



## IN BRIEF...

# Economic Growth

The government of Moldova considers poverty reduction its major challenge, which is reflected in the poverty reduction strategy approved by the government in 2004. There are signs that the recent economic growth has resulted in some improvement of the poverty situation. However, income inequality remains a serious problem.

### Debt Management

Moldova's considerable external debt constitutes a serious impediment to economic growth. Sida supports Moldova's striving to re-negotiate the

debt to a sustainable level. In 2004 Sida launched a new project which aims at assisting in the implementation of Moldova's debt negotiation strategy 2004–2007. Another project

focusing on raising the Ministry of Finance's capacity in debt management was also launched in 2004.

### Energy

Sweden's current support to the energy sector is linked to a World Bank credit, which aims to improve the efficiency of heat supply and consumption in public buildings. Due to the importance of the energy sector in Moldova, Sida is exploring the possibilities of increasing the support to the sector.

### Agriculture

Sida has supported a World Bank project aiming at fostering growth in the agricultural sector by improving the access of new private farmers and rural businesses to legal ownership status, know-how and finance. The support to the agricultural sector is envisaged to be considerably increased in coming years. To that end an in depth needs assessment has been carried out.

### Land Cadastre

The support to the development of a land register is also linked to a World Bank credit. The project has resulted in registration of land plots and of a vast number of apartments. A normal real estate market is emerging in Moldova and the increase in the number of transactions and credits reflects the banking sector's confidence in the system.



Sida plans to increase its support to the agricultural sector in Moldova by improving the access to credits and investments. Photo: Bengt af Geijerstam

## Labour Market

Support aimed at rendering the labour market more efficient has been provided by Sida through two separate projects, one for Labour Market Policies and one for Vocational Training. The Swedish partner is the Swedish Labour Market Board, AMS. In order to strengthen the cooperation between the actors in the labour market, Sida plans to provide future support in a joint programme to support parties in the labour market and vocational education services in working towards a more demand-driven and flexible support system for all types of job-seekers into the labour market. Sida commissioned an evaluation of the assistance provided, which will guide the future cooperation.

*Halving poverty by 2015 is one of the greatest challenges of our time, requiring cooperation and sustainability. The partner countries are responsible for their own development. Sida provides resources and develops knowledge and expertise, making the world a richer place.*



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