Loan - EUR 903.88 thousand, GoM contribution - EUR 192.27 thousand and beneficiaries' contribution - EUR 376.24 thousand.

27. The sub-component includes two well defined activities: A) strengthening Value Chains for Producer Groups and B) strengthening MAFI Technical Capacity. As of December 31, 2024 for the implementation of sub-component activities was used **EUR 738.72 thousand** from IFAD Loan or **74 %** of revised annual plan. The low achievement is due to the non-disbursement of the USD 410.00 thousand planned for financing of 2 Producers Groups, which led to the revision of the plan (*see details in point 31*). The beneficiary's contribution is linked to investment; therefore, it is lower than the plan, but in line with conditions set (i.e. minim 25% of total investment cost) and represent EUR 327.8 thousand (exemption from paying taxes, duties and VAT) (*see details in the table 6*).

Table 6: Agribusiness development, 2024 achievement

(EUR '000)

Subcomponent 1.2. Agribusiness Development	IFAD Loan	Beneficiaries	GoM	Total Cost
Initial Annual Plan	1305.63	203.21	203.36	1712.20
Revised Annual Plan	1000.11	307.00	142.64	1449.75
A. Strengthening value chains for producer groups	1000.11	307.00	142.64	1449.75
B. Strengthening of MAFI technical capacity	0.00	0.00	0.00	0.00
Actual as of 31.12.2024	738.72	327.76	150.44	1,216.92
A. Strengthening value chains for producer groups	738.72	327.76	150.44	1,216.92
B. Strengthening of MAFI technical capacity	-	-	-	-
Actual / Revised Annual Plan, %	73.9%	106.8%	105.4%	83.9%

28. 1.2.1. Under Strengthening Value Chains for Producer Groups (the content of this activity was changed at the negotiations stage) financial support is provided for investment related to processing, sorting, and/or packing of agricultural products, production of renewable energy linked to post harvesting activities, for two specific groups:

- (i) financing of Producer Groups (PG) (legal entity with minimum 5 members/founders) as follows: EUR 230 thousand loan matched with grants of maximum EUR 20 thousand (but not more than 8% of the total investment) and cash beneficiary contribution no less than EUR 5 thousand, representing at least 2% of the total investment;
- (ii) micro and small enterprises (MSE) financing with loans for agro-processing of maximum EUR 150 thousand, for 8-year loan term with 4-year grace period and applicants' own contribution 25% of the total investment cost.

29. For intermediation of project funds under Strengthening Value Chains for Producer Groups activity and under sub-component 2.1. Affordable credit for youth and women, were selected and approved 7 partner commercial banks, namely: Comertbank, Eurocreditbank, Banca de Finante si Comert, MAIB, OTPBank, Moldindconbank and ProCreditBank.

30. Micro and small enterprises (MSEs) for agro-processing. During the reporting period, **eight (8) MSEs** received financing for agro-processing investments, totaling **EUR 693.57 thousand**. The financing supported the procurement of equipment for the construction of cold storage facilities, fruit processing, animal product processing, and the acquisition of renewable energy equipment to enhance operational efficiency and sustainability.

Compared to the revised **annual plan**, the achievement rate was **80.0% in volume** and **75.3% in value**. It should be noted that three (3) funding requests, totaling EUR 112.7 thousand, for agro-processing activities, were redirected to the MEs financing line (2.1.1.6) based on the enterprise size criteria (micro) and the funding amount requested (under 1 million MDL). This reallocation of funds impacted the achievement of the targets set in the revised plan. When measured against the initial plan, the achievement rate reached 200.0% in volume and 122.1% in value. The **average loan size** was **EUR 86.7 thousand**, much lower than the ceiling of EUR 150.0 thousand.

Beneficiaries contributed **EUR 327.76 thousand**, representing 32.1% of the total investment cost, exceeding the required 25% contribution. Additionally, the **Government of Moldova (GoM)** provided **EUR 139.7 thousand** by exempting beneficiaries from VAT payments. As of December 31, 2024, the total MSE financing allocated for agro-processing under the TRTP has reached 71.4% of the established PDR target.

31. The EUR 410.00 thousand planned for financing of 2 PGs, which was based on interest of 2 PGs in financing, was not disbursed, due to no interest.

According to the action plan for the promotion of financial products intended for PGs monthly information messages are being delivered to the target groups on financing opportunities from IFAD funds, with no feedback being received.

In the first semester of 2024 there were two applications for PGs products, but following preliminary review both groups were ineligible due to:

- in one group of producers while preparing the application documents for project submission one of the founders left the group, thus the group remained with 4 members;
- another group of producers specialized in growing table grapes and wishing to equip the cold store with sorting and packaging equipment was found ineligible as one of the group members received financial support in the form of a grant under the RRP (IFAD VII).

Also, during the information sessions conducted together with CCAR and APEL and recently with MICB on the use of IFAD financial products in different districts of the country, as well as in other meetings attended by economic agents practicing agricultural post-harvesting, a few impediments were identified preventing or limiting accessibility to IFAD resources for PGs, and namely:

- there are around 170 cold stores in the Republic of Moldova. Some of them have been established and developed in the period 2011-2024 with support of different donor-funded projects: World Bank, USAID, Pare 1+1, MAC-P, IFAD, etc. They are equipped with modern processing, sorting and packaging lines for table grapes, fruits and vegetables, and the grant share varying up to 50% of the investment value, in some cases up to 350 thousand euro grant. Nowadays the expansion or development of such business from IFAD funds has become less attractive because: the procedure of compiling the set of documents, including three quotations is very difficult, especially when most of the machinery is imported separately by components in order to reduce the related costs;
- 8% grant portion is low vs. similar products of other finance projects, e.g. PI ODA offers processing support with 30-50% grant portion;
- for investment projects of EUR 50 - 150 thousand, credit products are opted for, where the application procedure is much more simple and the economic agent is represented as an economic entity and not as a PG, opting for ADMA programs; Livada Moldovei, ODA and IFAD SME credit products;
- in some cases when a founder member of the group has previously benefited from a grant as a producer under other IFAD projects VI - VII (beneficiaries from 2014-2024), the PG becomes ineligible for the credit with grant portion.

Based on the above, it can be concluded that the credit product with a grant portion for PGs is not attractive and accessible for post-harvest value chain development. It is necessary to revise the general terms and conditions for this product to make it more accessible and attractive to PGs.

32. During field visits and discussions with four women's producer groups, two groups were identified as functional and in clear need of support. Given the specific characteristics of their activities and the agricultural context of 2024, it has been decided to begin support activities for these groups in 2025.

To ensure appropriate assistance, it is proposed to amend the collaboration agreement with CCA, given the positive experience from previous partnerships. The experts from this company have demonstrated strong skills and sufficient expertise to provide the necessary support to these groups.

33. 1.2.2. Strengthening MAFI Technical Capacity. Based on the request of MAFI, in September 2023 CPIU launched the call for contracting a consultant in Agriculture and Policy to strengthen technical capacity of the Ministry of Agriculture and Food Industry providing it with specialized policy

development assistance in elaboration of the National Agricultural and Rural Development Program 2023-2026 and the Food Security Program 2023-2026, as well as assistance in the development of food systems at national level, with the aim of integrating and systematizing food systems tools in a single place/center (MAFI) for capacity building. The consultant was selected and the contract with consultant was signed on 20 May 2024 for 12 months period. The contract was negotiated at USD 13.200 for 12 months. In the reporting period no payments were made.

Based on the report approved by MAFI, in the May-June period, the consultant reported the following activities:

- organizing consultations with the subdivisions of the Ministry on the draft of the Strategic Plan of the Agricultural Policy 2025-2030, focused in particular on the consultation of the concept of intervention sheets;
- contributions to the process of re-evaluation and prioritization of the needs of the sector by fields and accordingly of the interventions;
- elaborated the project of the intervention sheets of the type of direct payments, investment, rural development; it included the conceptualization and development of the first draft of the specified program interventions. It was implemented through cooperation with the international expert from Romania, being correlated with the interested parties;
- Methodological and expertise contribution to evaluation, in the team, of the documents developed.

2. Component 2: Entrepreneurship Finance

Entrepreneurship Finance Component:

Total estimated budget for the revised 2024 annual plan: EUR 3.60 million, including IFAD Loan - EUR 2.55 million, GoM contribution – EUR 284.03 thousand, PFI - EUR 438.60 thousand and beneficiaries' contribution – EUR 328.59 thousand.

Actual/Executed as of 31.12.2024: EUR 4.56 million or ≈ 127% of revised plan, including IFAD Loan - EUR 2.72 million, GoM contribution – EUR 443.65 thousand, PFI - EUR 556.57 thousand and beneficiaries' contribution – EUR 832.98 thousand (*see details in the table 7*).

Cumulative as of 31.12.2024: EUR 6.22 million, including IFAD Loan – EUR 3.35 million, GoM contribution – EUR 496.43 thousand and beneficiaries' contribution – EUR 1.17 million and PFI - EUR 1.21 million.

34. The component consists of two complementary subcomponents: **2.1. Affordable credit for youth and women**; and **2.2. Rural finance sector development**. In the reporting period, for implementation of component activities from **IFAD Loan** was used **EUR 2.7 million** (representing 108% of the revised annual plan), PFIs contributed with own funds amounting EUR 556.6 thousand, beneficiaries' contribution represents EUR 833.0 thousand and GoM contributed with EUR 443.7 thousand (exemption of beneficiaries from paying VAT) (*see details in the table 7*).

Based on increased demand for financing under the component, the annual budget was revised by increasing the funds for each group YWEs, MSEs and MEs: per total increased by ≈16%.

Table 7. Entrepreneurship Finance, 2024 achievement

(EUR '000)

Component 2: Entrepreneurship Finance	IFAD Loan	Beneficiaries	PFIs	GoM	Total Cost
Initial Annual Plan	2,212.80	288.89	420.00	242.34	3,164.03
Revised Annual Plan	2,546.63	328.59	438.60	284.03	3,597.85
Sub-component 2.1: Affordable credit for youth and women	2,518.73	328.59	438.60	278.45	3,564.37
Sub-component 2.2: Rural finance sector development	27.90	-	-	5.58	33.48
Actual as of 31.12.2024	2,723.98	832.98	556.57	443.65	4,557.18

Sub-component 2.1: Affordable credit for youth and women	2,696.11	832.98	556.57	443.58	4,529.24
Sub-component 2.2: Rural finance sector development	27.87	-	-	0.07	27.94
Actual / Revised Annual Plan, %	106.9%	253.5%	126.9%	156.2%	126.7%

Sub-component 2.1: Affordable credit for youth and women

Affordable credit for youth and women sub-component:

Total estimated budget for the revised 2024 annual plan: EUR 3.56 million, including IFAD Loan - EUR 2.52 million, GoM contribution – EUR 278.45 thousand, PFI - EUR 438.60 thousand and beneficiaries' contribution – EUR 328.59 thousand.

Actual/Executed as of 31.12.2024: EUR 4.53 million or 127% of revised plan, including IFAD Loan - EUR 2.7 million, GoM contribution – EUR 443.58 thousand, PFI contribution - EUR 556.57 thousand and beneficiaries' contribution – EUR 832.98 thousand (*see details in the table 8*).

Cumulative as of 31.12.2024: EUR 6.17 million, including IFAD Loan – EUR 3.3 million, GoM contribution – EUR 494.88 thousand and beneficiaries' contribution – EUR 1.17 million and PFI contribution - EUR 1.21 million.

35. The sub-component aims on addressing the main bottlenecks affecting access to credit for the rural youth and women; the cost of capital and lack of collateral to access loans, with following distinct financial instruments: 2.1.1. Matching grants for youth and women; 2.1.2 Loans for micro and small enterprises; and 2.1.3. Micro-entrepreneurs lending.

36. 2.1.1.1. Matching grants for youth and women. Youth (who, at the time of application, are between 18 and 40 years old) **and women** are entitled to get a loan with matching grants (standard financial package of MDL 800.0 thousand, but max MDL 1.0 million² (eq. to about EUR 52.0 thousand) for development of on- and off-farm related to agricultural activities, for a period of up to 8 years, including grace period of up to 4 years. The loan portion of 60% is provided by PFI from their own funds and grant portion of 40% from IFAD loan. The beneficiary contributes with 10% of total investment cost in cash or in kind.

37. During the reporting period, **24 loans with matching grants** were disbursed to **youth and women entrepreneurs**, with a total financing package of **EUR 883.3 thousand**, including a grant component of EUR 326.67 thousand. The financing of **youth and women**³ entrepreneurs reached **111.7%** of the revised **annual plan value** and **109.1%** of the **annual plan volume** reflecting strong demand for the financial products that include matching grants (*see details in the Table 8*). The **average funding package** was approximately of **EUR 36.8 thousand**, which is lower than the standard funding package (eq. to about EUR 52.0 thousand/ MDL 1 million).

38. From the **IFAD Loan**, a total of **EUR 326.67 thousand** was allocated to finance the grant portion, for the loan portion, **Partner Financial Institutions (PFIs)** contributed **EUR 556.57 thousand** from their own sources, which represents **63.0% of the total financing** — exceeding the required 60% set by the program conditions. *Different PFIs applied variable interest rates for loan portion ranging from 7.2% to 18.5%.* **Beneficiaries** contributed a total of **EUR 223.72 thousand**, representing **20.2% of the total financing package**, which exceeds the minimum required 10% contribution. **The Government**

² Standard financial package up to MDL 800.000, inclusive loan portion - 60% (up to MDL 480.000), grant portion – 40% (up to MDL 320.000). Maximum financial package MDL 1.000.000, i.e loan portion can be increased up to MDL 680.000, but the grant portion not more than 320.000 MDL (40% of MDL 800.000)

³ Youth (who, at the time of application, are between 18 and 40 years old) and women are entitled to get a loan with matching grants of 1 million MDL (standard financial package from which is calculated the max grant portion is MDL 800.0 thousand (~€ 41.340). The loan portion of 60% is provided from PFI own funds and grant portion of 40% from IFAD loan.

of Moldova (GoM) contributed **EUR 50.61 thousand** by exempting beneficiaries from VAT payments. As of 31 December 2024, the **target for financing youth and women** entrepreneurs under the TRTP, as set in the Program Design Report (PDR), has been achieved at a level of **80.3%**.

Table 8. Affordable credit for youth and women

(EUR'000)

<i>Sub-comp 2.1: Affordable credit for youth and women</i>	<i>number</i>	<i>IFAD Loan</i>	<i>PFI</i> s	<i>Beneficia</i> ries	<i>GoM</i>	<i>Total cost</i>
Initial Annual Plan	59	2,180.00	420.00	288.89	235.45	3,124.34
2.1.1. Matching grants for Youth and Women	20	280.00	420.00	77.78	36.40	814.18
2.1.2 Credit line for MSEs (agroproduction)	9	1,215.00	0.00	135.00	157.95	1,507.95
2.1.3 MEs lending through SCAs, CBs and NBCO	30	685.00	0.00	76.11	41.10	802.21
Revised Annual Plan	57	2,518.73	438.60	328.59	278.45	3,564.37
2.1.1. Matching grants for Youth and women	22	292.40	438.60	81.22	38.01	850.23
2.1.2 Credit line for MSEs (agroproduction)	15	1,526.55	-	169.62	198.45	1,894.62
2.1.3 MEs lending through SCAs, CBs and NBCO	20	699.78	-	77.75	41.99	819.52
Actual as of 31.12.2024	63	2,696.11	556.57	832.98	443.58	4,529.24
2.1.1. Matching grants for Youth and women	24	326.67	556.57	223.72	50.61	1,157.57
2.1.2 Credit line for MSEs (agroproduction)	18	1,659.86	0.0	438.59	282.63	2,381.08
2.1.3 MEs lending through CBs, SCAs & NBCO	21	709.58	0.0	170.67	110.34	990.59
Actual / Revised Annual Plan, %	110.5%	107.0%	126.9%	253.5%	159.3%	127.1%

39. 2.1.1.2. Affordable credit for MSEs. Under **micro and small enterprises (MSEs) financing** loans are available to support rural based micro and small enterprises agro-production investments. The maximum loan amount is EUR 150 thousand, with a repayment period of up to 8 years, including grace period of up to 4 years. Beneficiaries are required to contribute at least 10% of the total investment cost from their own resources.

40. During the reporting period, **18 loans** were disbursed to **MSEs for agro-production** investments, with a total financing amount of **EUR 1,66 million**. The financing for **micro and small enterprises (MSEs)** for agro-production achieved **108.7%** of the revised **annual plan value** and **120.0%** of the **annual plan volume** reflecting strong demand for agro-production investments (*see details in Table 8*). The **average loan size** was **EUR 92.2 thousand**, below the maximum limit of EUR 150.0 thousand.

41. Beneficiaries contributed a total of **EUR 438.59 thousand**, representing 20.9% of the total investment cost —exceeding the minimum required 10% contribution. **The Government of Moldova (GoM)** contributed **EUR 282.63 thousand** by exempting beneficiaries from VAT payments. As of 31 December 2024, the **target financing micro and small enterprises** under the TRTP, as established in the **Program Design Report (PDR)**, has been achieved at **75.0%**.

42. 2.1.1.6. Credit line for MEs. Under **MEs financing** loans are available to support rural based micro enterprises for agricultural and non-agricultural activities. The maximum loan amount is MDL 1 million, with a repayment period of up to 8 years, including grace period of up to 4 years. Beneficiaries are required to contribute at least 10% of the total investment cost from their own resources.

43. During the reporting period, **21 loans** were disbursed to **MSEs** for agricultural and non-agricultural activities, with a total financing amount of **EUR 709.58 thousand**. The financing of micro-entrepreneurs (MEs) reached **101.4%** of the revised **annual plan value** and **105.0%** of the **annual plan volume** (*see details in the Table 8*). The **average loan size** was **EUR 33.8 thousand** (around MDL

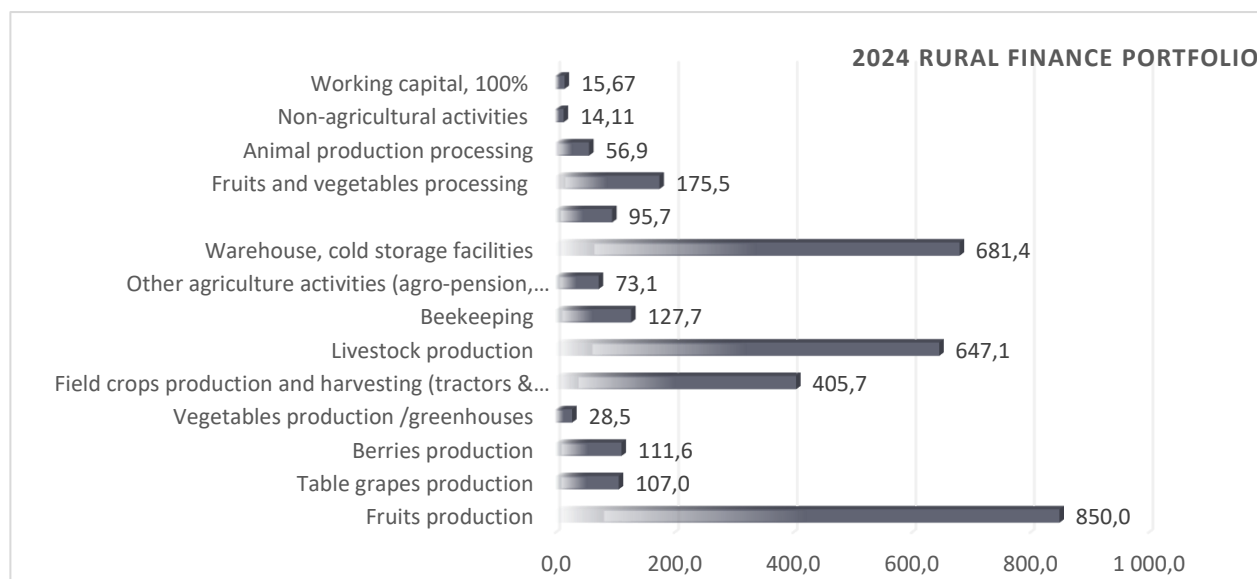
649.5 thousand), which is lower than the standard funding package of MDL 1 million (eq. to about EUR 52.0 thousand).

44. Beneficiaries contributed a total of **EUR 170.67 thousand**, representing 19.4% of the total investment cost —exceeding the minimum required 10% contribution. **The Government of Moldova (GoM)** contributed **EUR 110.34 thousand** by exempting beneficiaries from VAT payments.

45. Throughout 2024, following extensive promotional efforts highlighting the program's competitive advantages — including lower co-funding requirements for farmers, flexible conditions, simplified documentation, VAT exemption and increased loan amounts — financing for micro-entrepreneurs successfully met the revised annual plan expectations. As of 31 December 2024, the overall financing **target for micro-enterprises** under the TRTP, as set in the **Program Design Report (PDR)**, remains relatively low, with only **12.8%** of the original target achieved. However, when compared to the **revised target** established following the **Mid-Term Review (MTR)**, the achievement rate improved to **29.8%**.

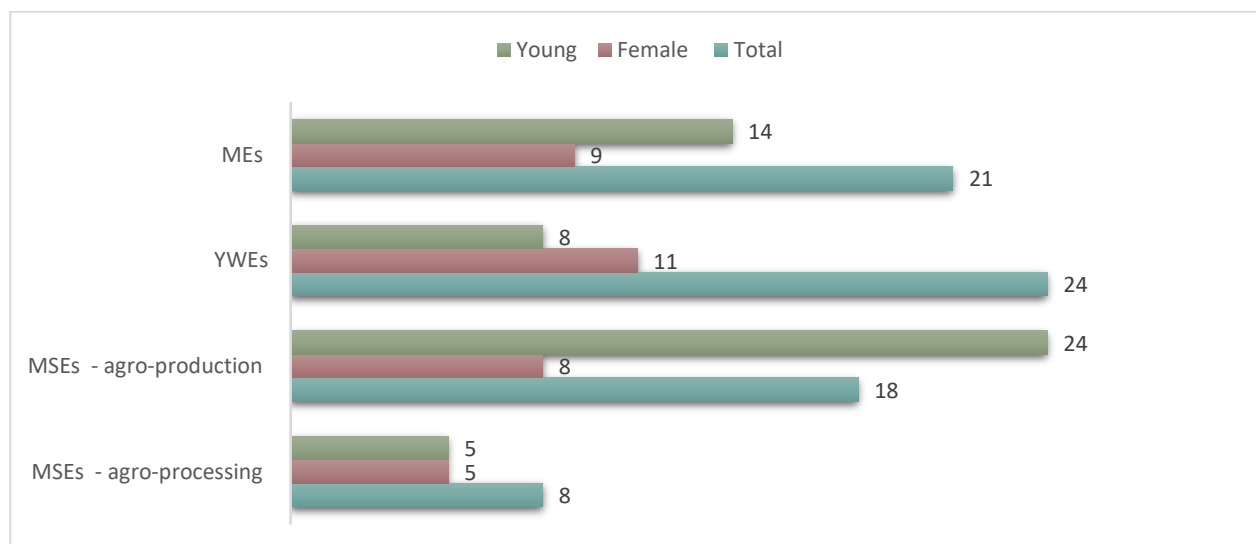
46. Classified **by supply chain stage**, **67.2%** of the financing requests approved through PFIs was allocated to **agro-production**, **29.8%** to **agro-processing**, **2.2%** **other agriculture activities** (such as agro-pension, patisserie, greenhouse with flowers), **0.4%** to **non-agricultural activities** (such as production of PVC windows and doors) and **0.5%** to independent **working capital**. Classified **by activity area**, the largest share of the total loan portfolio was directed to **fruit production (25.1%)**, **warehouse, cold storage facilities (20.1%)**, **livestock production (19.1%)**, followed by **agri machines** for field crops production and harvesting (**12.0%**) and others detailed below.

Figure 1. Loan portfolio by activity area, EUR



47. Within the financing portfolio disbursed through PFIs, a total of 71 beneficiaries were reached. Of these, 33 (46.5%) are **women** and 51 (71.8%) are **young** beneficiaries (*see details below*).

Figure 3. Beneficiaries by age and gender

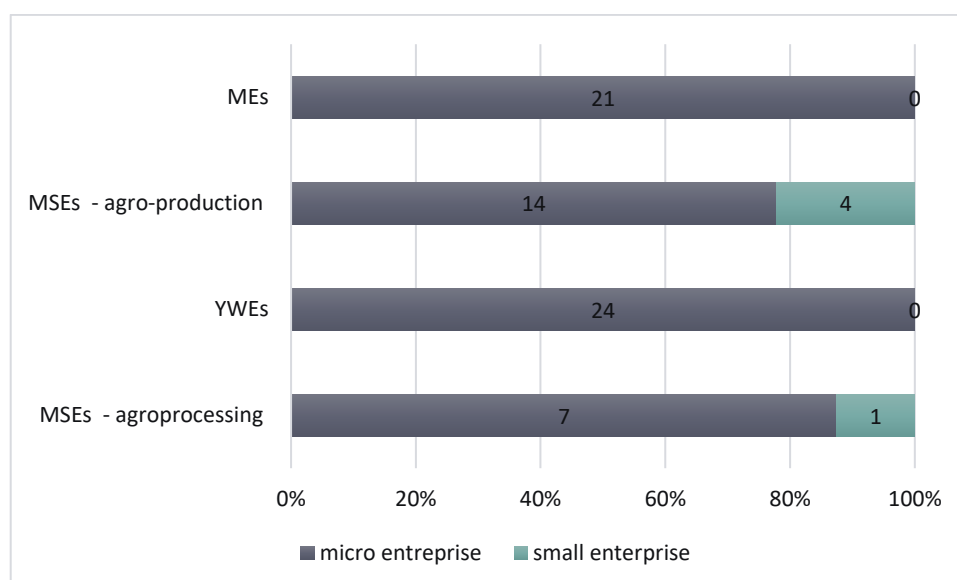


48. In accordance with Law No. 179 from 21-07-2016 on Small and Medium-Sized Enterprises (SMEs) and the subsequent amendments, micro and small enterprises are classified as follows:

- **Micro-enterprises:** Companies with up to 9 employees, an annual turnover of up to 18 million MDL, or total assets of up to 18 million MDL.
- **Small enterprises:** Companies with up to 49 employees, an annual turnover of up to 50 million MDL, or total assets of up to 50 million MDL.

49. Based on this classification, in 2024 the IFAD loan portfolio disbursed through PFIs was primarily allocated to micro-enterprises, representing 93.0% of the total loans, while 7.0% of loans were disbursed to small enterprises (*see detailed below*).

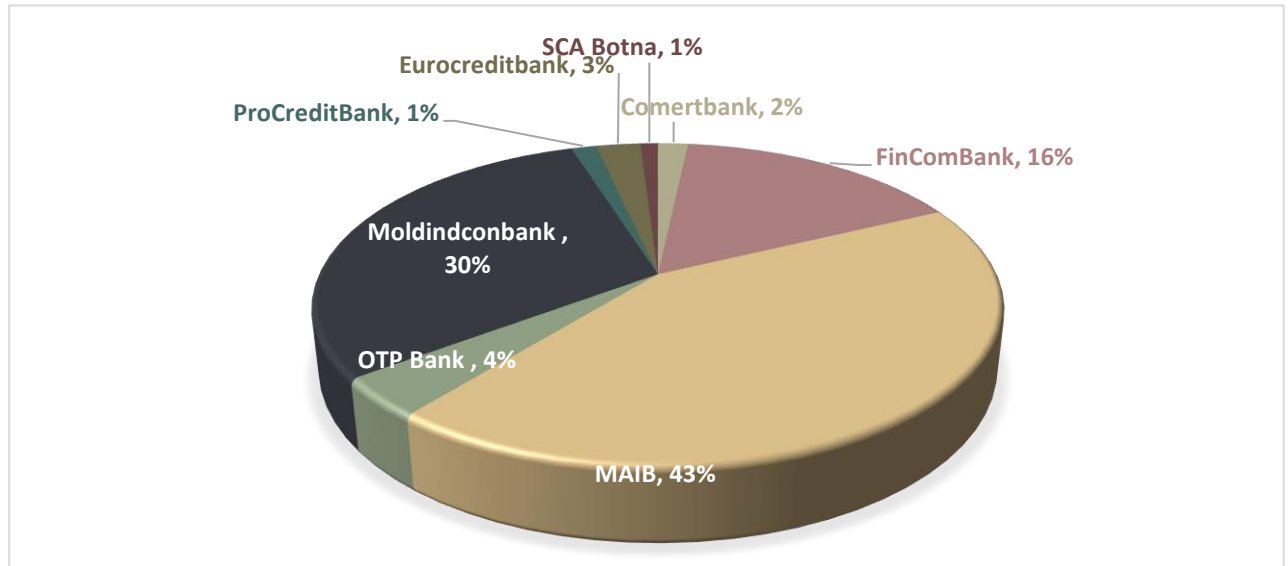
Figure 4. Beneficiaries by size of the company



50. To facilitate the intermediation of project funds to support youth, women, micro and small enterprises, and micro-entrepreneurs, the On-Lending Agreement was signed with **9 Partner Financial Institutions (PFIs)**, consisting of 7 commercial banks, 1 SCA, and 1 NBCO. Out of the 8 active PFIs, **MAIB** remains the leader in disbursement having the largest share of **43%** of the total portfolio in 2024,

directing resources to 33 beneficiaries. This was followed by **Moldindconbank** with a share of **30%** and 17 beneficiaries and **FinComBank** with a share of **16%** and 9 beneficiaries. The other institutions had a minor participation in the disbursement of financing resources (see details in the Figure 2). Mikrokapital did not request resources being temporarily suspended due to non-compliance with the eligibility criteria, specifically, the requirement that the "debt-to-equity ratio must not exceed 3.0." Consequently, Mikro Kapital is currently ineligible to access loans from TRTP.

Figure 2. TRTP Funds disbursed by PFIs

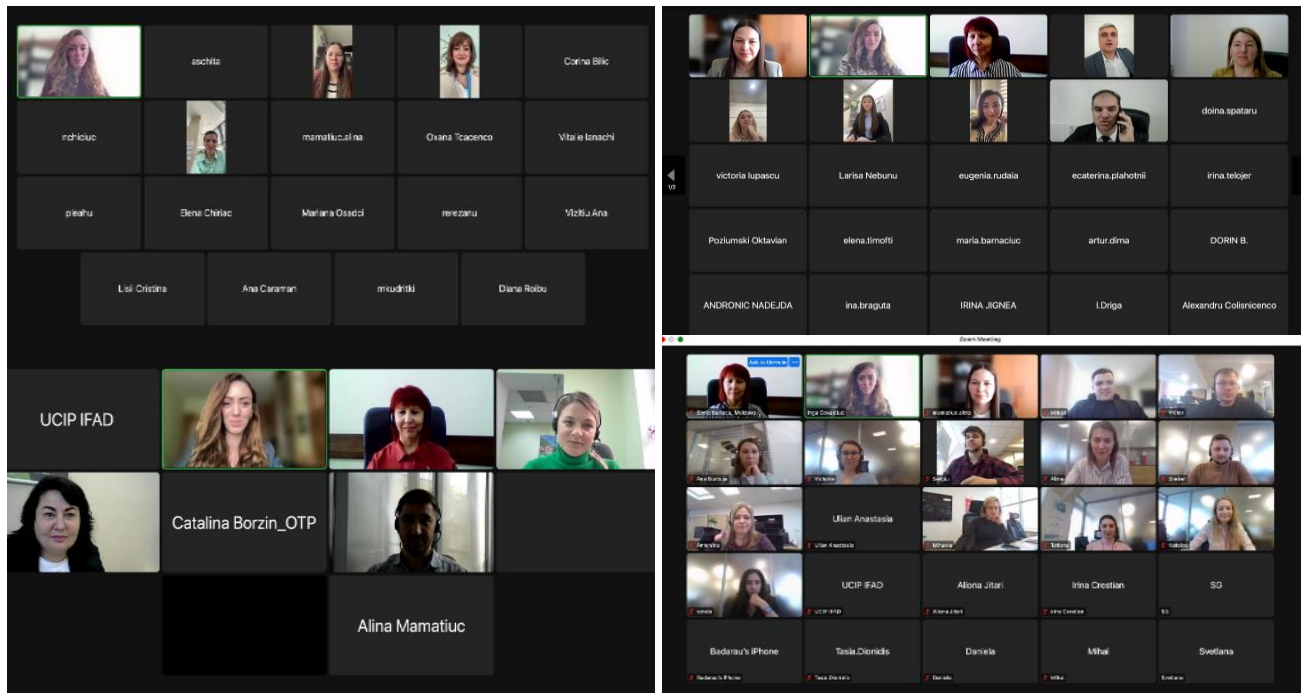


51. In line with the agreed recommendations from the IFAD mission conducted in June 2024, specifically *"Further optimize loan documentation requirements"*, the loan documentation package was revised, and IFAD's No Objection was received on September 28, 2024. Subsequently, Amendment No. 4 was signed on November 26, 2024 by the Ministry of Finance (MoF) and EAPMO, and is currently in the process of being signed with the Participating Financial Institutions (PFIs).

Following a thorough review and analysis, three annexes were consolidated into two, ensuring that all necessary applicant information is included. These revised annexes now comprehensively cover both the financing approval requirements and the monitoring of output indicators, thereby streamlining the documentation process while ensuring compliance with program requirements.

52. Informational sessions. Between April 17 and April 29, online informational sessions titled **"Business Development through TRTP"** were organized for representatives of Participating Financial Institutions (PFIs). These sessions focused on: **available financing opportunities** within the TRTP program, the **advantages** of the program, detailed **procedures**, changes introduced under **Amendment No. 3** (March 26, 2024). A total of **five (5) sessions** were held with five out of the nine participating institutions—**MICB, ECB, PCB, OTP, and Comertbank**—that expressed interest in these sessions. Overall, 217 participants representing bank branches staff attended.

Notably, following these sessions, four of the five participating banks, which had not submitted any TRTP resource requests as of December 31, 2023, submitted their first funding requests to draw resources for their clients under the TRTP program.



53. During 2024, **four (4) events** titled "**Financing Opportunities for Rural Businesses**" were organized in collaboration with PFIs (MAIB, Moldindconbank, OTP Bank) with the aim of mobilizing new beneficiaries and facilitating a two-way dialogue between potential beneficiaries, invited experts and PFIs. This turned out to be highly successful and have led to increased demand for project loans and capacity building services.

At these events, CPIU pursued the following objectives:

- Strengthen relationships with partners financial institutions;
- Promoting financing opportunities for micro and small entrepreneurs;
- Introducing digital products developed by CPIU IFAD to support agribusiness development (<https://abds.ucipifad.md/> <https://finantare.maia.gov.md/>);
- Sharing success stories of IFAD beneficiaries to motivate and empower aspiring entrepreneurs in business development;
- Facilitating discussion panels on topics of interest for micro and small enterprises.

Collectively, the events hosted **299 participants**, including representatives from micro and small businesses (primarily in the agricultural sector), PFIs representatives, officials from the Ministry of Agriculture and Food Industry and service providers. Out of the total 299 participants, **38.8% were women** and **50.8% were youth** (aged 18-40 years) (*see details below*).

TRTP Progress Report as of 31.12.2024

Event 1. June 05, 2024, CPIU IFAD & MAIB, Chisinau city



Event 2. October 17, 2024, CPIU IFAD & MICB, Cimislia city



TRTP Progress Report as of 31.12.2024
Event 3. October 31, 2024, CPIU IFAD & MICB, Edinet city



Event 4. December 11, 2024, CPIU IFAD & OTP Bank, Chisinau city



List of events organized in partnership with PFIs, 2024

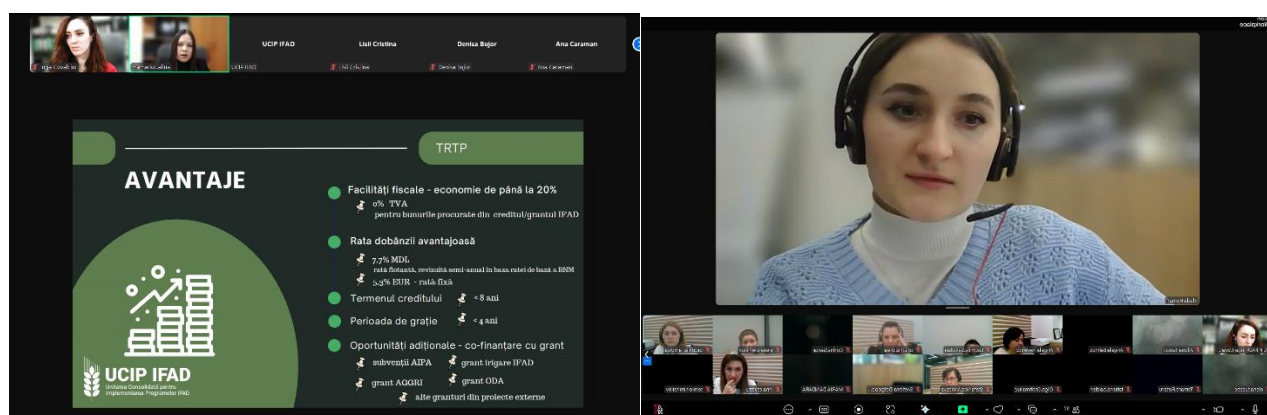
Date	Location	Organizers	Total Participants	Female Participants	Young Participants	News
5 June 2024	Chişinău	CPIU IFAD, MAIB	59	23	50	https://www.facebook.com/events/1107036900592392/?ref=newsfeed https://www.ucipifad.md/notati/business-talk-oportunitati-de-finantare-a-afacerilor-rurale/
17 October 2024	Cimişlia	CPIU IFAD, MICB, ANOFM	90	42	41	https://www.ucipifad.md/notati/oportunitatile-de-suport-antreprenorial-oferite-de-programele-ifad-promovate-la-edinet/

31 October 2024	Edineț	CPIU IFAD, MICB	93	31	25	https://www.ucipifad.md/ro/utati/masa-rotunda-dezvoltarea-afacerilor-rurale-provocari-in-comercializarea-productiei-agricole-si-oportunitati-de-suport/
11 December 2024	Chișinău	CPIU IFAD, OTP Bank	57	20	36	https://www.facebook.com/share/p/1GP6pzBr6Q/
		Total	299	116	152	

54. In response to ongoing staff turnover within PFIs, and in line with the agreed recommendations from the IFAD Mission conducted in November-December 2024, **online refresher events** were organized at the end of the year to update PFI staff on lending conditions and available financing opportunities.

A total of **4 online sessions** were held with **4 of the 8 active PFIs** (OTP Bank, MAIB, ProCredit Bank, and Comerțbank), with **180 participants** in attendance. Additional online sessions with the remaining 4 PFIs are scheduled for January 2025.

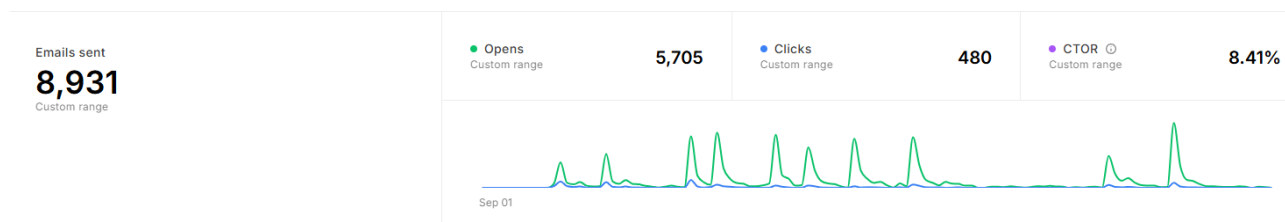
During these sessions, participants were presented with an overview of **2024 results**, recognized for their **contribution to the successful implementation of TRTP**, and introduced to **CPIU IFAD AWBP priorities for 2025**. The advantages of TRTP financial products and facilities were highlighted, along with **case studies demonstrating successful combinations of irrigation schemes and micro-entrepreneur financing**, as well as other **financial instruments available through the program**.



55. Starting from September 2024, a new communication and information tool was introduced to promote financing opportunities to both beneficiaries and non-beneficiaries. This tool aims to provide updates on: financing opportunities, invitation to events organized by CPIU IFAD, follow-up emails, other relevant news, such as changes in interest rates or the launch of digital products.

During 2024, 10 email marketing campaigns were launched, targeting CPIU IFAD database of 1000 subscribers⁴ (beneficiaries and non-beneficiaries). These campaigns resulted in the delivery of 8,931 emails, achieving an open rate of 63.9%.

This method will continue to be used, with plans to transition to a paid version to increase the number of subscribers.



Sub-component 2.2: Rural finance sector development

Rural finance sector development sub-component:

Total estimated budget for the revised 2024 annual plan: EUR 33.48 thousand, including IFAD Loan - EUR 27.90 thousand and GoM contribution – EUR 5.58 thousand.

Actual/Executed as of 31.12.2024: EUR 27.94 thousand or **≈ 83 % of revised plan**, including IFAD Loan - EUR 27.87 thousand and GoM contribution – EUR 0.07 thousand (*see details in the table 9*).

Cumulative as of 31.12.2024: EUR 52.85 thousand, including IFAD Loan - EUR 51.30 thousand and GoM contribution – EUR 1.55 thousand.

56. Rural finance sector developments sub-component was designed to provide support for: 2.1.1 SCA sector strengthening; 2.2.2. SCA capacity building; 2.2.3 NCFM capacity building; and 2.2.4 MSE mentoring support.

57. Under the activity **2.1.1. SCA sector strengthening** was foreseen the creation of SCA Deposit Insurance and SCAs Stabilization Fund. Due to recent legislative and regulatory changes related to the SCA sector reform, from July 2023 the SCA and NBCO sectors are under the supervision of the National Bank of Moldova (NBM), GoM request IFAD (MoF letter dd 30 June 2023) for cancellation of the funds and repurpose the amount allocated of EUR 1.6 million to MSEs financing.

58. Under the **2.2.2. SCA Capacity-Building activity**, an amount of EUR 15.0 thousand was allocated under TRTP to support the initial phase of developing a unified management information system for the SCA sector. This allocation was based on the feasibility study conducted during the RRP program. However, these funds will not be utilized due to delays in obtaining NCASCA approval for the activity.

In light of the ongoing SCA sector reform, the NCFM's withdrawal from the program, and the agreed recommendations from the MTR IFAD Mission held in November-December 2024, the remaining funds (EUR 144.5 thousand) initially earmarked for 2.2.2. SCA Capacity-Building activity and NCFM capacity building will be reallocated to cover recurrent costs.

59. According to the revised AWPB for 2024, under this sub-component, only MSE mentoring support have been planned. The total budget planned for implementation of sub-component activities amounts to EUR 33.48 thousand, including: EUR 27.9 thousand IFAD Loan, and EUR 5.6 thousand GoM

⁴ <https://www.mailerlite.com/>, free plan, up to 1,000 subscribers. 12,000 emails.

contribution covering all duties and taxes on goods and services procured under the Project (*see details in the table 9*).

Table 9. Rural finance sector development

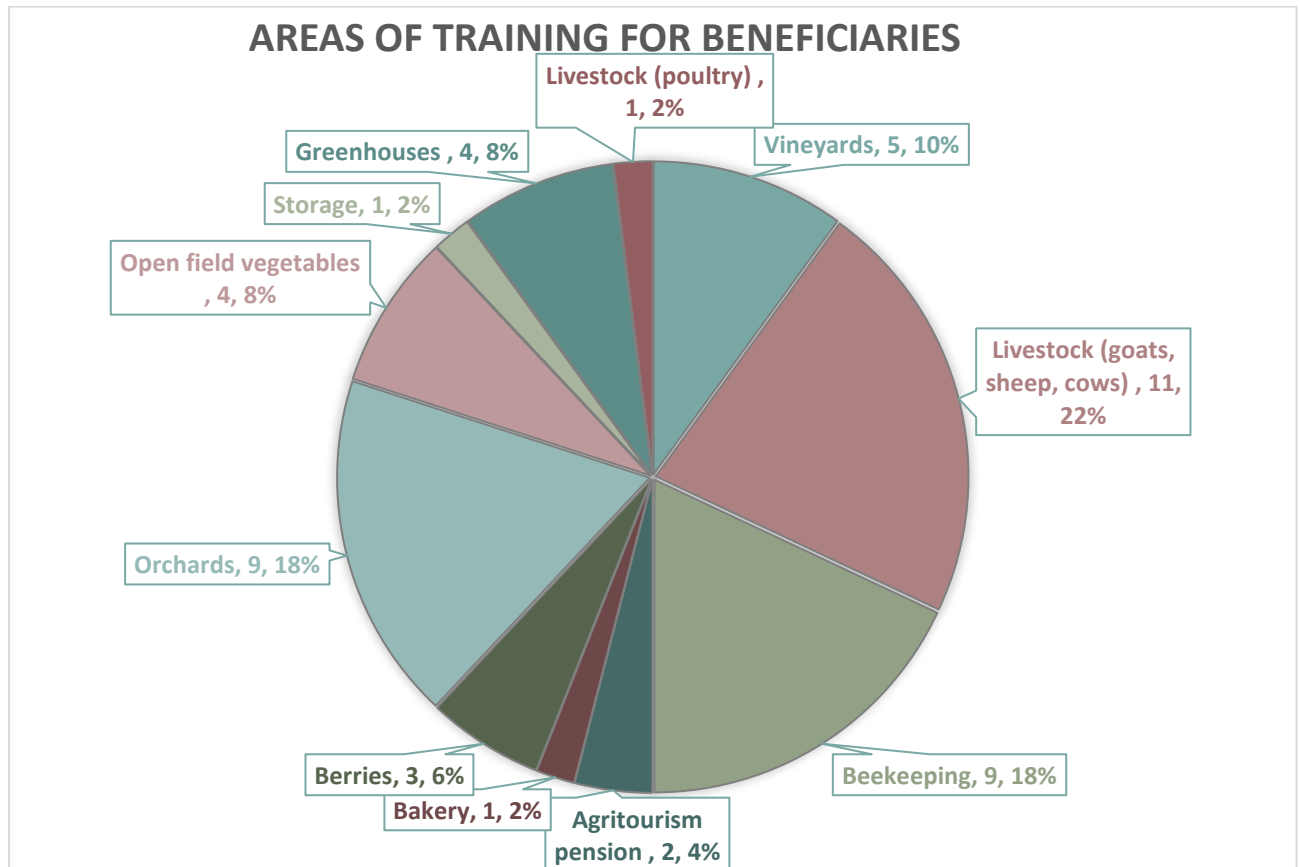
(EUR'000)

Subcomponent 2.2: Rural finance sector development	IFAD Loan	PFI	Beneficiaries	GoM	Total
Initial Annual Plan	32.80	-	-	6.89	39.69
2.2.2. SCA capacity building	15.00	-	-	3.00	18.00
2.2.4. MSE mentoring	17.80	-	-	3.89	21.69
Revised Annual Plan	27.90	-	-	5.58	33.48
2.2.2. SCA capacity building	-	-	-	-	-
2.2.4. MSE mentoring	27.90	-	-	5.58	33.48
Actual as of 31.12.2024	27.87	-	-	0.07	27.94
2.2.2. SCA capacity building	0.00	-	-	0.00	0.00
2.2.4. MSE mentoring	27.87	-	-	0.07	27.94
Actual / Revised Annual Plan, %	99.9%	-	-	1.8%	83.3%

60. MSE mentoring support. In February 2023, a contract was signed with the service provider CCA, for the entire TRTP duration, to design, launch and implement the Mentoring Program for YWEs TRTP grant beneficiaries, which includes a range of activities with established quantitative results, as following:

- Business plan development support and financing application assistance – 66 beneficiaries;
- Individual mentoring in agricultural business (online and offline) – 264 session (4 sessions per beneficiaries);
- Group mentoring (6 beneficiaries per group) – 22 groups;
- Networking activities - Meet the Leader Events (online and offline) – 6 events;
- Capacity building trainings (hard skills and soft skills) - 4 online workshops;
- eMentoring – 66 hours (1 hour per beneficiary).

In the reporting period, in the Mentoring Program were involved 46 YWEs (100% TRTP beneficiaries), of which 18 are women and 28 are men, with a proportion of 39% women and 61% men. The fields of activity of the beneficiaries' businesses are the following:



During this period of activity there has been an increase in the number of beneficiaries and diversification of the fields of activity, which has led to an increase in the workload of mentors, and the involvement of the Program co-coordinator.

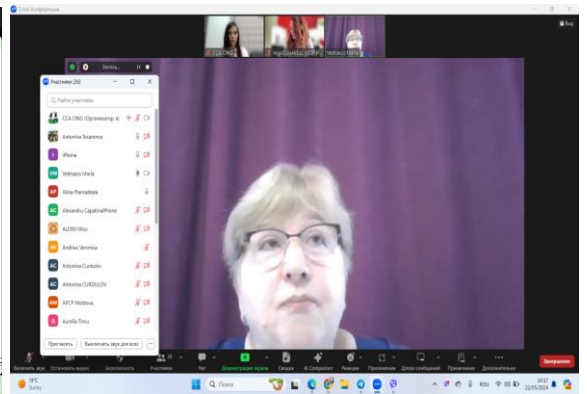
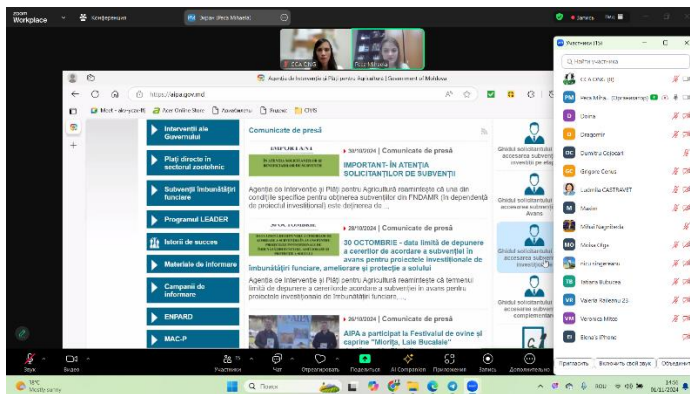
CCA has launched a tender for the selection of additional mentors for the AGRIAP Mentoring Program in various domains, including:

- Agribusiness Development Consultant;
- Strategic Agritourism Specialist;
- Expert in Dairy Products Processing;
- Veterinary Specialist;
- Market Access Specialist.

To improve the implementation of business plans and reduce the likelihood of funding rejections after their completion, CPIU IFAD held a working meeting with CCA staff on June 26, 2024. This meeting was organized based on recommendations from the recent IFAD supervision mission. During the discussion, key issues related to the eligibility of grant beneficiaries were addressed. It was agreed that each beneficiary would receive prior consultations with CPIU IFAD specialists. This collaborative effort aims to enhance the preparation of business plans and facilitate better access to funding.

The mentoring sessions constituted the essential and personalized support to strengthen the knowledge of the beneficiaries in their field of activity, and the support for the elaboration of business plans and related documents contributed to the entrepreneurial activity.

As of 31.12.2024, all YWE beneficiaries have been actively engaged in the support activities provided by CCA. Out of the 24 new beneficiaries in 2024, 21 are currently involved in advisory activities, while others are included in the work program. Considering the agricultural specifics, the period from August to October was particularly busy with harvesting, preparation, and planting activities, which resulted in lower levels of farmer participation.



However, the months of November and December are dedicated to summarizing achievements and planning for future activities, making this period crucial for providing continued support and mentoring (see details in the table 10).

Table 10: Planning indicators 2024, AGRIAP Mentoring Program

(EUR '000)

Activities	Annual Planned	Actual as of 31.12.2024
1. Mentoring 1 la 1		
Annual Plan	77	77
Actual	92 %	71
2. E-mentoring		
Annual Plan	22	22
Actual	141 %	31
3. Group mentoring (6 beneficiaries in group)		
Annual Plan	6	6

Actual	117 %	7
4. Training/workshop online		
Annual Plan	2	2
Actual	50 %	1
5. Networking activities - Meet the Leader Events (online and offline)		
Annual Plan	2	2
Actual	100 %	2
6. Elaboration of business plans		
Annual Plan	20	20
Actual	100 %	20
TOTAL, %	100%	

The beneficiaries' activities in the program were actively monitored and supported by both the beneficiary's mentor and the Program Coordinator. The group mentoring activities were mostly online whereas the individual mentoring activities were done physically.

The most requested and necessary topics for individual mentoring included:

- access to financing;
- sales, promotion and marketing;
- mentoring in strategic business development, by finding development opportunities and guiding in the elaboration of an action plan to achieve business objectives;
- mentoring in the development of livestock farms;
- business expansion by diversifying products through processing;
- technical topics such as beekeeping, animal husbandry, and agronomic questions.

The group mentoring sessions were interactive, enabling beneficiaries to share their challenges, receive personalized recommendations, and gain a deeper understanding of applicable business strategies. The progress of tasks assigned by mentors, as well as their completion, were closely monitored. Beneficiaries received support, recommendations, feedback, and guidance to ensure the successful completion of assignments and, most importantly, the achievement of their goals and expected results.

Each group session made a valuable contribution:

- **Mentoring on access to financing** focused on eligibility criteria, as well as the preparation and submission of investment files. Some beneficiaries successfully applied for funding by implementing the recommendations provided;
- **Efficient management of livestock farms** provided a practical perspective on optimizing production and efficiently utilizing resources, contributing to the improvement of business economic performance;
- **Mentoring on legal requirements for agri-food hygiene and safety** was structured based on ANSA's checklist and control procedures. Beneficiaries learned how to ensure compliance with sanitary and legal norms and received concrete examples for preparing documentation required for official inspections;
- **Optimization of production costs and financial management** included strategies for reducing expenses without compromising product quality, efficient resource utilization, and a detailed analysis of business profitability. Mentors provided beneficiaries with practical tools, such as cost accounting models and strategic planning methods.

Overall, the group mentoring sessions were a valuable opportunity for learning and sharing experiences among entrepreneurs, contributing to the enhancement of skills, process improvements, and more informed decisions for the sustainable development of agricultural businesses.

TRTP Progress Report as of 31.12.2024

As was planned, in 2024, the following activities were carried out within the Mentoring Program for TRTP YWE beneficiaries, as well as other YWEs who expressed interest in the organized activities (see details in the table 11):

Table 11: Activities performed for TRTP YWE beneficiaries

(EUR '000)

Activities	Date	Location	Outcome
Business plan development support and assistance in the financing application process	01.01 – 31.12.2024	n/a	20 plans YWEs 100 % TRTP beneficiaries
Training			
<u>Subject:</u> <i>Agricultural Business: Strategies for Sustainable Growth</i> (Afaceri Agricole: Strategii pentru Creșterea durabilă)	23.01.2024	Online/Zoom	34 participants
Group mentoring			
<u>Subject:</u> <i>Efficient management of animal husbandry</i> (Gestionarea eficientă a exploatațiilor zootehnice);	01.02.2024	Online/Zoom	6 participants
<u>Subject:</u> <i>Legal requirements regarding hygiene and food safety for agri-food activities</i> (Cerințe legale privind igiena și siguranța alimentelor pentru activitățile agroalimentare)	10.04.2024	Online/Zoom	7 participants
<u>Subject:</u> <i>Increasing competitiveness by optimizing production costs (specialized infield crops and orchards)</i> (Sporirea competitivității prin optimizarea costurilor de producere (specializat pe culturile de câmp și livezi))	12.04.2024	Online/Zoom	7 participants
<u>Subject:</u> <i>Analysis of the financial situation of the agricultural business</i>	28.04.2024	Online/Zoom	7 participants
<u>Subject:</u> <i>Funding opportunities in Animal Husbandry</i> (Oportunități de finanțare în Zootehnie)	08.05.2024	Online/Zoom	4 participants
<u>Subject:</u> <i>Funding opportunities in Animal Husbandry</i> (Oportunități de finanțare în Zootehnie)	08.05.2024	Online/Zoom	4 participants
<u>Subject:</u> <i>Opportunities to access subsidies in advance</i> (Oportunități de accesare a subvențiilor în avans)	01.11.2024	Online/Zoom	7 participants
Meet the Leader			
<u>Subject:</u> <i>Digital Solutions for Agricultural Business Development;</i>	16.04.2024	Online/Zoom/ https://youtu.be/He d4J YToNao	17 participants
<u>Subject:</u> <i>Advantages of Cooperation in Agriculture</i>	22.05.2024	Online/Zoom/ https://youtu.be/Kl BF PAoljaE	27 participants

The AGRIAP Mentoring Program has delivered measurable results and substantial advancements in agricultural entrepreneurship. While the full impact of such initiatives is typically realized over the medium to long term (2-3 years), the positive outcomes achieved in this short timeframe demonstrate the program's effectiveness and value.

Under the AGRIAP Mentoring Program, participants have achieved the following concrete results:

a) market expansion and export preparation

- One beneficiary has initiated the process of export preparation to access new markets, focusing on obtaining necessary certifications and establishing the technical requirements for securing mandatory operational and certification authorizations;

b) brand development and sales growth

- several beneficiaries dedicated significant effort to developing their brands, identifying target customers, and enhancing promotion, sales strategies, and the creation of new products and partnerships;
- one beneficiary optimized its online presence and marketing strategies, resulting in a 30% increase in product sales compared to the previous year. This success was driven by the establishment of both an online and physical eco-product store, leading to a more unified market presence;
- multiple beneficiaries diversified their service offerings, attracting more customers and commercial partners;

c) activity expansion and production diversification: guided by mentors, including the Program Coordinator, several beneficiaries strengthened their analytical skills and successfully evaluated growth opportunities. They strategically identified potential areas for expansion and development based on their initial ideas:

- a fruit-growing beneficiary expanded their business by introducing beekeeping;
- another beneficiary is working on developing a garlic processing line to add value to their products;
- three beneficiaries are exploring agritourism as a means to diversify their business models, combining it with their existing activities;

d) access to financing and regulatory compliance

- seven beneficiaries in the livestock sector are in the process of obtaining the necessary permits, effectively addressing a critical issue for their businesses;
- many participants were assisted in identifying and applying for complementary financing, which has enabled them to further develop their businesses;

e) business diversification and profitability analysis

- three beneficiaries identified new business opportunities by combining agriculture with agritourism. They received specialized consultancy to assess the feasibility and economic viability of these initiatives;

f) support in strategic decision-making

- most beneficiaries received support in making strategic decisions to achieve their objectives, benefiting from effective techniques and methods provided throughout the program;
- others were guided in analyzing risks and making informed decisions, thus avoiding unprofitable investments from an entrepreneurial standpoint;

g) skill enhancement and entrepreneurial development

- through individual and group mentoring, beneficiaries developed essential skills such as strategic planning, goal setting, financial management, market analysis, and the value of cooperation. These skills fostered a more collaborative and impactful approach to business;
- mentors provided not only technical insights but also moral and motivational support, boosting the beneficiaries' confidence in their abilities.

3. Component 3: Project Management

61. The overall management of the Project lies within the responsibility of the CPIU IFAD, established by the Government Decree, entrusted with responsibility for implementation, coordination of all activities, including financial management. Currently, the CPIU IFAD comprises 6 staff employees and 13 consultants in charge of the on-going programme' implementation.

62. CPIU IFAD continues to exercise its responsibilities in terms of:

- Project Planning: Developing comprehensive project plans, including defining project scope, objectives, deliverables, timelines, and resource requirements;
- Project Coordination: Ensuring effective communication and collaboration among various stakeholders, team members and departments involved in the project;
- Resource Management: Allocating and managing resources efficiently, including human resources, materials and budgets, to meet project requirements;
- Risk Management: Identifying potential risks and developing risk mitigation strategies to minimize the impact on project outcomes;
- Progress Monitoring: Regularly monitoring project progress and performance against established milestones and timelines;
- Budget Management: Overseeing project budgets, tracking expenses, and ensuring adherence to financial constraints;
- Quality Control: Ensuring project deliverables meet quality standards and addressing any deviations or issues promptly;
- Stakeholder Engagement: Engaging with project stakeholders, clients, and relevant parties to keep them informed of project progress and address their concerns;
- Compliance: Ensuring project activities align with IFAD policies and relevant regulations.

63. To ensure the optimal management of TRTP for 2024 was planned EUR 450.52 thousand. This includes EUR 272.34 thousand IFAD Loan, EUR 34.40 thousand AF Grant and EUR 143.78 thousand Government contribution.

In the reported period was disbursed EUR 247.78 thousand from total project funds, which represents 81% from the planned amount. From IFAD Loan was spent EUR 219.74 thousand, that represent 81% from the planned amount, from AF Grant was disbursed EUR 28.04 thousand, that represent 82% from the planned amount (*see details in the table 12*).

Table 12: Revised annual plan vs. Actual figures by 31.12.2024

(EUR '000)

TRTP	IFAD Loan	AF Grant	Total project funds
Revised Annual Plan	272.34	34.40	306.74
PM Investment Costs	64.19	-	64.19
Recurrent Costs	208.14	34.40	242.54
Actual as of 31.12.2024	219.74	28.04	247.78
PM Investment Costs	29.25	-	29.25
Recurrent Costs	190.49	28.04	218.53
Actual/Revised Annual Plan, %	81%	82%	81%

Knowledge Management and Communication Activities

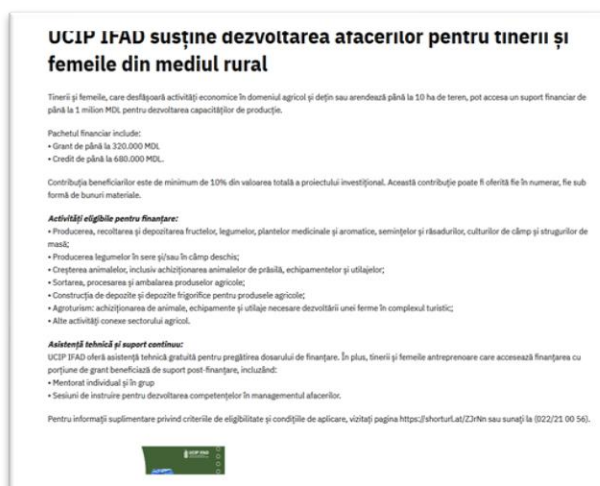
64. The aim of knowledge management activities under TRTP is to fully commit to sharing information and knowledge related to promotion of good practices, scaling up innovation and contributing to policy improvement where necessary. At the same time, KM is an important part of the Programme management, as it leverages know-how across Programme stakeholders to improve partnerships, decision-making and overall organizational results.

65. During the reporting period, eight staff members participated in training and study visits to improve their skills. In January, two CPIU representatives participated in the online training course „Basics of Principles of Digital Development for Agriculture” organised by IFAD. In addition, two specialists attended a training session in March on the implementation of the Law on Access to Information of Public Interest and one staff member was trained on the use of the project.gov.md platform. At the same time, two representatives of the CPIU IFAD undertook a study visit to the Cordoba region in Spain in March to study the experience of conservative agriculture. The Moldovan delegation included representatives from the Ministry of Agriculture and Food Industry, universities, academia and entrepreneurs. Additionally, two other representatives of the CPIU IFAD undertook a study visit to Italy in March to study the experience in the field of fruit growing.

66. Communication activities play a vital role, ensuring the efficient dissemination of knowledge, i.e. project implementation results, lessons learned, best practices, etc. Thus, the success of interaction among the Project stakeholders depends largely on the quantity, quality and timeliness of the information, which is flowing among them. Moreover, the information has to be packaged and disseminated to the respective stakeholders in the appropriate formats (e.g. brochures, studies, articles, newsletter, and websites).

67. For information dissemination, CPIU IFAD uses both face-to-face and remote dissemination channels as well as radio, TV and electronic channels, as follows:

- **Press releases: 30 press releases** were produced during the reporting period, published on the website <http://www.ucipifad.md/noutati/> about TRTP project-specific activities, and sent to the media;



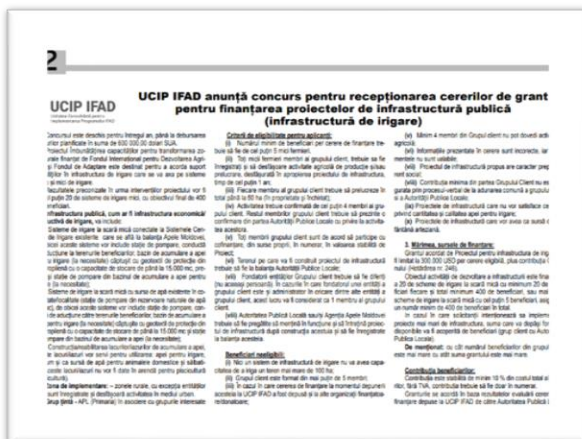
- **Success stories of IFAD's project beneficiaries:** During the year, 7 success stories were produced and published on <https://www.ucipifad.md/success/>. We also created 16 storycards for social media featuring feedback from IFAD beneficiaries.



- **Promotional materials:** CPIU IFAD developed 3 promotional flyers (both printed and in PDF format) to present the Project components. These materials were produced in **6500 copies** and distributed during information sessions, round tables, exhibitions and individual consultations;



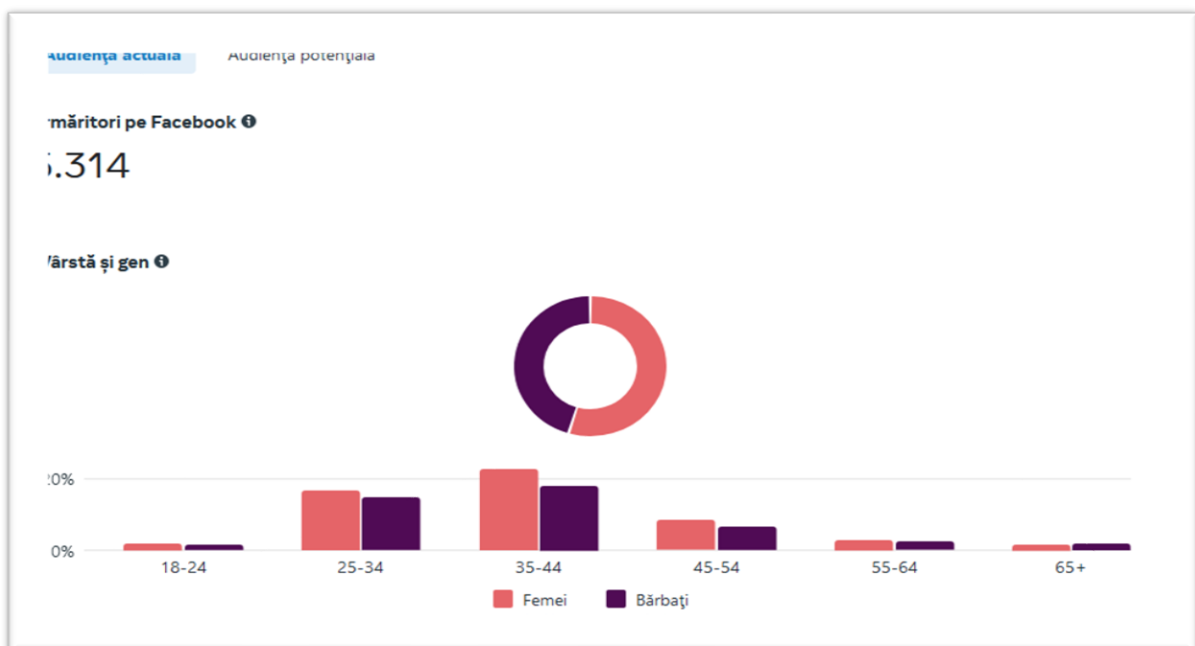
- **Articles in media:** During 2024, **43 articles** were published in newspapers and online news sites to disseminate information to the target group that does not access our website or Facebook page. The articles were published in Gazeta Satelor, agrobiznes.md, infomarket.md, agroexport.md, noi.md, punctul.md, agrotv.md, ipn.md, moldpres.md, and deschide.md;





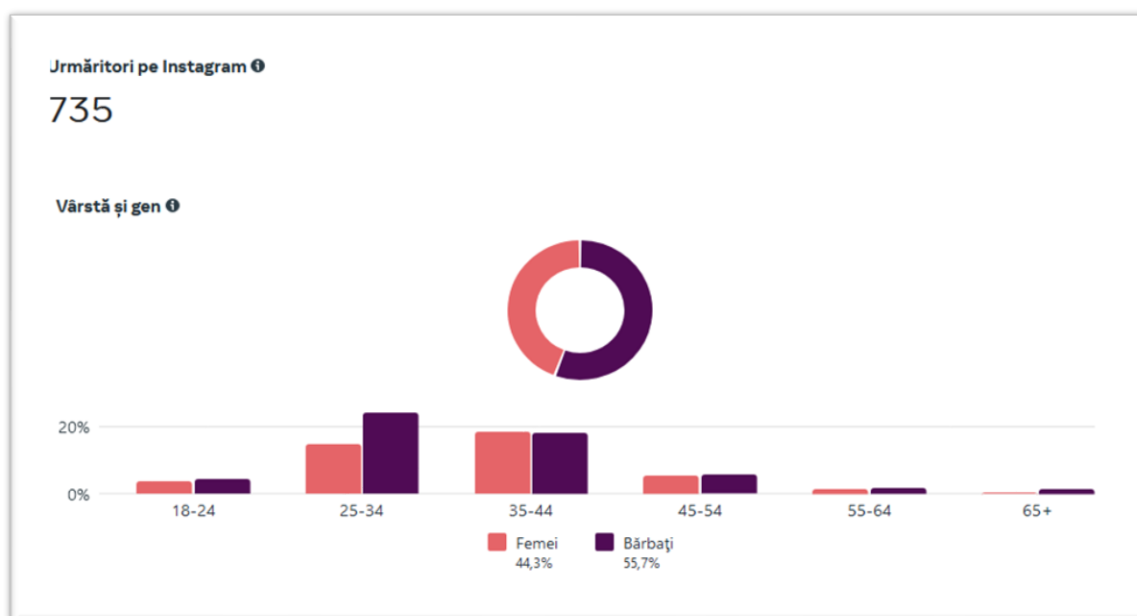
- **Team meetings:** Every month, CPIU IFAD organizes an office hour for employees, where a consultant in charge of a financial product presents the specifics of the product, including any changes made, so that the whole team is aware of the support mechanisms and can provide advice to potential beneficiaries;
- **Social media: Facebook, Instagram, LinkedIn, YouTube.**
During the reporting period, about **183** pieces of information related to TRTP products were published on the Facebook page, viewed by approximately **253,000** people, with **1,762** shares. In 2024, there were about **714 new followers** of the Facebook page, bringing the total to **5,314 people** (compared to 4,600 followers in 2023). Of the total followers, **54.6% are women** and **45.4% are men**. The most active followers are people aged **35-44**;

Facebook audience, 2024



- On **Instagram**, **64** pieces of information were published. The Instagram account is followed by 735 people, of which 55,7% are men and 44,3% - women (at the end of 2023, the Instagram account had 659 followers)";

Instagram audience, 2024



- 66** pieces of information on TRTP financial products were promoted on the **LinkedIn** account;
- The CPIU IFAD **YouTube** channel is followed by **723** subscribers (compared to **424** subscribers in 2023). During 2024, **7 videos** were promoted and viewed by about **23,000** people;



TRTP Progress Report as of 31.12.2024

- **Web page:** CPIU IFAD publishes general information on TRTP products through the dedicated TRTP section on the existing [CPIU website, www.ucipifad.md](http://www.ucipifad.md). During the reporting period, the website was updated as recommended by the IFAD Supervision Mission. According to the site's statistics, in 2024, **21,000** unique users accessed the site, browsing over **238,000** pages;



The most searched headings are IFAD's Programs, Grants, and Loans.

Afișări în funcție de Titlul paginii și clasa ecranului

TITLUL PAGINII ȘI CLASA ECRANULUI	AFIȘĂRI
Programele IFAD	15 K
Granturi - UCIP IFAD	9,1 K
Creditare	3,8 K
Achiziții - UCIP IFAD	2,5 K
Гранты - UCIP IFAD	2,3 K
APEL III: Depunerea solicitărilor de grant pentru fin...	2,3 K
Credite cu porțiuni de GRANT condiționat pentru ti...	2 K

- **Radio and TV station:** CPIU IFAD representatives participated in 9 radio and TV programs (Radio Eco FM, Radio Moldova, TV Moldova 1, TVR Moldova, Agro TV, Rlive TV), where they promoted the TRTP support products alongside experts, business consultants, and beneficiaries;
- **Email marketing:** During workshops, conferences, and training sessions, about **2,500** email addresses were collected. Every month, emails promoting TRTP products were sent to business consultancy companies, business incubators, Agricultural Directorates of the local councils, town halls, and CPIU IFAD beneficiaries.

68. Campaign 24 years of IFAD's programs in support of moldovan farmers. From September 23-27, CPIU IFAD promoted the results of IFAD's Programs in Moldova. Around 30 informative materials were produced, including a presentation of IFAD's programs, storycards, video success stories, messages from partners, press releases with the results of IFAD programs, and a video message from Samir Bejaoui, IFAD Country Director for Moldova:

<https://www.facebook.com/UCIPIFAD/videos/557417906641258>



69. Promotion of platforms developed by CPIU IFAD

At all events attended by CPIU IFAD representatives, the financial and entrepreneurial education platform „Invest in your future” (<https://abdc.ucipifad.md/>) and the platform that helps entrepreneurs identify financing options and calculate their own investment according to their business needs (<https://finantare.maia.gov.md/>) are presented. At the same time, these platforms are promoted on the website <http://www.ucipifad.md/eLearning/>, <http://www.ucipifad.md/finantare/>, as well as through information posted on social media.

70. Participation in exhibitions

CPIU IFAD participated in 3 national exhibitions. From January 31st to February 4th, the institution took part in the “Made in Moldova” Fair. The stand provided space for 3 beneficiaries of IFAD programs: a producer's group representative from IFAD V, a producer's group representative from IFAD VIII, a credit with grant portion for women (IFAD VII), and a credit for microentrepreneurs (IFAD VIII). Over the course of 5 days, CPIU IFAD provided approximately 150 consultations and distributed 500 flyers.



From March 13th to 16th, the institution participated with an information stand at the Moldagrotech exhibition. During the three-day event, consultations were offered to 100 people, 200 leaflets were distributed, and 50 books and brochures—published with the financial support of IFAD—were shared.

From October 17th to 20th, CPIU IFAD participated with an information stand at the "Moldagrotech Autumn 2024" exhibition. During this event, CPIU IFAD specialists offered individual consultations to approximately 100 visitors and distributed 250 leaflets.

71. Donation of books published with the support of CPIU IFAD to educational institutions.

During information events organized at agricultural educational institutions in Svetlâi, Bubuieci, Causeni, Țaul, and the Technical University of Moldova, approximately 150 books, studies, monographs, guides, and best practices in the agricultural field were donated. These donations aimed to provide informational and documentary support in the development of skills and knowledge among young people and the academic community.

Social Inclusion and Gender

72. In 2024, the Social Inclusion and Gender Targeting Consultant developed activities aimed at achieving the objective of 40% participation of young people and women in the total number of beneficiaries. Efforts were focused on outreach campaigns, with the goal of actively stimulating the business interest of women and youth. In order to encourage youth and women to start a business, the emphasis was placed on the success stories of women who managed to launch a successful activity in the rural environment.

73. Based on the Memorandum of Collaboration between the National Employment Agency (NEA) and CPIU for the period 2024-2025, signed in December 2023, the Joint Action Plan for 2024 was approved. The MoU signed with NEA, and the related Action Plan developed, have a twofold objective: to combine efforts in matching labor demand and supply by organizing joint events, leveraging respective networks and outreach channels, and targeting individuals potentially interested in benefiting from the combined support of TRTP/NEA and medium and small enterprises seeking labor force. Specifically, the NEA provides financial support for both employers and employees – such as subsidizing the salaries of the latter—and relevant information on these opportunities has been disseminated.

74. Between January and December, 13 events were organized with the participation of 927 people, including:

- Roundtable discussions and informational seminars with 447 participants, of whom 216 (49%) were women and 215 (48%) were young people;
 - Career fairs with 480 participants, for which detailed data on gender and age is unavailable.
- The budget for these activities was - 17,575 MD (916 EUR);

- 5 roundtable discussions were held, where participants shared and discussed their specific needs and challenges. These activities were of particular importance as they enabled the Project to better tailor the support provided. The events were organized at agricultural institutes in the localities of Svetlîi, Caușeni, Bubuieci, Nisporeni, and Soroca, with 233 participants. Of these, 110 (47%) were women and 121 (52%) were youth;



- 5 information seminars on business development opportunities in rural areas were held in the cities of Glodeni, Rezina (2), Ungheni, and Cimișlia, with the participation of 214 people. Of these, 106 (50%) were women and 94 (44%) were youth;



- 2 career fairs were held with the participation of approximately 480 people, where CPIU IFAD presented the financing opportunities available to young people and women for business development;
- 1 Workshop was held on the theme "Financing opportunities for the development of businesses managed by women and youth," with 56 participants, including 44 (79%) women and 12 (22%) young people.

The State Secretary of the Ministry of Agriculture and Food Industry, Mr. Andrian Digolean, attended the event and spoke about the possibilities and support offered by the Ministry to youth and women for business development in the Republic of Moldova. He also discussed state policies that support youth and women, as well as the need for continuous dissemination of information through various meetings to keep them informed of existing opportunities.

Also present at the event was the Deputy Director of the Agency for Intervention and Payments for Agriculture, Mrs. Diana Coșalîc, who informed the audience about the legislative provisions that facilitate the subsidy procedure for women and youth.

Several partners were invited to the event, including UN Women, the Association of Women Entrepreneurs in Moldova (AWEM), the Farmers' Federation of Moldova (FARM), and the National Employment Agency (NEA). They briefed the audience about their support programs for women and youth, as well as the application modalities.

To disseminate good practices and encourage youth and women to start businesses in rural areas, a discussion panel was organized, where 3 women producers shared their success stories. They discussed their experiences in setting up and developing businesses in the following fields: the production and commercialization of bee honey and beekeeping by-products, the cultivation and commercialization of strawberries (including retail), and apiculture, apitherapy, and apiturism.



- A book donation was made to the Faculty of Agricultural, Forestry and Environmental Sciences of the Technical University of Moldova, with 26 participants in attendance, including 18 (70%) women and 11 (43%) youth;

75. Agricultural school students, as well as graduate students of the Technical University of Moldova, were present at the organized events. These students might be interested in starting businesses in the agribusiness sector.

76. The events organized in agricultural professional schools were accompanied by book donations, which are essential for teachers in organizing and developing the educational process in classrooms. Additionally, students have the opportunity to consult these publications at the libraries of educational institutions.



77. Meetings held with local women during field visits confirmed this dynamic at the local level: empowered women spontaneously took initiatives critical for supporting other women in neighboring villages. They also shared relevant information on how to take advantage of the opportunities offered by IFAD-funded programmes and access the available resources that are channelled directly to the district level.

78. CPIU started collaborating with the [Association of Women Entrepreneurs](#) in Moldova and contacts were established with UN Women. To align on common objectives, 2 working sessions were organized. These collaborations aim to, among other things, increase the visibility of women in leadership roles, enabling them to serve as role models and further motivate both young people and their peers.

79. To improve the planning and organization of informational events related to financing through IFAD programs, and in line with the policies of the Ministry of Labor and Social Protection aimed at supporting youth and women from rural areas, a working meeting was held on June 25 with representatives from the Ministry and the National Employment Agency. During the meeting, the priorities to be emphasized in the future were raised and discussed.

80. An advantage in disseminating information about CPIU IFAD services is the collaboration with various partners and participation in events organized in the field. In the first half of 2024, CPIU IFAD attended events such as "Let's Invest in Women," organized by UN Women, the "Gala of Women in Agriculture in the Republic of Moldova," organized by CEO PRIA Events, and the "Moldovan Women's Forum," organized by the President of the Republic of Moldova. A total of 545 people attended these events, including 503 (93%) women and 230 (42%) youth.

81. In July, AFAM organized "Entrepreneur's Day". During this this event, CPIU IFAD promoted financial products in the southern region of the country, emphasizing opportunities for women to advance their business development in the agricultural sector. This experience also contributed to

regional development initiatives and advocated for inclusive economic opportunities for women in agriculture.



82. Considering the importance of collaborative partnerships in providing essential resources and promoting the economic inclusion of women, in October, CPIU IFAD signed the Memorandum of understanding with another strategic development partner – UN Women.

Through this memorandum of understanding, the two organizations will combine their expertise and resources to facilitate women's access to finance, training, and other opportunities that will enable them to develop sustainable businesses. This collaboration has significant potential to create real impact in rural communities, encouraging other organizations and institutions to adopt similar measures in support of entrepreneurship.

The partnership between CPIU IFAD and UN Women has the potential to support a significant number of rural women in accessing financing and developing entrepreneurial skills. Through this Memorandum of understanding, rural women will have access to more information and resources needed to start and expand their businesses.



83. To identify the bottlenecks, constraints, suggestions and opinions of the target group and to formulate concrete actions to respond to the identified needs, interview questionnaires were elaborated. The questionnaire contains questions helping to identify specific factors that affect the participation of women and young people in applying for project funding facilities and training courses.

In 2024, 120 people were interviewed, including 48 CPIU IFAD beneficiaries. At the end of the year, a list of identified problems and constraints will be drawn up and suggestions for improvement will be suggested.

84. To stimulate large-scale rural economic growth through complementary investments provided to small farmers in rural areas, including youth and women, CPIU IFAD signed the Memorandum of Collaboration with the Agricultural and Rural Advisory Centre (CCAR), whose mission is to ensure the development of agricultural advisory services tailored to the needs of agricultural producers, facilitating their access to technical-economic, financial, and managerial information, as well as to training and rural development programs.

Additionally, a joint Action Plan for 2024 was approved.

In order to inform rural producers about the financing opportunities provided by CPIU IFAD for irrigation infrastructure, 9 meetings were held in the municipalities of Bălți, Edineț, Rezina, Ungheni, Ialoveni, Comrat, Taraclia, Ștefan Vodă, and Cantemir during July-August, with the participation of 251 people.

Youth and women with agricultural businesses who attended the meetings were informed about the benefits they could gain from applying for irrigation infrastructure and water supply system projects, as well as the technical support provided by CPIU IFAD in preparing the application files.

To assess the level of participation of women and youth in the irrigation infrastructure and water supply system projects offered by CPIU IFAD, a thorough analysis was conducted of the applications submitted for financing. It was found that, out of the total client group, approximately 30% are women and 20% are youth.



85. To ensure proper guidance and support for youth and women within the AGRIAP Mentorship Program, implemented by CCA, the service provider's activities were closely monitored in 2024. As a result, in 2024, compared to 2023, some progress was made in the implementation of the activities planned in the Program.

86. Transparent evaluation of grant applications for irrigation and small-scale irrigation infrastructure, focusing on the inclusion of youth and women in the projects submitted for financing. Participation in five working meetings of the Beneficiary Selection and Grant Approval Committee funded under the Talent Retention for Rural Transformation Project (TRTP).

Monitoring and Evaluation

87. The M&E unit within the TRTP project has been involved in various activities during the reporting period. The M&E Unit's three main objectives are: a) facilitating project implementation, b) supporting economic decision-making and policy development, and c) sharing knowledge and scaling up good practices.

During the reporting period, the M&E Unit is actively engaged in maintaining an updated beneficiary database, collecting and analyzing data, ensuring alignment with Logical Framework, Outputs and TRTP project documents, measuring progress, identifying bottlenecks and supporting decision-making. This comprehensive approach contributes to desired outcomes, ultimately enhancing the effectiveness and sustainability of Project interventions.

In the reporting period, the M&E efforts are focused on the following major activities:

- ***maintaining the beneficiary database*** by gathering relevant information about beneficiaries and regularly checking and updating the data to keep it accurate, which is essential for informed decision-making and reporting;
- ***analyzing data and reporting outputs*** by collecting data related to project outputs and synthesizing this information into comprehensive Output documents and creating reports that clearly illustrate project achievements, challenges, and overall performance, enabling stakeholders to understand the impact of project activities;
- ***ensuring alignment with LogFrame and TRTP documents*** by linking the achieved Outputs indicators to the TRTP objectives confirming that each output supports specific project objectives, which is essential for demonstrating the effectiveness of project interventions and integrating relevant indicators in place to measure progress and outcomes effectively, facilitating a comprehensive assessment of TRTP project success;
- ***measuring progress and outcomes*** by collecting and analyzing information to assess TRTP progress and outcomes, including:
 - ✓ relevance assessment by checking whether the project strategies and procedures are effective in contributing to the project's objectives;
 - ✓ impact assessment by evaluating the effects of the TRTP on the livelihoods of the primary target group to ensure that interventions are meeting their intended goals;
- ***identifying and addressing bottlenecks*** by monitoring project activities to identify any obstacles that might slow down TRTP progress, enabling timely interventions by collaborating with CPIU colleagues to jointly develop strategies to overcome these challenges and enhance overall project efficiency;
- ***supporting the decision-making process*** by providing valuable insights based on collected data in order to offer recommendations for the continuous improvement of the future project planning and execution.

88. To effectively measure and track the performance of the TRTP project, the M&E unit developed a comprehensive Tracking Tool, that:

- **ensures alignment:** it verifies that project activities and deliverables are in line with the goals and performance indicators outlined in the AWPB, Logical Framework, and Outputs;
- **monitors financials:** it compares actual expenditures with the planned budget, ensuring that funds are used appropriately and highlighting areas where financial adjustments may be required;
- **identifies areas for improvement:** by tracking progress and comparing actual performance with planned targets, it helps ensure the project stays on track and identifies areas needing attention;
- **enables ongoing monitoring:** it provides continuous monitoring of project activities, allowing for timely interventions and adjustments to stay aligned with project goals;
- **enhances transparency:** the tool provides a clear system for tracking both project progress and spending, making it easy for stakeholders to assess the TRTP project's performance;
- **supports informed decision-making:** with real-time data, the tool helps Task Managers make adjustments as needed, ensuring decisions are based on up-to-date information;
- **maximizes the project's impact:** it ensures that the TRTP project achieves its intended outcomes and delivers the greatest possible impact through efficient tracking and adjustments.

By using this Tracking Tool, the M&E unit ensures continuous monitoring, improves accountability and supports informed decision-making throughout the project lifecycle. This structured approach facilitates efficient tracking, timely adjustments, and maximized project impact, ultimately contributing to the project's success and sustainability.

89. It is worth highlighting that, during the reporting period, the **Strategic plan for 2025-2027** has been developed to effectively manage and track all aspects of the TRTP project. This plan is designed to align TRTP project activities with the overall objectives, ensuring that resources are optimally allocated and progress is monitored against key performance indicators (KPIs) and projects targets. It supports detailed planning, tracking, and assessment throughout each phase of the TRTP project, from initiation through execution to evaluation.

The **Strategic plan** serves as a key driver for:

- **strategic alignment:** ensuring all project activities are aligned with the project's long-term goals;
- **resource allocation:** efficiently distributing resources (financial, human, material) across project components;
- **tracking and monitoring:** regularly assessing progress, identifying challenges, and making necessary adjustments as needed.

This comprehensive plan facilitates strategic decision-making and enhances accountability by providing a clear overview of the TRTP project's progress and resource utilization.

The **AWPB for 2025** was developed as a direct result of the **Strategic Plan for 2025-2027**. This alignment ensures that the activities and objectives outlined in the AWPB are in harmony with the broader goals and priorities set out in the Strategic Plan.

By linking the AWPB to the Strategic Plan, the TRTP project ensures that resources are efficiently allocated and that progress is tracked against key performance indicators (KPIs) from Logical Framework and project targets over the next three years.

90. Additionally, during this period, another useful tool – the „Field visits Register” - has been developed to track field visits to beneficiaries.

In 2024, the Field Visit Register was in the testing phase and it is now used by responsible staff members to plan and document field visits. The register records key information such as the assigned team member, district, locality, beneficiary contact details, the type of intervention (monitoring, pre-financing verification, final reception, donation-related activities), the purpose of the visit, topics discussed, findings and recommendations. Field visits are coordinated among team members to ensure smooth communication and effective coordination regarding the planned visits.

91. In the reporting period M&E Unit, individually or with CPIU colleagues responsible for the components, have carried out **35 monitoring visits** to the beneficiaries who have benefited from a grant or loan from IFAD sources under RRP project (YE, SMEs, WP, etc) and **30 monitoring visits** to the beneficiaries who have benefited from a grant or loan from IFAD sources under TRTP project. The field visits were documented with photos and a monitoring sheet.

Another **65 visits** were made to those beneficiaries who in the period 2018-2019 have accessed grants for the procurement of CA equipment from ASAP sources. These were followed by the signing of donation documents according to the Grant Contract provisions.

These visits were focused on monitoring YEs, SMEs and beneficiaries of Women Pilot Project for the development and diversification of women's activities, infrastructure and ASAP financing products beneficiaries. Given that the field visits occurred during the war in Ukraine, M&E staff had the chance to engage with local people about their current situation, future plans, and how the war has impacted their farming businesses. This firsthand information is crucial for understanding the challenges they face and the effects of the conflict on their livelihoods.

M&E staff found out that all equipment and machinery was procured according to the loan/grant application and are in good function. Most beneficiaries reported that investing in quality equipment has helped them save time on additional tasks, reduced the number of people needed for production, and improved overall efficiency.

92. To provide a comprehensive overview of the TRTP project's achievements and financial management during the reporting period, the annex 1 presents an in-depth overview of the TRTP project's outputs achieved as of December 31, 2024. It outlines key performance indicators, including specific achievements, timelines and the progress made (*see detail in the annex 1*).

TRTP Achievements: Inspiring Success Stories

93. To provide a clear picture of the current TRTP beneficiaries situation, here are a few "Business Stories" highlighting the successes of beneficiaries:

93.1: Young Entrepreneur „Cristina Stăvilă”:

"Building a sustainable future in Moldova: the importance of irrigation in agriculture"

Cristina Stăvilă, a 29-year-old farmer from Jora de Mijloc in the Orhei district, just a few kilometers north of Chișinău, Moldova, has taken significant steps to adapt her farming business to the challenges posed by climate change. After experiencing drought and high temperatures in recent years, Cristina and her family recognized the importance of irrigation for successful vegetable farming.



Five years ago, they began cultivating vegetables on 2 hectares, and with hard work and dedication, they now manage 10 hectares, including 7 hectares dedicated to crops such as carrots, watermelons, zucchini, eggplant, and cabbage. Cristina's husband, Semion, who spent two years working in Italy in agricultural production, has brought valuable insights back home, helping to implement good agricultural practices, particularly in irrigation.

In the spring of 2024, motivated by the success of their efforts and inspired by information about grants from the International Fund for Agricultural Development (IFAD), the Stăvilă family applied for a grant from the Talent Retention for Rural Transformation Project (TRTP) to purchase micro-sprinkler irrigation equipment. Their application for MDL 112.00 thousand (approximately USD 6.50 thousand) was successful, enabling them to significantly enhance their crop yields and quality.

Due to irrigation, Cristina and her family will harvest approximately 100 tons of cabbage per hectare in 2024 highlighting the impact of the grant on their production capabilities. This investment has allowed them to grow **two crop yields** of cabbage **each season**, a significant improvement compared to their previous modest harvests.

The family markets their carefully grown vegetables through local supermarket chains and farmers' markets, and they have ambitious plans for the future. They aim to expand their cultivated area further and build a cold storage facility to extend the shelf life of their products, allowing them to sell throughout the year and better withstand market fluctuations and competition.

Cristina has yet to access support from other similar projects, but she greatly values the training, mentoring, and coaching received from CPIU IFAD. She intends to continue relying on IFAD's financial solutions, appreciating their accessibility and the free technical assistance available for preparing financial applications. With this support, Cristina and her family are well on their way to achieving their goals and building a more resilient agricultural family business.

93.2: Victor Babaian, a representative of the grape producer client-group:***"Infrastructure for irrigation: the key to agricultural resilience in rural areas"***

The effects of climate change in recent years have negatively impacted local agriculture. A group of grape producers from the village of Pelinei, Cahul district, aware of the risks associated with farming without proper irrigation, by joined efforts and with the support of a IFAD grant, successfully constructed the irrigation system of approximately 5.7 km. The implementation of this system has provided farmers with significant development opportunities.

Victor Babaian, a representative of the grape producer client-group, noted that the use of irrigation has led to remarkable results in the vineyard. Despite the fact that the system was activated only in the second half of the summer, the benefits were evident. There was a significant increase in both the quality and quantity of the grapes produced, setting them apart from other producers in the region.



Specifically, **grape production jumped from 4 tons to an impressive 16 tons per hectare**, reflecting a remarkable fourfold increase. Additionally, the market price for their grapes experienced a substantial rise, climbing from MDL 4 to MDL 18 per kilogram. This dramatic improvement not only enhances their profitability, but also demonstrates the critical role of irrigation in adapting to the challenges imposed by climate change.

This quantitative and qualitative increase in grape yield has allowed small entrepreneurs from Pelinei to expand their sales markets, successfully exporting to the European Union market as well. Additionally, farmers from Pelinei accessed a loan from IFAD resources to further develop their production activities. Furthermore, due to the increase in both production and quality, they were able to repay the loan within the first year, demonstrating effective management and financial resilience.

The collaborative experience with CPIU IFAD and the positive outcomes achieved have encouraged the grape producer client-group to expand the irrigated land area by accessing a new IFAD-funded infrastructure project. This initiative holds great promise and is expected to have a beneficial impact on the socio-economic development of the community. By increasing the irrigated land, the grape producer client-group can enhance their productivity and sustainability, fostering economic growth and resilience despite ongoing climate challenges.

The success of the grape producers from Pelinei demonstrates that investment in irrigation infrastructure can be the key for the agricultural development in rural areas affected by climate change. This example can be replicated in other localities in the Republic of Moldova, providing a sustainable solution for enhancing agricultural productivity. The grape producers believe that by adopting similar irrigation systems, agricultural entrepreneurs can improve their resilience to climate challenges and achieve more reliable crop yields, ultimately fostering economic growth and stability.

93.3: Empowering women entrepreneurs: Valentina Pănuță's transformational journey with IFAD

In the inspiring story below, Valentina Pănuță shares how IFAD's support helped her transform her passion for beekeeping into a successful business. As a strong advocate for women's empowerment, she encourages other women to seize the opportunities offered by IFAD programs to start and grow their own businesses, demonstrating that with the right resources and determination, success is within reach.

Valentina Pănuță, from the village of Negrea in Hâncești district, has turned her passion for beekeeping into a successful business. Four years ago, she started with just five beehives, and today the number of bee families has grown to 150.



A key milestone in Valentina's business journey was transitioning from simply producing honey to processing a variety of beekeeping products. IFAD programs played a pivotal role in this evolution. With IFAD's support, Valentina had the opportunity to participate in a study visit to Romania, where she networked with fellow beekeepers, learned new blend recipes, and discovered innovative methods for preparing propolis tinctures. Additionally, she was able to secure IFAD funding to purchase essential equipment, including a homogenizer and a pollen dryer - both of which are crucial for the efficient processing of her products.

Valentina is deeply involved in the entrepreneurial community, regularly attending in training sessions, specialized events, and exhibitions. These opportunities allow her to assess market trends, showcase her products, and learn valuable insights from experienced beekeepers. For Valentina, the key to a successful business lies in understanding consumer needs, consistently delivering high-quality products, investing in advanced equipment to optimize efficiency and reduce costs, and promoting her products at fairs, exhibitions, and online. As part of her business strategy, she has also registered her trademark, "Prisaca lui Ilie" ("Ilie's Honey Bee Prey"), to further strengthen her brand's presence.

The entrepreneurial spirit of Valentina doesn't stop here. In the near future, she plans to expand her bee family and develop new beekeeping products. Additionally, she envisions opening a tourist guesthouse to further diversify her business. To achieve these goals, she intends to leverage IFAD financial products, which can be combined with matching grants and subsidies from other entrepreneurial support programs, helping her to continue growing and evolving her business.

93.4: Building a dream: Artur Gramadschi's sheep farm success with IFAD support:

Artur Gramadschi, a 33-year-old young man, made a courageous decision to follow his passion for animal husbandry by moving from the city of Chişinău to his native village of Dancu, in the Hânceşti district. To fulfill his dream of developing a sheep farm, he sold his house in Chişinău and invested the proceeds, along with savings accumulated over two years while working abroad.

Starting with just 50 sheep, Artur's farm experienced rapid growth, reaching 300 sheep in only three years. This remarkable expansion was facilitated by support from the International Fund for Agricultural Development (IFAD), which helps young people and women with financial packages. Through IFAD's support, Artur acquired 150 ewes and three Assaf rams— a hardy breed known for its disease resistance and ability to thrive under various climate and feeding conditions.



Together with his parents, who assist with caring for the animals, and three local employees, Artur has managed to run the farm successfully. "Starting a business at home was always our dream, and IFAD helped make it a reality. In the beginning, I only knew how to shear sheep, but gradually, I learned the entire process. We chose Assaf sheep for their milk production. Our cheese is popular not only locally and in Chişinău but also in other regions, with orders sometimes being booked up to a month in advance," Artur said.

In addition to raising sheep, Artur cultivates approximately 10 hectares of farmland dedicated to growing fodder crops for his livestock. This practice not only helps to minimize operational costs, but also supports the long-term sustainability of the farm by ensuring it is self-sufficient in feed.

While Artur's farm currently operates in a rented space, he has already started building a modern facility that will enable him to further expand his business. Artur Gramadschi is a true example of courage and determination, proving that with dedication, it is possible to turn a dream into a thriving rural business. He is an inspiration to young people who aspire to follow their passions and create a prosperous future in their own communities.

93.5: Ştefan Sandic: From a family business to a leader in beekeeping in Moldova

Ştefan Sandic, from Şipca, Şoldăneşti, is an entrepreneur who established a successful beekeeping business with financial and technical support from IFAD programs. Over the years, he has navigated all stages of the value chain—from production to processing—and has become the founder of a cooperative that processes more than half of the honey produced in the Republic of Moldova.

His story began with five years of international experience in the United Kingdom, where he worked for a company specializing in packaging for the food industry. There, he learned how developed markets operate and how to grow sustainable businesses in a competitive industry. In 2011, Ştefan returned to Moldova and, together with his brother, started a family beekeeping business. He engaged in various community projects supporting young entrepreneurs, attended business courses, and obtained his first funding from CPIU IFAD—about \$25,000—through a youth-targeted credit with a matching grant scheme, which he used to purchase 300 beehives. Later, he secured additional CPIU IFAD funding

(around \$40,000) to build a honey processing facility, create a website, and develop a brand book for business promotion. Over time, he also benefited from technical assistance and mentorship from CPIU IFAD, which significantly contributed to the growth of his business.



With a strategic vision, Ștefan realized that greater profit could be achieved by controlling the entire value chain—from hive construction to honey export. In 2020, he co-founded the “Sandic Honey Group” cooperative with five other beekeepers. Today, the cooperative has 19 members managing around 7,000 bee families spread across more than 14 districts in Moldova.

The cooperative provides its members with training on beekeeping techniques, guidance on marketing and product promotion, and access to shared resources such as hives, frames, and bee feed. Additionally, the cooperative collects honey from its members to expand the range of apicultural products and to deliver and sell bigger quantities in retail chains.

Through this collaboration, cooperative members gain access to shared resources, modern technologies and a network of partnerships, allowing them to market honey both locally and internationally. Members also exchange experiences and best practices and participate in exhibitions and fairs both domestically and abroad.

Currently, the “Sandic Honey Group” cooperative operates a modern beekeeping complex in Peresecina, Orhei district, equipped with facilities for honey collection, processing, packaging, and storage, with a processing capacity of approximately 1,500 tons of apicultural products. Thanks to this complex, the cooperative not only meets the domestic market’s demand but also exports high-quality apicultural products to European markets, showcasing the immense potential of Moldova’s beekeeping sector on the international stage.

However, Ștefan Sandic is not stopping here. Inspired by Western innovations, he plans to implement advanced beekeeping technologies, including digital systems for monitoring the entire process. His plan includes developing an online platform to provide detailed information about Moldova’s beekeeping sector, including the number of bee families, queens, hives, and available honey volumes. He also aims to install sensors in hives to monitor daily honey collection and cameras to observe bee activity, advancing Moldovan beekeeping into a modern technological era.

Ștefan Sandic is a success story, having developed a profitable business and made a significant impact the entire beekeeping industry in Moldova. Through his vision and collaboration with other beekeepers, he has built a strong apicultural network, setting an example of sustainable development and innovation in the agricultural sector.

TRTP Progress Report as of 31.12.2024

Annex 1: Outputs Table as of 31.12.2024

Indicator	Unit	Updated Target June 2022	31.12.2024			
			Revised Plan 2024	Actual as of 31.12.2024	Cumulative as of 31.12.2024	Cumulative/ Appraisal, %
Component 1: Resilient Economic Transformation	Men	4.942	45	250	465	9%
	Women	3.306	30	99	170	5%
	Young	3.703	30	109	220	6%
	HH	8.248	75	349	635	8%
Subcomponent 1.1: Enhancing Climate Resilience	Men	4.025	39	247	460	11%
	Women	2.905	26	94	165	6%
	Young	3.176	26	104	215	7%
	HH	6.930	65	341	625	9%
A. Climate Resilient Infrastructure						
Roads	Km	3	-	-		-
Number of beneficiaries from roads	Number	290	-	-		-
	Men	145	-	-		-
	Women	145	-	-		-
	Young	116	-	-		-
Irrigation schemes	Schemes	20	-	-		-
Land of irrigation schemes	Ha	2.800	-	-		-
Number of beneficiaries from irrigation schemes	Number	1.200	-	-		-
	Men	600	-	-		-
	Women	600	-	-		-
	Young	360	-	-		-
B. On-Farm Climate Adaptive Water Management						
Water efficient technologies	Number	440	50	33	33	8%
	Men	280	30	24	24	9%
	Women	160	20	9	9	6%
	Young	200	20	11	11	6%
On-Farm Climate Resilient water management capacity buildings	Number	5.000	60	304	583	12%
	Men	3.000	36	220	430	14%
	Women	2.000	24	84	153	8%
	Young	2.500	24	91	202	8%
Water management Demo Plots	Number	10	5	4	9	90%
	Men	6	3	3	6	100%
	Women	4	2	1	3	75%
	Young	4	2	2	2	50%
Subcomponent 1.2. Agribusiness Development	Men	917	6	3	5	1%
	Women	401	4	5	5	1%
	Young	527	4	5	5	1%
	HH	1.318	10	8	10	1%
Value Chain Diagnostic Survey	Surveys	22	1	1	1	5%
	Number	330				
	Men	231				
	Women	99				
	Young	132				
Producer Groups Associations	Associations	10				
	Number	400				
	Men	280				
	Women	120				
	Young	160				
	Meetings	32				

TRTP Progress Report as of 31.12.2024

Participation in Market Facilitation Meetings	Number	528				
	Men	370				
	Women	158				
	Young	211				
Business Mentoring support	Plans	10				
	Number	10				
	Men	6				
	Women	4				
	Young	4				
Equity investment for agroprocessing (credit) Loans for micro and small enterprises	Loans	14	10	8	10	71%
	Men	9	6	3	5	56%
	Women	5	4	5	5	100%
	Young	5	4	5	5	100%
Agro-processing Grants Equity investment for agroprocessing (credit) Loans with matching grant for PGs (8% max 20 000 Eur as grant and 92% as loan)	Grants	10				
	Number	50				
	Men	30				
	Women	20				
	Young	20				
Component 2: Entrepreneurship Finance	Men	173	34	35	57	33%
	Women	115	23	28	42	37%
	Young	115	23	44	73	63%
	HH	288	57	63	99	34%
Subcomponent 2.1: Affordable credit for youth and women	Men	173	34	35	57	33%
	Women	115	23	28	42	37%
	Young	115	23	44	73	63%
	HH	288	57	63	99	34%
Matching grants for Youth and women (YWEs)	Number	65	22	24	53	82%
	Men	39	13	13	32	82%
	Women	26	9	11	21	81%
	Young	26	9	23	49	188%
Affordable credit for MSMEs	Number	28	15	18	21	75%
	Men	17	9	10	12	71%
	Women	11	6	8	9	82%
	Young	11	6	8	9	82%
Loans for Microentrepreneurs	Number	195	20	21	25	13%
	Men	117	12	12	13	11%
	Women	78	8	9	12	15%
	Young	78	8	13	15	19%
Subcomponent 2.2: Rural finance sector development	Men		13	21	31	
	Women		9	13	19	
	Young		9	32	46	
	HH		22	34	50	
Mentoring Support for YWs (activity added by M&E unit to measure mentoring support)	Number		22	34	50	
	Men		13	21	31	
	Women		9	13	19	
	Young		9	32	46	
Beneficiaries benefitted from more than one activity	Men		43	57	64	
	Women		29	29	32	
	Young		29	58	63	
	HH		72	86	96	
Total number of TRTP	Men	5115	79	285	522	10%
	Women	3421	53	127	212	6%
	Young	3818	53	153	293	8%
	HH	8536	132	412	734	9%
	HH members	24754,4	383	1195	2 129	9%

