



COMPETITION COUNCIL

REPORT ON STATE AID GRANTED IN THE REPUBLIC OF MOLDOVA FOR 2022

CHISINAU

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ABBREVIATIONS AND ACRONYMS

Association Agreement	Association Agreement between the Republic of Moldova, of the one part, and the European Union and the European Atomic Energy Community and their Member States, of the other part, ratified by Law No. 112/2014 (published in the Official Gazette No. 185-199 of 18.07.2014)
AIPA	Agency for Interventions and Payment for Agriculture
Reporting year	Period 01.01.2022-31.12.2022
CPAs	Central Public Authorities
LPAs	Local Public Authorities
EBRD	European Bank for Reconstruction and Development
NBM	National Bank of Moldova
NBS	National Bureau of Statistics of the Republic of Moldova
SMEs	Small and medium-sized enterprises
Law on State Aid	Law No. 139/2012 on State Aid (published in the Official Gazette No. 166-169a of 16.08.2012)
OG	Official Gazette
ODA	Organisation for Entrepreneurship Development
p.p.	Percentage points
IP	Industrial Park
GDP	Gross Domestic Product
SGEIs	Services of general economic interest
SIRASM	Automated Information System “State Aid Register”, developed pursuant to Government Decision No. 378/2014 approving the Concept of the Automated Information System “State Aid Register” (published in the Official Gazette No. 142-146 of 03.06.2014)
EU	European Union
GVA	Gross Value Added

INTRODUCTION

State aid monitoring is one of the key pillars in ensuring a fair competitive environment and a level playing field between enterprises.

State aid is an advantage granted in any form whatsoever, conferred selectively on enterprises by public authorities. An enterprise that receives State support obtains a competitive economic advantage over other market players. State intervention in the economy is justified where it contributes to increasing market efficiency and/or reducing social or regional inequality.

Concerning the State aid granted in 2022, the Competition Council was informed by **336 providers**. The information was submitted by the CPAs, their subordinate institutions and the LPAs level I and II.

The present Report, *the 10th report* in the field since the entry into force of the Law on State Aid, *is a statistical instrument* designed to ensure transparency in State aid matters, thus providing relevant information to CPAs and LPAs for policy-making in various areas of the national economy and for decision-making on the efficient targeting of available public resources. It can also provide an information base for various scientific research.

The Report contains an analysis of both existing aid that continued to be granted during the reporting period and new aid, de minimis aid, support measures offered for the provision of SGEIs and aid to remedy damages caused by natural disasters or other exceptional circumstances. Support measures under examination by the Competition Council have been excluded from the analysis presented in the Report.

The Report contains an analysis of the amount, structure and trends over the last 3 years in the granting of State aid, de minimis aid, support measures granted for the provision of SGEIs, aid to remedy damages caused by natural disasters or other exceptional circumstances, the main findings of the monitoring of authorised State aid and reflects the implementation of SIRASM. Therewith, this report contains information on the fulfilment of the commitments undertaken by the Republic of Moldova in the Association Agreement with regard to the alignment of existing State aid schemes.

With reference to the Methodology and presentation of the EU Annual State Aid Survey, this Report will include the amount of State aid in constant inflation-adjusted prices. The aid amount has been calculated in constant prices from 2022 using the GDP deflator.

The data reported for the period 2020-2021 have been updated and corrected in accordance with the provisions of Government Decision No. 1112/2016 approving the Regulation on procedure for keeping the State Aid Register. It should be noted that updating and correcting data on State aid granted in previous years is in line with the EU State Aid Methodology. Therewith, the information on the amount of State aid and de minimis aid provided in 2021-2022 will be updated in subsequent reports on State aid granted in the Republic of Moldova.

Structurally, this Report shall have the following content:

Chapter I – social and economic analysis of the Republic of Moldova for 2022.

Chapter II – analysis of the amount, structure and trends in State aid in 2022. Data submitted for the period 2020-2021 have been updated and corrected, including as a result of information submitted by providers. At the same time, this Chapter presents the State aid schemes aligned with the provisions of the State aid legislation.

Chapter III – analysis of the amount and trends in the granting of support measures with insignificant anti-competitive impact, i.e. de minimis aid, support measures for the provision of SGEIs and support measures to remedy damages caused by natural disasters or other exceptional circumstances in 2022.

Chapter IV – the main findings during the monitoring of authorised State aid.

Chapter V – implementation of the Automated Information System “State Aid Register”.

Attachment 1 - information on the scope of State aid analysed in the Report, the objectives of State aid and the sources of data collection.

Attachment 2 - legal documents under which the support measures were granted in 2022.

Attachment 3 - summary overview of reported State aid for the period 2020-2022, by objectives and forms granted, under the general framework.

Attachment 4 - information on State aid provided by provider and forms during 2020-2022, under the general framework.

Attachment 5 - information on State aid provided for the provision of SGEIs by providers and forms during the period 2020-2022.

SUMMARY

Priority guidelines in the field of State aid for 2022 were:

- alignment of existing State aid schemes
- development and amendment of existing regulations in line with EU State aid legislation
- promotion of a competition culture in State aid matters

The total reported amount of State aid, for 2022 was MDL 3 369 924 thousand or 1.23% of GDP.

The amount of authorised State aid, according to the Law on State Aid, was MDL 2 823 288 thousand (or about 84% of the reported State aid amount). According to the State aid legislation, there are categories of support measures which are considered to be authorised by virtue of the law and are therefore exempted from the obligation to notify the Competition Council. This category of aid includes support measures to remedy damages caused by natural disasters or other exceptional circumstances. Thus, the amount of State aid intended to remedy damages caused by natural disasters or other exceptional circumstances was MDL 1 048 177 thousand (or around 31% of the reported aid amount).

In 2022, providers still chose to grant State aid via *schemes* (83% of the total number), which is in line with EU best practice in this area and is considered less harmful to the competitive environment.

By *form of granting* State aid, the largest share of aid was reported in the form of *budgetary revenue waivers*, being around 65% of the total amount of State aid. This structure was generated by the predominant provision of State aid in the form of tax and customs relief.

In terms of *objectives for granting* State aid, the largest share of State aid was targeted at regional development, being around 64% of the total. State aid for regional development increased in absolute terms compared to 2021. This upward trend was mainly determined by the increase in the value of the State aid scheme “Moldova IT Park” implemented by the State Tax Service, due to the increase in the number of beneficiaries of the given support measure.

In 2022, as in previous years, the main *providers of State aid* were CPAs. Thus, 99.8% of the total amount of reported State aid was provided by the CPAs. As for LPAs, they were the main providers of de minimis aid and support measures offered to SGEIs.

The amount of de minimis aid (including for SGEIs) was MDL 152 342 thousand, registering an insignificant increase compared to 2021.

According to the granting *objective*, about 90% of the reported *de minimis aid* amount was for horizontal objectives, which is an insignificant decrease compared to 2021. This trend was determined by the decrease in the amount of aid granted for supporting SMEs.

The largest share of de minimis aid was reported in the *form* of grants and/or subsidies, being around 84% of the total amount reported, which was effectively at the same level as in 2021.

The total amount of support measures granted for the provision of SGEIs was MDL 1 118 374 thousand, decreasing compared to previous years. Of the total reported value of support measures, the amount of State aid authorised was MDL 814 941 thousand.

The amount of support measures provided in the context of remedying damages caused by natural disasters or other exceptional circumstances amounted to MDL 1 048 177 thousand or about 31% of the reported State aid amount. According to the form of granting, providers have chosen to provide aid in the form of provider investments (if the rate of return on these investments is lower than the normal rate expected by a prudent private investor), being about 99% of the total amount.

In 2022 the *SIRASM* implementation process, developed with the support of the World Bank, continued.

CHAPTER I. Social and Economic Situation of the Republic of Moldova

- 1.1. In 2022, the world economy grew by 3.4%¹.
- 1.2. In the Republic of Moldova, in 2022, the GDP recorded a value of MDL 272 556 million (current prices), decreasing in real terms by 5.9% compared to 2021.²
- 1.3. By resource category, the following economic activities contributed most to the decrease in GDP in 2022 compared to 2021: agriculture, forestry and fishing (-2.7%); construction (-0.8%); real estate transactions (-0.8%); manufacturing (-0.7%); production and supply of electricity, gas, hot water and air conditioning (-0.4%). The decrease in GDP was mitigated by the following activities: financial and insurance (+0.4%), information and communication (+0.3%); domestic trade (+0.2%); accommodation and food service activities (+0.2%)².
- 1.4. The volume of net taxes on output decreased by 7.6% in 2022, which contributed to a 1.1% decrease in GDP².
- 1.5. The volume of gross fixed capital formation decreased by 6.8% compared to the previous year, resulting in a 1.7% decrease in GDP².
- 1.6. Merchandise exports recorded USD 4 335.1 million, up 37.9% compared to 2021. Imports of goods totalled USD 9 219.1 million or 28.5% more than the previous year. The trade balance deficit in 2022, amounting to USD 4 884 million, increased by 21.1% compared to the deficit in 2021.³
- 1.7. In 2022, the average rate of the consumer price index (CPI) was 28.7%, up 23.6 p.p. compared to 2021. During the reporting year, the annual inflation rate continued the pronounced upward trajectory of the previous year until October 2022. It increased from 13.9% in December 2021 to 34.6% in October 2022. Subsequently, in the period November-December 2022, it recorded a downward trend, recording a value of 30.2 percent in December 2022. The

¹ World Economic Outlook, International Monetary Fund, April 2023, Available at: <https://www.imf.org/en/Publications/WEO/Issues/2023/04/11/world-economic-outlook-april-2023>

²Gross Domestic Product in the fourth quarter of 2022 and in 2022. National Bureau of Statistics. Available at: https://statistica.gov.md/ro/produsul-intern-brut-in-trimestrul-iv-si-ianuarie-decembrie-2022-9497_60340.html

³ International merchandise trade of the Republic of Moldova in December 2022 and 2022 as a whole. National Bureau of Statistics. https://statistica.gov.md/index.php/ro/comertul-international-cu-marfuri-al-republicii-moldova-in-luna-decembrie-2022-s-9539_60309.html

increase in prices was also determined by the increase in international and regional market prices for food and energy resources, which led to an increase in their prices on the domestic market, as well as the adjustment of several tariffs in fuel prices.⁴

- 1.8. In 2022, the labour force (active population aged 15 and over) was 890 thousand people. The employed population amounted to 862.3 thousand people, up 2.2% compared to 2021 (843.4 thousand).⁵
- 1.9. According to the International Labour Office definition, the number of unemployed persons was 27.7 thousand, down from 28.2 thousand in 2021. In turn, the unemployment rate recorded the value of 3.1%, being practically at the level of 2021.
- 1.10. According to the State Budget Execution Report for 2022⁶, the national public budget has accumulated revenues in the total amount of MDL 91 505.4 million, an increase of 18.3% compared to 2021.
- 1.11. In the structure of national public revenues, the largest share was held by taxes and duties - 62.9% (MDL 57 524.2 million), of which: taxes and duties on goods and services - MDL 39 310.9 million, taxes on income - MDL 14 725.9 million, taxes on foreign trade and foreign operations - MDL 2 732.1 million and taxes on property - MDL 755.3 million.
- 1.12. Of the total amount of the national public budgetary revenue in 2022, 60.1% is revenue administered by the State Tax Service and 37.0% - revenue administered by the Customs Service. Compared to 2021, the revenue receipts administered by the State Tax Service bodies increased by MDL 7 731.6 million or 16.4%, and the revenue administered by the Customs Service bodies increased by MDL 5 325.6 million or 18.7%. It should be noted that the State Tax Service and the Customs Service are some of the largest providers of State

⁴ Annual Report 2022, National Bank of Moldova, Available at: https://bnm.md/files/Raport_anual_2022%20ISBN-.pdf

⁵ Labour force: employment and unemployment in 2022, National Bureau of Statistics. Available at: https://statistica.gov.md/ro/forta-de-munca-ocuparea-si-somajul-in-anul-2022-9430_60383.html

⁶ State Budget Execution Report for 2022 (approved by the Government). Available at: <https://mf.gov.md/ro/trezorerie/rapoarte-privind-executarea-bugetului/rapoarte-anuale>

aid in the Republic of Moldova, thus being the main authorities administering state budgetary revenues.

- 1.13. In 2022, grants amounting to MDL 4 539.4 million were disbursed, representing 5.0% of the national public budgetary revenue. Of the total grants, those for budget support accounted for 83.8% and those for projects financed from external sources for 16.2%. The share of grants in GDP was about 1.7% in 2022.
- 1.14. In 2022, public expenditure was executed in the amount of MDL 100 374.2 million, which was 92.3% of the annual provisions. The national public budget expenditure increased by MDL 18 360.7 million in 2022 compared to 2021, or 22.4%.
- 1.15. As a share of GDP, national public budgetary expenditure in 2022 represented 36.82%, an increase of 2.94 p.p. over the previous year.
- 1.16. The 2022 budget year ended with a budget balance (deficit) of MDL 8 868.8 million. In relation to GDP, the budget balance represents 3.3%, 1.4 p.p. more than in 2021.
- 1.17. ***The trend in the macroeconomic indicators mentioned above has also had an impact on the volume and structure of aid granted for 2022, which will be described in the following Chapters of this Report.***

CHAPTER II. Analysis of Reported State Aid

2.1. General characterization

- 2.1. Based on Article 342, paragraph (1) of the Association Agreement, as of 01.01.2016, the Republic of Moldova is required to submit a report every two years, following the Methodology and format of the EU Annual State Aid Survey. With reference to the above and in line with EU experience, the support measures under review are excluded. At the same time, in this report, State aid granted under the General Framework will be analysed, separately from support measures granted in the context of the exceptional situation, for SGEIs and de minimis aid.
- 2.2. The State aid described in this Chapter covers aid reported for 2022, i.e. existing aid and new State aid examined by the Competition Council.
- 2.3. To get as comprehensive a picture as possible of the reported State aid by providers, the amount of State aid shown in Table 1 includes aid granted to enterprises for the provision of SGEIs, support measures under examination by the Competition Council and aid intended to remedy damages caused by natural disasters or other exceptional circumstances.

Table 1. Total reported State aid during 2020-2022

No.	Indicators	2020*	2021*	2022
1.	Total reported State aid amount, MDL thousand (current prices)	2 246 578	5 696 450	3 369 924
	<i>including:</i>			
1.1.	<i>State aid amount examined by the Competition Council, MDL thousand</i>	1 645 563	1 969 302	1 775 111
1.2.	<i>Amount of State aid implemented before the entry into force of the Law on State Aid, MDL thousand</i>	231 516	230 903	230 501
1.3.	<i>Amount of State aid intended to remedy damages caused by natural disasters or other exceptional circumstances, MDL thousand</i>	91 431	326 836	1 048 177
1.4.	<i>Amount of support measures under examination at the Competition Council, MDL thousand</i>	278 069	3 169 408	316 136
2.	Share in GDP, %	1.13	2.35	1.23
3.	State aid per capita**** - MDL	853	2 169	1 314

* the data are updated according to the information submitted by the State aid providers

** calculated based on the average annual exchange rate of the MDL against the EUR, source NBM (MDL/EUR, 2020=19.74, 2021= 20.93 and 2022= 19.90)

*** calculated based on GDP deflator index, source NBS (https://statistica.gov.md/ro/statistic_indicator_details/12)

**** the number of inhabitants is according to the information posted on the NBS website. Data for 2020-2022 are updated according to the new methodology for the calculation of the usual residence population

http://statbank.statistica.md/PxWeb/pxweb/ro/20%20Populatia%20si%20procese%20demografice/20%20Populatia%20si%20procese%20demografice__POP010__POPro/POP010100rcL.px/tableViewLayout1/?rxid=9a62a0d7-86c4-45da-b7e4-fecc26003802

- 2.4. The information for the period 2020-2021 is different from the data for the same years presented in previous reports and is updated based on data provided by the authorities.
- 2.5. For 2021, the data review is mainly due to the support measures offered to S.A. “Energocom”, reported by the Public Property Agency reported by the Public Property Agency in 2023. Approximately 94% of the reported amount of aid to remedy damages caused by natural disasters or other exceptional circumstances was granted to S.A. “Energocom”, in order to increase the energy security of the Republic of Moldova.
- 2.6. Similarly, in 2021, support measures were offered to S.A. “Energocom” and S.A. “Termoelectrica” based on the Government Decision No. 380/2021 on allocation of financial means and conclusion of a major transaction. These support measures were granted in order to ensure uninterrupted supply of natural gas to consumers, to avoid the creation of a gas deficit in the natural gas distribution system, to overcome the energy crisis, to initiate the process of restructuring the historical debts of S.A. “Termoelectrica” and their repayment according to an established schedule, to strengthen the energy security of the state by taking over part of the debts of S.A. “Termoelectrica” to S.A. “Moldovagaz”. The support measures given are being examined by the Competition Council. Therefore, the reported State aid amount will be updated in the following reports, as appropriate, based on the findings of the Decision of the Plenum of the Competition Council with regard to the support measures.
- 2.7. The total amount of reported State aid (in current prices) for 2022 was MDL 3 369 924 thousand or 1.23% of GDP. The support measures were granted to 2 763 legal and natural persons carrying out economic activity. Approximately 49% of the total amount of reported State aid for 2022 was granted to S.A. “Energocom”, Î.M. “Regia Transport Electric” and Î.M. “Parcul Urban de Autobuze”. The significant amount of State aid granted to S.A. “Energocom” was due to the aid provided to the enterprise to remedy the exceptional circumstance. As regards the amount of State aid granted to the two municipal

enterprises, it was granted to ensure the provision of public passenger transport services in Chisinau Municipality.

- 2.8. In 2022, around 9% of the total amount of State aid will constitute support measures under examination by the Competition Council (Figure 1). It should be noted that around 42% of the value of the support measures under examination by the Competition Council are granted for the provision of SGEIs.

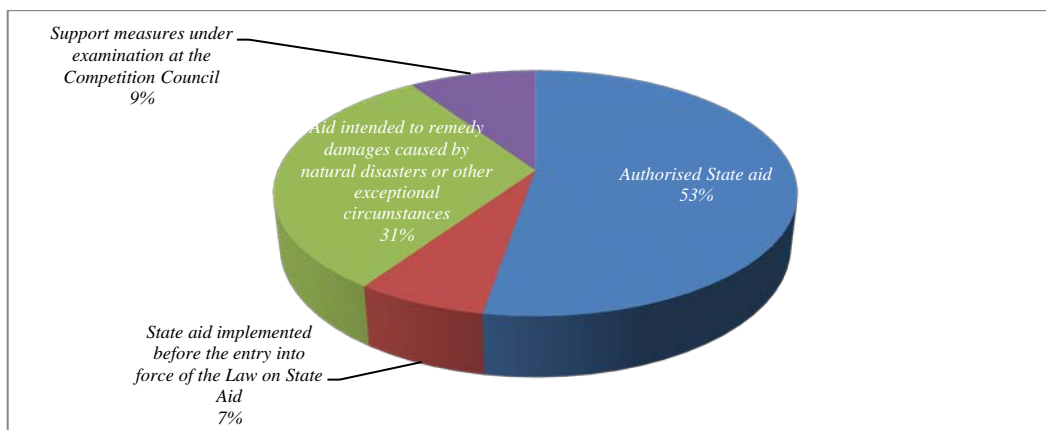


Figure 1. Structure of support measures reported by the Competition Council, 2022

- 2.9. Of the total amount of reported State aid for 2022, i.e. MDL 3 369 924 thousand, ***the amount of authorised State aid, according to the Law on State Aid***, was MDL 2 823 288 thousand (or about 84% of the reported State aid amount). Therewith, according to the State aid legislation, there are categories of support measures which are considered authorised by law and therefore exempted from the obligation to notify the Competition Council. This category of aid includes support measures intended to remedy damages caused by natural disasters or other exceptional circumstances. Thus, the amount of State aid intended to remedy damages caused by natural disasters or other exceptional circumstances was MDL 1 048 177 thousand (or about 31% of the reported aid amount).
- 2.10. ***The development of the level of reported State aid examined by the Competition Council, as well as the support measures implemented until the entry into force of the Law on State Aid***, excluding aid for the provision of

SGEIs, aid to remedy damages caused by natural disasters or other exceptional circumstances and support measures under examination by the Competition Council, is presented below, taking into account the Methodology and format of the EU Annual State Aid Survey, as shown in Table 2.

Table 2. *Reported State aid in the period 2020-2022*

No.	Indicators	2020*	2021*	2022
1.	State aid amount (excluding aid for SGEIs and aid intended to remedy damages caused by natural disasters or exceptional circumstances and support measures under examination by the Competition Council), expressed in:			
1.1.	MDL thousand, <i>in current prices</i>	783 400	996 949	1 055 077
1.2.	EUR thousand**, <i>in current prices</i>	39 686	47 633	53 019
1.3.	MDL thousand***, <i>in constant prices at 2022 level</i>	884 897	1 117 574	1 055 077
1.4.	EUR thousand***, <i>in constant prices at 2022 level</i>	44 828	53 396	53 019
2.	Share in GDP, %	0.39	0.41	0.38
3.	State aid (excluding aid for SGEIs and aid intended to remedy damages caused by natural disasters or exceptional circumstances) per capita**** - MDL	296	380	305
4.	State aid (excluding aid for SGEIs and aid intended to remedy damages caused by natural disasters or exceptional circumstances) per capita – EUR	15	18	15

* the data are updated according to the information submitted by the State aid providers

** calculated based on the average annual exchange rate of the MDL against the EUR, source NBM (MDL/EUR, 2020=19.74, 2021= 20.93 and 2022= 19.90)

*** calculated based on GDP deflator index, source NBS (https://statistica.gov.md/ro/statistic_indicator_details/12)

**** the number of inhabitants is according to the information posted on the NBS website

2.11. The amount of State aid for the period 2021-2022 will be updated, including taking into account the decisions of the Plenum of the Competition Council, which will be adopted with regard to the support measures under examination by the competition authority.

2.12. **The amount of reported State aid** (in current prices) for 2022 has increased compared to 2020-2021. Thus, the amount of aid increased by 5.83% compared to 2021 and by 34.68% compared to 2020. This development was mainly due to the significant increase in the amount of the State aid scheme “Moldova IT Park” implemented by the State Tax Service.

2.13. As for the inflation-adjusted State aid amount, it decreased in 2022 by around 6% compared to 2021, but increased by around 19% compared to 2020. This

dynamic of the State aid amount in constant prices was generated by the level of inflation.

- 2.14. According to the provisions of the Government Decision No. 1112/2016 approving the Regulation on procedure for keeping the State Aid Register, State aid providers had to submit, separately, the amount of support measures granted from state resources and from external funds. In line with EU State aid practice, resources granted by the EU, the European Investment Bank, the European Investment Fund or international financial institutions are considered as state resources if the national authorities have discretionary power in the use of those resources (in particular the selection of beneficiaries). In 2022, State aid granted from *external funds* accounted for 1.86% of the reported State aid amount. The amount of State aid provided from external funds has been increasing in 2022 compared to 2020 - 2021. This dynamics of State aid was due to the increase in the amount of the support measure granted to the I.S. "Calea Ferata by the Ministry of Finance, within the framework of the project for the purchase of locomotives and restructuring of the railway infrastructure, and the value of the State aid scheme "State aid granted under the f" implemented by the ODA.
- 2.15. In 2022, the reported *share of State aid* in GDP in the Republic of Moldova amounted to 0.38%, registering an insignificant decrease compared to previous years, which is generated by the development of the reported amount of State aid and the level of GDP recorded in the period 2020-2022.
- 2.16. *Expressed in EUR*, in 2022 the amount of State aid has increased compared to previous years. This trend was largely determined by the amount of reported State aid.
- 2.17. *The amount of reported State aid (excluding aid for SGEIs, aid to remedy damages caused by natural disasters or other exceptional circumstances and support measures under examination by the Competition Council) for 2022 amounted to 0.38% of GDP. According to international good practice in the field of State aid, it is recommended to reduce the overall level of State aid so*

that this indicator is less than 1% of GDP, without compromising the purpose of the support measures, i.e. correcting market failures.

2.2. Alignment of existing State aid schemes in line with State aid legislation

- 2.18. According to Article 341 of the Association Agreement, one of the commitments undertaken by the Republic of Moldova is the alignment of State aid schemes put in place before 16.08.2013 with EU State aid legislation *within 8 years from the date of entry into force of the Association Agreement* (or by 01.09.2022). An exception is the State aid schemes established under Law No. 440/2001 on Free Economic Zones, for which the period has been extended to 10 years from the date of entry into force of the Association Agreement.
- 2.19. The existing State aid schemes represent support measures implemented before the entry into force of the Law on State Aid, therefore they have not been notified to the Competition Council and have not been examined under State aid legislation.
- 2.20. Alignment of existing State aid schemes means bringing support measures implemented before the Law on State Aid came into force into line with the provisions of the relevant legislation. Thus, within the framework of the alignment of existing State aid schemes, the Competition Council in cooperation with the providers would identify whether the reported support measures are ongoing and whether they comply with the provisions of the State aid legislation. If a reported support measure is found to be incompatible with the provisions of State aid law, it is to be made compatible with the State aid rules or its implementation is to be stopped.
- 2.21. The alignment of existing State aid schemes has an impact on the amount and structure of State aid and de minimis aid reported. In order to present correct and complete information on the value of the reported support measures, the analysis of the reported support measures has also taken into account the decisions of the Plenum of the Competition Council adopted in the year

following the reporting year. In 2023, the [Decision of the Plenum of the Competition Council No. ASR-03 as of 09.02.2023](#) was approved regarding support measures for the exemption from VAT on electricity imported and delivered to or imported from distribution networks, except for imported electricity transmission services.

- 2.22. Support measures are granted under the provisions of Article 103 paragraph (1) subparagraph 18) of the Tax Code. Following the examination of the support measures, it was found that they do not meet the selectivity criterion, being justified by the nature or general scheme of the reference scheme.
- 2.23. Given that at least one of the conditions laid down in Article 3 of the Law on State Aid was not fulfilled, the Decision of the Plenum of the Competition Council found that the support measures did not constitute State aid within the meaning of the above-mentioned law.
- 2.24. In order to fulfil the commitments undertaken by the Republic of Moldova in the Association Agreement, the Competition Council has examined and commented on all existing State aid schemes, except those established under Law No. 440/2001 on Free Economic Zones (deadline until 01.09.2024). The results of the alignment of existing State aid schemes are shown in Figure 2.

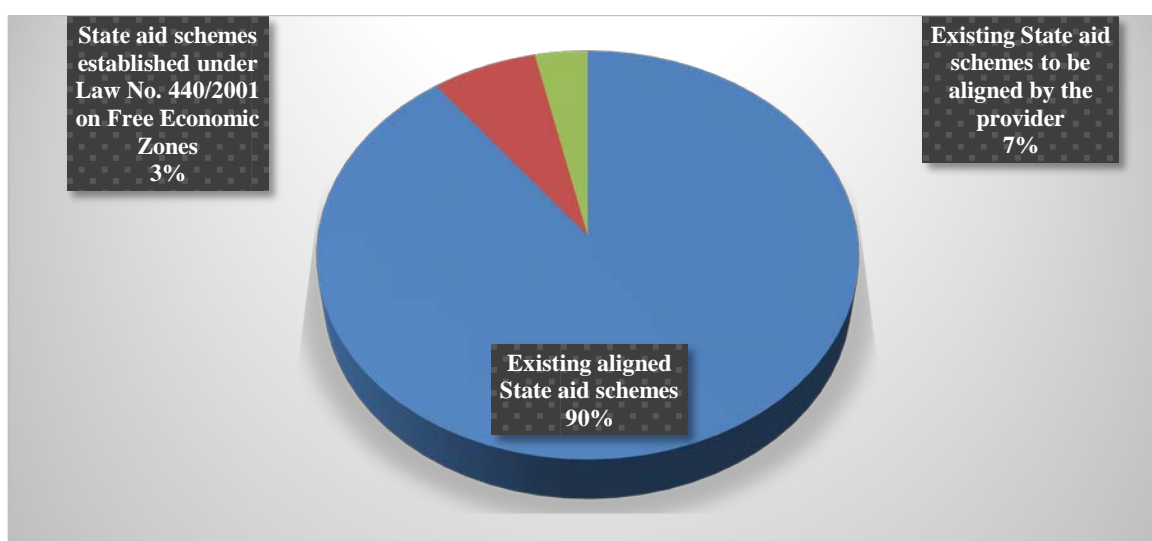


Figure 2. Alignment of existing State aid schemes according to number

- 2.25. Based on the information presented in Figure 2, it is noted that 12 existing State aid schemes (or about 7% of the number of existing State aid schemes) are to be aligned by the providers (Ministry of Finance, Ministry of Labour and Social Protection, Ministry of Health and Public Property Agency). Mostly, existing State aid schemes implemented under the Tax Code are to be amended.
- 2.26. As regards the existing State aid schemes implemented under Law No. 440/2001 on Free Economic Zones, the Decision of the Prime Minister of the Republic of Moldova No. 120 as of 26.12.2022 established the Inter-institutional Working Group, responsible for the assessment of the regulatory framework and harmonization of legislation in the field of State aid, in particular free economic zones. Representatives of the Competition Council are also part of the working group.
- 2.27. *In order to fulfil the commitments undertaken by the Republic of Moldova in the Association Agreement, the Competition Council has examined all support measures reported by providers under Article 23 paragraph (2) of the Law on State Aid, except for existing State aid schemes established under Law No. 440/2001 on Free Economic Zones. These are to be aligned by 01.09.2024.*

2.3. Arrangements for granting State aid

- 2.28. Enterprises in the Republic of Moldova may benefit from support measures either as individual aid or through State aid schemes.
- 2.29. *State aid scheme*, within the meaning of the Law on State Aid, is any act under which State aid may be granted to beneficiaries defined in the act in a general and abstract manner without further implementing measures being required or any act under which aid which is not linked to a specific project may be granted to one or more beneficiaries for an indefinite period of time and/or in an indefinite amount.

- 2.30. **Individual aid** is State aid which is not granted under a State aid scheme or is granted under a scheme which must be notified individually.
- 2.31. For 2022, State aid providers reported **35 support measures** (excluding aid for SGEIs, aid intended to remedy damages caused by natural disasters or other exceptional circumstances and support measures under examination by the Competition Council).
- 2.32. According to Figure 3 on the **structure of measures** administered by providers in 2022, in relation to the ways in which State aid is granted, it can be seen that providers have still chosen to implement predominantly State aid schemes, these being about 83% of the total number of measures reported.

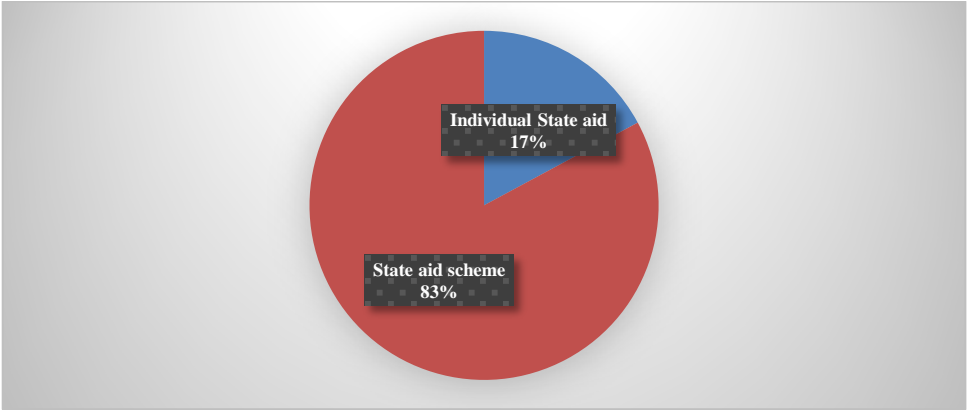


Figure 3. Reported State aid structure for 2022, as individual aid or State aid schemes

- 2.33. Taking into account the Methodology and format of the EU Annual State Aid Survey, a more detailed analysis of State aid provided depending on the modalities of granting will be presented below, excluding support measures provided for the provision of SGEIs, aid to remedy damages caused by natural disasters or other exceptional circumstances and support measures under examination by the Competition Council.
- 2.34. In terms of value (excluding aid for SGEIs, aid intended to remedy damages caused by natural disasters or other exceptional circumstances and support measures under examination by the Competition Council), State aid was implemented mainly through the State aid scheme. A comparative situation of

these modes of granting, taking into account the amount of reported State aid, is shown in Table 3.

Table 3. Amount and structure of State aid depending on the modalities of granting in the period 2020-2022

No.	Type of State aid	2020		2021		2022	
		MDL thousand	%	MDL thousand	%	MDL thousand	%
<i>State aid (excluding aid for SGEIs, aid intended to remedy damages caused by natural disasters or exceptional circumstances and support measures under examination by the Competition Council)</i>							
1.	State aid schemes	772 891	98.66	974 785	97.78	1 037 064	98.29
2.	Individual aid	10 510	1.34	22 164	2.22	18 013	1.71
	TOTAL	783 400	100	996 949	100	1 055 077	100

2.35. Compared to 2021, both the amount of State aid schemes reported and their share in the total amount of reported State aid increased. The upward trend in the amount of State aid schemes implemented in 2022 was determined, *inter alia*, by the increase in the amount of the State aid scheme “Moldova IT Park” administered by the State Tax Service.

2.36. The most significant State aid scheme implemented in 2022 was “Moldova IT Park” administered by the State Tax Service. In 2022, 1 116 enterprises benefited from support measures granted under the above-mentioned State aid scheme, an increase of 40% compared to the previous year.

2.37. *As in previous years, in 2022 the trend of providing support measures through state schemes has been maintained (excluding aid for SGEIs, aid intended to remedy damages caused by natural disasters or exceptional circumstances and support measures under examination by the Competition Council), which is in line with good international practice in this field and contributes to the efficiency of the aid granting mechanism. It should be noted that EU experience shows that State aid granted through schemes is less harmful to the competitive environment. The provision of support measures, predominantly through State aid schemes, increases the accessibility of support measures, thereby increasing the number of eligible economic operators and creating the necessary conditions for sustainable social and economic development.*

2.4. Forms of granting State aid

- 2.38. Providers can grant State aid in various forms: subsidies, tax exemptions, guarantees on preferential terms and others. In relation to public policy in a given area and taking into account the specifics of the enterprises to be supported, the provider chooses a form of State aid that offers the best possibility of overcoming a market failure or reducing a social or regional inequality. Therewith, it should be noted that the concept of State aid is an objective concept which does not take into account the form of granting, but its effects on the competitive environment.
- 2.39. State aid may be expressed by the transfer of public goods, including in the form of financial means, to a beneficiary or by the provider waiving certain future revenues, certain or possible, that it would obtain from a beneficiary. Given that the aid is provided from State resources or from the resources of administrative-territorial units, it may be granted by the provider in the form of a budgetary revenue waiver and expenditure.
- 2.40. With reference to the Methodology and format of the EU Annual State Aid Survey, a more detailed examination of the State aid provided depending on the forms of granting will be presented below, excluding aid for SGEIs, aid intended to remedy damages caused by natural disasters or exceptional circumstances and support measures under examination by the Competition Council.
- 2.41. In 2022, the share of reported State aid in the form of *budgetary revenue waivers* amounted to 64.79% of the total amount of State aid, decreasing insignificantly compared to 2021, by about 2 p.p., but being about 16 p.p. higher compared to 2020.
- 2.42. As for the amount of aid provided in the form of *budgetary expenditure*, this amounted to 35.21% in 2022. According to Table 4, there is an increase in the amount of State aid provided in the form of *budgetary expenditure* by around 12% in 2022 compared to 2021.

2.43. The amount of State aid in terms of expenditure and budgetary revenue waivers recorded over the period 2020-2022 is shown in Table 4.

Table 4. Amount and structure of reported State aid in terms of budgetary expenditure/ waivers recorded over the period 2020-2022

No.	Category	2020		2021		2022	
		MDL thousand	%	MDL thousand	%	MDL thousand	%
1.	Waiver of budgetary revenue	378 876	48.36	664 418	66.65	683 622	64.79
2.	Budgetary expenditure	404 524	51.64	332 531	33.35	371 455	35.21
	TOTAL	783 400	100	996 949	100	1 055 077	100

2.44. The structure and dynamics of the reported State aid in terms of budgetary expenditure/waivers over the period 2020-2022 is shown in Figure 4.

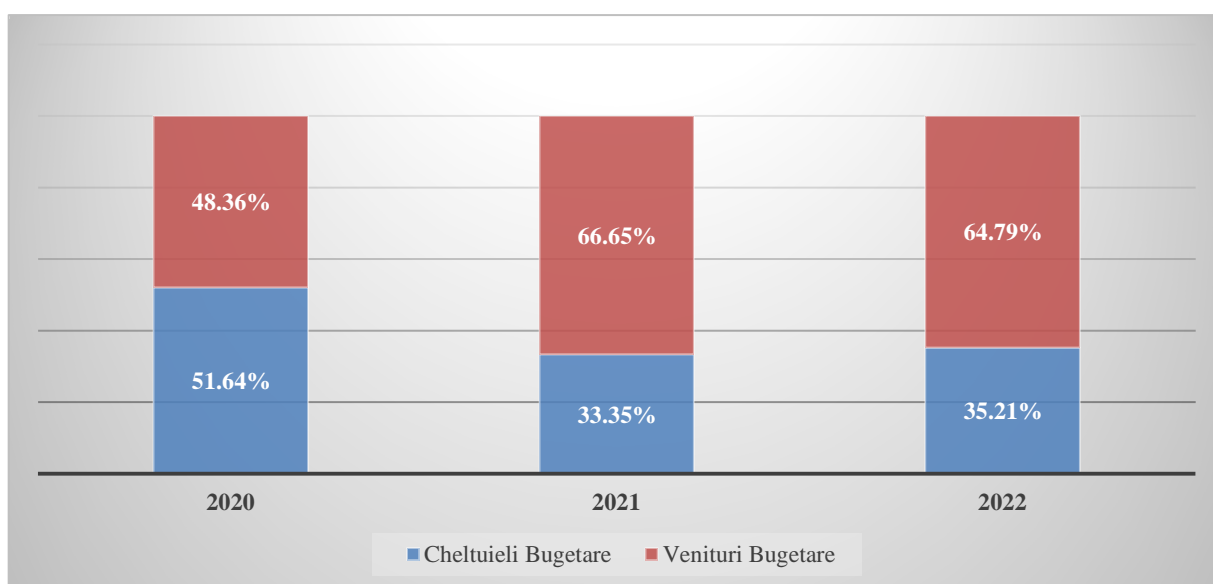


Figure 4. Structure and dynamics of reported State aid (excluding aid for SGEIs, aid intended to remedy damages caused by natural disasters or exceptional circumstances and support measures under examination by the Competition Council) in terms of budgetary expenditure/waivers in the period 2020-2022

2.45. Taking into account international practice in providing State aid in different forms, the most popular instrument for providing State aid in recent years has been in the form of budgetary expenditure. Thereby, in 2021⁷ the average share of State aid provided in the EU in the form of grants (one of the components of

⁷ Latest update on State aid in the EU, according to the Directorate-General for Competition's Report "State aid Scoreboard 2022". Available at: https://competition-policy.ec.europa.eu/system/files/2023-06/state_aid_scoreboard_note_2022.pdf

State aid provided as budgetary expenditure) was around 58% of the total amount.

2.46. The structure of the reported State aid in terms of expenditure/budgetary waivers was determined by the form of granting of State aid by the providers.

2.47. The annual amount of State aid, according to the form in which enterprises benefited from these support measures, is shown in Table 5.

Table 5. Amount and structure of reported State aid by form of granting in the period 2020-2022

No	Form of granting	2020		2021		2022	
		MDL thousand	%	MDL thousand	%	MDL thousand	%
1.	Subsidies and/or grants	339 012	50.93	325 788	32.68	366 253	34.71
2.	Budgetary allocations	5 512	0.70	6 743	0.68	5 202	0.49
3.	Exemptions and/or reductions in taxes, duties and other compulsory payments	358 579	45.77	638 114	64.01	666 464	63.17
4.	Granting of loans on preferential terms	3 777	0.48	15 377	1.54	15 935	1.51
5.	Price reductions on goods and services provided, including the sale of movable and immovable property below market price	16 519	2.11	10 928	1.10	1 223	0.12
	TOTAL	783 400	100	996 949	100	1 055 077	100

2.48. The increase in the amount of State aid provided as waiver of budgetary revenue compared to 2021 was largely determined by the increase in the amount of aid provided in the form of tax and customs relief.

2.49. Around 63% of the reported State aid amount was provided in the form of *tax and customs relief*. The amount of reported State aid in nominal form increased by around 4% in 2022 compared to 2021. The upward development was determined, including by the increase in the value of the State aid scheme “Moldova IT Park”, managed by the State Tax Service (authorised by the [Decision of the Plenum of the Competition Council ASS-17 as of 29.03.2018](#)). The support measure consisted in the application of the single tax to the residents of “Moldova IT Park”.

- 2.50. The increase in the amount of State aid granted in the form of tax and customs relief in 2022 compared to 2021 was mitigated by the significant reduction in the amount of the State aid scheme “Excise duty exemptions for hybrid motor vehicles” implemented by the Customs Service (authorised by the [Decision of the Plenum of the Competition Council No. ASO-52 as of 28.10.2021](#)).
- 2.51. The largest share of the support measures provided in the form of tax and customs incentives in 2022 was targeted at regional development, accounting for around 88% of the total value of support measures provided in this form.
- 2.52. In 2022, the amount of reported State aid in the form of *loans at preferential interest rates* has been increased. Its amount increased insignificantly in 2022 compared to 2021 (by about 4%). And, about 99% of the amount of aid granted in the form of loans at preferential interest rates was targeted at sectoral objectives.
- 2.53. The upward trend in the amount of State aid granted in the form of waiver of budgetary revenue was mitigated by the negative trend in the amount of aid granted in the form of *price reductions on goods and services provided* (including sale of movable and immovable property below market price). This development in aid was largely generated by the end of the implementation period of some support measures.
- 2.54. Approximately 96% of the reported amount of State aid in the form of price reductions on goods and services provided (including sale of movable and immovable property below market price) was targeted at regional development.
- 2.55. As regards the development of the amount of State aid granted in the form of budgetary expenditure, State aid granted in the form of grants and/or subsidies had a positive impact on the amount of State aid granted.
- 2.56. The amount of State aid granted in the form of *subsidies and/or grants* increased by 12.42% in 2022 compared to 2021, but was still lower than in 2020 (by 8.21%). The positive development of the amount of aid compared to 2021 was mainly due to the increase in the amount of the State aid scheme

“Granting of subsidies to public theatre and concert institutions” implemented by the Ministry of Culture (authorised by the [Decision of the Plenum of the Competition Council No. ASS-100 as of 19.12.2019](#)) and the implementation of the State aid scheme “Programme to support businesses with high growth potential and their internationalisation” managed by ODA (authorised by the [Decision of the Plenum of the Competition Council No. ASO-46 as of 30.06.2022](#)).

- 2.57. The negative impact on the dynamics of the amount of State aid provided in the form of budgetary expenditure was the aid provided in the form of *budgetary allocations*. It decreased by about 23% in 2022 compared to 2021, which was generated by the reduction in the amount of the State aid scheme “State Aid for Research and Innovation” implemented by the National Agency for Research and Development (authorised by the [Decision of the Plenum of the Competition Council No. ASO - 15 as of 13.05.2021](#)).
- 2.58. Data on the amount of reported State aid by form and purpose of aid are given in Attachment 3.
- 2.59. *In 2022, there was a positive development in the amount of State aid granted in the form of budgetary revenue waivers. According to international experience, such aid is generally considered to be more harmful to the market economy than aid in the form of budgetary expenditure (subsidies, grants, budgetary allocations, etc.). Aid in budgetary expenditure categories is considered less harmful to competition and more transparent. Thereby, the State is going to examine the opportunity to provide more support measures in the form of budgetary expenditure and to reduce those granted in the form of budgetary revenue waivers.*

2.5. Objectives of granting State aid

- 2.60. According to the Law on State Aid, except for the exceptions set out in Articles 4 and 5, the granting of State aid is considered incompatible with the normal competitive environment.

- 2.61. Article 5 of the Law on State Aid specifies the objectives according to which State aid may be considered compatible with the normal competitive environment, namely: aid to remedy a serious disturbance in the economy; aid for employee training and job creation; aid to support SMEs; aid for research, development and innovation; aid for environmental protection; aid to beneficiaries providing SGEIs; aid for rescuing beneficiaries in difficulty; aid for business start-ups by female entrepreneurs; sectoral aid, depending on the sectors of activity of the national economy and aid for regional development.
- 2.62. The assessment of the compatibility of State aid with a normal competitive environment is made in relation to the primary objective established when the aid was granted.
- 2.63. This Report analyses State aid according to the primary objective for which it was granted, as follows.
- a) **State aid for horizontal objectives** refers to State aid granted to legal and natural persons engaged in economic activity, irrespective of their field of activity, for the purpose of carrying out actions such as: investment promotion, SMEs for consultancy and their participation in fairs, training of employees, creation of new jobs, research, development and innovation, environmental protection etc.
 - b) **State aid for sectoral objectives** refers to State aid targeted at a particular area of economic activity, for example: rapid development of broadband electronic communications networks, public passenger rail and road transport services, for railway enterprises, the financial sector, etc. Therewith, this category of aid will also include support measures offered for *the promotion of culture and the preservation of cultural heritage*, which are intended for cultural objectives and activities, such as: museums, archives, libraries, artistic and cultural centres or spaces, theatres, operas, concert halls, other organisations dealing with live performances, institutions dealing with film heritage and other similar artistic and cultural infrastructure, organisations and institutions; tangible, immovable and movable heritage, including archaeological sites, monuments,

historical sites and buildings; natural heritage linked to cultural heritage or if officially recognised as cultural or natural heritage by the competent public authorities of the State, etc.

- c) **State aid for regional development** is intended to promote the economic development of certain disadvantaged regions by supporting investment and job creation, by expanding and diversifying the economic activities of enterprises located in less developed regions and by encouraging enterprises to set up new establishments in those regions. Regional State aid comprises investment aid to large, small and medium-sized enterprises, regional aid to newly created small enterprises and, in certain exceptional circumstances, operating aid.
- d) **aid intended to remedy damages caused by natural disasters or other exceptional circumstances.**
- e) **State aid granted to beneficiaries for the provision of SGEIs** - State aid in the form of compensation granted to beneficiaries entrusted with the provision of SGEIs. It should be noted that SGEIs are economic activities which are intended for the population and are in the interest of society but which enterprises would not provide (or would provide under different conditions as regards quality, safety, accessibility, equal treatment or universal access) without public intervention.

2.64. The amount of reported State aid per objective is summarised in Table 6.

Table 6. Amount and structure of reported State aid by objectives, 2020-2022

No.	Objective	2020		2021		2022	
		MDL thousand	%	MDL thousand	%	MDL thousand	%
1.	Horizontal objectives	112 333	14.34	242 651	24.34	96 720	9.17
1.1.	Research, development and innovation	5 512	0.70	6 743	0.68	5 202	0.49
1.2.	Environmental protection	43 265	5.52	207 121	20.78	50 302	4.77
1.3.	For supporting SMEs	10 635	1.36	5 402	0.54	20 499	1.94
1.4.	Aid for employee training and job creation	52 921	6.76	23 385	2.35	20 717	1.96

No.	Objective	2020		2021		2022	
		MDL thousand	%	MDL thousand	%	MDL thousand	%
2.	Sectoral aid by sector of the national economy*	227 043	28.98	261 466	26.23	286 688	27.17
2.1.	<i>including:</i> aid for the promotion of culture and the preservation of cultural heritage	194 696	24.85	205 758	20.64	230 211	21.82
3.	State aid for regional development	444 024	56.68	492 833	49.43	671 669	63.66
	Total amount of State aid	783 400	100	996 949	100	1 055 077	100

- 2.65. Based on the EU experience, in the part concerning State aid analysis, the following will analyse reported State aid, except for aid for SGEIs, aid intended to remedy damages caused by natural disasters or other exceptional circumstances and support measures under examination at the Competition Council.
- 2.66. The largest share of State aid, reported for 2022, was targeted at **regional development** being around 64% of the total amount of State aid. During the reporting period, there was an increase of about 36% in the amount of nominated aid in 2022 compared to the previous year and about 51% compared to 2020. The positive development of State aid granted for regional development was mainly determined by the increase in the amount of the State aid scheme “Moldova IT Park” implemented by the State Tax Service, due to the increase in the number of beneficiaries of the given support measure.
- 2.67. The share of State aid **for sectoral objectives** in total value was 27% in 2022. The amount of State aid for sectoral objectives increased by around 10% compared to 2021 and by around 26% compared to 2020. The upward trend in the amount of State aid granted for sectoral objectives was determined by the increase in the amount of the State aid scheme “Granting of subsidies to public theatre and concert institutions” implemented by the Ministry of Culture (authorised by the Decision of the Plenum of the Competition Council No. ASS-100 of 19.12.2019).

2.68. The amount of State aid for *horizontal objectives* decreased by around 60% in the reporting period compared to 2021. The negative dynamics of the amount of State aid in 2022 compared to 2021 was mainly due to the significant decrease in the amount of aid provided for environmental protection.

A more detailed analysis of reported State aid by objective is presented below.

Horizontal objectives

2.69. The dynamics and structure of the amount of State aid by horizontal objectives varied over the period 2020-2022, as shown in the Table below.

Table 7. Amount and structure of reported State aid by horizontal objectives. in the period 2020-2022

No.	Horizontal objective	2020		2021		2022	
		MDL thousand	%	MDL thousand	%	MDL thousand	%
1.	For supporting SMEs	10 635	9.47	5 402	2.23	20 499	21.19
2.	Research, development and innovation	5 512	4.91	6 743	2.78	5 202	5.38
3.	Environmental protection	43 265	38.51	207 121	85.36	50 302	52.01
4.	Aid for employee training and job creation	52 921	47.11	23 385	9.64	20 717	21.42
	TOTAL	112 333	100	242 651	100	96 720	100

2.70. In 2022, the largest share of the State aid amount granted for horizontal objectives was targeted at *environmental protection* (around 52%). However, the amount of State aid granted for environmental protection decreased significantly compared to 2021 (by around 76%). The negative development in the amount of State aid for environmental protection was mainly due to the reduction of around 80% in the amount of the State aid scheme “Excise duty exemptions for hybrid motor vehicles” implemented by the Customs Service (authorised by the [Decision of the Plenum of the Competition Council No. ASO-52 as of 28.10.2021](#)).

2.71. Similarly, in 2022, support measures provided by the Agency for Energy Efficiency continued to be implemented as follows.

- a) Project Call for Proposals No. 3. Financing, free of charge and/or against payment, of investment projects to increase energy efficiency and the use of

renewable energy sources in the Republic of Moldova, authorised by the [Decision of the Plenum of the Competition Council No. ASO-09 as of 15.03.2016](#).

b) pilot projects. Financing, free of charge and/or against payment, of investment projects to increase energy efficiency and the use of renewable energy sources in the Republic of Moldova, authorised by the [Decision of the Plenum of the Competition Council No. ASO-19 as of 22.05.2017](#).

c) Project Call for Proposals No. 1. Financing, free of charge and/or against payment, of investment projects to increase energy efficiency and the use of renewable energy sources in the Republic of Moldova, authorised by the [Decision of the Plenum of the Competition Council No. ASO-43 as of 09.09.2020](#).

2.72. In 2022, the Competition Council examined the State aid granted to the Î.M. Regia “Exdrupo” by the Consiliul municipal Chişinău in the form of annual budgetary allocations, exemptions from the payment for the rental of fixed assets used and the transfer of fixed assets free of charge ([Decision of the Plenum of the Competition Council No. ASO-34/21-28 as of 31.05.2022](#)). The support measure was granted for the provision of street cleaning services, including during the cold period of the year (washing and sweeping of road surfaces, spreading of anti-skid material and clearing of snow from the road surfaces of roads and city squares where urban passenger transport routes are established), as well as cleaning of storm drains. In accordance with the Decision of the Plenum of the Competition Council, part of the support measures granted to the Î.M. Regia “Exdrupo” was found to constitute illegal and incompatible State aid which significantly distorts the normal competitive environment.

Similarly, it is noted that the amount of the support measure was not determined by the provider in accordance with paragraph 7 of the Decision of the Plenum of the Competition Council No. ASO-34/21-28 as of 31.05.2022. Thus, the total reported State aid amount is to be updated in future reports.

- 2.73. About 20% of the number of enterprises receiving aid for environmental protection received about 83% of the value of the support measures targeted at the nominated objective. The most significant beneficiaries of State aid for environmental protection were S.R.L. “Daac-Autosport”, S.R.L. “Autospace” and S.R.L. “Continent”. These enterprises received aid under the scheme “Excise duty exemptions for hybrid motor vehicles” implemented by the Customs Service.
- 2.74. The share of State aid granted for *employee training and job creation* was 21%, up 11.78 p.p. compared to 2021. However, the amount of reported State aid for the given objective decreased by 11.41% compared to 2021. The decrease in the amount of the nominated State aid was largely generated by the end of the implementation period of the State aid scheme “Exemption from payment of VAT on goods produced and services provided by organisations and enterprises of associations of blind persons, deaf persons and disabled persons” administered by the State Tax Service.
- 2.75. In 2022, the State aid scheme “Aid for employee training and job creation” managed by the National Employment Agency (authorised by the [Decision of the Plenum of the Competition Council No. ASR-14 as of 29.04.2020](#)) continued to be implemented. This State aid scheme was also the most significant support measure offered for employee training and job creation in 2022.
- 2.76. Around 20% of the number of enterprises receiving State aid for employee training and job creation received around 81% of the amount of aid granted for the above objective. It is noted that the largest recipients of aid were organisations, enterprises and associations of blind persons, deaf persons and disabled persons. These support measures were in place until the Law on State Aid came into force. Within the alignment of existing State aid schemes, the Competition Council found that the support measures offered to organisations and enterprises of associations of blind persons, deaf persons and disabled

persons constitute State aid and are to be aligned with EU State aid legislation by the responsible public administration authorities.

- 2.77. In 2022, the amount of *aid granted to support SMEs* amounted to MDL 20 499 thousand, which is about 4 times higher than in 2021 and about 2 times higher than in 2020. The positive development in the amount of State aid was determined by the implementation of 2 new State aid schemes by ODA. Thus, by the [Decision of the Plenum of the Competition Council No. ASO - 46 as of 30.06.2022](#) State aid scheme “Programme to support businesses with high growth potential and their internationalisation” was authorised. The support measure consists of both advisory support through the Business Voucher and financial support through the Grant scheme. In 2022, 37 enterprises benefited from this support measure.
- 2.78. Another State aid scheme implemented by the ODA was the “Programme for the retrofitting and energy efficiency of small and medium-sized enterprises” (authorised by the [Decision of the Plenum of the Competition Council No. ASO-66 as of 02.11.2022](#)). State aid consists of non-reimbursable financial support, which is 50% of the value of the investment project, but may not exceed MDL 2 000 000 per beneficiary. In 2022, 12 economic agents benefited from the support measure.
- 2.79. Around 20% of the number of enterprises benefiting from State aid to support SMEs received 69% of the reported aid amount for the nominated objective. The most significant beneficiaries of the aid provided to support SMEs were: S.R.L. “Arama R”, S.R.L. “Colvels”, S.R.L. “Unitech Engineering Solutions”, S.R.L. “Sicom” and S.R.L. “Ecofarm-Prod”. These enterprises have received aid under State aid schemes implemented by the ODA (“Programme to support businesses with high growth potential and their internationalisation” and “Programme for the retrofitting and energy efficiency of small and medium-sized enterprises”).
- 2.80. In 2022, around 5% of the State aid amount for horizontal objectives was earmarked for *research, development and innovation*. Compared to 2021, the

amount of aid for research, development and innovation decreased by around 23% in 2022. The negative development of aid was due to the reduction in the amount of the State aid scheme implemented by the National Agency for Research and Development.

- 2.81. The State aid scheme implemented by the National Agency for Research and Development consists of financing from the State budget innovation and technology transfer projects that correspond to the strategic priorities set out in the National Programme for Research and Innovation for 2020-2023, approved by the Government (authorised by the [Decision of the Plenum of the Competition Council No. ASO - 15 as of 13.05.2021](#)). In 2022, the total amount of aid granted under the given State aid scheme was MDL 5 202 thousand.
- 2.82. Around 76% of the amount of aid granted for research, development and innovation benefited: S.R.L. "Gora Technology Group", USMF "N.Testemițianu", S.R.L. "Euroalun" and the Moldova State University.

Sectoral objectives

- 2.83. In 2022, the amount of sectoral State aid was MDL 286 688 thousand, which is about 27% of the reported State aid amount.
- 2.84. Sectoral State aid has also been directed to other sectors, as shown in Figure 5.

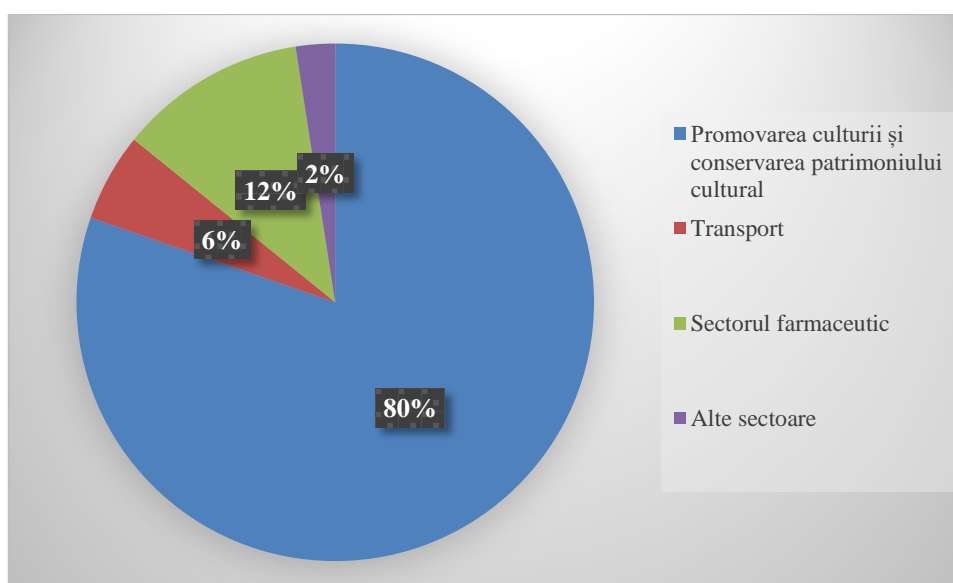


Figure 5. Structure of sectoral State aid

- 2.85. Figure 5 shows that a significant share of State aid was targeted at the culture and heritage preservation sector, accounting for around 80% of the total amount. Around 99% of the support measures offered for the promotion of culture and the preservation of cultural heritage were implemented by the Ministry of Culture.
- 2.86. During the reporting period, the following support measures continued to be implemented by the Ministry of Culture:
- a) State aid scheme “Granting of subsidies to public theatre and concert institutions”, authorised by the [Decision of the Plenum of the Competition Council No. ASS-100 as of 19.12.2019](#).
 - b) State aid scheme “Support for cinema projects”, authorised by the [Decision of the Plenum of the Competition Council No. ASS-01 as of 18.01.2019](#).
 - c) State aid scheme “Financing of periodical publications for children and adolescents”, aligned and authorised by [Decision of the Plenum of the Competition Council No. ASR-31 as of 25.06.2021](#).
- 2.87. In 2022, the granting of State aid to the Întreprinderii de Stat - Publicația Periodică - ziarului "Вести Гагаузии" by the General Directorate of Finance of Autonomous Territorial Unit of Gagauzia of the Executive Board of Gagauzia by Cityt Hall of Comrat Municipality (authorised by the [Decision of the Plenum of the Competition Council No. ASO-96 as of 19.12.2019](#)) continued.
- 2.88. As regards the support measures offered to the pharmaceutical sector, these are existing State aid measures to be aligned in the context of the commitments undertaken under the Association Agreement.
- 2.89. It should be noted that around 20% of the number of enterprises received around 63% of the amount of sectoral State aid. The most significant beneficiaries of these support measures are: I.P. ”Teatrul National Opera și Balet Maria Bieșu”, Î.S. OCI ”Moldova-Concert”, I.P. ”Filarmonica Nationala Serghei Lunchevici” and IP “Teatrul Național Mihai Eminescu”.
- 2.90. About 80% of the amount of sectoral State aid was reported as grants and/or subsidies.

State aid for regional development

- 2.91. According to the Regional Aid Map of the Republic of Moldova, all development regions in the country are eligible for State aid under the objective under review, with a maximum allowable intensity of 50%. In line with EU practice in this area, this is determined by the economic development of the region, population density, the level of unemployment in the regions concerned and other indicators. According to EU rules, the entire territory of the Republic of Moldova meets the criteria for a less-favoured region.
- 2.92. In 2022, the share of State aid for regional development was 64% of the total volume, which was an increase compared to previous years.
- 2.93. The most significant regional development-oriented support measure was the State aid scheme “Moldova IT Park”, managed by the State Tax Service (authorised by the [Decision of the Plenum of the Competition Council No. ASS-17 as of 29.03.2018](#)). In 2022, the amount of State aid granted under the “Moldova IT Park” scheme amounted to MDL 550 403 thousand, which is about 82% of the reported amount of State aid for regional development.
- 2.94. Another support measure granted for regional development is the State aid scheme targeted at agricultural producers, aimed at stimulating investments for the development of post-harvesting and processing infrastructure, which is part of measure no. 2 on making investments in the processing and marketing of agricultural products, according to Attachment No. 1 to Government Decision No. 455/2017 on the allocation of funds from the National Fund for the Development of Agriculture and the Rural Environment, implemented by AIPA (authorised by the [Decision of the Plenum of the Competition Council No. ASS-73 as of 01.10.2018](#)). This support measure accounted for about 12% of the amount of regional development aid reported for 2022, i.e. MDL 82 854 thousand.
- 2.95. In 2022, the implementation of other support measures authorised by the Competition Council continued:

- a) State aid scheme offered under the terms of the normative acts related to the Conditional Assistance Programme financed from the credit account of the Government of the Republic of Poland granted to the Government of the Republic of Moldova for the implementation of projects in the field of agriculture, food processing and related infrastructure, in the form of loans on preferential terms (authorised by the [Decision of the Plenum of the Competition Council No. ASO-4 as of 02.02.2017](#)).
 - b) State aid granted for the creation/development of industrial parks IP “Edineț” and IP “Comrat” (authorised by the [Decisions of the Plenum of the Competition Council No. ASO-20 as of 16.06.2014](#) and [No. ASER-36 as of 16.10.2014](#)).
 - c) State aid scheme for regional development, targeted at the Autonomous Territorial Unit of Gagauzia development region, established based on the provisions of the Law No. 73/2016 of the Autonomous Territorial Unit of Gagauzia on Investments (authorised by the [Decision of the Plenum of the Competition Council No. ASO-25 as of 25.04.2019](#)).
- 2.96. In 2022, the Plenum of the Competition Council discussed State aid for regional development granted to S.R.L. “SE Bordnetze” by the Mayoralty of Orhei Municipality and Î.M. “Servicii Comunal-Locative Orhei”. Thus, by the [Decision No. ASER-33/21-25 as of 25.05.2022](#) the Plenum of the Competition Council found illegal aid granted to the S.R.L. “SE Bordnetze” by the Mayoralty of Orhei Municipality and Î.M. “Servicii Comunal-Locative Orhei”.
- 2.97. Around 82% of the amount of State aid for regional development went to 20% of beneficiaries. The most significant beneficiaries of regional development support measures were: I.C.S. “Endava” S.R.L., S.R.L. “Kivork” and S.R.L. “Amdaris”. The enterprises I.C.S. “Endava” S.R.L., S.R.L. “Kivork” and S.R.L. “Amdaris” benefited from the support measure under the State aid scheme “Moldova IT Park”.

2.98. During the reporting period, the largest share of regional development aid was reported in the form of tax exemptions (being over 87% of total regional development State aid).

2.99. *In 2022, the most significant share of State aid was targeted at regional development. According to international State aid experience, horizontal and regional development State aid generally has a less harmful impact on the competitive environment and is therefore more acceptable than sectoral State aid. Based on international practice and the structure of State aid for 2022, it is appropriate for the State to direct future support measures predominantly towards horizontal and regional development objectives.*

2.6. State aid providers

2.100. *State aid provider*, according to the Law on State Aid, is any authority of the central government or of an administrative-territorial unit or any legal person which directly or indirectly administers the resources of the State or of administrative-territorial units. The resources of the State or of administrative-territorial units are the totality of the assets, including in the form of financial means belonging to the State, to administrative-territorial units, to the Autonomous Territorial Unit of Gagauzia.

2.101. For 2022, **35 support measures** provided under the general framework were reported, including CPAs reported on 30 support measures and LPAs - 5 support measures. According to the amount of reported State aid, about 99.8 % of the total amount was provided by CPAs, which is due to the higher number of support measures provided and the amount per support measure reported.

2.102. Table 8 shows the amount of reported State aid per State aid providers.

Table 8. *Reported State aid per providers in the period 2020-2022*

No.	Provider	2020		2021		2022	
		MDL thousand	%	MDL thousand	%	MDL thousand	%
1.	State Tax Service	268 969	34.03	386 899	38.81	570 757	54.10
2.	Ministry of Culture	194 660	24.85	205 700	20.63	230 160	21.81
3.	Customs Service	89 610	11.44	251 215	25.20	95 706	9.07
4.	AIPA	157 189	20.06	90 515	9.08	82 854	7.85
5.	LPAs	5 753	0.73	5 775	0.58	1 545	0.15

No.	Provider	2020		2021		2022	
		MDL thousand	%	MDL thousand	%	MDL thousand	%
6.	Other providers	67 219	8.58	56 846	5.70	74 055	7.02
TOTAL		783 400	100	996 949	100	1 055 077	100

2.103. As shown in Table 8, it can be seen that in 2022 the largest providers of State aid were the State Tax Service, the Ministry of Culture and the Customs Service, which cumulatively implemented about 85% of the total reported aid amount.

2.104. The amount of State aid granted by the State Tax Service increased by about 48% in 2022 compared to 2021 and by about 2 times compared to 2020. The State aid scheme that had the significant share of the amount of State aid granted by the nominated provider (about 96%) is “Moldova IT Park”.

2.105. The Ministry of Culture continued the implementation of 3 State aid schemes aimed at supporting theatre and concert institutions; supporting cinema projects and financing periodical publications.

2.106. The amount of reported State aid by the Customs Service in 2022 decreased significantly compared to 2021 (about 62%). This dynamic in the amount of support measures was largely due to the significant decrease in the amount of State aid granted through the State aid scheme “Excise duty exemptions for hybrid motor vehicles”.

2.107. Data on the amount and forms of reported State aid from State aid providers can be found in Attachment 4.

2.108. In 2022, out of the total number of measures reported by CPAs - 28 measures were State aid schemes, being 93% of the total number of support measures reported by CPAs. In turn, LPA provided one support measure as individual aid and implemented one State aid scheme.

2.109. *In conclusion, the most important providers of State aid are still the CPAs, which is also due to the amount of State resources administered by them in relation to the LPAs.*

CHAPTER III. Support Measures with Insignificant Anti-Competitive Impact

3.1. De minimis aid

- 3.1. De minimis aid is aid with a value equivalent below the threshold of MDL 2 million granted to the same beneficiary over a maximum period of 3 years, regardless of its form and objective, provided that it is not linked to export activities. Aid intended to cover the costs of participation in trade fairs or of studies or consultancy services needed for the launch of a new or existing product on a new market does not normally constitute aid to export-related activities.
- 3.2. De minimis aid must be granted in compliance with the Law on State Aid and the Regulation on de minimis aid (Decision of the Plenum of the Competition Council No. 01/2020). The above-mentioned Regulation lays down the procedure for calculating the three-year period laid down in the Law on State Aid, the procedure for granting de minimis aid, the procedure for qualifying de minimis aid, cumulation and the records of de minimis aid granted.
- 3.3. In order to provide as comprehensive a picture as possible of the de minimis aid reported, Table 9 shows separately the total amount of de minimis aid reported and the amount of de minimis aid, excluding support measures provided for the provision of SGEIs.

Table 9. Amount of de minimis aid reported, in the period 2020-2022

Nr.	Indicator	2020	2021	2022
1.	Amount of de minimis aid (excluding aid for SGEIs) expressed in:			
1.1	MDL thousand	124 874	132 802	131 090
1.2	EUR thousand	6 326	6 345	6 587
2.	Amount of de minimis aid (including aid for SGEIs) expressed in:			
2.1	MDL thousand	145 927	148 681	152 342
2.2	EUR thousand	7 392	7 104	7 655

* calculated based on the average annual exchange rate of the MDL against the EUR, source NBM (2020= 19.74; 2021=20.93, 2022= 19.90)

- 3.4. Data reported for the period 2020-2021 have been updated and corrected according to the information submitted by the providers. The amount of de minimis aid provided for SGEIs will be further examined in Section 3.2. of the given Chapter.

- 3.5. *Amount of de minimis aid* (excluding aid for SGEIs) decreased insignificantly in 2022 compared to 2021, i.e. by 1.29%. However, compared to 2020, the amount of de minimis aid increased by about 5%.
- 3.6. *Expressed in EUR*, the amount of de minimis aid increased by around 4% in 2022 compared to 2020-2021. This trend was determined by the fluctuation of the exchange rate.
- 3.7. During the reporting period, around **3 792 natural and legal persons** engaged in economic activity have benefited from de minimis aid (excluding aid for SGEIs).
- 3.8. Around 7% of the total amount of de minimis aid reported for 2022 was granted from *external funds*. The amount of de minimis aid provided from external funds decreased significantly in 2022 compared to 2021, i.e. by 73.45%. The negative development of the value of the support measure was largely due to the fact that under the de minimis aid schemes, implemented by the ODA, resources were offered *only* from State sources, but not from external funds compared to previous years.
- 3.9. The most significant externally funded de minimis aid schemes were reported by the External Assistance Programme Management Office. The support measures consisted of offering loans at preferential interest rates under the “Youth Credit Facility” Programme.
- 3.10. For 2022, providers reported **75 de minimis aid measures**, excluding aid granted for the provision of SGEIs. Most de minimis aid was reported by LPAs and *business incubators*, constituting around 65% of the total number of measures reported, the remaining support measures were provided by CPAs. According to the amount of de minimis aid reported for 2022, about 94% of the total amount was provided by CPAs.
- 3.11. In 2022, providers continued to provide de minimis aid predominantly through *de minimis aid schemes* (53%).

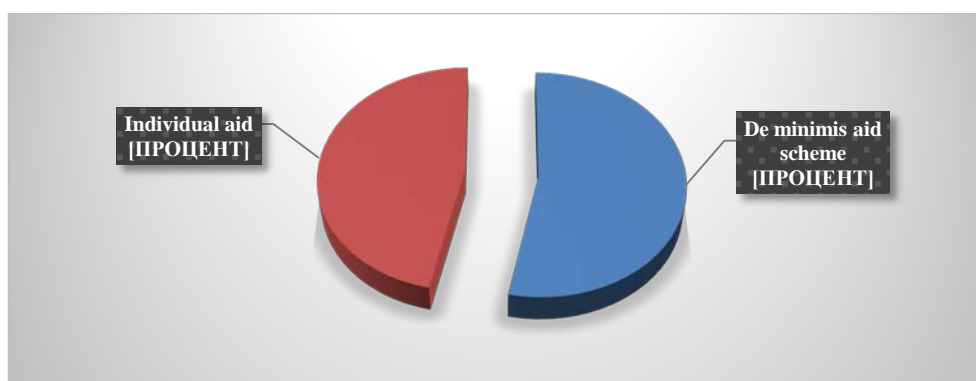


Figure 6. Structure of de minimis aid (excluding aid for SGEIs), reported for 2022 as individual de minimis aid/de minimis aid schemes

3.12. A comparative analysis of de minimis aid (excluding aid for SGEIs), reported for the period 2020-2022, according to the *mode of granting* is presented in the Table below. Information on aid provided for the provision of SGEIs will be analysed in Section 3.2. of this Chapter.

Table 10. Amount and structure of de minimis aid (excluding aid for SGEIs), reported according to the modalities of granting in the period 2020-2022

No.	Type of de minimis aid	2020		2021		2022	
		MDL thousand	%	MDL thousand	%	MDL thousand	%
1.	Individual de minimis aid	3 816	3.06	3 742	2.82	7 056	5.38
2.	De minimis aid scheme	121 058	96.94	129 060	97.18	124 034	94.62
	TOTAL	124 874	100	132 802	100	131 090	100

3.13. From the data presented in Table 10, it can be seen that the amount of de minimis aid implemented through the schemes decreased insignificantly in 2022 compared to 2021, by 3.89%. This development in the value of de minimis aid schemes was determined by the reduction in the amount of support measures implemented by the ODA through the Digital Transformation Programme for SMEs and the "Femei în afaceri" Programme. However, the amount of de minimis aid schemes implemented in 2022 increased by 2.46% compared to 2020.

3.14. The de minimis aid scheme, which accounted for the highest amount of the de minimis aid reported for 2022, around 32%, was "PARE 1+2" Programme for Attracting Remittances into the Economy, implemented by the ODA. The "PARE 1+2" Programme for Attracting Remittances into the Economy was

developed following the assessment of the “PARE 1+1” Programme for Attracting Remittances into the Economy. The The “PARE 1+2” Programme for Attracting Remittances into the Economy is intended for migrant workers and their first-degree relatives who intend to invest their remittances in starting or developing a business. As a result of the implementation of the nominated programme, the following result indicators are planned to be achieved: about 100 new businesses created by migrants or their first-degree relatives; the volume of remittances invested in the national economy increased by MDL 45 million; the volume of investments in the national economy increased by about MDL 320 million; at least 600 jobs maintained, etc.⁸.

3.15. The amount of *reported de minimis aid* by *form of granting* is shown in Table 11.

Table 11. Amount and structure of *de minimis aid* (excluding aid for SGEIs) reported over the period 2020-2022 by form of granting

No.	Form of granting	2020		2021		2022	
		MDL thousand	%	MDL thousand	%	MDL thousand	%
1.	Subsidies and/or grants	106 079	84.95	112 617	84.80	110 149	84.03
2.	Budgetary allocations	0	0.00	927	0.70	2 023	1.54
3.	Exemptions and/or reductions in the payment of taxes and other compulsory payments	5 650	4.52	7 337	5.53	3 025	2.31
4.	Granting loans on preferential terms	4 247	3.40	7 715	5.81	8 153	6.22
5.	State guarantees, guarantees granted by public authorities/institutions and persons assimilated to public authorities, state/municipal enterprises and by enterprises with wholly or majority public capital	480	0.38	1 073	0.81	3 940	3.01
6.	Provider investments, if the rate of return on these investments is lower than the normal rate of return expected by a prudent private investor	186	0.15	0	0	798	0.61
7.	Price reductions on goods and services provided, including sale of movable	8 233	6.59	3 134	2.36	3 002	2.29

⁸ Government Decision No. 622/2022 on approving the Programme for attracting remittances to the economy “PARE 1+2”

No.	Form of granting	2020		2021		2022	
		MDL thousand	%	MDL thousand	%	MDL thousand	%
	and immovable property below market price						
	TOTAL	124 874	100	132 802	100	131 090	100

- 3.16. The largest share of de minimis aid reported for 2022 onwards was provided in the form of *grants and/or subsidies*, being around 84% of the total amount reported.
- 3.17. De minimis aid provided in the form of grants and/or subsidies decreased by 2.19% in 2022 compared to the previous year. This trend in de minimis aid was mainly determined by the reduction in the amount of support measures implemented by the ODA, through the Digital Transformation Programme for SMEs and the "Femei în afaceri" Programme. However, aid in the form of grants was around 4% higher than in 2020.
- 3.18. Around 89% of the reported de minimis aid in the form of grants and/or subsidies was provided by the ODA, through de minimis aid schemes mainly targeted at supporting SMEs.
- 3.19. In 2022, there was a positive trend in de minimis aid granted in the form of *budgetary allocations* in the Republic of Moldova. Thus, the amount of aid increased by about 2 times in 2022 compared to 2021, which was determined by the reporting of new support measures. The largest share of the amount of aid granted in the above-mentioned form (about 55%) was provided by the Ministry of Culture through the de minimis aid scheme "Support for other cultural genres in the field of cinema".
- 3.20. As regards the de minimis aid reported in the form of *exemptions and/or reductions in taxes, duties and other compulsory payments*, this has decreased compared to previous years. Thus, in 2022 the amount of de minimis aid granted in nominal form decreased by 58.77% compared to 2021. The dynamics of the aid amount was largely generated by the revision of some support measures reported by the providers under the Law on State Aid.

- 3.21. The most significant support measure in the form of exemptions and/or reductions in taxes, duties and other compulsory payments was implemented by the State Agency for Intellectual Property through the de minimis aid scheme “Reductions granted to small and medium-sized enterprises for the protection of inventions, plant varieties, trademarks, designations of origin of products, industrial drawings and models” (constituting about 75%).
- 3.22. The total amount of de minimis aid granted in the form of *loans on preferential terms* increased insignificantly in 2022 compared to 2021, i.e. by 5.67%. All support measures were granted by the External Assistance Programme Management Office to implement the Programme “Facilități de Creditare a Tinerilor”.
- 3.23. In 2022, the amount of de minimis aid granted in the form of *State guarantees* increased significantly compared to the previous year, i.e. by around 3 times. This trend has been determined by the increase in the number of enterprises applying for financial guarantees issued through the Loan Guarantee Fund, implemented by the ODA. It should be noted that a new guarantee product dedicated to eligible renewable energy producers was introduced during the reporting period and specific guarantee conditions for financial guarantees were amended.
- 3.24. During the reporting period, aid was provided in the form of *provider investments* (if the rate of return on these investments is lower than the normal rate of return expected by a prudent private investor), amounting to MDL 798 thousand. The support measure was targeted at the sectoral objective, namely sport.
- 3.25. As regards the amount of de minimis aid granted in the form of *reductions on goods and services* (including the sale of goods and services below market price), it decreased insignificantly in 2022 compared to 2021 (by 4.20%).
- 3.26. Around 65% of the value of de minimis aid in the form of reductions on goods and services (including the sale of goods and services below market price) was granted by business incubators in the Republic of Moldova.

3.27. In 2022, de minimis aid was reported for support for SMEs, environmental protection, employee training and job creation, regional development, sectoral objectives and for the promotion of culture and the preservation of cultural heritage.

3.28. The amount of de minimis aid reported per objective is summarised in Table 12.

Table 12. Amount and structure of de minimis aid reported by objectives in the period 2020-2022

No.	Objective	2020		2021		2022	
		MDL thousand	%	MDL thousand	%	MDL thousand	%
1.	Horizontal objectives	112 788	90.32	121 686	91.63	117 519	89.65
1.1.	<i>Supporting SMEs</i>	110 163	88.22	113 546	85.50	104 550	79.75
1.2.	<i>For environmental protection</i>	2 178	1.74	7 713	5.81	11 007	8.40
1.3.	<i>For employee training and job creation</i>	447	0.36	426	0.32	1 963	1.50
2.	Aid for regional development	936	0.75	950	0.72	1 495	1.14
3.	Sectoral objectives	11 150	8.93	10 167	7.66	12 076	9.21
3.1.	<i>Promotion of culture and the preservation of cultural heritage</i>	2 582	2.07	5 706	4.30	7 247	5.53
	TOTAL (excluding aid for SGEIs)	124 874	100	132 802	100	131 090	100

3.29. In 2022, the basic share of de minimis aid was directed to **horizontal objectives**, being around 90% of the total amount. However, the amount of aid decreased insignificantly compared to 2021, by around 3%. This dynamic has been determined by the reduction in the amount of aid targeted to support SMEs.

3.30. As in previous years, in 2022 the largest share of the de minimis aid granted for horizontal objectives was targeted **at supporting SMEs** (around 80%).

3.31. In 2022, the amount of de minimis aid granted for supporting SMEs decreased by 7.92% compared to 2021 and by 5.10% compared to 2020. This negative trend in de minimis aid was mainly due to the decrease in the amount of de minimis aid schemes the “Digital Transformation Programme for SMEs” and the “Women in Business” Programme, implemented by the ODA. De minimis aid for supporting SMEs, constituting about 86%, was mainly granted by

ODA. The most significant support measures implemented for supporting SMEs were the “PARE 1+2” Programme for Attracting Remittances into the Economy”, “Start for Youth: A Sustainable Business at Home” Programme and the “Women in Business” Programme”.

- 3.32. The de minimis aid provided *for environmental protection* was around 8% of the de minimis aid amount reported for 2022. The amount of de minimis aid provided for environmental protection increased by around 43% in 2022 compared to 2021. The positive dynamics of the aid can be explained by the significant increase in the amount of the de minimis aid scheme - Small and Medium Enterprises Greening Programme, administered by the ODA, due to the increase in the number of beneficiaries of the given support measure (about 4 times).
- 3.33. In 2022, the amount of de minimis aid granted for *employee training and job creation* is around five times higher than in 2020-2021. This development was largely generated by the reporting of new support measures implemented by the Ministry of Labour and Social Protection.
- 3.34. The amount of de minimis aid for *regional development* increased significantly in 2022 compared to 2021 (by 57.47%). This dynamic was generated by the implementation of new support measures during the reporting period. Around 46% of the value of de minimis aid for regional development was targeted at residents of business incubators.
- 3.35. As for the amount of de minimis aid for *sectoral objectives*, it increased by 18.78% in 2022 compared to 2021. This increase was generated by the increase in the amount of de minimis aid targeted at the promotion of culture and the preservation of cultural heritage.
- 3.36. Amount of de minimis aid for *the promotion of culture and the preservation of cultural heritage* increased by about 27% in 2022 compared to 2021. This dynamic was due to the support measures implemented by the Ministry of Culture. These support measures accounted for around 91% of the amount of

State aid granted the promotion of culture and the preservation of cultural heritage.

- 3.37. *The amount of de minimis aid has decreased insignificantly in 2022 compared to 2021. The structure of de minimis aid, in terms of the form in which it is granted and its objective, has not essentially changed, as it complies with international recommendations in the field of State aid.*

3.2. Support Measures Granted for the Provision of Services of General Economic Interest

- 3.38. *SGEIs* - an economic activity that is of particular importance to citizens and if it were not for State intervention services could not be provided to consumers. These could be: drinking water supply, sewage disposal, household waste collection, etc.
- 3.39. The public service obligation is imposed on the provider by the award of a task and based on a general interest criterion designed to ensure that the service is provided under conditions which enable it to fulfil its mission. The obligations incumbent on enterprises entrusted with the provision of services of general economic interest generally relate to aspects such as: continuity in terms of quantity and quality, adaptability to consumer requirements, equal and non-discriminatory access to the public service, transparency of decision-making and protection of users, ensuring health and quality of life, etc. The imposition of these conditions by the public authorities may be accompanied by measures to support the activity of the enterprises concerned. The main condition for granting the support measure must take into account the full or partial compensation of the difference between the costs resulting from the provision of this service and the relevant revenues of the company, taking into account a reasonable profit in achieving these obligations.
- 3.40. The total amount of support measures reported for the provision of SGEIs is shown in Table 13.

Table 13. *Total amount of support measures reported for the provision of SGEIs in the period 2020-2022*

No.	Indicator	2020***	2021***	2022
1.	MDL thousand, <i>in current prices</i>	1 132 272	2 618 203	1 118 374
2.	EUR thousand*, <i>in current prices</i>	57 359	125 093	56 200
3.	MDL thousand**, <i>in constant prices at 2022 level</i>	1 278 968	2 934 988	1 118 374
4.	EUR thousand**, <i>in constant prices at 2022 level</i>	64 791	140 229	56 200

* calculated based on the average annual exchange rate of the MDL against the EUR, source NBM (2020=19.74, 2021= 20.93, 2022=19.90)

** calculated based on GDP deflator index, source NBS (https://statistica.gov.md/ro/statistic_indicator_details/12)

*** the data are updated according to the information submitted by the State aid providers

3.41. Data reported for the period 2020-2021 have been updated with information submitted by the providers and derived from support measures authorised by the Competition Council.

3.42. The amount of support measures shown in Table 13 includes the amount of State aid, aid implemented before the entry into force of the Law on State Aid, de minimis aid and support measures under examination by the Competition Council, reported by providers as aid for the provision of SGEIs. In 2022, the value of support measures provided for the provision of SGEIs (in current prices) decreased by 57.28% compared to 2021 and by 1.23% compared to 2020.

3.43. In constant prices, the value of support measures offered for the provision of SGEIs decreased by 61.90% in 2022 compared to 2021 and by 12.56% compared to 2020.

3.44. Table 14 shows the dynamics of the amount of State aid authorised, aid implemented until the Law on State Aid came into force and de minimis aid granted for the provision of SGEIs.

Table 14. *Reported amount of State and de minimis aid for the provision of SGEIs in the period 2020-2022*

No.	Indicator	2020	2021	2022
1.	MDL thousand, <i>in current prices</i>	1 114 733	1 219 139	971 787
2.	EUR thousand*, <i>in current prices</i>	56 471	58 248	48 834
3	MDL thousand**, <i>in constant</i>	1 259 157	1 366 646	971 787

No.	Indicator	2020	2021	2022
	<i>prices at 2022 level</i>			
4	EUR thousand**, <i>in constant prices at 2022 level</i>	63 787	65 296	48 834

* calculated based on the average annual exchange rate of the MDL against the EUR, source NBM (2020=19.74, 2021= 20.93, 2022=19.90)

** calculated based on GDP deflator index, source NBS (https://statistica.gov.md/ro/statistic_indicator_details/12)

3.45. According to Table 14, a decrease in the amount of authorised State aid, existing aid and de minimis aid reported in 2022 compared to previous years is observed, i.e. by 20.29% compared to 2021 and by 12.82% compared to 2020.

3.46. As for the **amount of State aid authorised** by the Competition Council reported for 2022, it amounted to MDL 814 941 thousand. The difference constitutes existing individual aid and de minimis aid.

3.47. The following is a summary of the **support measures authorised** in 2022 by the Competition Council for the provision of SGEIs:

➤ **Notification received from the Primăria satului Bolohan, raionul Orhei**

The State aid granted to the Î.M. “Servicii Comunale Bolohan” is necessary for the normal and continuous operation of the public water supply and sewerage service. The support measure consisted in the transfer of material assets to economic management free of charge. The estimated amount of State aid for 2018 - 2023 is MDL 2 944.5 thousand ([Decision of the Plenum of the Competition Council No. ASO-12 as of 16.02.2022](#)).

➤ **Notification received from the Ministerul Finanțelor**

The State aid granted to S.A. “Termoelectrica” is necessary for the provision of services of production, distribution, supply of thermal energy and production of electricity. The support measure consisted in granting a loan at preferential interest rates to S.A. “Termoelectrica”. The updated estimated amount of the State aid for the period 2021-2031 is MDL 397 082.57 thousand. ([Decision of the Plenum of the Competition Council No. ASR-13 as of 11.03.2022](#)).

➤ **Notification received from the Primăria comunei Grigorăuca, raionul Sîngerei**

The State aid granted to the Î.M. “Grigorăuca-Licurici” is necessary for the provision of the public drinking water supply service. The support measure consisted in the transfer of material assets to the economic management free of charge. The updated estimated amount of State aid for the period 2017-2027 is MDL 1 260.35 thousand ([Decision of the Plenum of the Competition Council No. OTN-14 as of 11.03.2022](#)).

➤ ***Notification received from the Primăria satului Alexandru Ioan Cuza, raionul Cahul***

The State aid is granted to S.A. “Apă-Canal” Cahul to operate under normal conditions of continuity of the centralized public water supply service. The support measure consisted in the transfer of material assets to economic management free of charge. The updated estimated amount of State aid for the period 2021-2030 is MDL 4 495.80 thousand. ([Decision of the Plenum of the Competition Council No. OTS-15 as of 11.03.2022](#)).

➤ ***Notification received from the Primăria municipiului Strășeni***

The State aid granted to Î.M. “Apă Canal Straseni” is necessary to operate the public water supply and sewerage service under normal conditions of continuity. The updated estimated amount of the State aid for the period 2020 - 2025 is MDL 2 974.16 thousand ([Decision of the Plenum of the Competition Council No. ASR – 16 as of 25.03.2022](#)).

➤ ***Notification received from the Primăria municipiului Comrat***

State aid is granted to the Î.M. “Su-Canal” for the purpose of providing the public water supply and sewerage service in accordance with the beneficiary’s objectives and operating the necessary infrastructure. The support measure consists of the granting of grants/subsidies as well as the transfer of material goods to the balance sheet of the I.M. “Su-Canal”. The amount of State aid granted for the period 2014-2022 was MDL 7 503.76 thousand ([Decision of the Plenum of the Competition Council No. OTG-23 as of 26.04.2022](#)).

➤ ***Notification received from the Primăria satului Țarigrad, raionul Drochia*** State aid is granted to the Î.M. “Gospodaria Comunala s. Tarigrad” for the provision of the public drinking water supply service in accordance with the beneficiary’s objectives and the operation of the necessary systems and infrastructure. The support measure consisted in the transfer of the physical assets to economic management free of charge. The updated estimated amount of the State aid for the period 2021-2025 is MDL 2 384.09 thousand ([Decision of the Plenum of the Competition Council No. OTN-24 as of 26.04.2022](#)).

➤ ***Notification received from the Primăria comunei Cuhureștii de Sus, raionul Florești***

The State aid granted to S.A. “Servicii Comunale Florești” is necessary to operate, under normal conditions of continuity, the centralised public water supply service. The support measure consists in the transfer of the drinking water supply system to economic management free of charge. The updated estimated amount of the State aid for the period 2022-2030 is MDL 6 544.37 thousand ([Decision of the Plenum of the Competition Council No. ASR-29 as of 31.05.2022](#)).

➤ ***Notification received from the Primăria comunei Albota de Jos, raionul Taraclia***

The State aid granted to Î.M. “Apa Albota” is necessary for the normal operation of the public water supply service. The support measure consisted in the transfer of the material assets to economic management free of charge. The updated estimated amount of the State aid for the period 2022 - 2031 is MDL 3 902.14 thousand ([Decision of the Plenum of the Competition Council No. OTS-30 as of 31.05.2022](#)).

➤ ***Notification received from the Primăria satului Crihana Veche, raionul Cahu***

The State aid granted to S.A. “Apă-Canal” Cahul is necessary to operate under normal conditions of continuity of the centralized public water supply

service. The support measure consisted of the transfer of material assets to economic management free of charge. The updated estimated amount of the State aid for the period 2018-2035 is MDL 8 266.47 thousand ([Decision of the Plenum of the Competition Council No. OTS-31 as of 31.05.2022](#)).

➤ ***Notification received from the Primăria satului Tătărești, raionul Cahul***

The State aid granted to S.A. “Apă-Canal” Cahul is necessary to operate under normal conditions of continuity of the centralized public water supply service. The support measure consisted of the transfer of material assets to economic management free of charge. The updated estimated amount of the State aid for the period 2021-2040 is MDL 474.73 thousand ([Decision of the Plenum of the Competition Council No. OTS-32 as of 31.05.2022](#)).

➤ ***Notification received from the Primăria comunei Manta, raionul Cahul***

The State aid granted to S.A. “Apă-Canal” Cahul is necessary to operate under normal conditions of continuity of the centralized public water supply service. The support measure consisted of the transfer of material assets to economic management free of charge. The updated estimated amount of the State aid for the period 2018-2035 is MDL 3 182.10 thousand ([Decision of the Plenum of the Competition Council No. OTS-33 as of 31.05.2022](#)).

➤ ***Notification received from the Primăria comunei Lebedenco, raionul Cahul***

The State aid granted to S.A. “Apă-Canal” Cahul is necessary to operate under normal conditions of continuity of the centralized public water supply service. The support measure consisted of the transfer of material assets to economic management free of charge. The updated estimated amount of State aid is to be calculated from the moment of the network’s transmission to the economic operator ([Decision of the Plenum of the Competition Council No. OTS-34 as of 31.05.2022](#)).

➤ ***Notification received from the Primăria satului Novosiolovca, raionul Taraclia***

The State aid granted to Î.M. “Serv-Novosiolovca” is necessary to operate under normal conditions of continuity of the centralized public water supply service. The support measure consisted of the transfer of material assets to economic management free of charge. The updated estimated amount of State aid for the period 2022 – 2031 is MDL 1 737.64 thousand ([Decision of the Plenum of the Competition Council No. OTS-35 as of 31.05.2022](#)).

➤ ***Notification received from the Primăria satului Doroțcaia, raionul Dubăsari***

The State aid granted to Î.M. “Servcomdor” is necessary for the provision of the public water supply service. The support measure consisted in the transfer of the physical assets to economic management free of charge. The updated estimated amount of State aid for the period 2022-2032 is MDL 586.47 thousand ([Decision of the Plenum of the Competition Council No. ASR-36 as of 09.06.2022](#)).

➤ ***Notification received from the Primăria comunei Hrușova, raionul Criuleni***

The State aid granted to I.M. “Apă-Cioplani” is necessary to operate, under normal conditions of continuity, the public water supply and sanitation services. The support measure consisted in the transfer of the physical assets to economic management free of charge. The updated estimated amount of State aid for the period 2021-2031 is MDL 2 355.49 thousand ([Decision of the Plenum of the Competition Council No. ASR-38 as of 15.06.2022](#)).

➤ ***Notification received from the Primăria satului Roșu, raionul Cahul***

The State aid granted to S.A. “Apă-Canal” Cahul is necessary for the provision of public drinking water supply and sewerage services. The support measure consisted in the transfer of the physical assets to economic management free of charge. The updated estimated amount of the State aid for the period 2021-2038 is MDL 25 459.26 thousand ([Decision of the Plenum of the Competition Council No. OTS – 44 as of 24.06.2022](#)).

➤ ***Notification received from the Primăria satului Bursuc, raionul Nisporeni*** The State aid granted to Î.M. “Bursuc Servicii” is necessary for the normal operation of the public water supply service. The support measure consisted in the transfer of the material assets to economic management free of charge. The updated estimated amount of State aid for the period 2021-2031 is MDL 2 848. 50 thousand ([Decision of the Plenum of the Competition Council No. ASS-47 as of 30.06.2022](#)).

➤ ***Notification received from the Primăria satului Tomai, raionul Ceadâr - Lunga***

The State aid granted to Î.M. “Tomai-Servis” is granted in order to operate the public water supply and sewerage service under normal conditions of continuity. The support measure consisted in the transfer of the physical assets to economic management free of charge. The updated amount of State aid for the period 2022-2032 is MDL 3 813.16 thousand ([Decision of the Plenum of the Competition Council No. OTG – 48 as of 01.07.2022](#)).

➤ ***Notification received from the Primăria comunei Cuhureștii de Jos, raionul Florești***

The State aid granted to S.A. “Servicii Comunale Florești” is necessary to operate, under normal conditions of continuity, the centralised public water supply service. The support measure consists in the transfer of the drinking water supply system in Cuhurestii de Jos Commune to economic management free of charge. The updated estimated amount of State aid for the period 2022-2030 is MDL 3 736.27 thousand ([Decision of the Plenum of the Competition Council No. ASR-51 as of 25.07.2022](#)).

➤ ***Notification received from the Primăria comunei Ciobanovca, raionul Anenii Noi***

The State aid granted to Î.M “Cetroserv-com” is necessary for the operation, under normal conditions of continuity, of the public sewerage service. The support measure consists in the transfer of the treatment plant to economic management free of charge. The updated amount of the aid

given in economic management, for the period 2022-2031, is MDL 872.80 thousand ([Decision of the Plenum of the Competition Council No. ASS-57 as of 22.09.2022](#)).

- ***Notification received from the Primăria satului Corten, raionul Taraclia***
The State aid granted to Î.M. “Cort Com” is necessary to operate the centralised public water supply service under normal conditions of continuity. The support measure consisted in the transfer of the physical assets to economic management free of charge. The updated estimated amount of State aid for the period 2022-2030 is MDL 920.80 thousand ([Decision of the Plenum of the Competition Council No. OTS-60 as of 28.09.2022](#)).
- ***Notification received from the Primăria comunei Ciobalaccia, raionul Cantemir***
The State aid granted to Î.M. “Ciobalaccia-Servicii” is necessary in order to operate the public water supply service under normal conditions of continuity. The support measure consisted in the transfer of the physical assets to economic management free of charge. The updated estimated amount of State aid for the period 2021-2029 is MDL 2 322.29 thousand ([Decision of the Plenum of the Competition Council No. OTS-61 as of 28.09.2022](#)).
- ***Notification received from the Primăria comunei Budei, raionul Taraclia***
The State aid granted to Î.M. “Izvor Melen” is necessary to operate under normal conditions of continuity of the centralized public water supply service. The support measure consisted of the transfer of material assets to economic management free of charge. The updated estimated amount of State aid for the period 2022-2030 is MDL 61.19 thousand ([Decision of the Plenum of the Competition Council No. OTS-62 as of 28.09.2022](#)).
- ***Notification received from the Primăria comunei Albota de Sus, raionul Taraclia***

The State aid granted to Î.M. “Izvorul Albotei” is necessary for the normal operation of the public water supply service. The support measure consisted in the transfer of the material assets to economic management free of charge. The updated estimated amount of State aid for the period 2022 – 2039, is to be calculated after completion of the transfer process ([Decision of the Plenum of the Competition Council No. OTS-63 as of 28.09.2022](#)).

➤ ***Notification received from the Consiliul raional Sîngerei***

The State aid granted to Î.M. “Indmetalcongaz” is necessary for the operation, under normal conditions of continuity, of the public water supply and sewerage service. The support measure consisted in the transfer of the physical assets to economic management free of charge. The updated estimated amount of State aid for the period 2023-2027 is MDL 8 652.84 thousand ([Decision of the Plenum of the Competition Council No. OTN-68 as of 10.11.2022](#)).

➤ ***Notification received from the Primăria satului Sîrma, raionul Leova***

State aid granted to S.A. “Apă-Canal Leova” is necessary for the provision of public drinking water supply service. The support measure consisted in the transfer of the physical assets to economic management free of charge. The updated amount of State aid for the period 2021-2031 is MDL 3 264.91 thousand ([Decision of the Plenum of the Competition Council No. ASS-69 as of 10.11.2022](#)).

➤ ***Notification received from the Primăria satului Tătărești, raionul Cahul***

State aid granted to S.A. “Apă-Canal” Cahul is necessary to operate under normal conditions of continuity of the centralized public water supply service. The support measure consisted of the transfer of material assets to economic management free of charge. The updated estimated amount of State aid for the period 2022-2039 is MDL 287.69 thousand ([Decision of the Plenum of the Competition Council No. OTS-72 as of 21.12.2022](#)).

➤ ***Notification received from the Primăria satului Sadîc, raionul Cantemir***

State aid granted to Î.M. “Sadis-Servis” is necessary for the normal operation of the public water supply service. The support measure consisted in the transfer of the material assets to economic management free of charge. The updated amount of State aid for the period 2021-2030 is MDL 390.54 thousand ([*Decision of the Plenum of the Competition Council No. OTS-73 as of 21.12.2022*](#)).

➤ ***Notification received from the Primăria satului Hagimus, raionul Căușeni***

State aid granted to Î.M. “Servcom Hagimus” is necessary to operate under normal conditions of continuity of the centralized public water supply service. The support measure consisted of the transfer of material assets to economic management free of charge. The updated amount of State aid for the period 2022-2031 is MDL 690.12 thousand ([*Decision of the Plenum of the Competition Council No. OTS-74 as of 21.12.2022*](#)).

➤ ***Notification received from the Primăria satului Corbu, raionul Dondușeni***

The State aid granted to Î.M. “Corb-Vic” is necessary to operate the centralised public drinking water supply and sanitation service under normal conditions of continuity and safety. The support measure consists in the transfer of fixed assets and material goods to economic management: the water supply system of Corbu Village, Donduseni District and the multipurpose tractor equipped with machinery for the purpose of providing the service of general economic interest. The updated estimated amount of State aid for the period 2021-2031 is MDL 5 655.39 thousand ([*Decision of the Plenum of the Competition Council No. ASS-75 as of 21.12.2022*](#)).

➤ ***Notification received from the Primăria satului Slobozia, raionul Ștefan Vodă***

The State aid granted to Î.M “Servcom-Slobozia” is necessary for the normal operation of the public water supply service. The support measure consisted in the transfer of the material assets to economic management free

of charge. The updated estimated amount of State aid for the period 2022-2032 is MDL 4 616.14 thousand ([Decision of the Plenum of the Competition Council No. ASR-76 as of 29.12.2022](#)).

- 3.48. In 2022, State aid for the provision of SGEIs (authorised by the Competition Council and implemented before the Law on State Aid came into force) was granted to 77 natural and legal persons performing economic activity.
- 3.49. Of the total amount of reported State aid for the provision of SGEIs, the largest share of the reported aid was granted to Î.M. “Regia Transport Electric”, Î.M. “Parcul Urban de Autobuze” and “Î.M. “Direcția de troleibuze din Bălți” (about 73%). This also determined the structure of aid according to economic areas, with the largest share of reported support measures being directed towards public passenger transport (Figure 7).

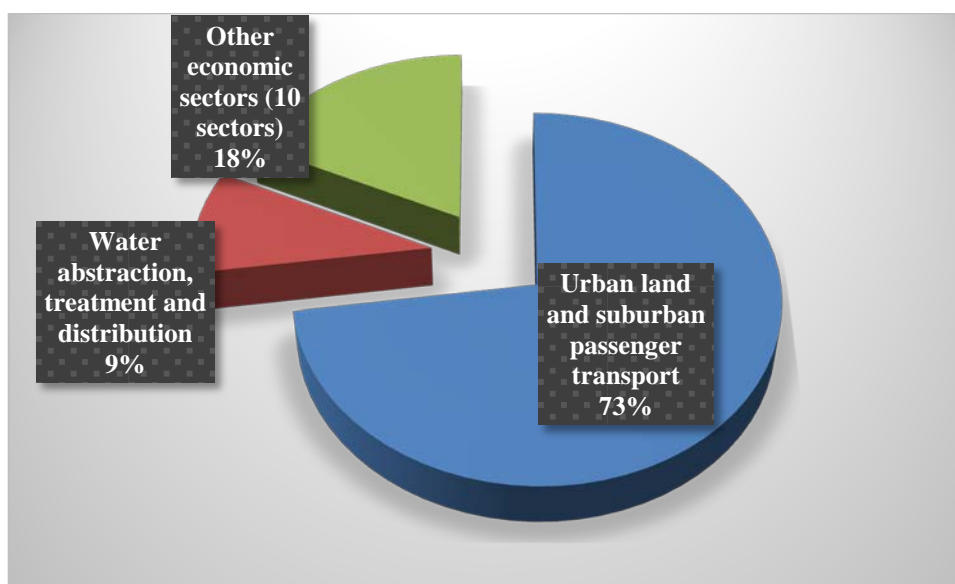


Figure 7. State aid granted according to economic areas, as per reported amount

- 3.50. As regards the amount of *de minimis aid* granted for the provision of SGEIs, it increased in 2022 compared to 2021, by around 34%. This trend in the amount of de minimis aid was mainly generated by the implementation of new support measures by LPAs.
- 3.51. During the reporting period, enterprises providing services of SGEIs benefited from support measures granted as individual aid and State aid schemes/de

minimis aid. In 2022, the largest share of these (99% of the total number) were implemented as *individual aid*.

3.52. The annual amount of support measures for the *provision of SGEIs* (authorised State aid, existing aid and de minimis aid), according to the *form in which they were granted*, is shown in the Table below.

Table 15. Amount and structure of support measures for SGEIs reported (authorised State aid, aid implemented before the entry into force of the Law on State Aid and de minimis aid), depending on the form of granting, in the period 2020- 2022

No.	Form of granting	2020		2021		2022	
		MDL thousand	%	MDL thousand	%	MDL thousand	%
1.	Grants and/or subsidies	731 432	65.61	929 077	76.21	703 118	72.35
2.	Budgetary allocations	147 104	13.20	768	0.06	26 011	2.68
3.	Exemptions and/or reductions in the payment of taxes and other compulsory payments	6 800	0.61	14 205	1.17	8 408	0.87
4.	Loans on preferential terms	98 375	8.82	98 785	8.10	98 068	10.09
5.	State guarantees. guarantees granted by public authorities/institutions and persons assimilated to public authorities. state/municipal enterprises and by enterprises with wholly or majority public capital	32 600	2.92	31 490	2.58	30 242	3.11
6.	Provider investments. if the rate of return on these investments is lower than normal. anticipated by a prudent private investor	12 653	1.14	61 935	5.08	15 555	1.60
7.	Waiver of revenue from State resources or resources of administrative-territorial units granted preferentially	4 554	0.41	7 262	0.60	13 902	1.43
8.	Price reductions on goods and services provided. including sale of movable and immovable property below market price	81 216	7.29	75 616	6.20	76 483	7.87
	TOTAL	1 114 733	100	1 219 139	100	971 787	100

3.53. In 2022, the share of support measures offered for the provision of SGEIs, in the form of *subsidies and/or grants and budgetary allocations*, cumulated around 75% of the amount reported by providers.

3.54. The amount of aid granted for the provision of SGEIs, in the form of grants and/or subsidies, decreased by 24.32% in 2022 compared to the previous year. The amount of aid provided in the nominated form decreased mainly due to the end of the implementation period of some support measures provided to the Î.M. “Parcul Urban Autobuze” in 2021.

- 3.55. Approximately 82% of the reported amount of aid in the form of grants and/or subsidies was provided to Î.M. “Parcul Urban Autobuze” and Î.M. “Regia Transport Electric” to ensure the provision of public passenger transport services in Chisinau Municipality (authorised by the [Decision of the Plenum of the Competition Council No. ASR-51 as of 15.10.2021](#) and by the [Decision of the Plenum of the Competition Council No. ASR-10 as of 07.04.2023](#)).
- 3.56. In 2022, there is a significant increase in the amount of aid granted in the form of *budgetary allocations*. Thus, the amount of aid reported in the form of budgetary allocations has increased by about 3.3 times in 2022 compared to 2021. This aid dynamic was mainly generated by the implementation of the support measure granted to the Î.S. “Radiocomunicații” for the full operation of the National Multiplex A. This support measure accounted for the largest share of the amount of aid provided in the form of budgetary allocations (authorised by the [Decision of the Plenum of the Competition Council No. ASO - 57 as of 28.11.2023](#)).
- 3.57. In 2022, the amount of aid provided in the form of *exemptions, reductions, deferrals or instalments for the payment of taxes, duties and other compulsory payments* decreased by about 41% compared to 2021, while it increased by 24% compared to 2020. The negative trend in the amount of aid recorded in 2022 compared to 2021 was due, in particular, to the reduction in the amount of aid granted in the form of VAT exemption applied to the import of buses for the Î.M. “Parcul Urban de Autobuze” in Chișinău Municipality (authorised by the [Decision of the Plenum of the Competition Council No. ASR-10 as of 07.04.2023](#)). However, the support measure still accounted for the largest share of the amount of aid provided in the form of exemptions, reductions, deferrals or instalments of taxes and other compulsory payments.
- 3.58. The amount of aid granted in the form of *loans on preferential terms* in 2022 has changed insignificantly compared to 2020-2021. It should be noted that all support measures were provided as a result of access to external funds provided by international organisations. During the reporting period, loans at

preferential interest rates continued to be granted under support measures authorised by the Competition Council, namely for: 1) improvement of the efficiency of the centralised heat supply system, the purpose of the loan being to improve the efficiency of the centralised heat supply system - beneficiary S.A. “Termoelectrica” (authorised by the [Decision of the Plenum of the Competition Council No. ASS-75 as of 24.12.2015](#)); 2) implementation of the project “Thermal energy system of Bălți Municipality (S.A. “Cet-Nord”), with the aim to improve energy efficiency, reduce operational costs and improve the provision of heat supply services in Bălți Municipality - beneficiary S.A.”Cet-Nord” (authorised by the [Decision of the Plenum of the Competition Council No. ASS-31 as of 23.04.2015](#)).

- 3.59. The amount of State and de minimis aid granted in 2022 in the form of *guarantees on preferential terms* has also decreased insignificantly compared to 2021 (4%). Support measures were granted to S.A. “Apă-Canal Chişinău” within the framework of the implementation of the priority investment programme provided for in the Feasibility Study for the water supply and wastewater treatment programme in Chisinau Municipality (authorised by the [Decision of the Plenum of the Competition Council No. ASER-02 as of 22.01.2015](#)) and I.M. “Direcția de Troleibuze din Bălți” to modernise electric public transport (authorised by the [Decision of the Plenum of the Competition Council No. ASR-45 as of 17.09.2020](#)).
- 3.60. In 2022, there was a significant decrease in the amount of aid provided in the form of *provider investment* (if the rate of return on these investments is lower than the normal rate of return expected by a prudent private investor), compared to 2021, being around 75%. This development of the aid was largely due to the reduction in the amount of aid granted by Chisinau Municipality City Hall, when increasing the statutory capital of the Î.M. “Parcul Urban de Autobuze” for the purpose of purchasing buses (authorised by the [Decision of the Plenum of the Competition Council No. ASR-18 as of 26.05.2023](#)). The

given measure of support constituted about 83% of the amount of aid provided in the form of provider investments.

- 3.61. Around 1% of the aid amount for the provision of the SGEIs was provided in the form of *waiver of revenue from State resources or resources of administrative-territorial units granted preferentially*. Support measures were granted to Î.M. “Parcul Urban de Autobuze” and Î.M. “Regia Transport Electric” by Chisinau Municipality City Hall, in order to ensure the provision of public passenger transport service (authorised by the [Decision of the Plenum of the Competition Council No. ASR-51 as of 15.10.2021](#) and by [Decision of the Plenum of the Competition Council No. ASR-10 as of 07.04.2023](#)).
- 3.62. The amount of aid granted in the form of price *reductions on goods and services provided* increased insignificantly in 2022 compared to 2021, by about 1%, but decreased by about 6% compared to 2020. This decrease was due, *inter alia*, to the completion of the implementation of some support measures. The support measures consisted of the transfer of water supply, sewerage, artesian wells and other fixed assets and property to economic management, as well as the transfer of the use of premises and areas developed, etc. The basic beneficiaries of these support measures are enterprises providing water supply and sewerage services, sanitation, postal services, public transport, etc.
- 3.63. In 2022, **369 central and local public authorities** have granted support measures for the provision of SGEIs. It is noted that, both by the number of support measures reported and by the amount of aid, the largest share was provided by LPAs. Thus, out of the total number of support measures reported about 98% were offered by LPAs. By value weight about 89% of the reported aid amount for SGEIs was provided by LPAs.
- 3.64. *Aid for the provision of services of general economic interest continues to be one of the priority areas of state support measures to correct market failures.*

3.3. State Aid Intended to Remedy Damages Caused by Natural Disasters or other Exceptional Circumstances

3.65. According to Article 4 of Law on State Aid, the aid intended to remedy damages caused by natural disasters or other exceptional circumstances is considered to be compatible with the normal competitive environment and is exempted from notification to the Competition Council.

3.66. *The amount of support measures* reported was MDL 1 048 177 thousand, which is about 31% of the amount of reported State aid for 2022 or 0.38% of GDP.

Table 16. *State aid intended to remedy damages caused by natural disasters or other exceptional circumstances reported in the period 2020-2022*

No.	Indicators	2020	2021	2022
1.	State aid amount, expressed in:			
1.1.	MDL thousand, <i>in current prices</i>	91 431	326 836	1 048 177
1.2.	EUR thousand**, <i>in current prices</i>	4 632	15 616	52 672
1.3.	MDL thousand***, <i>in constant prices at 2022 level</i>	103 277	366 381	1 048 177
1.4.	EUR thousand***, <i>in constant prices at 2022 level</i>	5 232	17 505	52 672
2.	Share in GDP, %	0.05	0.14	0.38

3.67. The amount of State aid for remedying damages caused by natural disasters or other exceptional circumstances increased significantly in 2022 compared to 2021, by about 3 times. This increase was due to the amount of support measures granted to S.A. “Energocon”.

3.68. Approximately 99% of the amount of aid reported in 2022 to remedy damages caused by natural disasters or other exceptional circumstances was granted to S.A. “Energocon” to increase energy security in the Republic of Moldova.

3.69. State aid providers reported **3 support measures** offered to remedy damages caused by natural disasters or other exceptional circumstances (Figure 8). All support measures were granted by the CPAs.

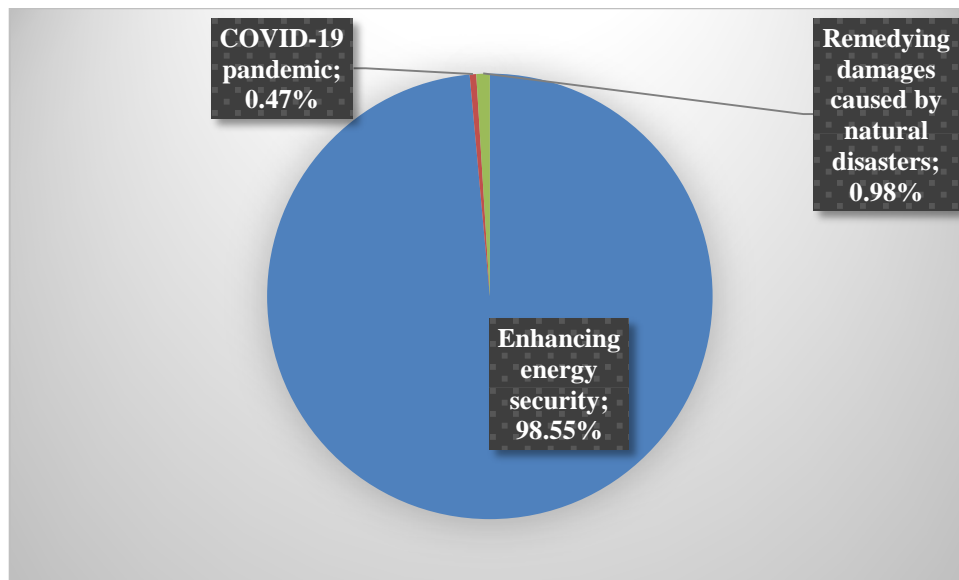


Figure 8. Structure of reported aid to remedy damages caused by natural disasters or other exceptional circumstances

- 3.70. **438 enterprises benefited** from the support measures, of which 99.5% obtained aid under the State aid scheme “COVID-19 - Emergency response and support for Micro, Small and Medium Enterprises: supporting SMEs to create and preserve viable jobs, mitigating the impact of the crisis on SMEs” implemented by the External Assistance Programme Management Office.
- 3.71. According to the State aid **implementation modality**, around 67% of the reported support measures to remedy damages caused by natural disasters or other exceptional circumstances were granted through the State aid scheme. In terms of value, the largest share of aid was granted as individual aid (around 99%).
- 3.72. According to the **form of granting** of State aid to remedy damages caused by natural disasters or other exceptional circumstances, about 99% of the total amount was reported as investments by the provider (if the rate of return on these investments is lower than the normal rate of return expected by a prudent private investor). This was determined by the amount of public resources provided to S.A. “Energocon”.
- 3.73. Similarly, aid in the form of grants and/or subsidies and loans at preferential interest rates (cumulatively around 1% of the total amount) was granted in 2022.

3.74. *State aid to remedy damages caused by natural disasters or other exceptional circumstances has been one of the instruments used by the State to support enterprises. Mostly, aid has been granted to increase energy security.*

CHAPTER IV. Monitoring of Authorised State Aid

- 4.1. Monitoring ongoing State aid is one of the tasks of the Competition Council. According to Article 20 of the Law on State Aid and paragraph 84 of the Regulation on the form of notification, the procedure for examining and adopting decisions on State aid (approved by the Decision of the Plenum of the Competition Council No. 1/2013), the Competition Council monitors both ongoing State aid to verify compliance with the provisions of the legal instruments under which it was granted and the authorisation decisions it has issued.
- 4.2. In this regard, support measures authorised by the Plenum of the Competition Council were monitored during the period 2014-2022 and are ongoing in 2022. In order to conduct the monitoring of authorised State aid, information was requested from providers.
- 4.3. The main findings on State aid authorised and subject to monitoring in 2022 will be presented below, also taking into account its risk of distorting the competitive environment.

1) State aid for regional development

- 4.4. The monitoring of State aid for regional development was conducted in line with the assessment criteria set out in the Regulation on State aid for regional development (approved by the Decision of the Plenum of the Competition Council No. 4/2013)⁹ and the conditions laid down in the decisions approving the aid.
- 4.5. For 2022, 11 authorised State aids for regional development were monitored. *State aid granted for the creation/development of industrial parks (PI “Trivineta Cavi Development”, PI “Edineţ”, PI “FAIP”, PI “Comrat” and PI “CAAN”)*
- 4.6. Result indicators achieved by IP administrators (State aid beneficiaries), taking into account the provisions of the Regulation on the assessment of State aid for regional development, are presented in Table 17.

⁹ Regulation on the assessment of State aid for regional development, approved by Decision of the Plenum of the Competition Council No. 2/2020

Table 17. Result indicators achieved from the date of granting of State aid until 31.12.2022

No.	Name of the enterprise	Name of the PI	Amount of investments made within IP, MDL thousand	Beneficiary's contribution, %	Aid intensity, %
1.	S.R.L. "La Triveneta Cavi Development"	PI "Triveneta Cavi Development"	535 398	91.91	8.09
2	S.R.L. "Eco-Garant"	PI "Edineț"	67 575*	3.85	Cannot be determined
3.	S.R.L. "Venador-Prim"	PI "FAIP"	25 155	51.19	25.60
4.	Î.M. "Gospodăria Locativ –Comunală"	PI "Comrat"	414*	0*	100*
5.	S.A. "CAAN"	PI "CAAN"	36 375	10.40	12.97

Source: Letter No. 09-2014 as of 07.07.2023 and Letter No. 09-2369 as of 08.08.2023 of the Ministry of Economic Development and Digitisation

*The information has been corrected by the Ministry of Economic Development and Digitization in the above-mentioned letters, the Competition Council is to take further action to verify the circumstances in this regard

4.7. Based on the information presented in Table 17, there are some shortcomings identified in the implementation of the Regulation on State aid for regional development and State aid approval decisions. In this respect, the Competition Council is conducting a more detailed analysis of the implementation of the nominated support measures in the light of the Law on State Aid and its implementing regulations.

Assistance credit provided to the Government of the Republic of Moldova by the Government of the Republic of Poland for the implementation of projects in the field of agriculture, food processing, including related infrastructure and others (Decision of the Plenum of the Competition Council No. ASO-4 as of 23.02.2017)

4.8. External Assistance Programme Management Office informed about the continuation in 2022 of funding for selected beneficiaries of the projects: B.C. "Victoriabank" S.A. and S.R.L. "Euroforța". The loans granted to them were used in accordance with the Programme Operational Manual, which was confirmed by the documents submitted by the provider.

Support measure granted by the Executive Committee of Gagauzia - Î.M. “Vitapharm-Com” S.R.L. (Decisions of the Plenum of the Competition Council No. ASR-15/18-55 as of 05.07.2018 and No. ASR-35 as of 23.05.2019)

4.9. Î.M. “Vitapharm-Com” S.R.L. made significant changes to rebuild the production base and install the necessary equipment for the production activity according to GMP standards. At the same time, the beneficiary of the State aid created new jobs.

4.10. The maximum allowable intensity for State aid for regional development under the cumulation of State aid to the same beneficiary has not been exceeded by the beneficiary.

State aid scheme “Moldova IT Park” (Decision of the Plenum of the Competition Council No. ASS-17 as of 29.03.2018)

4.11. In 2022, the park’s residents made investments in its activity amounting to MDL 258 million, 99% of which are investments in fixed assets.

4.12. At the end of 2022, the number of employees increased by 3.620 people or 24% compared to the end of 2021. This increase was due to both the increase in employment by residents in 2021 - by 1 458 people (40% contribution) and new residents joining during 2022 - by 2 162 people (60% contribution). The number of employees directly involved in eligible activities provided for in Article 8 of Law No. 77/2016 on Information Technology Parks at the end of 2022 amounted to 16 721 persons. Thus, they represent 89% of the total number of persons employed in resident companies.

State aid scheme to stimulate investment in the development of post-harvesting and processing infrastructure (Decision of the Plenum of the Competition Council No. ASS-73 as of 11.10.2018)

4.13. In 2022, 223 enterprises benefited from support measures through the State aid scheme, the total amount of subsidies being MDL 82 854 thousand. The amount of investments made in the development of post-harvesting and

processing infrastructure was about MDL 190.2 million. At the same time, 1 975 permanent jobs and 192 seasonal jobs were created.

Granting of State aid in the form of investment subsidies to investors who will implement in the Autonomous Territorial Unit of Gagauzia regional investment projects which within the meaning of the Law of the Autonomous Territorial Unit of Gagauzia No. 73/2016 on Investments (Decision of the Plenum of the Competition Council No. ASO-25 as of 25.04.2019)

4.14. In 2022, 1 enterprise benefited from the approved support measure and will benefit from State aid in tranches until 2026. Thus, the intensity of State aid granted was 30%. The company also created 24 new jobs during the reporting period.

2) State aid for SGEIs provision

4.15. The monitoring of State aid for the provision of SGEIs is conducted taking into account the assessment criteria of the Regulation on State aid to beneficiaries providing services of general economic interest, approved by the Decision of the Plenum of the Competition Council No. 11/2013 (published in the Official Monitor No. 243-247 as of 01.11.2013).

4.16. The State aid for the provision of SGEIs was granted in order to provide/improve the infrastructure for the provision of public passenger transport services, water supply, sewerage, sanitation, improvement of water quality, provision of public service broadcasting, being necessary to operate under normal conditions of continuity and safety of the services provided. State aid granted for the provision of SGEIs, in particular aid directed towards the provision/improvement of infrastructure, involves less risk of distorting the competitive environment than aid granted for other objectives.

4.17. For 2022, 46 decisions on the granting of support measures for the provision of SGEIs were monitored. The predominant State aid subject to monitoring was provided for the provision of water supply and sewerage services. State aid

was also provided for waste disposal, public transport, provision of public service broadcasting and other public services.

4.18. It should be noted that all support measures have been reported to the Competition Council in accordance with Article 19 of the Law on State Aid.

3) State aid for employee training and job creation

4.19. The monitoring of State aid for employee training and job creation is conducted taking into account the assessment criteria of the State Aid Regulation for employee training and job creation, approved by the Decision of the Plenum of the Competition Council No. 5/2013 (published in the Official Monitor No. 228-232 art. 1531 as of 18.10.2013).

State aid scheme for the granting of subsidies for employee training and job creation under Law No. 105/2018 on Employment and Unemployment Benefits (Decision of the Plenum of the Competition Council No. ASR-14 as of 29.04.2020)

4.20. As a result of the implementation of the State aid scheme on the granting of subsidies for employee training and job creation, based on the provisions of Articles 33, 34, 36, 38 and 40 of Law No. 105/2018 on Employment and Unemployment Benefits, the following result indicators were obtained, as shown in the Table below.

Table 18. Result indicators of the implementation of the State aid scheme

No.	Purpose of the support measure	Amount allocated, MDL thousand	Indicators
1.	On-the-job training in the establishment (Article 33)	652.8	On-the-job training contracts have been concluded with 36 economic agents and 114 unemployed people have been registered. In 2022, 21 graduates of the programme were placed in employment.
2.	Professional internship (Article 34)	1 379.4	Contracts were concluded with 147 enterprises to train 270 unemployed people in vocational training, of which 84 unemployed

No.	Purpose of the support measure	Amount allocated, MDL thousand	Indicators
			trainees were employed.
3.	Subsidising jobs (Article 36)	6 494.4	Subsidies were granted to 185 enterprises and 416 unemployed people were employed, of which 220 were women. Of the total number of unemployed employed: 338 (81.2%) are people aged 50 and over, 56 (13.5%) - people with disabilities, 5 (1.2%) - people released from places of detention and 17 (4.1%) - young people aged between 16 and 24: from disadvantaged families, orphans, without parental care, under guardianship or tutelage.
4.	Grants for the creation or adaptation of jobs for people with disabilities (Article 38)	188	5 enterprises were helped to create or adapt jobs and employ 5 people with disabilities.
5.	Supporting local initiative projects (Article 40)	2 638.3	A total of 30 enterprises received grants based on eligible business plans, thus creating a total of 48 new jobs in rural areas.

4.21. In 2022, the total amount of State aid granted under Articles 33, 34, 36, 38 and 40 of Law No. 105/2018 on Employment and Unemployment Benefits amounted to MDL 11 352.9 thousand.

4) State aid for environmental protection

4.22. The monitoring of State aid for environmental protection was conducted taking into account the assessment criteria¹⁰ of the Regulation on State aid for environmental protection (approved by the Decision of the Plenum of the Competition Council No. 9/2013) and subsequently of the Regulation on the assessment of State aid for environmental protection, approved by the Decision of the Plenum of the Competition Council No. 03/2020 (published in the Official Monitor No. 42-50 as of 12.02.2021).

4.23. For 2022, 4 State aid schemes were monitored, including 3 State aid schemes were implemented by the Agency for Energy Efficiency and 1 State aid scheme was managed by the Customs Service.

¹⁰ Having regard to the Regulation in force at the time of adoption of the authorisation decision

- 4.24. The support measures implemented by the Agency for Energy Efficiency have been targeted at energy efficiency and the use of renewable resources.
- 4.25. Following the implementation of the State aid scheme “Project Call for Proposals No. 1 in the field of energy efficiency and renewable energy sources” (Decision of the Plenum of the Competition Council No. ASO-43 as of 09.09.2020) and “Project Call for Proposals No. 3 in the field of energy efficiency and renewable energy sources addressed to public sector applicants” (Decision of the Plenum of the Competition Council No. ASO - 09 as of 15.03.2016), energy saved - 2 269 626 kWh/year and CO₂ emissions reduced - by 497.63 t/year.
- 4.26. Through the State aid scheme “Pilot projects in the field of energy efficiency and the use of renewable energy sources” (Decision of the Plenum of the Competition Council No. ASO-19 as of 22.05.2017), managed by the Agency for Energy Efficiency, 2 projects have been funded and are in progress. The aid intensity for one project was 75%, another project is ongoing.
- 4.27. On the implementation of the State aid scheme “Excise duty exemptions for hybrid motor vehicles”, managed by the Customs Service (Decision of the Plenum of the Competition Council No. ASO-52 as of 28.10.2021), no deviations from their authorisation decisions were identified. At the same time, during the reporting period, through the above-mentioned State aid scheme, tax incentives amounting to MDL 38 430 thousand were granted.

5) State aid for research, development and innovation

- 4.28. The monitoring of State aid for research, development and innovation is conducted taking into account the assessment criteria of the Regulation on State aid for research, development and innovation, approved by the Decision of the Plenum of the Competition Council No. 8/2013 (published in the Official Monitor No. 276-280 as of 29.11.2013).
- 4.29. Aid for research, development and innovation projects shall be deemed compatible with the normal competitive environment provided that the criteria

relating to the categories of research, aid intensity, eligible costs, aid amount and form of granting are fulfilled.

Grants for innovation and technology transfer projects of economically active research and innovation organisations (Decision of the Plenum of the Competition Council No. ASO-15 as of 13.05.2021)

4.30. During the monitoring of this State aid scheme, it was found that 9 entities benefited from this support measure, for a total amount of MDL 5 202 thousand. State aid intensity did not exceed 50% of the project value, thus complying with the conditions laid down in the authorisation decision.

6) Aid granted to SMEs

4.31. The monitoring of State aid to SMEs is conducted in the light of the assessment criteria of the Regulation on State aid to small and medium-sized enterprises, approved by the Decision of the Plenum of the Competition Council No. 10/2013 (published in the Official Monitor No. 252-257 as of 08.11.2013).

Programme for increasing the competitiveness of small and medium-sized enterprises and their internationalisation (Decision of the Plenum of the Competition Council No. ASO-46 as of 30.06.2022)

4.32. Aid was granted to SMEs through the Business Voucher and Grant scheme. In 2022, ODA granted State aid to 37 beneficiaries for a total amount of MDL 14 358 thousand.

Programme for the retrofitting and energy efficiency of small and medium-sized enterprises (Decision of the Plenum of the Competition Council No. ASO-66 as of 02.11.2022)

4.33. In 2022, the ODA granted State aid to 12 beneficiaries for a total amount of MDL 6 141 thousand.

7) State aid for rescuing beneficiaries in difficulty

4.34. The monitoring of State aid for rescuing beneficiaries is conducted through the provisions of the Regulation on aid for rescuing beneficiaries in difficulty,

approved by the Decision of the Plenum of the Competition Council No. 6/2013 (published in the Official Gazette No. 243-247 as of 01.11.2013).

State aid granted to S.A. “Banca de Economii”, B.C. “Banca Socială” S.A. and B.C. “Unibank” S.A. (Decision of the Plenum of the Competition Council No. ASER-68 as of 11.12.2015)

4.35. In 2022, monitoring of the implementation of the Decision of the Plenum of the Competition Council No. ASER-68 as of 11.12.2015 on State aid recovery by the NBM and the Ministry of Finance continued.

4.36. According to the information submitted by the NBM, from the date of withdrawal of the license until 31.12.2022, the 3 commercial banks have received funds in the total amount of MDL 2 821 613.3 thousand, including: S.A. “Banca de Economii” – MDL 1 740 119.9 thousand, B.C. “Banca Socială” S.A. – MDL 883 761.8 thousand and B.C. “UNIBANK” S.A. – MDL 197 731.6 thousand. The decision is to be further monitored by the Competition Council until full recovery of the State aid by the NBM and the Ministry of Finance.

Support measure granted by the Executive Committee of Gagauzia – Î.M. “Marigold” S.R.L. (Decision of the Plenum of the Competition Council No. ASR-14/18-50 as of 28.06.2018)

4.37. In 2022, the court ordered the withdrawal of the plan for the restructuring procedure of the Î.M. “Marigold” S.R.L and the initiation of bankruptcy proceedings of the enterprise.

4.38. According to the information provided in the declaration on the amount of de minimis aid, the Î.M. “Marigold” S.R.L. did not benefit from any other State aid for restructuring, thus complying with paragraph 9 of the Regulation on aid for rescuing beneficiaries in difficulty, approved by the Decision of the Plenum of the Competition Council No. 6/2013.

8) State aid for sectoral objectives

State aid granted to Î.S. "Calea Ferata din Moldova" for the purchase of locomotives and restructuring of the railway infrastructure (Decision of the Plenum of the Competition Council No. ASS-44 as of 02.07.2015)

4.39. In 2022, the amount of State aid granted to Î.S. "Calea Ferata din Moldova" was MDL 15 825 thousand. The authorised support measure is to be implemented over a longer period.

State aid granted to the State Enterprise Periodical Publication – Newspaper "БЕСИ ГАГАУЗИИ" (Decision of the Plenum of the Competition Council No. ASO-96 as of 19.12.2019)

4.40. In 2022, the State aid granted to the State Enterprise Periodical Publication - Newspaper "БЕСИ ГАГАУЗИИ" was directed to the publication of the official newsletter "Ekspres-Kanon". Thus, during the reporting period, 48 magazine titles were published, constituting de facto 145 magazine issues. The subsidies granted were used for printing 193 716 columns at a cost per unit of MDL 4.97.

State aid scheme for financing the production of films of all genres, the development of film projects, the distribution of films, the participation of local films and filmmakers from the Republic of Moldova in international festivals, the organisation of film festivals and events in the Republic of Moldova (Decision of the Plenum of the Competition Council No. ASS-01 as of 18.01.2019)

4.41. State aid intensity for film production was up to 50% of the film production budget.

4.42. In 2022, the following film projects were funded: 2 projects in the development category; 4 projects in the short film category; 1 project in the debut feature-length fiction category; 3 projects in the feature-length documentary category; 4 projects in the minority co-production category.

4.43. 6 films (2 feature-length fiction films, 3 feature-length documentary films and 1 short animated film) have been submitted to the National Cinematography Centre.

State aid scheme for granting subsidies to theatres, circuses and state concert organisations (Decision of the Plenum of the Competition Council No. ASS-100 as of 19.12.2019)

4.44. The subsidies provided for in the monitored State aid scheme are intended for theatres, concert organisations and circuses to cover wage costs, social security contributions and medical expenses. In 2022, 16 entities benefited from the support measure, for a total amount of MDL 219 088 thousand. About 70% of the reported amount of State aid went to theatres.

State aid scheme for the financing of state-owned periodicals for pre-school and school-age children (Decision of the Plenum of the Competition Council No. ASR-31 as of 25.06.2021)

4.45. In 2022, the beneficiary periodicals obtained disbursements from the State budget amounting to MDL 2 406 thousand.

4.46. ***The support measures are to be monitored by the Competition Council for compliance with the provisions of the State aid regulations and the authorisation decisions. In this regard, the instruments provided for by the legislation in force must be applied.***

CHAPTER V. Implementation of the Automated Information System “State Aid Register”

- 5.1. In order to fulfil the commitment undertaken in Article 342 of the Association Agreement and the need to increase transparency in State aid operations, the SIRASM was established.
- 5.2. SIRASM is the totality of the software, hardware, IT and organisational means of data transmission systems, data use technologies, legal rules and infrastructure for the information support of State aid notification, accounting, monitoring and reporting. The main functions of SIRASM can be divided into the following groups: entering and updating information, including providing information to third parties.
- 5.3. In 2022, the implementation of the new version of SIRASM, updated with the support of the World Bank, continued, with the aim of streamlining the notification and reporting process of state and de minimis aid as: submission of online State aid notifications, State and de minimis aid reporting; submission of de minimis aid schemes by providers; record keeping of de minimis aid granted; online communication between the Competition Council and providers; systematisation of information on State and de minimis aid granted according to different criteria; presentation of information/generation of statistical reports based on criteria in different modalities on aid granted (table, graphs) etc. Another advantage is the interoperability with other databases (e.g. LPAs Register, Business Register, etc).



Figure 9. SIRASM interface

5.4. During the reporting period, access was granted to 50 State aid users so that in 2022- 1 380 State aid users were connected to the SIA RAS system (Figure 10).

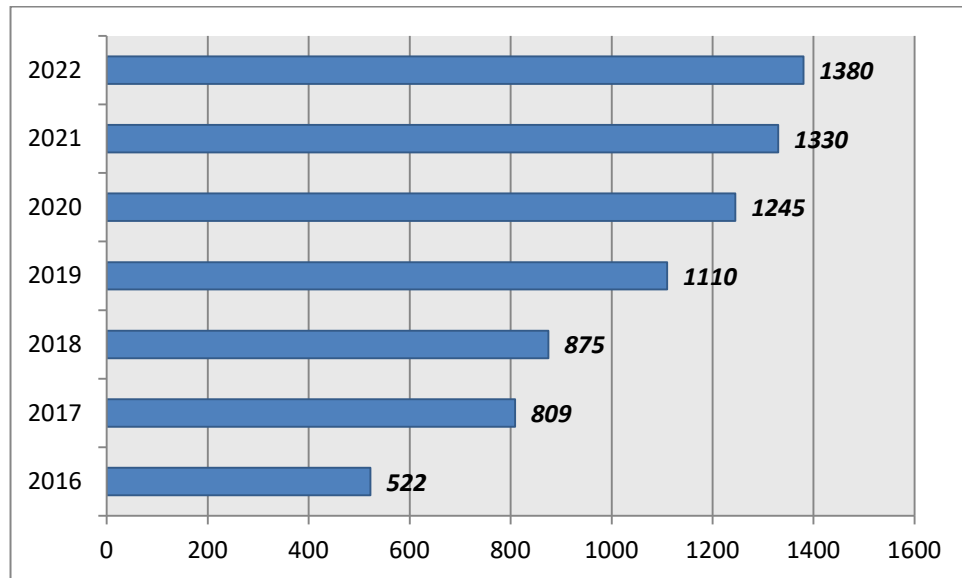


Figure 10. Providers using SIRASM

5.5. As in previous years, in 2022 all State aid and de minimis providers reported support measures via the online system.

5.6. The effective implementation of SIRASM in the notification and reporting of State aid by State aid providers will further contribute to: a) providing State aid providers with access data and ongoing information support to use SIRASM effectively; b) promoting the use of SIRASM by State aid providers in the State aid notification and reporting process in order to streamline the implementation of State aid legislation; c) timely updating of the information in the State Aid Register.

GUIDELINES FOR IMPROVING COMPETITION POLICY IN THE FIELD OF STATE AID

With reference to the development of reported State aid for 2022 and taking into account the commitments undertaken by the Republic of Moldova under the Association Agreement, the priority guidelines for the next period will be:

- undertaking actions on the alignment of existing State aid schemes established under the Law on Free Economic Zones No. 440/2001
- drafting and amending legislation implementing Law No. 139/2012 on State Aid, in accordance with relevant EU legislation
- promoting a competition culture in the State aid area, both within public authorities and society as a whole

Granting State aid in line with the provisions of State aid law will help to correct market failures, increase the competitiveness of enterprises and create a normal competitive environment.

ATTACHMENT 1. TECHNICAL ATTACHMENT

Technical Attachment provides general information on the scope of the Report, the classification of State aid and de minimis aid by objectives, categories and forms, methods of State aid assessment and the sources of data used.

This information has been grouped by Chapters:

- I. Scope of State aid and de minimis aid analysed in the Report
- II. Objectives of State aid and de minimis aid
- III. Sources of data collection and methods of assessing the aid element

I. Scope of State aid and de minimis aid analysed in the Report

The Report on State aid granted in the Republic of Moldova was drawn up based on the “State Aid Register”, compiled pursuant to the reports submitted by the State aid providers in accordance with Government Decision No. 1112/2016 approving the Regulation on procedure for keeping the State Aid Register.

The reported State aid and de minimis aid covered by this Report falls under:

- Law on State Aid
- Government Decision No. 1112/2016 approving the Regulation on procedure for keeping the State Aid Register
- Regulation on de minimis aid, approved by the Decision of the Plenum of the Competition Council No. 01 as of 06.08.2020
- Regulation on the State Aid Register, approved by the Decision of the Plenum of the Competition Council No. 3 as of 30.08.2013

II. Objectives of State aid and de minimis aid

The targeting of State aid (both allocations under aid schemes and individual aid) was conducted in line with the primary objective of granting the aid.

III. Sources of data collection and methods for assessing the aid element

Sources of data collection

The figures are expressed in current and constant prices for the national currency and in current and constant prices for the EUR. Figures have been expressed in constant prices from 2022 using the GDP deflator.

The average annual exchange rate used MDL/EUR was taken from the official website of the NBM.

For the presentation of information on State aid and de minimis aid granted during the reference period, the legal instruments containing State aid and/or individual aid schemes and de minimis aid and/or individual de minimis aid schemes reported by providers have been used.

The reports were requested in standard form, according to Attachment 1 and Attachment 2 of the Regulation on procedure for keeping the State Aid Register, approved by Government Decision No. 1112/2016 and included the following elements:

- Title of aid
- Legal basis
- Aid number (*for reporting State aid*)
- Category of aid (*for reporting State aid*)
- Period during which State aid is granted under this measure (*for reporting State aid*)
- Date on which the aid ceased to be granted (*for reporting de minimis aid*)
- Objectives for granting State aid/de minimis aid
- Region
- Origin of aid
- Form of granting State aid/minimis
- Description of the form of granting State aid/de minimis aid
- Type of State aid/de minimis aid
- Conditions of granting
- Beneficiaries and amount of State aid/ de minimis aid
- Data on the determination of the amount of State aid/de minimis aid

- Observations (*for reporting State aid*)
- Other information and comments (*for reporting de minimis aid*)
- Declaration (*for reporting de minimis aid*)

Information from the official NBS and NBM websites:

- GDP
- number of population
- average annual exchange rate MDL/EUR
- GDP deflator

Methods of assessing the aid element

The amount of State aid has been determined in accordance with the provisions of the legal instruments establishing a State aid/minimal aid scheme or granting individual aid, while taking into account secondary legislation, i.e. the Regulation on the form of notification, the procedure for examining and adopting decisions on State aid (approved by the Decision of the Plenum of the Competition Council No. 1 as of 30.08.2013).

ATTACHMENT 2. LIST OF LEGAL DOCUMENTS UNDER WHICH STATE AID HAS BEEN GRANTED REPORTED UNDER THE GENERAL FRAMEWORK FOR 2022

1. Tax Code No. 1163/1997, Article 49, letter a); Law No. 440/2001 on Free Economic Zones.
2. Tax Code No. 1163/1997, Article 49, letter b); Law No. 440/2001 on Free Economic Zones.
3. Tax Code No. 1163/1997, Article 49, letter c); Law No. 440/2001 on Free Economic Zones.
4. Tax Code No. 1163/1997, Article 49, letter d); Law No. 440/2001 on Free Economic Zones.
5. Tax Code No. 1163/1997, Article 53¹.
6. Tax Code No. 1163/1997, Article 53³.
7. Tax Code No. 1163/1997, Article 103, paragraph (1), subparagraph 10); Law No. 1380/1997 on Customs Tariff, Article 28 letter z¹); Government Decision No. 1165/2016 approving the lists of medicinal raw materials, materials, articles, primary and secondary packaging used in the preparation and production of medicinal products.
8. Tax Code No. 1163/1997, Article 103, paragraph (1), subparagraph 26); Law No. 1380/1997 on Customs Tariff, Article 28, letter o) and para. 2 of the Note to Attachment 2; Law No.11/2013 on Import of Sports Equipment; Law No.100/2012 on Import of Sports Equipment, Inventory and Equipment; Law No. 210/2012 on Import of Sports Equipment; Law No. 119/2011 on Import of Certain Goods.
9. Tax Code No. 1163/1997 Article 124, paragraph (18).
10. Tax Code No. 1163/1997; Law No. 77/2016 on Information Technology Parks.
11. Code No. 259/2004 on Science and Innovation of the Republic of Moldova; Government Decision No.382/2019 on approving the Methodology for financing projects in the fields of research and innovation; Government

- Decision No. 381/2019 on approving the National Programme in Research and Innovation for 2020-2023 and the Action Plan for its implementation.
12. Law No. 1380/1997 on Customs Tariff, Article 28, letter 1).
 13. Press Law No. 243/1994; Law No. 205/2021 on 2022 State Budget.
 14. Law No.1421/2002 on Theatres, Circuses and Concert Organizations; Law No. 205/2021 on 2022 State Budget.
 15. Cinema Law No. 116/2014; Law No. 205/2021 on 2022 State Budget.
 16. Law No. 276/2017 on the principles of subsidy in the development of agriculture and rural environment, Art. 24-26; Government Decision No. 455/2017 on the allocation of funds from the National Fund for the Development of Agriculture and the Rural Environment, para. 57-67.
 17. Law no. 205/2021 on 2022 State Budget; Government Decision No. 49/2021 on approving the Regulation on subsidizing jobs.
 18. Law No. 1515/1993 on Environmental Protection, Art. 85.
 19. Law No. 182/2010 on Industrial Parks, Art. 12; Government Decision No. 440/2011 on granting the title of industrial park to the Joint Stock Company “Tracom”.
 20. Law No. 105/2018 on Employment and Unemployment Benefits; Government Decision No. 1276/2018 approving the procedures for access to employment measures; Implementation Agreement No. 40323207 as of 02.01.2021 between the International Labour Organization and the National Employment Agency.
 21. Law No. 22/2015 on the ratification of the Loan Agreement between the Republic of Moldova and the European Bank for Reconstruction and Development for the implementation of the Locomotive Procurement and Railway Infrastructure Restructuring Project.
 22. Law No. 10/2016 on the promotion of the use of energy from renewable sources; Government Decision No. 45/2019 on the organization and functioning of the Agency for Energy Efficiency; Government Decision No. 401/2012 on Energy Efficiency Fund.

23. Law No. 134/2015 on the ratification of the Agreement between the Government of the Republic of Moldova and the Government of the Republic of Poland on obtaining an assistance credit; Government Decision No. 1133/2016 on approving the Operations Manual on the implementation of the assistance credit provided by the Government of the Republic of Poland.
24. Law No. 60/2012 on social inclusion of persons with disabilities; Law No. 205/2021 on 2022 State Budget.
25. Government Decision No. 439/2020 on approving the “Programme to support businesses with high growth potential and their internationalisation”.
26. Government Decision No. 515/2022 on approving the Programme for the retrofitting and energy efficiency of small and medium-sized enterprises.
27. Law of the Autonomous Territorial Unit of Gagauzia No. 21-C3/VII as of 11.11.2022 on 2022 budget; Decision of the People’s Assembly of Gagauzia No.18-VIII/I as of 25.01.1996 on establishing the regional newspaper of Gagauzia; Decision of the Presidium of the People’s Assembly of Gagauzia No.23-XX/II as of 26.09.2000 on the publication of the supplement to the newspaper “ВЕСТИ ГАГАУЗИИ” – “Bulletin of Gagauzia Official Documents” (into Romanian: “Buletinul actelor oficiale ale Găgăuziei”).
28. Law of the Autonomous Territorial Unit of Gagauzia No.73 as of 09.08.2016 on Investments; Decision of the Executive Committee of Gagauzia No.14/4 as of 10.07.2017 on approving the social-economic development strategy of Gagauzia for 2017-2022; Decision of the Executive Committee of Gagauzia No.5/10 as of 04.02.2019 on approving the Regulation on the Gagauzia Entrepreneurship Support Fund in new wording Decision of the Edinet City Council No.19/20 as of 23.08.2013 on the creation of Edinet Industrial Park.
29. Land lease contract No.166 as of 15.12.2014 of Comrat Municipality.

ATTACHMENT3.

AMOUNT OF REPORTED STATE AID BY OBJECTIVES AND FORMS OF GRANTING, UNDER THE GENERAL FRAMEWORK

Objective	2020					2021					2022				
	Subsidies and/or grants	Budgetary allocations	Exemptions, reductions, deferrals or instalments of taxes, duties and other compulsory payments	Granting of loans at preferential interest rates	Price reductions on goods and services provided, including the sale of movable and immovable property below market price	Subsidies and/or grants	Budgetary allocations	Exemptions, reductions, deferrals or instalments of taxes, duties and other compulsory payments	Granting of loans at preferential interest rates	Price reductions on goods and services provided, including the sale of movable and immovable property below market price	Subsidies and/or grants	Budgetary allocations	Exemptions, reductions, deferrals or instalments of taxes, duties and other compulsory payments	Granting of loans at preferential interest rates	Price reductions on goods and services provided, including the sale of movable and immovable property below market price
A	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
Horizontal objectives	46170	5512	45340	0	15311	28579	6743	197631	0	9698	51793	5202	39726	0	0
Research, development and innovation	0	5512	0	0	0	0	6743	0	0	0	0	5202	0	0	0
environmental protection	15353	0	23235	0	4676	12559	0	189885	0	4676	11871	0	38431	0	0
Supporting SMEs	0	0	0	0	10635	380	0	0	0	5022	20499	0	0	0	0
Training of employees and job creation	30817	0	22104	0	0	15640	0	7746	0	0	19422	0	1295	0	0
Sectoral aid by sector of the national economy	195654	0	27722	3632	36	206694	0	39450	15264	58	231125	0	39687	15825	51
State aid for regional development	157189	0	285518	146	1172	90515	0	401033	113	1172	83336	0	587051	110	1172
TOTAL	399012	5512	358579	3777	16519	325788	6743	638114	15377	10928	366253	5202	666464	15935	1223

AMOUNT OF REPORTED STATE AID BY FORMS OF GRANTING AND PROVIDERS, UNDER THE GENERAL FRAMEWORK

State aid providers	2020					2021					2022				
	Subsidies and/or grants	Budgetary allocations	Exemptions, reductions, deferrals or instalments of taxes, duties and other compulsory payments	Granting of loans at preferential interest rates	Price reductions on goods and services provided, including the sale of movable and immovable property below market price	Subsidies and/or grants	Budgetary allocations	Exemptions, reductions, deferrals or instalments of taxes, duties and other compulsory payments	Granting loans at preferential interest rates	Price reductions on goods and services provided, including the sale of movable and immovable property below market price	Subsidies and/or grants	Budgetary allocations	Exemptions, reductions, deferrals or instalments of taxes, duties and other compulsory payments	Granting loans at preferential interest rates	Price reductions on goods and services provided, including the sale of movable and immovable property below market price
A	1	2	3	4	5	7	6	7	8	9	10	11	12	13	14
AIPA	157189	0	0	0	0	90515	0	0	0	0	82854	0	0	0	0
National Employment Agency	2525	0	0	0	0	8137	0	0	0	0	11463	0	0	0	0
National Agency for Research and Development*	0	5512	0	0	0	0	6743	0	0	0	0	5202	0	0	0
Public Property Agency	0	0	0	0	10635	0	0	0	0	5022	0	0	0	0	0
Agency for Energy Efficiency	8621	0	0	0	0	7856	00	0	0	0	3679	0	0	0	0
Ministry of Environment	6732	0	00	0	0	4703	0	0	00	0	8192	0	0	0	0
Ministry of Economy and Infrastructure	0	0	0	0	1125	0	0	0	0	1125	0	0	0	0	1125
Ministry of Culture	194660	0	0	0	0	205700	0	0	0	0	230160	0	0	0	0
Ministry of Finance	21240	0	0	3632	0	0	0	0	15264	0	0	0	0	15825	0
Ministry of Labour and Social Protection	7052	0	00	0	00	7053	0	0	0	0	7959	0	00	0	0
External Assistance Programme Management Office	0	0	0	146	0	0	0	0	113	0	0	0	0	110	0
ODA	0	0	0	0	0	380	0	0	0	0	20499	0	0	0	0
State Tax Service	0	0	268969	0	0	0	0	386899	0	0	0	0	570757	0	0
Customs Service	0	0	89610	0	0	0	0	251215	0	0	0	0	95706	0	0
Chisinau Municipal Council	0	0	0	0	4676	0	0	0	0	4676	0	0	00	0	0

State aid providers	2020					2021					2022				
	Subsidies and/or grants	Budgetary allocations	Exemptions, reductions, deferrals or instalments of taxes, duties and other compulsory payments	Granting of loans at preferential interest rates	Price reductions on goods and services provided, including the sale of movable and immovable property below market price	Subsidies and/or grants	Budgetary allocations	Exemptions, reductions, deferrals or instalments of taxes, duties and other compulsory payments	Granting loans at preferential interest rates	Price reductions on goods and services provided, including the sale of movable and immovable property below market price	Subsidies and/or grants	Budgetary allocations	Exemptions, reductions, deferrals or instalments of taxes, duties and other compulsory payments	Granting loans at preferential interest rates	Price reductions on goods and services provided, including the sale of movable and immovable property below market price
A	1	2	3	4	5	7	6	7	8	9	10	11	12	13	14
Gagauzia General Directorate of Finance	994	0	0	0	0	994	0	0	0	0	964	0	0	0	0
Gagauzia Economic Development Directorate	0	0	0	0	0	0	0	0	0	0	482	0	0	0	0
Mayorality of Comrat Municipality	0	0	0	0	44	0	0	0	0	65	0	0	0	0	59
Mayorality of Edinet Municipality	0	0	0	0	39	0	0	0	0	39	0	0	0	0	39
TOTAL	399012	5512	358579	3777	16519	325788	6743	638114	15377	10928	366253	5202	666464	15935	1223

AMOUNT OF STATE AID GRANTED FOR THE PROVISION OF SERVICES OF GENERAL ECONOMIC INTEREST BY FORM OF PROVISION AND PROVIDER

State aid providers	2020								2021								2022							
	Grants and/or subsidies	Budgetary allocations	Exemptions, reductions, deferrals or instalments of taxes, duties and other compulsory payments	Granting loans at preferential interest rates	Waiver of revenue from State resources or resources of administrative-territorial units granted preferentially	Provider investments, if the rate of return on these investments is lower than the normal rate of return expected by a prudent private investor	State guarantees, guarantees granted by public authorities/institutions and persons assimilated to public authorities, state/municipal enterprises and by enterprises with wholly or majority public capital	Price reductions on goods and services provided, including the sale of movable and immovable property below market price	Grants and/or subsidies	Budgetary allocations	Exemptions, reductions, deferrals or instalments of taxes, duties and other compulsory payments	Granting loans at preferential interest rates	Waiver of revenue from State resources or resources of administrative-territorial units granted preferentially	Provider investments, if the rate of return on these investments is lower than the normal rate of return expected by a prudent private investor	State guarantees, guarantees granted by public authorities/institutions and persons assimilated to public authorities, state/municipal enterprises and by enterprises with wholly or majority public capital	Price reductions on goods and services provided, including the sale of movable and immovable property below market price	Subsidies and/or grants	Budgetary allocations	Exemptions, reductions, deferrals or instalments of taxes, duties and other compulsory payments	Granting loans at preferential interest rates	Waiver of revenue from State resources or resources of administrative-territorial units granted preferentially	Provider investments, if the rate of return on these investments is lower than the normal rate of return expected by a prudent private investor	State guarantees, guarantees granted by public authorities/institutions and persons assimilated to public authorities, state/municipal enterprises and by enterprises with wholly or majority public capital	Price reductions on goods and services provided, including the sale of movable and immovable property below market price
A	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24
Ministry of Economy	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	24837	0	0	0	0	0	0	0
Ministry of Finance	0	0	0	98375	0	0	0	0	0	0	0	98785	0	0	0	0	0	0	0	98068	0	0	0	0
Ministry of Labour and Social Protection	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Ministry of Health	41052	0	0	0	0	0	0	936	26592	0	0	0	0	0	0	1936	0	0	0	0	0	0	0	901
Customs Service	0	0	0	0	0	0	0	0	0	0	10693	0	0	0	0	0	0	4123	0	0	0	0	0	0
Chisinau Municipality City Hall	638752	146933	4943	0	3083	10000	23719	38101	811654	0	2877	0	7262	54600	23355	23994	574737	800	2870	0	13143	14675	22576	19629
Chisinau, Mayorality of Cricova Town	0	0	0	0	0	0	0	170	0	0	0	0	0	0	0	143	0	0	0	0	0	0	0	126
Mayorality of Balti Municipality	40013	0	0	0	0	0	5776	2185	45146	0	0	0	0	0	5620	1258	44904	0	0	0	0	0	5570	849
Anenii Noi, Mayorality of Chetrosu Commune	0	0	0	0	0	0	0	79	0	0	0	0	0	0	0	68	0	0	0	0	0	0	0	62
Anenii Noi, Mayorality of Floreni Village	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	174	0	0	0	0	0	0	0	257

State aid providers	2020								2021								2022								
	Grants and/or subsidies	Budgetary allocations	Exemptions, reductions, deferrals or instalments of taxes, duties and other compulsory payments	Granting loans at preferential interest rates	Waiver of revenue from State resources or resources of administrative-territorial units granted preferentially	Provider investments, if the rate of return on these investments is lower than the normal rate of return expected by a prudent private investor	State guarantees, granted by public authorities/institutions and persons assimilated to public authorities, state/municipal enterprises and by enterprises with wholly or majority public capital	Price reductions on goods and services provided, including the sale of movable and immovable property below market price	Grants and/or subsidies	Budgetary allocations	Exemptions, reductions, deferrals or instalments of taxes, duties and other compulsory payments	Granting loans at preferential interest rates	Waiver of revenue from State resources or resources of administrative-territorial units granted preferentially	Provider investments, if the rate of return on these investments is lower than the normal rate of return expected by a prudent private investor	State guarantees, granted by public authorities/institutions and persons assimilated to public authorities, state/municipal enterprises and by enterprises with wholly or majority public capital	Price reductions on goods and services provided, including the sale of movable and immovable property below market price	Subsidies and/or grants	Budgetary allocations	Exemptions, reductions, deferrals or instalments of taxes, duties and other compulsory payments	Granting loans at preferential interest rates	Waiver of revenue from State resources or resources of administrative-territorial units granted preferentially	Provider investments, if the rate of return on these investments is lower than the normal rate of return expected by a prudent private investor	State guarantees, granted by public authorities/institutions and persons assimilated to public authorities, state/municipal enterprises and by enterprises with wholly or majority public capital	Price reductions on goods and services provided, including the sale of movable and immovable property below market price	
A	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	
Anenii Noi, Mayorality of Ciobanovca Village	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	187	
Anenii Noi Mayorality of Serpeni Village	0	0	0	0	0	0	0	1509	0	0	0	0	0	0	0	1375	0	0	0	0	0	0	0	0	1197
Briceni, Mayorality of Corjeuti Village	0	0	0	0	0	0	0	121	0	0	0	0	0	0	0	98	0	0	0	0	0	0	0	0	83
Cahul, District Council	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	3868	0	0	0	0	0	0	0	0	3117
Cahul, Mayorality of Lebedenco Commune	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	2157
Cahul, Mayorality of Manta Commune	0	0	0	0	0	0	0	339	0	0	0	0	0	0	0	464	0	0	0	0	0	0	0	0	464
Cahul, Mayorality of Alexandru Ioan Cuza Village	0	0	0	0	0	0	0	839	0	0	0	0	0	0	0	801	0	0	0	0	0	0	0	0	797
Cahul, Mayorality of Badicul Moldovenesc Village	0	0	0	0	0	0	0	453	0	0	0	0	0	0	0	480	0	0	0	0	0	0	0	0	475
Cahul, Mayorality of Cisita-Prut Village	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	547	0	0	0	0	0	0	0	0	521
Cahul, Mayorality of Crihana	0	0	0	0	0	0	0	1279	0	0	0	0	0	0	0	1221	0	0	0	0	0	0	0	0	1221

State aid providers	2020								2021								2022							
	Grant and/or subsidies	Budgetary allocations	Exemptions, reductions, deferrals or instalments of taxes, duties and other compulsory payments	Granting loans at preferential interest rates	Waiver of revenue from State resources or resources of administrative-territorial units granted preferentially	Provider investments, if the rate of return on these investments is lower than the normal rate of return expected by a prudent private investor	State guarantees, granted by public authorities/institutions and persons assimilated to public authorities, state/municipal enterprises and by enterprises with wholly or majority public capital	Price reductions on goods and services provided, including the sale of movable and immovable property below market price	Grant and/or subsidies	Budgetary allocations	Exemptions, reductions, deferrals or instalments of taxes, duties and other compulsory payments	Granting loans at preferential interest rates	Waiver of revenue from State resources or resources of administrative-territorial units granted preferentially	Provider investments, if the rate of return on these investments is lower than the normal rate of return expected by a prudent private investor	State guarantees, granted by public authorities/institutions and persons assimilated to public authorities, state/municipal enterprises and by enterprises with wholly or majority public capital	Price reductions on goods and services provided, including the sale of movable and immovable property below market price	Subsidies and/or grants	Budgetary allocations	Exemptions, reductions, deferrals or instalments of taxes, duties and other compulsory payments	Granting loans at preferential interest rates	Waiver of revenue from State resources or resources of administrative-territorial units granted preferentially	Provider investments, if the rate of return on these investments is lower than the normal rate of return expected by a prudent private investor	State guarantees, granted by public authorities/institutions and persons assimilated to public authorities, state/municipal enterprises and by enterprises with wholly or majority public capital	Price reductions on goods and services provided, including the sale of movable and immovable property below market price
A	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24
Veche Village																								
Cahul, Mayorality of Rosu Village	0	0	0	0	0	0	0	268	0	0	0	0	0	0	0	2320	0	0	0	0	0	0	0	2227
Cahul, Mayorality of Slobozia Mare Village	0	0	0	0	0	0	0	0	0	0	0	0	0	0	651	0	0	0	0	0	0	0	0	606
Cahul, Mayorality of Tataresti Village	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	140
Calarasi, Mayorality of Calarasi Town	0	0	0	0	0	0	0	670	0	0	0	0	0	0	0	542	0	0	0	0	0	0	0	462
Cantemir, Mayorality of Antonesti Commune	0	0	0	0	0	0	0	0	0	0	0	0	0	0	528	0	0	0	0	0	0	0	0	468
Cantemir, Mayorality of Ciietu Commune	0	0	0	0	0	0	0	0	0	0	0	0	0	0	333	0	0	0	0	0	0	0	0	317
Cantemir, Mayorality of Ciobalaccia Commune	0	0	0	0	0	0	0	0	0	0	0	0	0	0	425	0	0	0	0	0	0	0	0	405
Cantemir, Mayorality of Sadic Commune	0	0	0	0	0	0	0	0	0	0	0	0	0	0	96	0	0	0	0	0	0	0	0	87
Cantemir, Mayorality of Tartaul Village	0	0	0	0	0	0	0	424	0	0	0	0	0	0	385	0	0	0	0	0	0	0	0	333

State aid providers	2020								2021								2022							
	Grant s and/o r subsi dies	Budget ary allocati ons	Exempti ons, reducti ons, deferral s or instalme nts of taxes, duties and other compuls ory paymen ts	Grantin g loans at preferen tial interest rates	Waiver of revenue from State resources or resources of administr ative-territorial units granted preferenti ally	Provide r investm ents, if the rate of return on these investm ents is lower than the normal rate of return expecte d by a prudent private investor	State guarantees, granted by public authorities/inst itutions and persons assimilated to public authorities, state/municipal enterprises and by enterprises with wholly or majority public capital	Price reducti ons on goods and service s provide d, includi ng the sale of movabl e and immov able property below market price	Grant s and/o r subsi dies	Budget ary allocati ons	Exempti ons, reducti ons, deferral s or instalme nts of taxes, duties and other compuls ory paymen ts	Grantin g loans at preferen tial interest rates	Waiver of revenue from State resources or resources of administr ative-territorial units granted preferenti ally	Provide r investm ents, if the rate of return on these investm ents is lower than the normal rate of return expecte d by a prudent private investor	State guarantees, granted by public authorities/inst itutions and persons assimilated to public authorities, state/municipal enterprises and by enterprises with wholly or majority public capital	Price reducti ons on goods and service s provide d, includi ng the sale of movabl e and immov able property below market price	Subsi dies and/o r grants	Budget ary allocati ons	Exempti ons, reducti ons, deferral s or instalme nts of taxes, duties and other compuls ory paymen ts	Grantin g loans at preferen tial interest rates	Waiver of revenue from State resources or resources of administr ative-territorial units granted preferenti ally	Provide r investm ents, if the rate of return on these investm ents is lower than the normal rate of return expecte d by a prudent private investor	State guarantees, granted by public authorities/inst itutions and persons assimilated to public authorities, state/municipal enterprises and by enterprises with wholly or majority public capital	Price reducti ons on goods and service s provide d, includi ng the sale of movabl e and immov able property below market price
A	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24
Causeni, Mayoralty of Firladeni Commune	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	127
Causeni, Mayoralty of Cimateni Village	0	0	0	0	0	0	0	1273	0	0	0	0	0	0	0	1100	0	0	0	0	0	0	0	687
Causeni, Mayoralty of Hagimus Village	0	0	0	0	0	0	0	239	0	0	0	0	0	0	0	214	0	0	0	0	0	0	0	230
Cimislia, Mayoralty of Cimislia Town	0	0	0	0	0	0	0	720	0	0	0	0	0	0	0	864	0	0	0	0	0	0	0	0
Criuleni, Mayoralty of Hrusova Village	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	557	0	0	0	0	0	0	0	328
Criuleni, Mayoralty of Magdacesti Village	0	0	0	0	0	0	0	483	0	0	0	0	0	0	0	398	0	0	0	0	0	0	0	312
Criuleni, Mayoralty of Mscauti Village	0	0	0	0	0	0	0	321	0	0	0	0	0	0	0	292	0	0	0	0	0	0	0	265
Donduseni, Mayoralty of Corbu Village	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	701
Drochia, Mayoralty of Tarigrad Village	0	0	0	0	0	0	0	523	0	0	0	0	0	0	0	499	0	0	0	0	0	0	0	480
Dubasari, Mayoralty of	0	0	0	0	0	0	0	353	0	0	0	0	0	0	0	330	0	0	0	0	0	0	0	306

State aid providers	2020								2021								2022							
	Grant s and/o r subsi dies	Budget ary allocati ons	Exempti ons, reducti ons, deferral s or instalme nts of taxes, duties and other compuls ory paymen ts	Grantin g loans at preferen tial interest rates	Waiver of revenue from State resources or resources of administr ative-territorial units granted preferenti ally	Provide r investm ents, if the rate of return on these investm ents is lower than the normal rate of return expecte d by a prudent private investor	State guarantees, granted by public authorities/instit utions and persons assimilated to public authorities, state/municipal enterprises and by enterprises with wholly or majority public capital	Price reducti ons on goods and service s provide d, includi ng the sale of movabl e and immov able property below market price	Grant s and/o r subsi dies	Budget ary allocati ons	Exempti ons, reducti ons, deferral s or instalme nts of taxes, duties and other compuls ory paymen ts	Grantin g loans at preferen tial interest rates	Waiver of revenue from State resources or resources of administr ative-territorial units granted preferenti ally	Provide r investm ents, if the rate of return on these investm ents is lower than the normal rate of return expecte d by a prudent private investor	State guarantees, granted by public authorities/instit utions and persons assimilated to public authorities, state/municipal enterprises and by enterprises with wholly or majority public capital	Price reducti ons on goods and service s provide d, includi ng the sale of movabl e and immov able property below market price	Subsi dies and/o r grants	Budget ary allocati ons	Exempti ons, reducti ons, deferral s or instalme nts of taxes, duties and other compuls ory paymen ts	Grantin g loans at preferen tial interest rates	Waiver of revenue from State resources or resources of administr ative-territorial units granted preferenti ally	Provide r investm ents, if the rate of return on these investm ents is lower than the normal rate of return expecte d by a prudent private investor	State guarantees, granted by public authorities/instit utions and persons assimilated to public authorities, state/municipal enterprises and by enterprises with wholly or majority public capital	Price reducti ons on goods and service s provide d, includi ng the sale of movabl e and immov able property below market price
A	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24
Dorotcaia Village																								
Edinet, Mayoralty of Burlanesti Commune	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	281	0	0	0	0	0	0	0	254
Falesti, Mayoralty of Iscalau Commune	0	0	0	0	0	0	0	610	0	0	0	0	0	0	0	548	0	0	0	0	0	0	0	468
Floresti, District Council	0	0	0	0	0	0	0	1002	0	0	0	0	0	0	0	911	0	0	0	0	0	0	0	791
Floresti, Mayoralty of Cuhuresti de Sus Village	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1180
Floresti, Mayoralty of Cuhurestii de Jos Village	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	674
Floresti, Mayoralty of Sanatauca Village	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	688	0	0	0	0	0	0	0	607
Hincesti, Mayoralty of Bozieni Commune	0	0	0	0	0	0	0	457	0	0	0	0	0	0	0	403	0	0	0	0	0	0	0	345
Hincesti, Mayoralty of Mingir Commune	0	0	0	0	0	0	0	1317	0	0	0	0	0	0	0	1245	0	0	0	0	0	0	0	1245
Hincesti, Mayoralty of Ciuciuleni Village	0	0	0	0	0	0	0	245	0	0	0	0	0	0	0	245	0	0	0	0	0	0	0	231

State aid providers	2020								2021								2022							
	Grant and/or subsidies	Budgetary allocations	Exemptions, reductions, deferrals or instalments of taxes, duties and other compulsory payments	Granting loans at preferential interest rates	Waiver of revenue from State resources or resources of administrative-territorial units granted preferentially	Provider investments, if the rate of return on these investments is lower than the normal rate of return expected by a prudent private investor	State guarantees, guarantees granted by public authorities/institutions and persons assimilated to public authorities, state/municipal enterprises and by enterprises with wholly or majority public capital	Price reductions on goods and services provided, including the sale of movable and immovable property below market price	Grant and/or subsidies	Budgetary allocations	Exemptions, reductions, deferrals or instalments of taxes, duties and other compulsory payments	Granting loans at preferential interest rates	Waiver of revenue from State resources or resources of administrative-territorial units granted preferentially	Provider investments, if the rate of return on these investments is lower than the normal rate of return expected by a prudent private investor	State guarantees, guarantees granted by public authorities/institutions and persons assimilated to public authorities, state/municipal enterprises and by enterprises with wholly or majority public capital	Price reductions on goods and services provided, including the sale of movable and immovable property below market price	Subsidies and/or grants	Budgetary allocations	Exemptions, reductions, deferrals or instalments of taxes, duties and other compulsory payments	Granting loans at preferential interest rates	Waiver of revenue from State resources or resources of administrative-territorial units granted preferentially	Provider investments, if the rate of return on these investments is lower than the normal rate of return expected by a prudent private investor	State guarantees, guarantees granted by public authorities/institutions and persons assimilated to public authorities, state/municipal enterprises and by enterprises with wholly or majority public capital	Price reductions on goods and services provided, including the sale of movable and immovable property below market price
A	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24
Ialoveni, Mayorality of Razeni Commune	0	0	0	0	0	0	0	225	0	0	0	0	0	0	0	171	0	0	0	0	0	0	0	80
Leova, District Council	0	0	0	0	0	0	0	5068	0	0	0	0	0	0	0	5025	0	0	0	0	0	0	0	4826
Leova, Mayorality of Leova Town	0	0	0	0	0	0	0	3526	0	0	0	0	0	0	0	3205	0	0	0	0	0	0	0	2785
Leova, Mayorality of Sirma Village	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	506
Leova, Mayorality of Hanasenii Noi Commune	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	2
Nisporeni, Mayorality of Iurceni Commune	0	0	0	0	0	0	0	342	0	0	0	0	0	0	0	276	0	0	0	0	0	0	0	223
Nisporeni, Mayorality of Bursuc Village	0	0	0	0	0	0	0	2	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	382
Orhei, District Council	0	0	0	0	0	0	2431	0	0	0	0	0	0	0	2265	0	0	0	0	0	0	0	1986	0
Orhei, Mayorality of Bolohan Village	0	0	0	0	0	0	0	176	0	0	0	0	0	0	0	169	0	0	0	0	0	0	0	144
Orhei, Mayorality of Peresecina Village	0	0	0	0	0	0	0	330	0	0	0	0	0	0	0	1126	0	0	0	0	0	0	0	1529
Rezina, Mayorality of Rezina Town	0	0	0	0	0	0	0	120	0	0	0	0	0	0	0	103	0	0	0	0	0	0	0	260

State aid providers	2020								2021								2022							
	Grant and/or subsidies	Budgetary allocations	Exemptions, reductions, deferrals or instalments of taxes, duties and other compulsory payments	Granting loans at preferential interest rates	Waiver of revenue from State resources or resources of administrative-territorial units granted preferentially	Provider investments, if the rate of return on these investments is lower than the normal rate of return expected by a prudent private investor	State guarantees, granted by public authorities/institutions and persons assimilated to public authorities, state/municipal enterprises and by enterprises with wholly or majority public capital	Price reductions on goods and services provided, including the sale of movable and immovable property below market price	Grant and/or subsidies	Budgetary allocations	Exemptions, reductions, deferrals or instalments of taxes, duties and other compulsory payments	Granting loans at preferential interest rates	Waiver of revenue from State resources or resources of administrative-territorial units granted preferentially	Provider investments, if the rate of return on these investments is lower than the normal rate of return expected by a prudent private investor	State guarantees, granted by public authorities/institutions and persons assimilated to public authorities, state/municipal enterprises and by enterprises with wholly or majority public capital	Price reductions on goods and services provided, including the sale of movable and immovable property below market price	Subsidies and/or grants	Budgetary allocations	Exemptions, reductions, deferrals or instalments of taxes, duties and other compulsory payments	Granting loans at preferential interest rates	Waiver of revenue from State resources or resources of administrative-territorial units granted preferentially	Provider investments, if the rate of return on these investments is lower than the normal rate of return expected by a prudent private investor	State guarantees, granted by public authorities/institutions and persons assimilated to public authorities, state/municipal enterprises and by enterprises with wholly or majority public capital	Price reductions on goods and services provided, including the sale of movable and immovable property below market price
A	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24
Rezina, Mayorality of Cuizauca Village	0	0	0	0	0	0	0	224	0	0	0	0	0	0	0	330	0	0	0	0	0	0	0	0
Riscani, Mayorality of Saptebani Village	0	0	0	0	0	0	0	123	0	0	0	0	0	0	0	102	0	0	0	0	0	0	0	89
Singerei, District Council	0	0	0	0	0	0	0	1272	0	0	0	0	0	0	0	1096	0	0	0	0	0	0	0	0
Singerei, Primaria com. Grigorauca	0	0	0	0	0	0	0	207	0	0	0	0	0	0	0	224	0	0	0	0	0	0	0	224
Soldanesti, Mayorality of Dobrusa Commune	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	936	0	0	0	0	0	0	0	835
Soroca, Mayorality of Ocolina Commune	0	0	0	0	0	0	0	394	0	0	0	0	0	0	0	225	0	0	0	0	0	0	0	192
Stefan Voda, Mayorality of Slobozia Village	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	553
Straseni, Mayorality of Straseni Municipality	0	0	0	0	0	0	0	647	0	0	0	0	0	0	0	566	0	0	0	0	0	0	0	520
Taraclia, Mayorality of Albota de Jos Commune	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	841
Taraclia, Mayorality of Albota de Sus	0	0	0	0	0	0	0	344	0	0	0	0	0	0	0	332	0	0	0	0	0	0	0	569

State aid providers	2020								2021								2022							
	Grant and/or subsidies	Budgetary allocations	Exemptions, reductions, deferrals or instalments of taxes, duties and other compulsory payments	Granting loans at preferential interest rates	Waiver of revenue from State resources or resources of administrative-territorial units granted preferentially	Provider investments, if the rate of return on these investments is lower than the normal rate of return expected by a prudent private investor	State guarantees, granted by public authorities/institutions and persons assimilated to public authorities, state/municipal enterprises and by enterprises with wholly or majority public capital	Price reductions on goods and services provided, including the sale of movable and immovable property below market price	Grant and/or subsidies	Budgetary allocations	Exemptions, reductions, deferrals or instalments of taxes, duties and other compulsory payments	Granting loans at preferential interest rates	Waiver of revenue from State resources or resources of administrative-territorial units granted preferentially	Provider investments, if the rate of return on these investments is lower than the normal rate of return expected by a prudent private investor	State guarantees, granted by public authorities/institutions and persons assimilated to public authorities, state/municipal enterprises and by enterprises with wholly or majority public capital	Price reductions on goods and services provided, including the sale of movable and immovable property below market price	Subsidies and/or grants	Budgetary allocations	Exemptions, reductions, deferrals or instalments of taxes, duties and other compulsory payments	Granting loans at preferential interest rates	Waiver of revenue from State resources or resources of administrative-territorial units granted preferentially	Provider investments, if the rate of return on these investments is lower than the normal rate of return expected by a prudent private investor	State guarantees, granted by public authorities/institutions and persons assimilated to public authorities, state/municipal enterprises and by enterprises with wholly or majority public capital	Price reductions on goods and services provided, including the sale of movable and immovable property below market price
A	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24
Commune																								
Taraclia, Mayorality of Budai Commune	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	18
Taraclia, Mayorality of Corten Village	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	255
Taraclia, Mayorality of Novosolovca Village	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	372
Telenesti, Mayorality of Telenesti Town	0	0	0	0	0	0	0	1612	0	0	0	0	0	0	0	1462	0	0	0	0	0	0	0	1270
Ungheni, Mayorality of Boghenii Noi Commune	0	0	0	0	0	0	0	48	0	0	0	0	0	0	0	36	0	0	0	0	0	0	0	28
Ungheni, Mayorality of Chirileni Village	0	0	0	0	0	0	0	135	0	0	0	0	0	0	0	101	0	0	0	0	0	0	0	80
Gagauzia General Directorate of Finance	6242	0	0	0	0	0	0	0	6592	0	0	0	0	0	0	0	7209	0	0	0	0	0	0	0
ATU of Gagauzia, Ceadir-Lunga, Ceadir-Lunga District Council	0	0	0	0	0	0	0	0	0	0	0	0	0	7245	0	0	0	0	0	0	0	0	0	0

State aid providers	2020								2021								2022							
	Grants and/or subsidies	Budgetary allocations	Exemptions, reductions, deferrals or instalments of taxes, duties and other compulsory payments	Granting loans at preferential interest rates	Waiver of revenue from State resources or resources of administrative-territorial units granted preferentially	Provider investments, if the rate of return on these investments is lower than the normal rate of return expected by a prudent private investor	State guarantees, granted by public authorities/institutions and persons assimilated to public authorities, state/municipal enterprises and by enterprises with wholly or majority public capital	Price reductions on goods and services provided, including the sale of movable and immovable property below market price	Grants and/or subsidies	Budgetary allocations	Exemptions, reductions, deferrals or instalments of taxes, duties and other compulsory payments	Granting loans at preferential interest rates	Waiver of revenue from State resources or resources of administrative-territorial units granted preferentially	Provider investments, if the rate of return on these investments is lower than the normal rate of return expected by a prudent private investor	State guarantees, granted by public authorities/institutions and persons assimilated to public authorities, state/municipal enterprises and by enterprises with wholly or majority public capital	Price reductions on goods and services provided, including the sale of movable and immovable property below market price	Subsidies and/or grants	Budgetary allocations	Exemptions, reductions, deferrals or instalments of taxes, duties and other compulsory payments	Granting loans at preferential interest rates	Waiver of revenue from State resources or resources of administrative-territorial units granted preferentially	Provider investments, if the rate of return on these investments is lower than the normal rate of return expected by a prudent private investor	State guarantees, granted by public authorities/institutions and persons assimilated to public authorities, state/municipal enterprises and by enterprises with wholly or majority public capital	Price reductions on goods and services provided, including the sale of movable and immovable property below market price
A	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24
ATU of Gagauzia, Ceadir-Lunga, Mayorality of Baurci Village	0	0	0	0	0	0	0	427	0	0	0	0	0	0	0	389	0	0	0	0	0	0	0	346
ATU of Gagauzia, Ceadir-Lunga, Mayorality of Cazacia Village	0	0	0	0	0	0	0	795	0	0	0	0	0	0	0	719	0	0	0	0	0	0	0	617
ATU of Gagauzia, Ceadir-Lunga, Mayorality of Tomai Village	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	261
ATU of Gagauzia, Comrat, Mayorality of Comrat Municipality	429	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL	726488	146933	4943	98375	3083	10000	31925	71931	923685	0	13570	98785	7262	61845	31240	66870	697762	25637	6993	98068	13143	14675	30132	64125