



Remarks of the UN Resident Coordinator in Moldova
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HIGH-LEVEL SIDE EVENT AT: UN Climate Change Conference COP27
Strengthening Climate Action in landlocked developing countries: Experiences on adaptation and mitigation
9 November 2022, 15:30-17:00

A very good afternoon everyone

It makes me smile to join you today in the Tajikistan Pavilion, having lived and worked in Tajikistan several times between 1997 and 2008. Thank you for Tajikistan for hosting us.

As with all countries, the Republic of Moldova faces many vulnerabilities related to the impacts of climate change.

Moldova recognizes their collective responsibility and is committed to delivering its revised NDC, which I think is important to note was the 4th country in the world to submit (4th March 2020)

The Moldova NDC has ambitious mitigation targets for green house gas reductions, the second most ambitious reduction targets in Europe and Central Asia

The Moldova NDC importantly also has a strong **Adaptation** component, focusing on agriculture, water, health, forestry, energy, and transportation.

However, Moldova's ambitious commitments can only be achieved with strong partnership including external financing, technology transfers, and technical cooperation.

That was true before, but ever more so given the current context of multiple inter-related crises affecting Moldova – a drought related failed harvest, 34% inflation, 21% bank base rate, 6 fold increase in natural gas, and major supply chain disruption.

Further, due to limited fiscal space, Moldova ranks the lowest in terms of investment in environmental protection in Europe. In recent years, Moldova allocated only 0.5% of its GDP for environmental protection, while the EU average is 1.9%¹.

The situation is likely to further deteriorate in the current context of energy, economic, and refugee crisis as the priorities have shifted towards humanitarian-local development focus, while the budget deficit will only widen.

Additionally, the number of CSOs advocating for and implementing environmental protection measures are fewer than those in the field of gender, human rights etc.

Environmental safeguards are in place but are weak and poorly enforced economic instruments.

We can also not fail to mention, the Russian war in Ukraine has impacted any emerging plans for more ambitious NDC commitments. Not only in Moldova and Ukraine, but in the whole region. Lack of energy diversity and limited renewables has increased fossil fuels use as well as impacting deforestation for firewood, with increased levels of harm to the environment and health. The impact of this is yet to be fully understood.

So what are the options?

Moldova needs new and more sustainable financing, including innovative financing tools. This would include:

- a more diverse portfolio of grant based financing and direct budget support – including more high to climate related vertical funds
- Unlocking private sector financial flows
- Developing instruments to ensure ability for direct budget support and meaningful climate related conditionalities to loan based financing

We also need to create space for better engagement of CSOs in delivering assistance under the umbrella of sector-wide programs to reduce the fragmentation and areas of overlap in their support.

We also require that solutions to mitigate and address climate change have a regional dimension.

We have some challenges, but I am sure with collective partnerships and ambitions we will find solutions