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# High Value Agriculture Activity

QUARTERLY REPORT  
JANUARY – MARCH 2022

Contract No. AID-117-C-17-00001

USAID COR: Brian Wittnebel & Rodica Miron

Chief of Party: Benjamin Toric

Deputy Chief of Party: Viorel Leahu

Submitted: April 2022

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# HIGH-VALUE AGRICULTURE ACTIVITY

## QUARTERLY REPORT

For the period of January – March 2022

**CONTRACT NO. AID-117-C-17-00001**

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**DEPUTY CHIEF OF PARTY: VIOREL LEAHU**

**APRIL 2022**

# ACRONYMS

AgroindVET	Sectoral Committee for Professional Training in Agriculture and Food Industry
ANSA	National Food Safety Agency
APSM Cahul	Association of Table Grapes Producers
ASW	Association of Small Winemakers
BoM	Berries of Moldova Association
CEFTA	Central European Free Trade Agreement
CEVV	Center of Excellence in Vine & Wine
CICA	Beekeeping Training and Consulting Centers
CIS	Commonwealth of Independent States
COR	USAID Contracting Officer's Representative
COVID-19	Coronavirus Disease or 2019 Novel Coronavirus
EMMP	Environmental Mitigation and Monitoring Plan
EU	European Union
FARM	Federation of Agricultural Producers from Moldova
FY	Fiscal Year
GLOBALG.A.P.	Global Good Agricultural Practice (voluntary standard managed by FoodPlus)
GRASP	GLOBALG.A.P. Risk Assessment on Social Practice
HRI	Horticulture Research Institute
HS Code	Harmonized System Code
HVA	High Value Agriculture
HVAA	USAID High Value Agriculture Activity
IFS	International Featured Standards
IPM	Integrated Pest Management
IQF	Individually Quick-Frozen
ISPHTA	Scientific-Practical Institute of Horticulture and Food Technologies
IT	Information Technology
MAFI	Ministry of Agriculture and Food Industry
MCP	Moldova Competitiveness Project
MDL	Moldovan Lei
MFA	Moldova Fruct Association
MoU	Memorandum of Understanding
MRL	Maximum Residue Level
N/A	Not Applicable
NBARM	National Beekeepers Association of the Republic of Moldova
OCA	Organizational Capacity Assessment
ODIMM	Organization for Small and Medium Enterprises Sector Development

ONVV	Office of Wine and Vine
PGI	Protected Geographical Indication
PHH	Post-Harvest Handling
RFA	Request for Applications
SAUM	State Agrarian University of Moldova
SDA	Sustainable Development Account
SEMP	Sector Export Marketing Plan
SEO	Search Engine Optimization
SKU	Stock Keeping Unit
SMETA	Sedex Members Ethical Trade Audit
TUM	Technical University of Moldova
UK	United Kingdom
USAID	United States Agency for International Development
USDA	United States Department of Agriculture
USG	United States Government
VET	Vocational Education and Training
WESA	Wine Export Support Activity
WFD	Workforce Development
WoM	Wine of Moldova
WUA	Water User Association

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# EXECUTIVE SUMMARY

This report covers Quarter 2 of Year 6 of the USAID High-Value Agriculture Activity (HVAA). During the reporting period, 120 events were attended by 863 participants, of which 51 percent were women and 41 percent were youth.

Russia began a full-scale invasion of Ukraine on February 24, a major escalation of the Russian-Ukrainian War that began in 2014. In addition to causing an unprecedented humanitarian disaster, the war is also impacting Moldova economically. Russia's invasion of Ukraine dramatically affected Moldova's agriculture sector due to very significant logistical challenges for accessing the traditional market, and the inability to access Ukraine's port of Odesa to trade with the world. Additional challenges include rising costs of transport, fuel, inputs, packaging as well as liquidity issues. The economic impact is especially severe for fruit and wine producers who rely on the traditional market (Russia, Ukraine, Belarus, Kazakhstan) as the main export destination market. Moldova's apple sector has been disproportionately impacted, given that over 95 percent of apples were exported to Russia and other traditional markets. Moldova currently has about 100,000 tons of apples in cold storage (valued at about \$53 million) that need to be sold in the next couple of months. Apples account for about 60 percent of all horticulture-related exports to traditional markets and about 28 percent of all sales within HVAA-supported horticulture value chains. Moldova's wine sector also lost access to a large market (Russia, Belarus, Ukraine), which represents 43 percent of the total turnover in the wine sector (valued at about \$43 million for wine). It is difficult to reorient markets quickly. However, HVAA initiated holistic sector assistance during the last six weeks for producers to reorient if they meet the requirements of new markets. In March, Moldova exported a record amount of almost 4,000 tons to non-traditional markets, and, for the first time, Moldovan apples were exported to Germany, Kuwait, and Malaysia. Moldova could have exported more apples to non-traditional markets if there were fewer logistical issues, including long waiting times at the Moldova-Romania border due to an insufficient number of customs officers on the Romanian side and insufficient transit trucking authorizations for some EU countries, such as Hungary and Slovakia.

The Wine of Moldova (WoM) continued to be appreciated by the international professional wine community. WoM participated in four international wine contests, winning 141 medals – 104 gold and 37 silver. The small wine producers, participating with HVAA support, won 32 medals with 41 wines. With HVAA support, the Association of Small Winemakers (ASW) continued its promotional campaign on local markets. Under the Wine Export Support Activity (WESA), HVAA is helping generate higher returns and increase Moldovan wine exports by building a positive image of WoM and stimulate increased sales of high value-added wines in several target markets including Romania, Germany, Denmark, and the Netherlands.

HVAA continued to support the adoption of Global Good Agricultural Practice (GLOBALG.A.P.). Nine companies (primarily stone fruit growers) that were competitively selected for HVAA's 2022 GLOBALG.A.P. Implementation Support Program participated in a training on March 1-4. Furthermore, HVAA and the two GLOBALG.A.P. certification bodies active in the country organized the certificate award ceremony for the growers certified in

2021. Interviews with the certified growers were widely shared in the media to disseminate their stories and encourage other growers to seek certification.

Due to HVAA demonstration and promotional activities, pergola and gable vineyards grew from 10 hectares in 2016 to 357 hectares in 2021, underpinned by \$8.6 million in private sector investment. HVAA organized a field assignment on February 15-24 for an international table grape production consultant to provide customized consultancy for 16 growers to help producers apply the production technology and to increase the technical capacity of pergola growers and local crop advisors.

HVAA supported Moldova Fruct Association (MFA) and the National Beekeepers Association of the Republic of Moldova (NBARM) to determine the highest priorities from the list of the Organizational Capacity Assessment (OCA) recommendations to be implemented in 2022. With HVAA support, the associations are improving their capacities in good governance, management and administration, financial management and control, project management, and human resources. In February, NBARM finalized the 24-month long grant activity whose core element was establishing regional Beekeeping Training and Consulting Centers (CICA), designed to increase the quality of training and consultancy services available to regional beekeepers by providing customized trainings according to the needs of each region. Despite the COVID-19 pandemic, CICA training events were well attended, with a total of 724 participants. Youth and women represented 38 percent of unique participants (150 out of 394), a major achievement for a value chain striving to attract new talent in the “Hobby to Business” effort. HVAA also assisted the Association of Small Winemakers (ASW) to design, develop, organize, and deliver a training course tailored to the needs of small wine producers. The training program will become part of ASW’s permanent income-generating services.

HVAA continues to encourage rational use of water resources while achieving optimum crop productivity. In this quarter, HVAA and Sustainable Development Account (SDA) organized the national-level Water User Association Conference, which highlighted the importance of irrigation for agriculture and the need to optimize water use and protect soil. Also, HVAA supported the State Agrarian University of Moldova (SAUM) to organize an International Irrigation Conference, which included participation of the North Carolina State University (NCSU), which was used as a platform for discussing climate-resilient agriculture to ensure rational and sustainable use of water resources.

Significant progress has been made in policy. For example, following consultative meetings, the proposed amendments to legislation governing daily and seasonal workers were submitted to the Government and National Anti-Corruption Center for analysis and concurrence. The draft amendments to legislation governing the apiculture sector were registered as a legislative initiative by the chairman of the parliamentary agrarian commission. The draft horticulture law was released for open public consultations. With HVAA support, a concept for the National Program for the Development of the Wine Sector for 2023-2027 was drafted and submitted to the State Chancellery for clearance and concurrence.

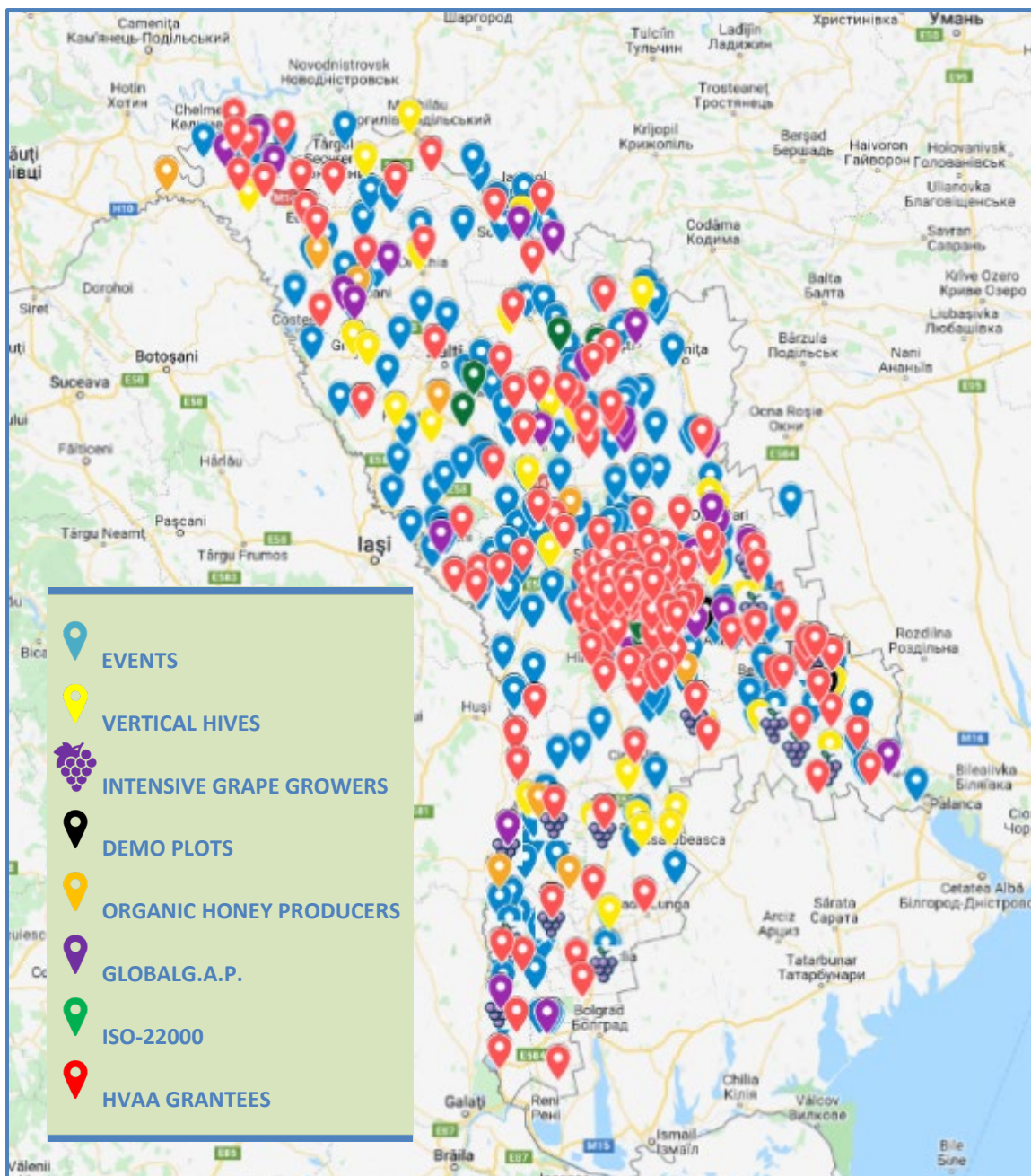
HVAA and FARM organized a Forum on Workforce Development in High Value Agriculture (WFD Forum), which included participation of an educational institution from the



Netherlands. Students participating in the Agro IT Academy with MicroLab are working on digital solutions that will help address issues and challenges in the agricultural sector. At the same time, Bubuieci Vocational Education and Training (VET) School and Nisporeni School launched a business plan contest for graduates of the START-UPS Programs. Twelve selected students from the Center of Excellence in Vine & Wine (CEVW) successfully completed the theoretical program for the HVAA grant activity “Entrepreneurial education incubator for the agricultural, wine and industrial production sectors.”

HVAA celebrated International Women’s Month by showcasing the roles and contributions of women in agriculture through a social media campaign. The successes of seven leading women producers from different value chains were highlighted.

**Exhibit 1. HVAA events by location and value chain as of March 31, 2022**







**SECTION I: PROJECT ACCOMPLISHMENTS BY OBJECTIVE**

**Objective 1: Expand and Strengthen Linkages to Domestic, Regional, and International Markets for Targeted Value Chains**

**FRESH APPLES**

The Moldovan apple sector’s main priority is market diversification due to its high dependency on a single export market, the Russian Federation, which regularly imposes politically-motivated import bans. During the last five years, the USAID High-Value Agriculture Activity (HVAA) has

**Exhibit 2. Moldovan apples being packed in the Cargo Bushel box developed by MFA with HVAA assistance**



actively worked with public and private sector stakeholders to comprehensively address constraints that prevented the sector from tapping into opportunities offered by more reliable European Union (EU) and Middle East markets, such as poor market linkages, lack of market-demanded varieties, inadequate packaging, and lack of experience shipping to distant markets.

The progress achieved in the first part of the 2021-2022 apple market season (August 2021-February 2022) suggested that

### Exhibit 3. Moldovan apples packed in the new Cargo Bushels ready to be exported to the Gulf region



events HVAA and MFA organized in 2017-2021, including a trade mission to the United Arab Emirates in November 2021.

The exporters to the Gulf region and North Africa used the Cargo Bushel box, marked with the prominent slogan “Moldova taste makes the difference”, launched by MFA in January 2021 with HVAA support (see Exhibit 3). The new Cargo Bushel box is an improvement to the Standard Bushel box that was introduced by the HVAA-MFA Pilot Shipment Program in 2018 to meet the specific packaging requirements of Asian markets. The innovative solution allows exporters to reduce transportation costs by about 20 percent compared to the Standard Bushel boxes, thus reducing product costs at the final destination and improving competitiveness.

### Exhibit 4. An exporter sharing his experience of shipping apples to a new market (Kuwait) thanks to USAID support



this could be a breakout season for the sector. The geography of Moldovan exports expanded to 21 countries (up from nine in the previous season), and more than 10,000 tons of apples were exported to markets other than the Russian Federation. Several HVAA partners, Moldova Fruct Association (MFA) members, entered supply contracts with importers from the Gulf region and North Africa, most of them identified at linkage

The war in Ukraine has resulted in the blocking or overloading of Black Sea ports through which Moldovan fruits are exported to distant markets. In order to maintain and expand the positive results achieved by Moldovan exporters in market diversification, HVAA and MFA offered exporters a package of services that includes establishing links with alternative logistics service providers, quick feasibility

studies of new transportation and logistics solutions, and multilateral advisory support (quality control, phytosanitary issues, etc.) in organizing pilot deliveries through new routes.

Moldovan apple exporters were able to react to new market realities quicker and better thanks to HVAA and MFA assistance. Several exporters made deliveries to new distant markets due to the HVAA support package. Moldovan exported a record amount of almost 4,000 tons in March to non-traditional markets, and, for the first time, Moldovan apples were exported to Germany, Kuwait, and Malaysia. Moldova could have exported more apples to non-traditional markets if there were fewer logistical issues, including long waiting times at the Moldova-Romania border due to an insufficient number of customs officers on the Romanian side and insufficient transit trucking authorizations for some EU countries, such as Hungary and Slovakia.

**Exhibit 5. MFA director presenting the Moldovan fruit offer at the Romanian Fruits & Vegetables Show 2022**



Romania is a large importer of Moldovan fruits, but significant growth opportunities exist in the expanding modern retail sector, especially for Moldovan apples. Modern retailers are seeking ways for fruits to move from field to shelf as quickly as possible while maintaining stringent quality specifications. Sourcing through long supply chains involving multiple intermediaries makes it

difficult to secure consistent quality and volume. Therefore, retailers are looking at direct sourcing as a way to achieve programmed sales and increase efficiencies for both the retailer and grower. Multiple Moldovan stone fruit and table grape growers initiated direct deliveries to retailers in Romania as a result of inward and outward trade missions HVAA organized in 2017-2021, but Moldovan apple sales through this channel were underwhelming. To strengthen Moldovan fruits' positioning on the Romanian market, HVAA and MFA arranged for 14 Moldovan exporters to participate in the Romanian Fruits & Vegetables Show 2022, held on February 24 in Bucharest. The MFA Director presented the recent upgrades in the Moldovan fresh fruit sector and highlighted the opportunities for Romanian retailers to increase their sourcing from Moldovan growers (see Exhibit 5).

Networking sessions gave exporters direct communication with major Romanian retailers, including those active in the emerging e-commerce space. Following the event, four Moldovan apple producers made a consolidated offer with a commitment to a long-term partnership with



one of the largest Romanian retailers. The retailer accepted the offer and the first delivery was made in the last week of March.

### **CROSS-CUTTING (APPLES, STONE FRUITS, AND TABLE GRAPES)**

With the conclusion of the 2021 stone fruit export campaign, HVAA began assisting Moldovan exporters to prepare for the 2022 marketing season by reviewing the lessons learned in the previous season, capturing buyer feedback, and helping businesses develop improved offers for international buyers. HVAA arranged inward trade missions for two EU buyers who visited their current Moldovan suppliers and potential new suppliers identified by HVAA through its work with the MFA, the Federation of Agricultural Producers from Moldova (FARM), and the Chamber of Commerce and Industry.

HVAA assisted MFA to organize its traditional series of Sector Export Marketing Plan (SEMP) workshops with leading apple (March 18) and stone fruit (March 25) growers and exporters to review the lessons learned in the previous seasons, capture buyer feedback, and help businesses develop improved offers for international buyers. Developing the EU and non-Commonwealth of Independent States (CIS states) markets was the driving theme of the discussions, considering the impacts on the trade of the ongoing war in Ukraine. The workshops helped MFA and exporters to design the 2022 Market Development Plan, which includes detailed actions to strengthen relationships with existing buyers and to enter new market segments (such as direct deliveries to EU-based retailers) and countries (such as Switzerland, Sweden, France, and the Netherlands).

HVAA and value chain stakeholders will organize similar workshops for table grapes (April 15) and berries (April 22).

### **HVA PRODUCTS ON THE LOCAL MARKET**

Multiple small-scale processing operations for high value agriculture (HVA) products have emerged in Moldova in the last few years. However, establishing efficient and cost-effective distribution systems is the main challenge for these businesses to achieve meaningful sales. To harness digital technology as a distribution solution, HVAA partnered with Evo Foods Company to establish a local fresh and processed produce e-commerce platform through its existing website ([iFood.md](https://iFood.md)), which will allow Moldovan consumers to select and purchase online high-quality agricultural products from local farmers for delivery to their door in a manner that is as simple as ordering a pizza. The new platform was launched in February, listing 19 suppliers of fresh and processed HVA products. The platform is being promoted by a campaign with the slogan #GustosAcasă (“Tasty at Home”).

Transnistria produces over 10,000 tons of processed agricultural products, such as canned and preserved vegetables, canned fruits, juices, and individually quick-frozen (IQF) vegetables. The Baby Food Cannery in Tiraspol, one of the oldest and largest vegetable processors in the region, produces canned sweet corn, green peas, beans, tomato paste, and a limited variety of IQF vegetables, sold under a partner’s brand primarily on the traditional CIS market. Originally, its

IQF products were sold only in bulk, in unmarked 10-, 20-, and 25-kilogram bags for further repacking by the buyer.

HVAA assisted the company to increase production, improve cauliflower and broccoli harvesting, and diversify its product range for the export market. More specifically, HVAA provided a grant to procure a modern cauliflower and broccoli harvester and develop a greater range of frozen and canned vegetables in consumer packaging under its own Mr. Harvi brand, suitable for local and international markets (see Exhibit 6).

**Exhibit 6. Quick-frozen vegetables sold under cannery's brand in the largest Transnistria retailer**



Baby Food Cannery now sells frozen/IQF vegetables (four products in 400-gram packaging) in the largest Transnistrian retailer and is negotiating with other retailers in Moldova.

HVAA also supported the processor to build strong partnerships with farmers in the region to produce vegetables for processing on a contractual basis. This allowed the company to increase production and harvesting of fresh cauliflower and broccoli for processing. Through project support, the company saw production of these commodities increase from 462 tons in 2019 to 1,170 tons in 2021. This resulted in increased production of processed products (IQF cauliflower and broccoli), increased sales in traditional markets, and access to

new markets through its retail packaging ventures.

## **WINE VALUE CHAIN**

Wine of Moldova (WoM) continued to be appreciated by the international wine professional community. During the reporting period, WoM participated in four international wine contests, winning 141 medals – 104 gold and 37 silver. HVAA supported small wine producers to participate in the contests with 41 wines, which resulted in their wines winning 32 medals.



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During the last three months, Moldovan wines won 141 medals at four international competitions; 73 percent of the medals were gold.

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The Association of Small Winemakers (ASW) continued its promotional campaign on local markets, with HVAA grant support. According to the promotional strategy, small winemakers maintain the ongoing interest of wine consumers. The promotional effort includes managing the “VinulMeu” (“MyWine”) campaign and the wine consumer community established in recent years, improving ASW’s institutional

**Exhibit 7. ASW social media promotional banner**



communication with direct and indirect stakeholders about the association’s activities and achievements. ASW also continued promoting wine tasting events with small wine producers (see Exhibit 7).

HVAA helped ASW members by contracting a company to conduct photo sessions that will result in photographic content as a presentation of each winery.

*Support of marketing activities*

Complementing its support of marketing activities for small wineries, HVAA is assisting 11 small wineries and two transition wineries to develop their brand identities, labels, and other design

assets and preparing them to launch their wines on the local market in summer-spring 2022.

HVAA supports five Moldovan wineries with technical assistance for marketing and promotion activities, based on a marketing plan, a market development concept, target indicators, and associated budgets.

Under the Wine Export Support Activity (WESA), HVAA is helping generate higher returns and increase Moldovan wine exports by building a positive image of WoM and stimulate increased sales of high value-added wines in several target markets including Romania, Germany, Denmark, and the Netherlands.

Gitana Wineries, one of the WESA beneficiaries, conducted a marketing and promotion campaign on key Romania export markets to enhance brand awareness and increase sales. Gitana was featured on the national TV program “Chefs’ Arena” on the top-ranked TV station in Romania (ProTV). Gitana’s wines, vineyards, as well as Moldova as a wine producing country

were showcased on the gastronomy show. Due to the activity, Gitana estimates an 18 percent increase in sales in Romania in 2022. In turn, by showcasing the quality of a leading Moldovan winery and educating consumers about Moldova’s capacity, the campaign also promoted and elevated the WoM image in Romania. The “Chefs’ Arena” TV show included eight episodes on ProTV, broadcast in prime time on Sunday with re-runs later in the week. It was posted on all ProTV websites, as well as on the “Chefs’ Arena” Facebook page and YouTube channel.

**Exhibit 8. Social media post promoting Gitana winery on TV**



Gitana Winery also ran promotional and social media campaigns targeting the Romanian market, aiming to enhance the impact of the “Chefs’ Arena” visibility, as well as grow awareness for its brand and wines on the market (see Exhibit 8).

Following the experience of Gitana winery, HVAA extended assistance to four wineries to promote their wine on international markets: Tomai Vinex, Salcuta Winery, Agrici Wines, and Doina Vin. The wineries started a social media campaign, which will be held in Germany for Doina Vin, in Romania for Agrici Wines and Tomai Vinex, and in Denmark and the Netherlands for Salcuta Winery.

## Objective 2: Improve Productivity, Post-Harvest Handling, and Private Sector Capacity to Comply with EU and International Standards in Targeted Value Chains

### CROSS-CUTTING

#### *Promoting Good Agriculture and Social Practices*

HVAA continued to support the Moldovan ecosystem of Global Good Agricultural Practice (GLOBALG.A.P.) services: advisors, certification bodies, industry associations, and other organizations that facilitate implementing standards and certifications. On January 20, HVAA and the two GLOBALG.A.P. certification bodies active in the country – SGS and CERES – organized the certificate award ceremony for the growers certified in 2021. Interviews with the certified growers were widely shared in the media to disseminate their stories and encourage other growers to seek certification. Nearly 100 growers have obtained GLOBALG.A.P. certification since HVAA was launched, and 40 of

#### **Exhibit 9. “Class of 2021” GLOBALG.A.P. and GRASP-certified growers**



them have also obtained GLOBALG.A.P. Risk Assessment on Social Practice (GRASP) certification.

In February, the HVAA Food Safety and Post-Harvest Specialist updated the GLOBALG.A.P. Implementation Guide and training materials to the latest version of the GLOBALG.A.P. Integrated Farm Assurance Standard v5.4-I-GFS. The updated materials were used during a 4-day GLOBALG.A.P. Implementation Training on March 1-4, which focused on nine companies (primarily stone fruit growers) that were competitively selected for HVAA’s 2022

GLOBALG.A.P. Implementation Support Program.

#### *Ensuring sustainable use of pesticides*

Compliance with European buyers’ pesticide residue requirements is a major issue for the fruit sector in order to expand sales into the EU, as the active ingredients and their Maximum Residue Levels (MRLs) are continuously being reviewed. The current list of approved ingredients includes multiple pesticides that are widely used by Moldovan growers. As prevention is better than correction, HVAA, in partnership with farmer associations, continued the awareness campaign about the sustainable use of pesticides on Agrobiznes.md and AgroTV. The campaign features an animated video produced in Year 5 that emphasizes active communication with buyers and within an organization (specifically between production and sales departments) and adoption of Integrated Pest Management (IPM) approaches and promotes self-checking of compliance with buyer requirements before any shipment is made.

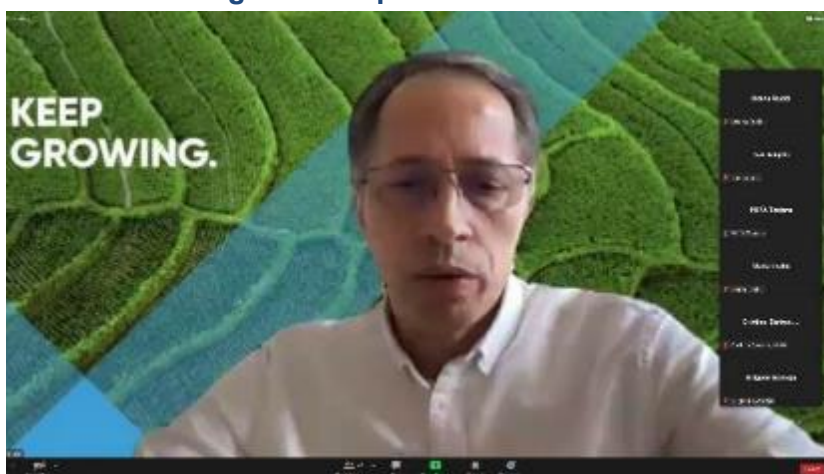
On February 16, HVAA and MFA organized an online roundtable with stakeholders from the public and private sector to discuss promoting IPM in fruit production, with a focus on regulatory aspects.



Quicker registration of new crop protection products will allow the industry to use safer and more targeted pesticides. Participants discussed establishing a fast-track registration pathway for biopesticides, which generally have a low risk profile, using USA and EU experience. Some biopesticides, such as pheromone traps, do not require product registration in the USA and EU, and private sector participants encouraged the Government of Moldova to adopt a similar regulatory approach. HVAA will continue to provide on-demand assistance to public and private sector stakeholders to promote replacing agrochemicals with much safer methods.

## FRUIT VALUE CHAIN

**Exhibit 10. Online roundtable on improving the management of pesticides use in HVA**



At the start of the Activity, HVAA identified apricots as a crop offering higher margins and a way to diversify and reduce risk from Moldova's high dependency on apple exports to Russia. After a visit to Moldova, an international expert confirmed that the country has the required soil and climatic conditions to produce apricots at the same quality level as those from Italy, the European benchmark for apricot quality. Between 2017-

2020, HVAA invested heavily in the apricot value chain by organizing a study tour to Italy, providing in-person and remote international and local production expertise, publishing the Apricot Production Guide, and organizing multiple training events. HVAA also assisted multiple apricot growers to obtain GLOBALG.A.P. and GRASP certifications. These efforts resulted in Moldovan apricot growers penetrating European markets at unprecedented levels in 2021.

**Exhibit 11. First trees grafted on Geneva 11 rootstock planted in Moldova**



To maintain the pace of export growth, HVAA organized a field assignment February 24-March 3 for an international apricot production consultant to visit 10 leading growers who are managing intensive apricot orchards planted with modern varieties in demand on the European market. The consultant reviewed the 2021 production results and helped growers to plan for the ongoing production season in order to meet European buyer quality and food safety requirements. Most of the growers visited have already obtained GLOBALG.A.P.

certification or are currently enrolled in HVAA's 2022 GLOBALG.A.P. Implementation Support Program. Additionally, HVAA and Agro Oguz Association organized a field training session for current and prospective apricot growers from the Gagauzia region.

The Moldovan apple sector's main priority is market diversification due to its high dependency on a single export market, the Russian Federation. HVAA and MFA's market development activities in 2017-2021 demonstrated that Moldovan apple exporters have opportunities in the EU and other markets as long as they have market-accepted varieties (such as Gala, Fuji, and Braeburn) and the fruit meets the retailers' strict pesticide residue requirements, such as the limited number of active ingredients detected and residue levels below 30 percent of official EU MRLs. To meet the buyers' strict pesticide residue requirements, the Moldovan apple sector needs to transition from the predominant agrochemical-first approach to IPM, including cultural management (soil and nutrient management, use of varieties and rootstocks resistant to pests and diseases, and use of certified virus-free trees), mechanical management (use of nets and pheromone traps), and biological management (use of codling moth mating disruption).

All these practices will be demonstrated by HVAA and Viorix-Agro, which in March 2022 planted Moldova's first intensive apple orchard using certified virus-free nursery trees grafted on Geneva 11 rootstock bred developed by the United States Department of Agriculture (USDA) and Cornell University (see Exhibit 11). This rootstock is resistant to replant diseases that otherwise would require additional investments in preplant soil preparation and more chemical sprays during the growing season. HVAA will disseminate information about the technology and IPM toolbox to other growers and exporters by organizing several field days in the upcoming months.

#### TABLE GRAPE VALUE CHAIN

**Exhibit 12. HVAA grape consultant advising on how a proper winter pruning sets the tone for the entire season**



In Years 2-5, HVAA provided sector pioneers with grants and technical assistance to demonstrate the advantages of intensive grape growing technologies, such as pergola and gable vine training systems. These systems offer many advantages, including improved berry coloring, mold prevention, reduced pruning and harvesting labor, more uniform berry sizes, and increased yields. Due to HVAA demonstration and promotional activities, pergola and gable vineyards grew from 10 hectares in 2016 to 357 hectares in 2021, underpinned by \$8.6 million in private sector investment.

Producers need to continuously monitor performance, as Moldova's soil and climate make vineyards more vigorous than in Italy, where the technology was developed. As such, Moldova needs to customize its approaches. To increase the technical capacity of pergola



growers and local crop advisors, HVAA organized a field assignment February 15-24 for an international table grape production consultant to provide customized consultancy to 16 growers. Additionally, HVAA, the Association of Table Grape Producers (APSM) from Cahul, and an HVAA pergola grantee organized a field day on February 21, which 19 growers attended. Considering the need to reorient table grape exports away from the Russian Federation, the consultant emphasized expanding the IPM toolbox applied by Moldovan growers, including using mating disruption to control key pests, as opposed to using agrochemicals that leave residues and make it harder to meet European buyer requirements.

## BERRY VALUE CHAIN

### Exhibit 13. Winter Berry School promo banner

**USAID**  
DIN PARTEA POPORULUI AMERICAN

Proiectul APM  
Agricultura Performantă în Moldova

Pomuşoarele  
Moldovei

# Winter Berry School

24 IANUARIE - 4 FEBRUARIE, 2022

Programul şcolii de iarnă. Ziua I

10:00 **Tehnologii moderne de producere a căpsunelor**

- Planificarea și înființarea plantației
- Tehnologii moderne de cultivare
- Protecția și fertilizarea plantelor
- Soluri actuale și de perspectivă
- Recoltarea, ambalarea și post-recolta

12:30 **Discuții**

Expert: **Jeremy Darby**  
Consilier internațional - culturi cu fructe moi  
(Fruit Project LTD, UA)

24 IANUARIE, LUNI  
10:00 - 13:00

Berry production is an attractive business opportunity for young farmers and small entities due to smaller upfront investment requirements alongside strong and increasing export and local demand. Nonetheless, overall volumes remain low, and significant production upgrades and marketing consolidation is required to transform Moldova's berry sector. In January, HVAA with support from the Berries of Moldova Association (BoM) and FARM organized the annual Winter Berry School, leveraging digital technologies to bring an impressive roster of local and international experts (Spain, the UK, Serbia, Bosnia, and Herzegovina) to share the best production and post-harvest practices and technologies.

This year's edition of the Winter Berry School included two parts due to the diversity of berry crops and production systems. The first four half-day online sessions (January 24-February 4) were dedicated to open field production of a large range of soft fruits: strawberries, raspberries, blackberries, blueberries, blackcurrants, and sea-buckthorn (see Exhibit 13). To help berry growers properly plan business development, an entire session was dedicated to local and international market trends for fresh and processed berries, including quality requirements and best practices in integrating into digital sales channels (own e-shops or supply to e-commerce players). Responding to sustainable production challenges, a separate session was dedicated to IPM and organic berry production.

The second part of the Winter Berry School (February 28 - March 4) focused on berry production in protected/covered structures (see Exhibit 14). The four sessions, led by a top-caliber expert from the UK, covered soilless and soil-based production of a large range of soft fruits, including strawberries, raspberries, blackberries, and blueberries. All Winter Berry School sessions were posted on the BoM website for growers who were not able to attend the live event online.

## Exhibit 14. Winter Berry School promo banner

**CURS ONLINE GRATUIT**

### Producerea pomuşoarelor în spații protejate

28 februarie - 4 martie

Instruirea vor fi susținute în limba rusă

<b>28 februarie</b> 10:00 - 14:00	Tehnologii moderne de cultură și producere intensivă a culturilor cu fructe de moai <i>Jeremy Darby</i>
<b>1 martie</b> 10:00 - 13:00	Cultivarea căpşunilor în sol în tuneluri (tunele joase și înalte) <i>Oleksandr Yareshchenko</i>
<b>2 martie</b> 10:00 - 14:00	Cultivarea pe substrat a căpşunilor în tuneluri (tunele joase și înalte) <i>Jeremy Darby</i>
<b>3 martie</b> 10:00 - 13:00	Cultivarea zmeurei și murelor în sol în tuneluri (tunele joase și înalte) <i>Oleksandr Yareshchenko</i>
<b>4 martie</b> 10:00 - 14:00	Cultivarea pe substrat a zmeurei și murelor în tuneluri (tunele joase și înalte) <i>Jeremy Darby</i>

**USAID**

To help berry growers better market their products and diversify from the Russian Federation, HVAA initiated an Export Guide for fresh and frozen berries, with a focus on the EU and Asian markets.

### HONEY VALUE CHAIN

In February, the National Beekeepers Association of the Republic of Moldova (NBARM) finalized the 24-month-long grant activity “Developing beekeepers’ practical skills through training and implementation of modern technologies.” The grant activity’s core element was establishing regional Beekeeping Training and Consulting Centers (CICAs), designed to increase

the quality of training and consultancy services available to regional beekeepers by providing customized trainings according to each region’s needs. In 2020, NBARM established three CICAs in localities where NBARM has previously established demonstration apiaries for vertical hives (Glodeni, Ialoveni, and Cahul). Based on the encouraging results achieved by the pilot CICAs in their first year, NBARM established another three CICAs in 2021, two with HVAA grant support (Sorooca and Edinet) and one with support from a private partner (Hulboaca).

Each of the CICAs was supported to develop customized training material and organize four field trainings over the course of a one-year beekeeping cycle. Despite the COVID-19 pandemic, the CICA training events were well attended, with a total of 724 participants. Youth and women represented 38 percent of unique participants (150 out of 394), a major achievement for a value chain striving to attract new talent in the “Hobby to Business” effort. NBARM supported each of the CICAs to pilot a consulting and mentoring program that helped beekeepers put knowledge from trainings into practice and reinforce the hobby-to-business strategy. NBARM mentors organized 120 field visits, with additional demand-based support provided through the Viber groups established by each CICA.

While participation in the program will be free for participants under the grant, each CICA will develop a pricing scheme for the future. Participants will be aware that they are receiving free training under a USAID grant, but the value of the training will be publicized so that CICA does not set a precedent of “free services.” Several NBARM surveys of beekeepers served by CICAs confirmed the effectiveness of CICA activities. A survey at the end of the 2020 bee wintering period showed a colony loss rate of 5-15 percent among CICA-trained beekeepers, while other NBARM members reported losses of 30-50 percent (a typical loss rate, even in countries with more developed beekeeping sectors, is between 10-20 percent). Despite challenging climatic conditions in 2020, the CICA beekeepers managed to harvest 30 percent more honey per colony in comparison with other beekeepers from their regions. A random survey of CICA beekeepers in August 2021 found that 70 percent of CICA beekeepers had adopted at least one improved practice or technology.

HVAA provided consulting support to NBARM to improve its organizational infrastructure, including modifying the NBARM bylaws, developing CICA regulations, and introducing paid services. Several of these documents will be discussed and put to vote at the upcoming NBARM General Assembly (April 9), which should lay the foundation for a new chapter in NBARM’s development.

## WINE VALUE CHAIN

### *ASW Mentorship Program*

ASW continued the Mentorship Program as a peer-to-peer assistance activity, in which emerging small wine producers receive mentorship from experienced winemakers and have access to shared equipment and a unique marketing and promotion platform focused on the concept of author wines. HVAA is committed to supporting small and transitional wineries by delivering needed expertise during wine production. HVAA assigned three winemaking experts to provide consultations to 26 small and four transitional wineries.

Also, HVAA provided ASW with critical equipment that will be rented out to small wineries that cannot afford to buy their bottle washing and corking equipment. The equipment will help producers bottle wines according to regulations and add value to final products.

During the second quarter of the Year 6, HVAA provided technical assistance to its beneficiaries, to improve the environmentally friendly practices within the companies. Small wineries were encouraged to incorporate the pruning into the soil, instead of burning it, and keep records of all sprayings in the vineyards.

### *Small wineries certification*

To facilitate placing final products on the market, exporting, and reducing shadow sales, HVAA contracted an accredited laboratory and certification organization to conduct physico-chemical indices testing and safety and organoleptic analyses. The lab will also issue Test Reports and Certificates of Conformity/VI-I Certificates for finished wine and/or bottled wines from 21 ASW members, in accordance with the specific requirements defined in the Technical Regulation “Organization of the Wine Market” approved by Government Decision 356/2015. The wineries will also receive assistance for certifying wine stock-keeping units (SKUs).

### *Training program for ASW members*

#### **Exhibit 15. Training on Wine Tourism**



As small wine producers are very busy due to the many responsibilities of managing a small business (creating wines, marketing, managing sales, etc.), HVAA assisted ASW to design, develop, organize, and deliver a training course tailored to the needs of small wine producers. The training program, which will become part of ASW’s permanent income-generating



services, will be held as many times as required by association members. A training on Wine Tourism was held on March 23 (see Exhibit 15), which covered following topics: general aspects of starting to provide tourism services, project ideas, funding opportunities, field organization, and practical examples and success stories. The training was attended by 23 ASW members.

#### *Wine testing events in two PGI regions*

On February 18 and 25 and March 3, the National Office of Wine and Vine (ONVV) organized regional tastings of wines produced from the Protected Geographical Indication (PGI) grapes of Codru, Stefan Voda, and Valul lui Traian. The small and transitional wineries assisted by HVAA also participated in the testing events. The purpose of the tastings was to determine the quality of the wines produced from the 2021 harvest. PGI Codru presented 100 wine samples from 27 producers, and PGI Valul lui Traian presented 108 wine samples from 18 producers. The organoleptic evaluation of the wines was based on an automated information system used by a commission composed of five authorized tasters. The main conclusion of the testing events was that, despite the difficult weather conditions in 2021,

#### **Exhibit 16. Bahu Winery with work safety items provided by HVAA.**



Photo credit: Bahu winery

PGI Codru white wines have exceptional quality (Pinot Gris, Chardonnay, Sauvignon Blanc, Viorica, Feteasca regală, Muscat Ottonel) and PGI Valul lui Traian and PGI Stefan Voda rosé and red wines demonstrated exceptional quality.

Encouraging small wineries, beneficiaries of the Wine Pick Up program, to comply with Moldovan workforce safety norms was on HVAA's radar during the last quarter. A range of small items was purchased and distributed among beneficiaries, based on an initial assessment and consultations. HVAA distributed safety materials to 16 small wine producers from different regions of the country (see Exhibit 16): protective goggles, gloves, boots, and jackets for better worker safety during fieldwork; fire extinguishers, first aid kits, and emergency exit signs to improve on-site security for visitors and winery employees; and waste bins and compost boxes to promote efficient and sustainable waste management practices.

#### *Monitoring ONVV sustainability in providing professional training to the sector*

Without any HVAA support, indicating a high degree of sustainability, the ONVV, in partnership with the wine associations of PGI Codru, Valul lui Traian, and Ștefan Vodă, organized a series of regional workshops on pruning vines at different ages for different plant shapes. In addition, on January 17-20, the ONVV, in collaboration with the Dordogne Chamber of Agriculture (France), hosted the first study visit from France to Moldova for beneficiaries of the PartnersInWine project as part of the EU4Business Connecting Companies program. The study visit facilitated exchanging experience, networking, and transferring knowledge for Moldovan wineries. The French winemakers' experience and knowledge

will help Moldovan wineries to build capacity in producing high quality wine and improve export practices.

### **Objective 3: Strengthen Capacities of Member-Based Groups (Producer Groups, WUAs, and Industry Associations) to Serve Their Members in Targeted Value Chains**

#### **STRENGTHEN CAPACITIES OF INDUSTRY ASSOCIATIONS**

##### **CROSS-CUTTING**

HVAA supported MFA and NBARM to determine the highest priorities from the list of the Organizational Capacity Assessment (OCA) recommendations to be implemented in 2022. Both associations identified ten priority recommendations from the OCA developed in 2021 with HVAA support. HVAA started to assist the associations with updating internal regulations and developing new policies to respond to emerging needs. With HVAA support, the associations are improving their capacities in good governance, management and administration, financial management and control, project management, and human resources. As NBARM is currently being restructured, the initial core association documents such as the bylaws, regulations, financial policy, and the human resource manual are being adjusted to meet the new membership and contributions conditions. MFA is upgrading its financial management by developing new tools to regulate its cost allocation and cost-sharing.

##### **HONEY VALUE CHAIN**

###### *National Beekeepers' Association*

With HVAA monitoring and guidance, NBARM was restructured to extend membership eligibility from only regional organizations to individual beekeepers, as well. A regulation on membership fees was drafted, explaining the mechanism for regional organizations and individual beekeepers to pay membership fees. These changes will help NBARM become more sustainable, as previously the membership fee collection rate was low due to the weak capacity of regional organizations. The new regulation will come into effect after the General Assembly, planned for April 9.

During the reporting period, HVAA supported NBARM to upgrade its webpage to keep pace with organizational advancements. HVAA assisted NBARM to procure and contract a web design company to improve the association's webpage based on pre-developed technical specifications. As a result of increasing NBARM's visibility and more visitors to the webpage, the NBARM website has become more user-friendly, comprehensive, and updated with recent information about the association, its new services, and new membership application procedures. It will also have information on best beekeeping practices for beginners who plan to develop a beekeeping business. The website obtained a security certificate and will be able to connect to Google Analytics, which will help the association make informed decisions related to data transparency and information accessibility. New members will have the possibility to complete the membership form online and submit membership applications.

With HVAA support, NBARM is implementing a services development project for beekeepers. During the last quarter, NBARM assisted eight beekeepers (six young entrepreneurs and two women) to prepare application documents for attracting investments through government programs such as PARE I+I and Startup for youth. The total investment value of the eight projects is more than \$180,000 and more than 15 jobs will be created for women and youth.



## **TABLE GRAPES VALUE CHAIN**

### *Agro Oguz Association*

During the reporting period, the Ministry of Infrastructure and Regional Development approved financing for the Comrat Packing House project. HVAA helped Agro Oguz and its partner the Regional Development Agency Gagauzia to prepare the technical specifications for procuring technical design services for the new facility. All project partners reaffirmed their commitment to the project, including the Gagauzia Executive Committee, Comrat Mayoralty, the Industrial Park, and the Free Economic Zone. Complementing this effort, HVAA assisted Agro Oguz to organize a meeting with the future cooperative members. HVAA is assisting Agro Oguz with cooperative registration procedures and documentation.

## **BERRIES VALUE CHAIN**

### *Belii Most Association*

HVAA supported the Belii Most Association from Transnistria to implement its strategic action plan by revising and updating the list of priority actions anticipated for 2022. The association will extend its assistance from the berry and table grapes sectors to the fruits and vegetable sector.

## **WINE VALUE CHAIN**

The ASW is one of HVAA's main implementing partners (along with ONVV) on the quality improvement programs. It is also the backbone of an entire ecosystem that nurtures and provides mentorship and support for boutique wineries and new start-ups. For this reason, ASW's institutional development is one of HVAA's core priorities.

HVAA continued to mentor ASW to ensure that the organization has the capacity to sustain its mentorship model, collect and manage membership fees, and provide adequate support to its members during the global pandemic and recession. HVAA is focused on strengthening the association's organizational management capability with a qualified executive team and establishing transparent and efficient internal regulations and operational procedures. HVAA is also helping ASW to identify new funding opportunities or income-generating activities that will ensure the organization's financial sustainability.

## **STRENGTHEN WATER USER ASSOCIATIONS**

### ***WUA Grants***

Three HVAA Water User Association (WUA) grantees reported on results of their activities.

### **WUA Jorile**

The increased rainfall in 2021 led to a considerable reduction in irrigation demand from WUA members compared to what was planned at the beginning of the year. HVAA's investments through its Year 5 grant activity significantly contributed to the WUA's sustainability by increasing association revenues. Grant funds were used to purchase a mobile sprinkler irrigation system, which WUA members can rent. To complement this investment, WUA Jorile purchased water meters that help farmers increase water use efficiency and better monitor water use during the season. In its final report, WUA Jorile noted that the HVAA-granted equipment provided irrigation services on 15 hectares, with a total volume of about 19,000 cubic meters of water, which increased WUA revenues. WUA Jorile's

executive body highlighted the efficiency and usefulness of rain wings, as this style of irrigation system is modular and can be configured and installed for both large and small areas.

### **WUA Acva Grup**

The WUA Acva Grup reported that HVAA's investments through its Year 5 grant activity significantly contributed to its sustainability by increasing association revenues and ensuring members' continuous access to water. Grant funds were used to purchase a reel for an irrigation system that was available for WUA members to rent.

Due to the increased rainfall in 2021, WUA Acva Grup also faced challenges related to reduced demand for irrigation services. The association rented out the granted irrigation equipment to members, as it is not financially feasible for many producers to buy, thereby increasing the yield and quality of products alongside the association's water sales. Revenues from equipment rental ensure that the WUA remains sustainable and can offer members continuous access to water. To secure the association's resilience, Acva Grup increased the price for irrigation water from 3.60 MDL (\$0.20) per cubic meter to 5.60 MDL (\$0.32) in August and increased membership fees from 200 MDL (\$11.26) per hectare to 400 MDL (\$22.52) per hectare in December.

### **WUA Prutenii II**

HVAA's investments through its Year 5 grant activity with WUA Prutenii II significantly contributed to the WUA's sustainability by increasing association revenues. Grant funds were used to purchase a mobile sprinkler irrigation system, which WUA members can rent. Via the grant, the WUA also received three sets of soil moisture sensors to demonstrate the importance of selecting the right irrigation time and volume for three different crops as part of the technical assistance program on enhancing the use of the HVAA-granted high-tech meteorological station. To complement these investments, WUA Prutenii II's grantee contribution included installing a 500-mm-diameter valve at pumping station A1-2 SPR12, which enables using the newly built 22,000-cubic-meter water reservoir. The activities resulted in additional income for the association and 25 percent savings on the water for irrigation. The mobile sprinkler irrigation system (rain wing with sprinklers) had been rented out to association members in summer-fall 2021.

#### *Annual WUA Conference*

Over 100 agricultural producers, members of WUAs created during both the Compact and post-Compact period (Millennium Challenge Corporation Compact Program implemented during 2010-2015), participated in the 8<sup>th</sup> Annual WUA Conference, which was organized with HVAA support and in partnership with the Sustainable Development Account (SDA) Moldova on February 22. According to official data, 35 WUAs are registered and 27 WUAs have taken over management of 30 centralized irrigation systems. However, only 10 of these systems were fully rehabilitated during 2010-2015, with financial support from the U.S. Government as part of the Compact Program.

The conference was held for the second consecutive year in a hybrid format. Farmers and public authority representatives discussed irrigation sector development and identified sector priorities for improving policy documents by the Ministry of Agriculture and Food Industry (MAFI) and amending the legal framework to facilitate WUA activity. Participants exchanged views on solutions to increase the irrigation efficiency by applying modern technologies such as alternative electric energy sources

## Exhibit 17. Water User Associations Conference



and using weather data. Participants also discussed ensuring the sustainability of associations in extreme weather conditions, investment projects, etc.

As global warming affects each person individually, with a direct impact on agriculture and food security, participants highlighted the importance of irrigation for agriculture and the need to optimize water use and protect the soil. Water use optimization is critical during drought when there

is a high demand for irrigation. Extreme weather conditions are difficult for both farmers and associations. The conference offered an efficient platform for exchanging information and experience on irrigation management despite climate change, and for discussing strategies to develop more resilient and sustainable agriculture.

During the conference, Minister Viorel Gherciu mentioned that “the irrigation sector is vital for the development of agriculture” and expressed the hope that “through joint efforts, the rehabilitation of irrigation systems will continue offering farmers access to safe quality water resources.” The minister also indicated that the MAFI is looking for additional investments in the irrigation sector.

### *WUA General Assemblies Meetings*

Since the 2022 irrigation season will start soon, WUAs held General Assemblies meetings.

Traditionally, the meetings started with an overview of the most important activities conducted by the associations during 2021, including budgets and overviews of financial and economic results. The main conclusion mentioned by all WUAs was that the increased rainfall in 2021 led to a considerable reduction in irrigation demand from WUA members compared to what was planned at the beginning of the year. During the last year, this situation led to extraordinary general meetings to approve decisions on securing organizations’ sustainability.

Considering the importance of WUA sustainability, in preparation for the meetings, HVAA assisted WUAs in exercising caution while planning indicators for the current year and advised using last year’s lessons learned.

During the meetings, WUAs approved increasing the price for pumped water, the prices for providing irrigation services with WUA equipment, and annual membership fees.

## **Objective 4: Improve the Enabling Environment Leading to Increased Investments and an Improved Work Force in Targeted Value Chains**

## IMPROVE THE POLICY AND ENABLING ENVIRONMENT FOR SELECTED VALUE CHAINS

### *Advocacy for amendments to legislation governing daily and seasonal workers*

During the reporting period, additional consultations were organized with stakeholders relevant to approving draft amendments to Law #22/2018 On occasional activities performed by day workers in agriculture. To capture all parties' feedback on the legal solutions drafted with HVAA support on improving labor shortages in Moldova's HVA sector, especially related to introducing a voucher system, HVAA organized an extended meeting with MFA members and consultations with parliamentary agrarian and social protection commission representatives, the Ministry of Labor and Social Protection, Ministry of Finance, MAFI, and trade union federations that contributed additional proposals to the draft voucher system. The draft amendments to Law #22/2018 will allow workers to keep their unemployed status and to benefit from social payments if they are officially registered with the respective governmental authority.

Following consultative meetings, the legal proposals were submitted to the Government and National Anti-Corruption Center for analysis and concurrence. Meanwhile, a number of parliamentary commissions were requested to provide their positions related to proposed amendments to improve the document before the Parliament approves it in the first reading.

### *Support NBARM to advocate for amendments to legislation governing the apiculture sector*

HVAA continued to support NBARM and the MAFI to finalize adjustments to Law #70 on beekeeping by adding online beekeeper notifications about planned crop sprays in to protect bees from poisoning through the BeeProtect platform, developed with HVAA support.

HVAA provided consistent support to NBARM and the MAFI to complete Law #70 on beekeeping with the provisions mentioned above. The draft amendments will introduce the BeeProtect web application into the national legislation, which would provide an improved mechanism to protect bees from pesticide poisoning by facilitating communication among farmers, beekeepers, and local public authorities. The draft amendments were registered as a legislative initiative by the chairman of the parliamentary agrarian commission. In addition, the legal proposals were submitted to the Government and National Anti-Corruption Center for analysis and concurrence.

According to the legislative procedures, a number of parliamentary commissions were requested to provide their opinions related to proposed amendments before the Parliament approves them in the first reading.

### *Support MAFI to develop new horticulture legislation*

After discussions and consultations with the MAFI's working group, the draft horticulture law was released for open public consultations, according to transparent decision-making rules required by laws #100/2017 and #239/2008. The draft law was published online so all interested parties can contribute to improving it. In addition, the MAFI submitted the draft law to relevant HVA sector associations to collect valuable contributions to the horticulture sector's new legal framework. During the reporting period, HVAA supported the MAFI in conducting a regulatory impact assessment of the draft law that refers to:

- identifying the regulatory issues to be reflected in impact analysis and that will be addressed by the draft horticulture law;

- identifying the options to address regulatory issues and to be reflected in the impact analysis;
- an option impact assessment (economic, social, and environmental);
- identifying the direct costs on a recurring and non-recurring basis of the new horticulture law.

The MAFI initiated promoting the draft law within the working group that regulates entrepreneurial activity, established within the State Chancellery, accompanied by its regulatory impact assessment and all interested parties' contribution and feedback collected during the public consultation stage.

#### *Support the MAFI to develop the Fruit in Schools Program*

The MAFI initiated wide promotion of the concept “Consume local horticultural products.” To support healthier nutrition and encourage the population to consume more local fruit and vegetables, the MAFI and the Ministries of Education and Health started drafting the Fruit in Schools Program, called “One Fruit a Day Program”, to stimulate increased consumption of local horticultural products in educational institutions.

During the reporting period, HVAA supported the MAFI in drafting the Fruit in Schools Program, especially by assisting the Ministry to:

- identify the most appropriate fruit acquisition models, supported by the best international practices and congruent with existing legal procedures;
- assess existing legal requirements, norms, and recommendations regarding children’s meal and fruit consumption in educational institutions;
- assess statistical data to estimate the number of program beneficiaries and the required volume of fruit to be distributed within the program;
- prepare the list of fruits to be distributed by the program, with a focus on product seasonality, variety, availability, health, and environmental aspects.

The “One Fruit a Day Program” was developed according to the 2021-2025 Horticulture Development Program and aims to promote domestic consumption of horticultural products and to increase the presence of local horticultural products on the domestic market by 45 percent, or 832,000 tons, by 2025. HVAA organized several meetings with sector stakeholders to gather their contributions on better regulations for the fruit acquisition mechanism.

#### *Support to draft the National Program for the Development of the Wine Sector*

Considering the importance of the wine industry for Moldova’s economy, including its significant share in export volumes, jobs (especially in rural areas), and contribution to developing branches of the economy, in 2019-2020, the MAFI and ONVV initiated the development of a new public policy for the wine industry to replace the National Program for the Wine Industry Development 2002-2020. After several comprehensive studies and assessments developed by the ONVV and USAID Moldova Competitiveness Project (MCP), an intermediate draft was summarized and submitted for debate in



February 2020. However, the pandemic outbreak and the approval of a new regulatory framework for policy documents<sup>1</sup> extensively modified the context and delayed the approval of the new policy.

During the reporting period, ONVV and HVAA continued to address legal and regulatory barriers in the wine industry. Over the last few years, the business enabling environment for the wine sector has demonstrated major improvements.

With HVAA support, a Concept for the National Program for the Development of the Wine Sector for 2023-2027 was drafted and submitted to the State Chancellery for clearance and concurrence. The program will review the vision and long-term development priority for the wine industry, including strategic elements for public policy, such as a situation analysis, vision, strategic objectives, main priority interventions, expected impact, monitoring and evaluation indicators, and an action plan for the first three years. A review of the program and its elements follows an action plan developed by an HVAA subcontractor in coordination with the ONVV and MAFI.

The wine industry policy will be aligned with the strategy for developing the agricultural sector and rural environment in 2022-2027, the 2030 Agenda for Sustainability Development, the National Development Strategy Moldova 2030, and the provisions of the EU-Moldova Association Agreement.

#### IMPROVED WORKFORCE IN TARGETED VALUE CHAINS

#### CROSS-CUTTING

#### Work Force Development Forum

Exhibit 18. Speakers at the online WFD Forum



Moldova's agricultural sector is significantly challenged by continuous emigration, which is particularly prominent among youth from rural areas. As a result, labor shortages – both skilled and unskilled – is a growing issue in Moldova's agricultural sector. This trend, coupled with a generally negative perception of careers in agriculture, creates a serious constraint for future workforce development in agriculture. To discuss this critical situation and identify relevant solutions, HVAA and FARM

organized the Forum on Workforce Development in High Value Agriculture (WFD Forum) on February 24-25.

The Forum gathered important actors who determine workforce development for the agricultural sector: state officials from the line ministries, national and international experts, professional

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<sup>1</sup> Government Decision #386/2020 Regulation on the planning, development, approval, implementation, monitoring and evaluation of public documents

associations, vocational training institutions, the Sectoral Committee for Professional Training in Agriculture and Food Industry (AgroindVET), and businesses. Over 100 participants and 18 speakers attended the event, which was broadcast on Facebook.

The participants agreed on a Forum Resolution that includes a list of actions to be initiated by relevant stakeholders (public authorities and development partners) to overcome the challenges related to labor shortages in agriculture.

#### *Agro IT Academy*

#### **Exhibit 19. MicroLab session for Agro IT Academy students**



The MicroLab non-governmental association continued the Agro IT Academy to engage youth from multiple fields (agriculture and engineering) in developing technologies that will address issues and challenges in the agricultural sector. In January, a group of 16 students from the Technical University of Moldova (TUM) and State Agrarian University of Moldova (SAUM) started to work on scenarios for digital solutions that will be crafted based on private sector

needs.

#### *Supporting START-UP Programs*

During the reporting quarter, Bubuieci Vocational Education and Training (VET) School and Nisporeni School launched a business plan contest for graduates of the START-UPS Programs. The contest will last until the end of April and is being promoted in the media and on social media. The two schools will select graduating students who will benefit from support in starting a business in the beekeeping and berry production sectors. Young graduates of the Bubuieci VET School beekeeping program will receive support to start their own beekeeping business after graduation; each competitively-selected graduating student will receive ten hives and bee families. The selected graduates of Nisporeni VET School will receive strawberry planting material to establish a strawberry plantation on 0.1 hectare of land. Via the start-up program, each participating student will be mentored by experienced beekeepers and berry growers on production and management.

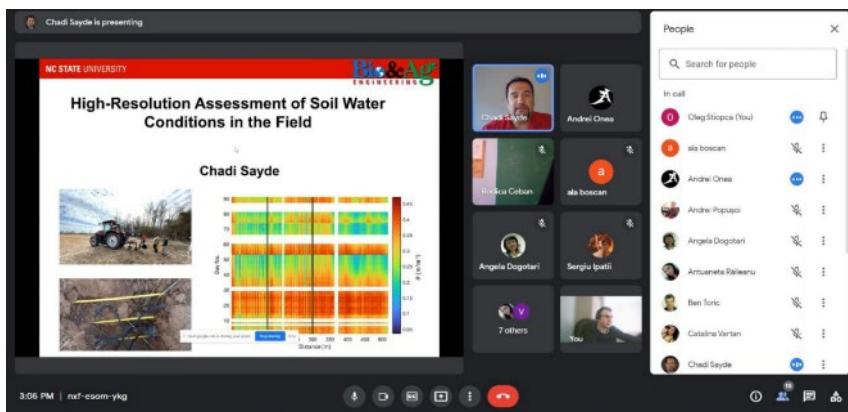
In March, the schools organized informative sessions for students to provide details and answer technical questions related to the business plans contest.

#### *Entrepreneurial education program*

During the reporting period, 12 selected students of the Center of Excellence in Vine & Wine (CEVV) successfully completed the theoretical program for the HVAA grant activity “Entrepreneurial education incubator for the agricultural, wine, and industrial production sectors.” The students learned theoretical aspects of business development, legal and financial issues related to launching a business, etc. In April, the students will continue in the mentorship program, during which eight companies will host students for at least 10 days. The activity will help to connect students and private entities and will provide an opportunity to learn about innovations and new technologies in the agriculture sector. The activity will also help CEVV to create a large community of private entities that could be further involved in education as private sector partners.

**Exhibit 20. International roundtable “Water is the source of life”**

*Academic discussions about perspectives of the irrigation sector*



On March 21, The State Agrarian University celebrated International Water Day by organizing the International Roundtable “Water is the source of life” (see Exhibit 20). Participants discussed issues related to climate change and the importance of increasing the efficiency of using water for

irrigation. The hybrid-format event gathered students, university professors from Moldova and the USA, representatives of private companies, and the MAFI to discuss problems and perspectives in developing Moldova’s irrigation and water use sector. Professor Chadi Sayde from North Carolina State University, invited to the event by HVAA, spoke about scientific concerns in the field of intelligent irrigation technologies, which sparked debates among participants.

**BERRY VALUE CHIAN**

Nisporeni VET School continued its HVAA berry curriculum digital transformation grant. During the reporting quarter, IT consultants trained the school’s staff on accessing iMetos data and using disease models for strawberries. The weather station, located on a demo plot, presents real time data and can predict berry plant infestation. These data will be published on school’s Facebook page for farmers from the region, especially berry producers. The school staff was also trained on using tablets in online classes. The tablets were provided by IT specialists to Nisporeni VET School teachers, especially for those who are teaching agricultural classes.

To continue the berry curriculum digital transformation, Nisporeni VET School developed electronic versions of berry production modules that will be posted on a digital learning platform.

The National Agency for Curriculum Evaluation performed a site evaluation at the school on March 4. The evaluation included the training program “Berry producer-processor”, which was established with HVAA support.

Appreciating the Nisporeni VET School’s achievements in the recent years, President of Moldova Maia Sandu visited the school on March 10 (see Exhibit 21). During the visit, President Sandu was provided

**Exhibit 21. President of Moldova Maia Sandu visiting Nisporeni VET School**



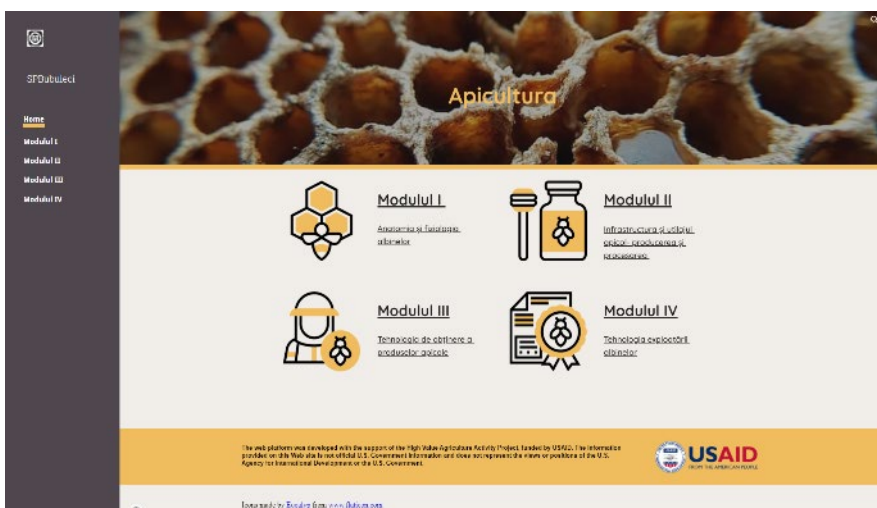
with information about developing the educational program that targets occupations required by different sectors of economy. President Sandu visited a classroom and modern laboratories, including a berry laboratory equipped with HVAA support.

After the winter, Nisporeni VET School started to revive its berry demo plot, which was established last year with HVAA grant support. The HVAA national consultant in berry

production visited the demo plot and assisted school staff and students in forming berry plant canopies. The demo plot is a critical tool for specialists to develop practical abilities in berry production, according to the educational program at the only VET school in Moldova.

**HONEY VALUE CHAIN**

**Exhibit 22. Screenshot of Beekeeping digital learning platform**



As part of the “Digital Transformation of Beekeeping Curricula” grant, Bubuieci VET School elaborated and placed on the digital learning platform the first four of nine beekeeping modules (see Exhibit 22). Each module contains training material, tests and quizzes, and educational videos.

In February, Bubuieci VET school organized AgriCool online. Several activities were offered: master classes

broadcast in real time on Facebook, student presentations, and master classes for floriculture and beekeeping.

In February, Bubuieci VET School started a new round of beekeeping courses for adults (see Exhibit 23). HVAA started supporting this income generation activity two years ago and now more than 130 people have graduated from the course. It is an important platform for young beekeepers and enthusiasts to increase their knowledge and abilities to manage apiaries and increase their business profitability.



In the reporting period, three school teachers passed an evaluation by the Professorial Concilium and were awarded the first and second didactical level. All three teachers had participated in capacity building activities as part of the HVAA Road Maps grant.

On March 6-7, the beekeeping students and teachers participated in a workshop to develop a logo for bee products produced and sold by the Bubuieci VET School. The process involved all students who are studying beekeeping. The logo developed by students will be improved by a design company.

## CROSS-CUTTING ACTIVITIES TO SUPPORT IMPLEMENTATION

### COMMUNICATIONS

During this quarter, the HVAA-managed Agricultura Performanta in Moldova Facebook page<sup>2</sup> reached more than 3,390 followers. The page includes posts on beneficiaries' success stories, information on advanced agricultural technologies, and visuals of results achieved by beneficiaries.

HVAA continued to work with national and local media outlets to promote innovative media and communications solutions for educational programming in targeted HVA value chains in Moldova.

### INCLUSIVE DEVELOPMENT

#### Exhibit 23. Promo banner for women in agriculture



HVAA is committed to inclusive development and continues to provide all value chain members with equal opportunities to participate in HVAA activities and benefit from project-funded assistance. At the same time, social disparities exist, and targeted efforts are required to ensure that Moldovan women can participate in and benefit from HVAA initiatives. To ensure greater opportunities for female stakeholders in the agricultural sector, HVAA sponsored 40 female accountants to attend an online training entitled, “Financial Statement Preparation and Reporting in Agriculture.” The accountants represented 40 agricultural producers, processors,

and exporters from the targeted value chains. The training’s main topics included fixed assets and depreciation, farm financial analysis, financial statement preparation, and accounting policies for 2022.

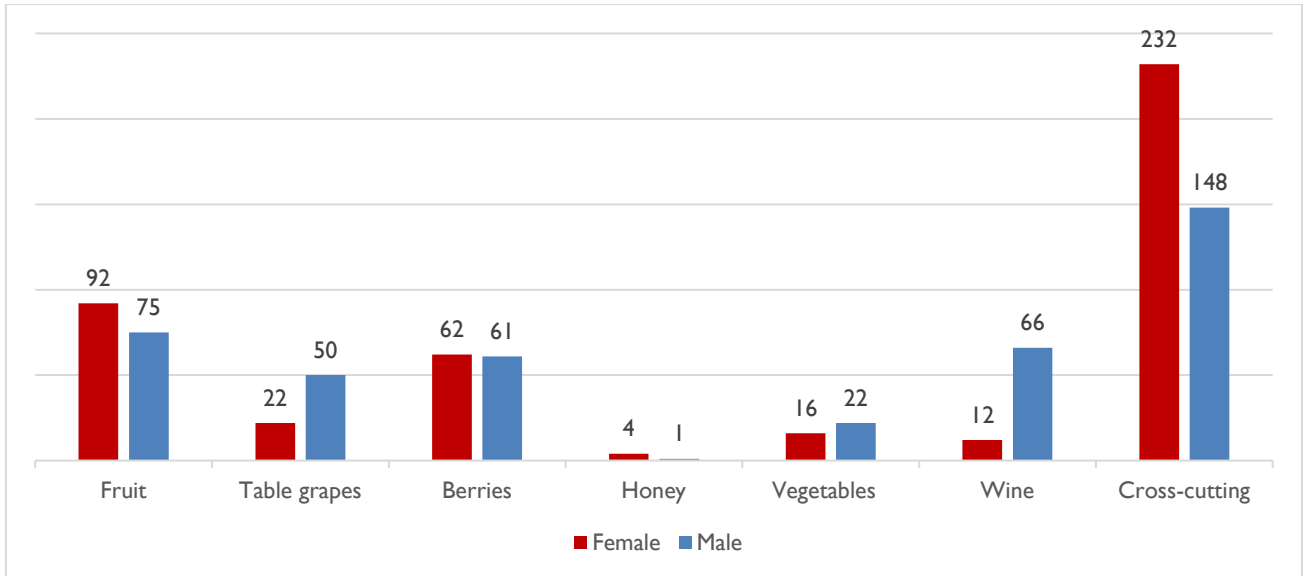
Every year, International Women’s Day provides an opportunity to recognize and celebrate the roles and contributions of women in agriculture. To motivate other women to thrive, HVAA showcased

<sup>2</sup> [www.facebook.com/agricultura.performanta](http://www.facebook.com/agricultura.performanta)

through a social media campaign the successes of seven leading women producers from different value chains.

Women’s participation was greatest in cross-cutting sector related activities, followed by fruit and berries value chains.

**Exhibit 24. Participation in HVAA Value Chains in FY 2022 Q2, by Gender**



The reporting period’s 120 events were attended by 863 participants, of which 51 percent were women and 41 percent were youth. Exhibit 25 shows the distribution by gender according to activity type.

**Exhibit 25. HVAA Beneficiaries in FY 2022 Q2**

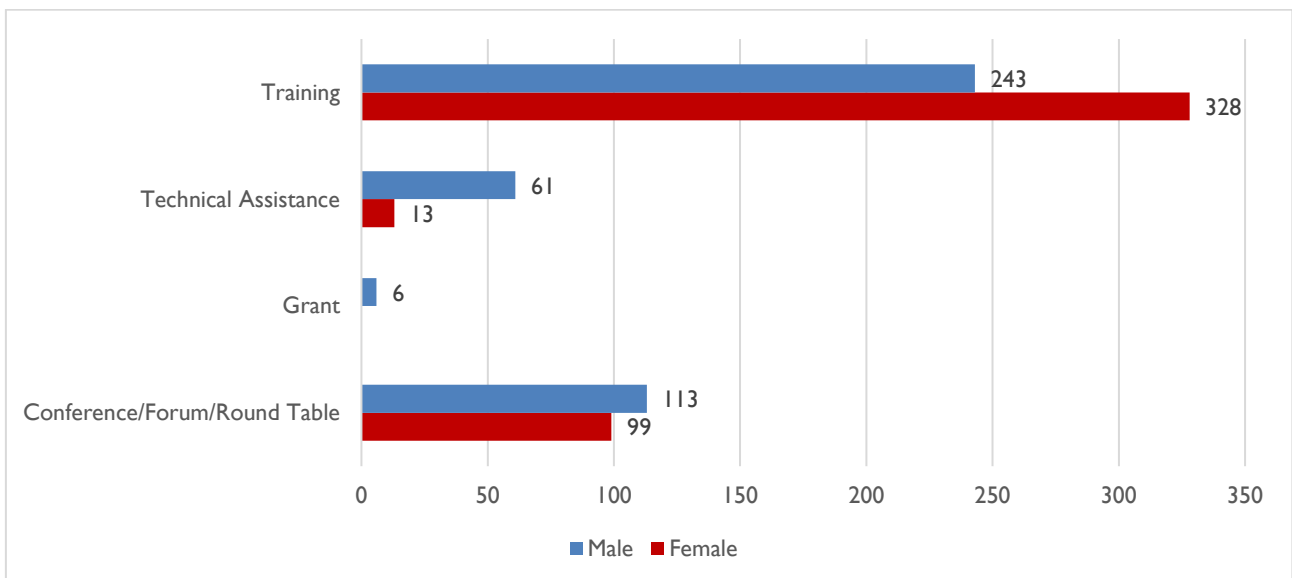


Table 1. Progress toward Performance Monitoring and Evaluation Plan Targets

N/o.	Indicator	Unit of measure	Disaggregation	Data Source	Frequency	Baseline	Targets						Results		Cumulative achievement toward Y6 target
							Y1 target	Y2 target	Y3 target	Y4 target	Y5 target	Y6 target	Y6Q1	Y6Q2	
<b>GENERAL</b>															
GN DR-2	Proportion of female participants in USG-assisted programs designed to increase access to productive resources (assets, credit, income, or employment)	%	Location/region, HS code, age, type of resources	Project records	Quarterly	0	25%	28%	32%	25%	25% Cumulative	25% Cumulative	28.6% Cumulative (37.7% Q1)	28.7% Cumulative (51% Q2)	115%
<b>SUB-PURPOSE I. Expand trade and strengthen linkages to domestic, regional, and international markets for targeted value chains</b>															
5	Number of enterprises with sales facilitated through USG assistance	Number	Location, sex, age, HS code, business size	Direct beneficiaries with signed MOUs (assisted enterprises), indirect beneficiaries (monitored association sources, statistics, data from Government of Moldova)	Quarterly	0	50	100	150	300	350	400	411	423	106%

N/o.	Indicator	Unit of measure	Disaggregation	Data Source	Frequency	Baseline	Targets						Results		Cumulative achievement toward Y6 target
							Y1 target	Y2 target	Y3 target	Y4 target	Y5 target	Y6 target	Y6Q1	Y6Q2	
6	Number of assisted enterprises exhibiting at or participating in trade shows or participating in business-to-business events	Number	Location, sex, age, HS code, business size, type of organization	Project records	Quarterly	0	20	40	80	120	235	250	245	252	100%
<b>SUB-PURPOSE 2. Improve productivity, post-harvest handling, and private sector capacity to comply with European and international standards in targeted value chains</b>															
7	Number of enterprises (except primary producers) receiving project-related assistance to improve knowledge, processes, technologies, and practices	#	Location, sex, age, HS code, business size	Assisted enterprises, grantees, investors, partnering institutions, associations, and project staff	Quarterly	0	50	130	210	300	350	370	412	435	118%
10	Number of (primary) producers trained	#	Location, sex, age, HS code	Project records, associations, enterprises	Quarterly	0	1,000	2,000	3,000	3,500	5,000	5,200	5,500	5,588	107%
<b>SUB-PURPOSE 4. Improve the enabling environment leading to increased investments and an improved workforce in key value chains</b>															
19	Number of students and faculty trained and/or receiving direct or indirect project assistance to improve knowledge	#	Target sector (HS code), location, age; gender	Project records; grantees', associations', and partners' records	Quarterly	0	N/A	150	300	450	1,100	1,200	1,438	1,443	120%



**Table 2. Reporting on the annual PMEP Indicators 1&3 for FY2021**

N/o.	Indicator	Unit of measure	Disaggregation	Data Source	Frequency	Base line	Targets						Results					
							Y1	Y2	Y3	Y4	Y5	Y6	Y1	Y2	Y3	Y4	Y5	Y6
<b>GENERAL</b>																		
1	<b>Return on investment</b>	ratio	Location/ region, HS code	Project records	Annually	0	0.2:1	0.5:1	1:1	2:1	<b>4:1</b>	5:1	2.5:1	2.05:1	6.24:1	5.94:1	<b>6.84:1</b>	N/A
<b>SUB-PURPOSE 1. Expand trade and strengthen linkages to domestic, regional and international markets for targeted value chains</b>																		
3*	<b>Increased value of domestic and export sales in targeted sectors/value chains</b>	Million USD	Location/ region, HS code, market	Public statistics: Statistical Department, GOM counterparts, National Bank, international statistics, reports	Annually	0	15	28	48	68	<b>84</b>	95	52.9	42.8	130.5	153.56	<b>176.97</b>	N/A

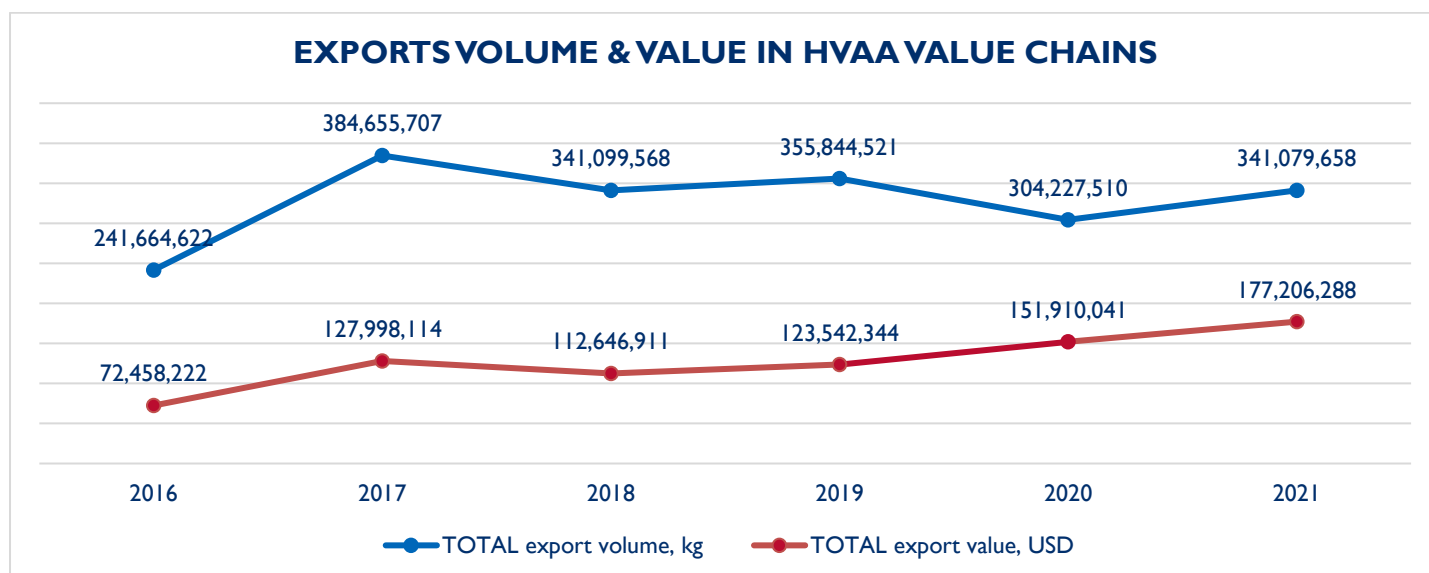
Indicators 1 and 3 for Year 5 are being reported in Q2 or Q3 FY2022 due to data limitations on statistical data availability. This limitation was indicated in HVAA’s approved PMEP under the PIRS for these indicators. According to its definition, Return on Investment (ROI) is calculated as the ratio of Indicator 3 (176.97 Million USD) of the reported year over the total project budget (25.86 Million USD). Note: The latest PMEP approved by USAID does not include the wine value chain for the Indicator 3 (Increased value of domestic and export sales in targeted sectors/value chains) in order to maintain continuity from the baseline figures in previous reporting when the project did not support the wine sector. At the same time, Indicator 1 (Return on Investment) calculates ROI as Indicator 3 (total sales value in USD excluding wine sales) divided by the total project budget (which includes the funds for wine value chain). Therefore, the ROI calculated under Indicator 1 is higher than the figure reported in this Q2 FY2022 report.

Overall exports increased mainly due to the fruit value chains. The comparative analysis of the 2021 exports relative to the 2016 reference year can be observed in the table and the graphic below.

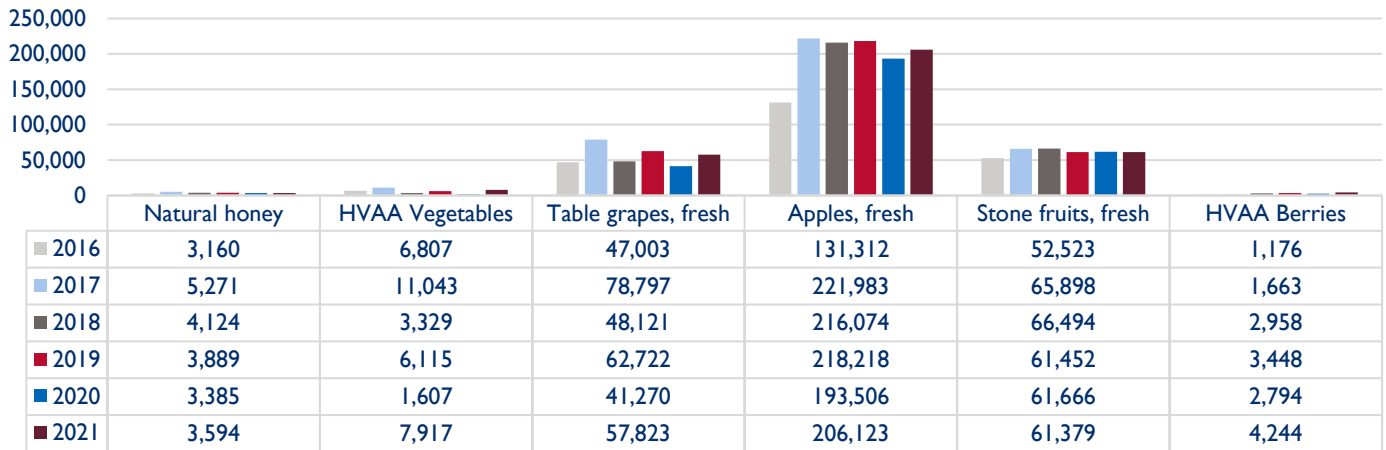
**Table 3. Exports volume and value in HVAA-supported value chains**

Value chain	2016		2017		2018		2019		2020		2021	
	Exports volume, t	Exports value, th USD	Exports volume, t	Exports value, th USD	Exports volume, t	Exports value, th USD	Exports volume, t	Exports value, th USD	Exports volume, t	Exports value, th USD	Exports volume, t	Exports value, th USD
Natural honey	3,160	8,845	5,271	14,696	4,124	11,741	3,889	11,584	3,385	8,770	3,594	13,172
Vegetables	6,807	3,359	11,043	2,684	3,329	1,286	6,115	2,057	1,607	640	7,917	2,174
Table grapes, fresh	47,003	19,547	78,797	38,078	48,121	25,125	62,722	29,665	41,270	26,869	57,823	36,078
Apples, fresh	131,312	24,687	221,983	46,122	216,074	47,901	218,218	53,775	193,506	78,174	206,123	87,616
Stone fruits, fresh	52,523	14,962	65,898	25,131	66,494	24,145	61,452	23,570	61,666	34,923	61,379	33,483
Berries, fresh	1,176	1,059	1,663	1,288	2,958	2,450	3,448	2,891	2,794	2,535	4,244	4,683
<b>TOTAL Export volume, kg</b>	<b>241,981</b>	<b>72,459</b>	<b>384,655</b>	<b>127,999</b>	<b>341,100</b>	<b>112,648</b>	<b>355,845</b>	<b>123,542</b>	<b>304,228</b>	<b>151,911</b>	<b>341,080</b>	<b>177,206</b>

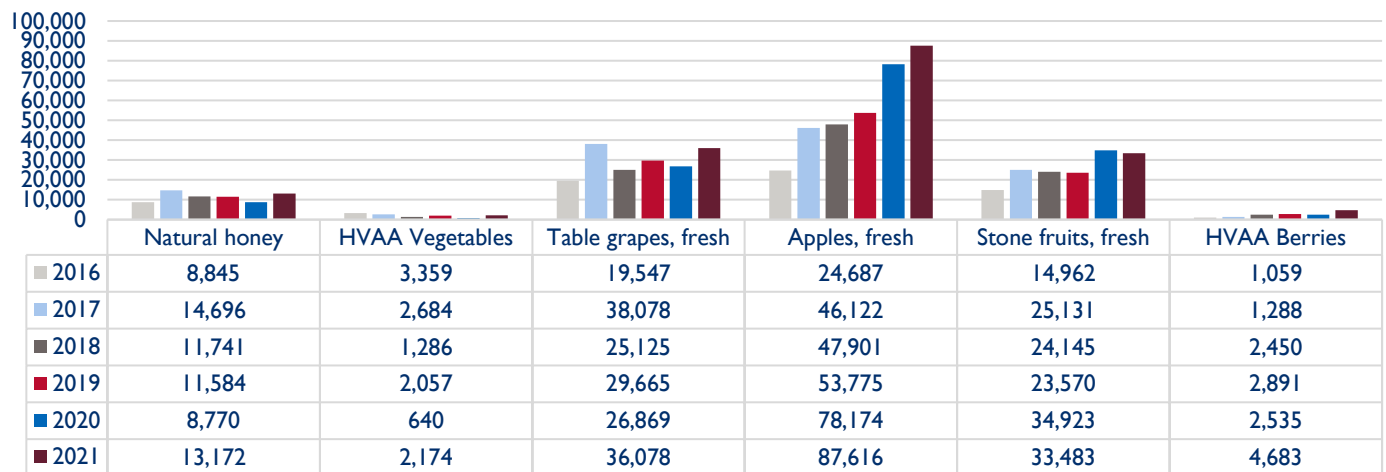
A 147.2 million USD increase was registered in 2021 total sales value (exports and local market) compared to the base year 2016 in the HVAA-supported value chains. After the decline in 2020 (due to COVID-19 induced limitations and the negative impact of the severe drought), the exports volume increased in 2021.



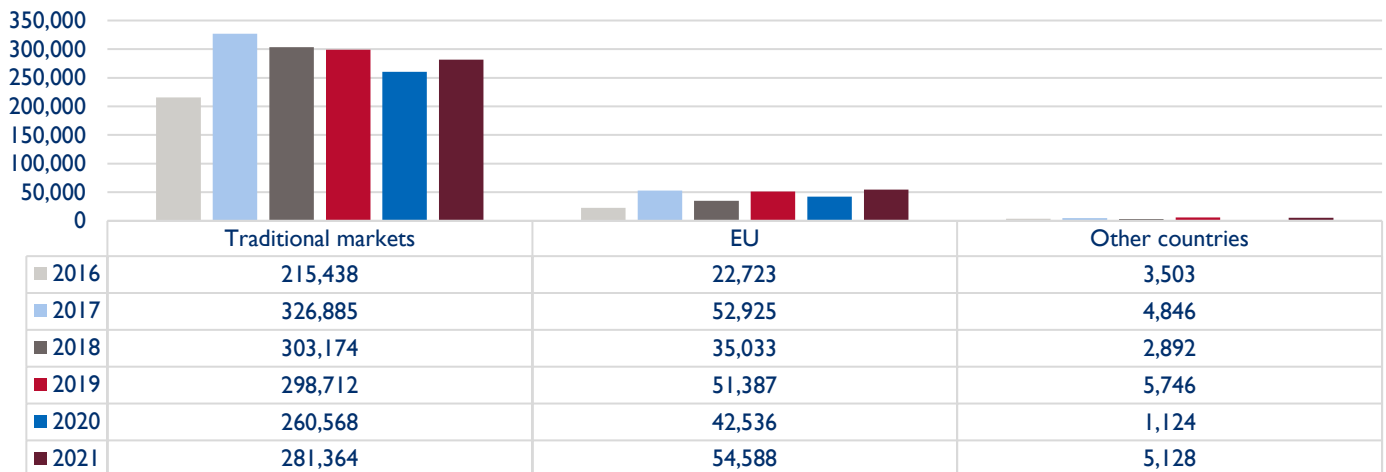
### EXPORTS PER HVAA VALUE CHAIN, TONS



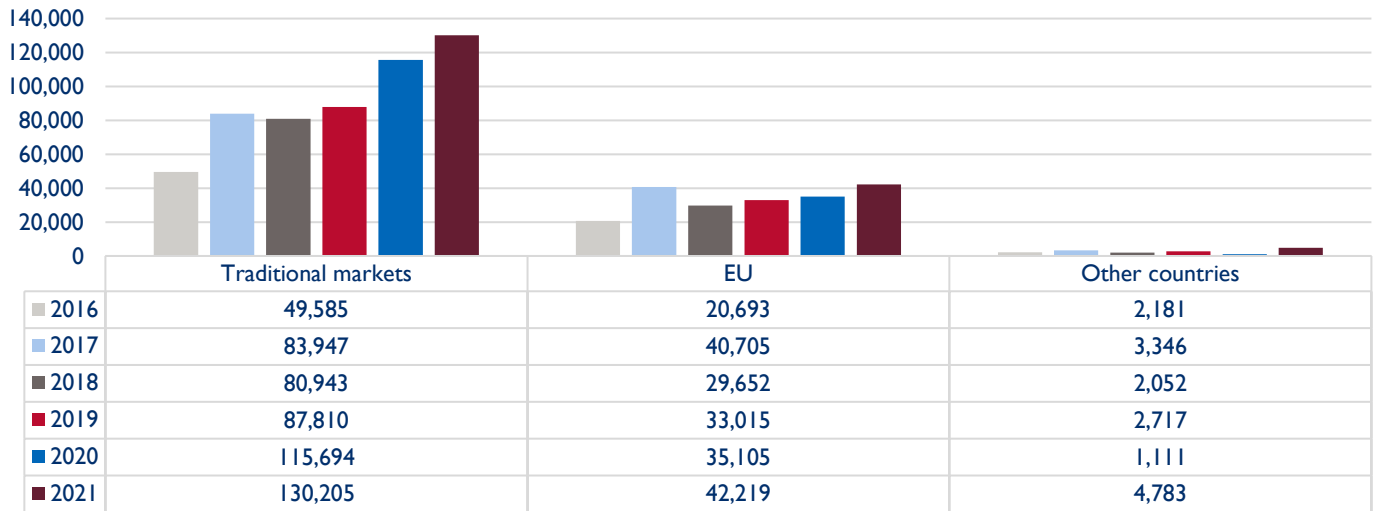
### EXPORTS PER HVAA VALUE CHAIN, THOUSAND USD



### EXPORT VOLUME PER MARKET, TONS

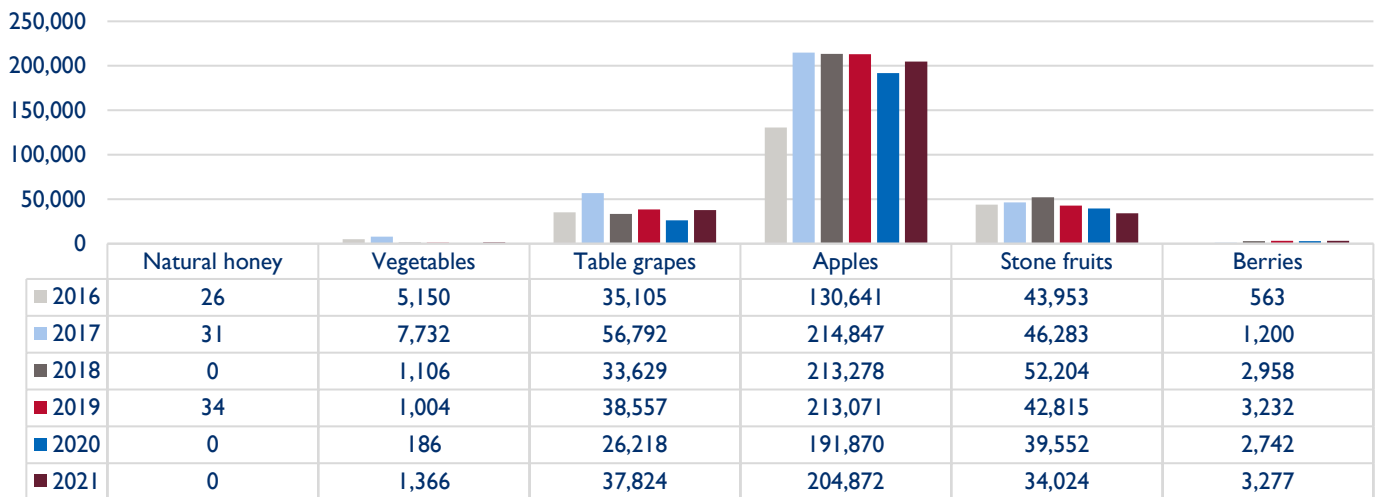


### EXPORT VALUE PER MARKET, THOUSAND USD



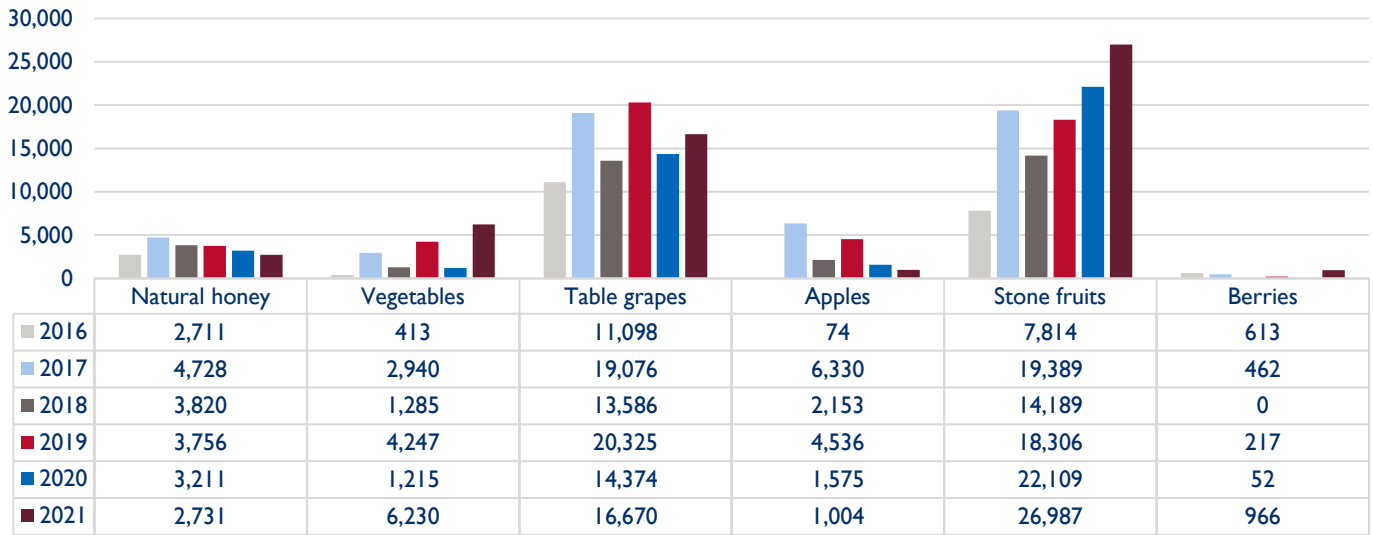
The following graphs will help visualize the situation of exports (in volumes) in the HVAA value chains for each of the markets, separately.

### EXPORTS PER VALUE CHAIN ON TRADITIONAL MARKETS, TONS

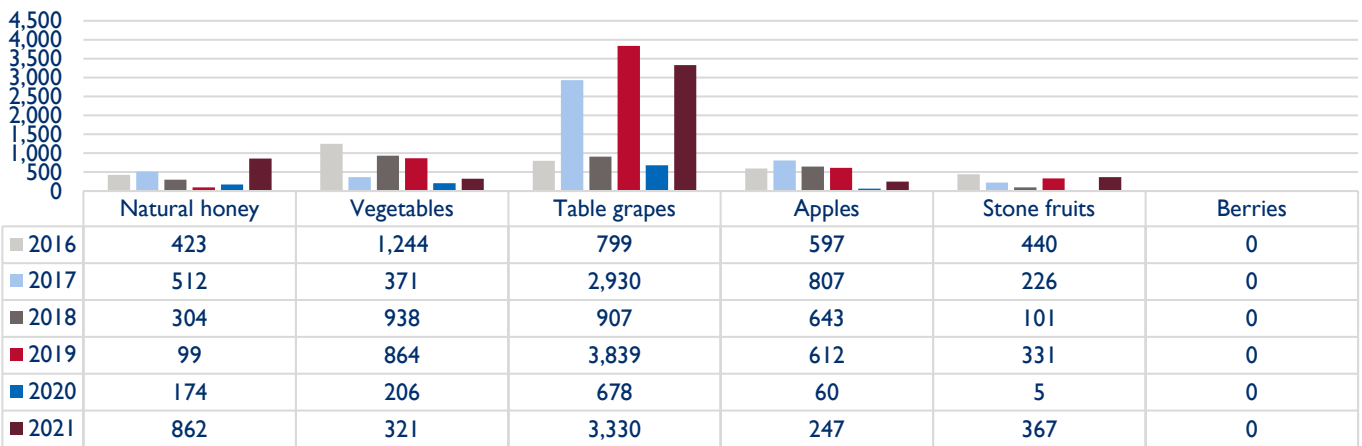




### EXPORTS PER VALUE CHAIN ON EU MARKET, TONS

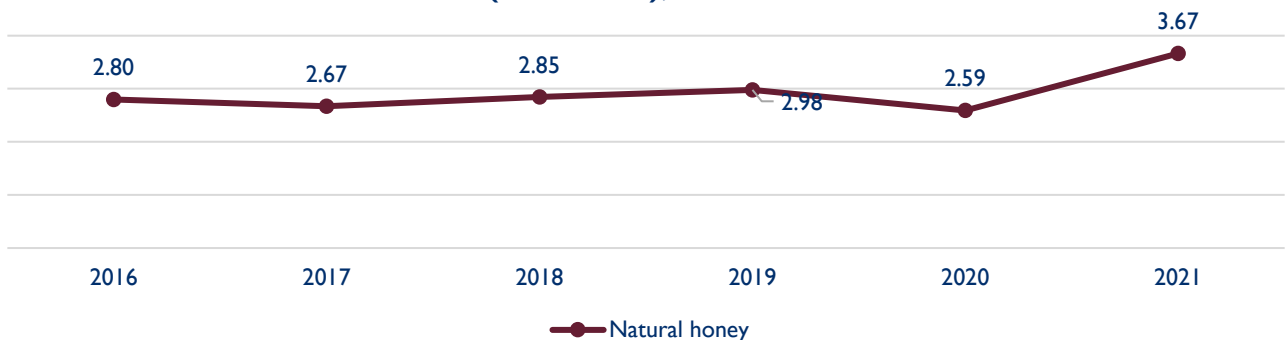


### EXPORTS PER VALUE CHAIN ON OTHER MARKETS, TONS

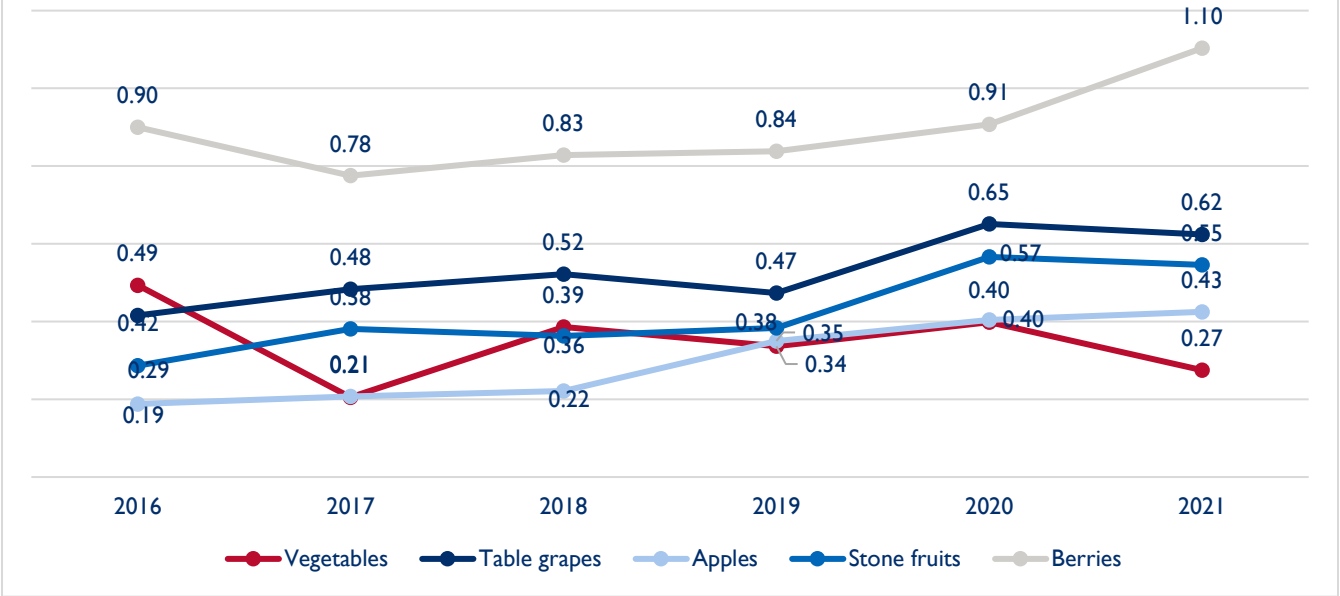


The 2021 increases in value was a result of the increases in export prices for the majority of the value chains. The dynamics are visualized in the graphs below:

### AVERAGE EXPORT PRICES FOR NATURAL HONEY (2016-2021), USD/KG



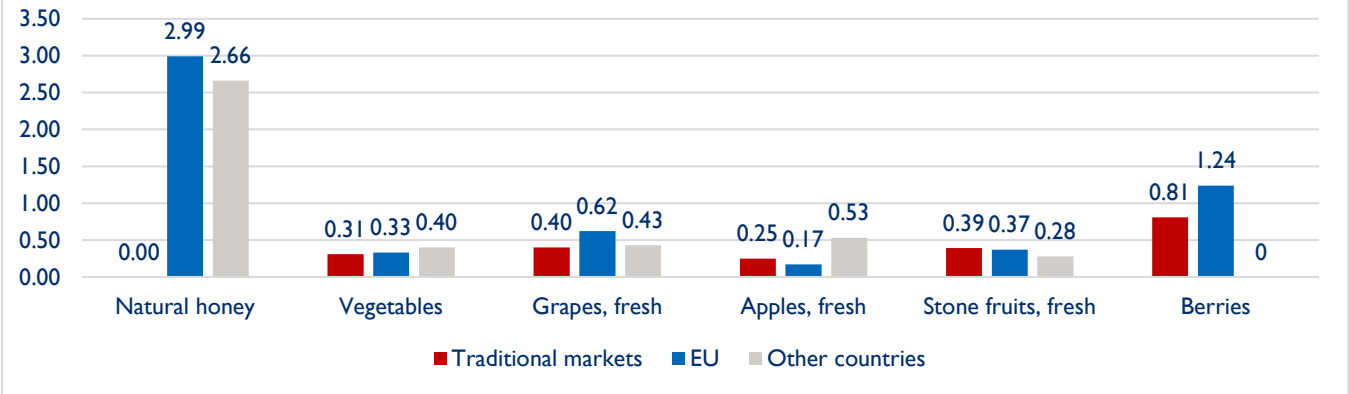
### AVERAGE EXPORT PRICES: OTHER VALUE CHAINS (2016-2021), USD/KG



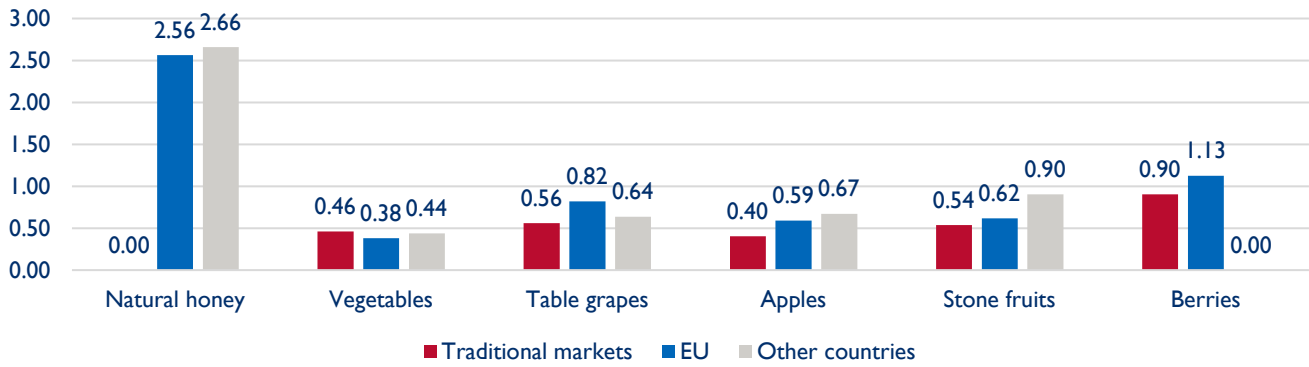
A comparison in export prices per market in 2021 versus 2020 and 2019 can be seen in the three representations below for each HVAA value chain.

A 50 percent increase in the price for natural honey on the EU market can be noticed in 2021 compared to 2020, this being a result of improved packaging, labeling, marketing and organic certification. Berries have also registered a 70% increase in price on the EU market.

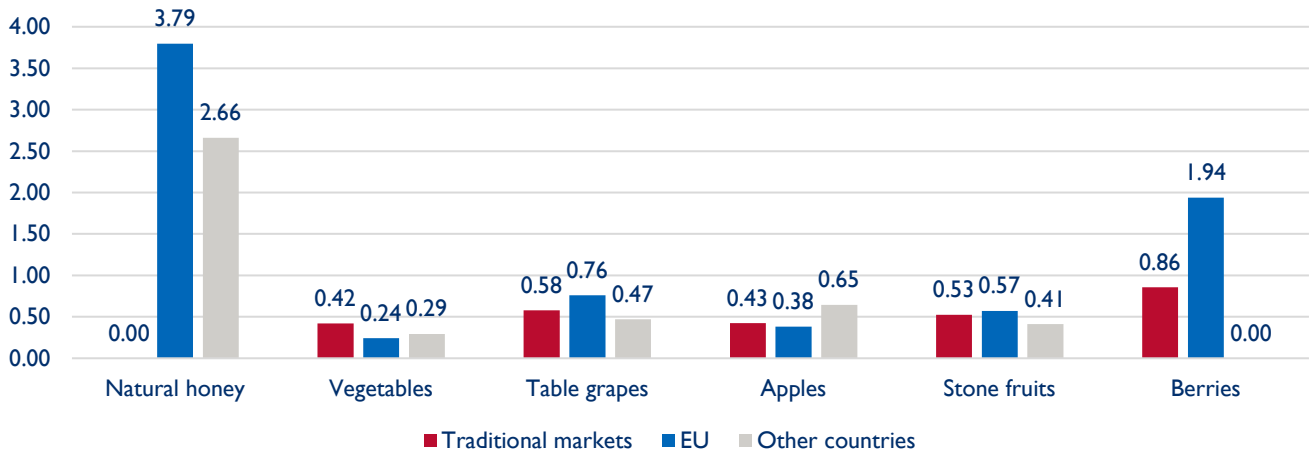
### VALUE CHAINS PRICED ON MARKETS 2019, USD/KG



### VALUE CHAINS PRICED ON MARKETS 2020, USD/KG



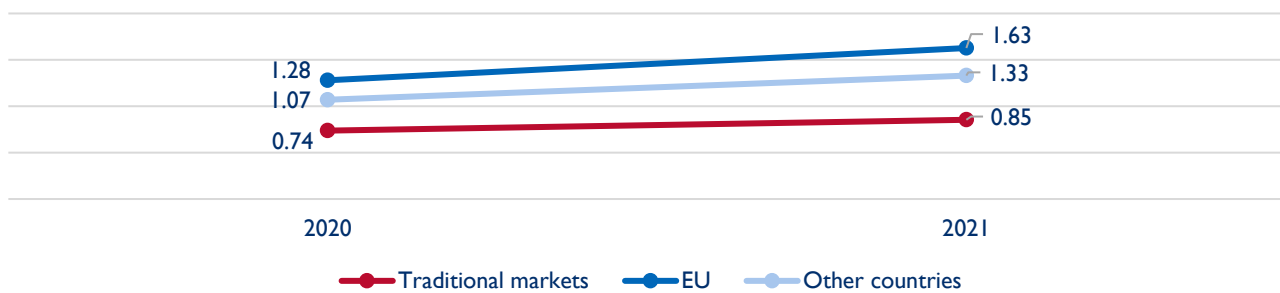
### VALUE CHAINS PRICED ON MARKETS 2021, USD/KG



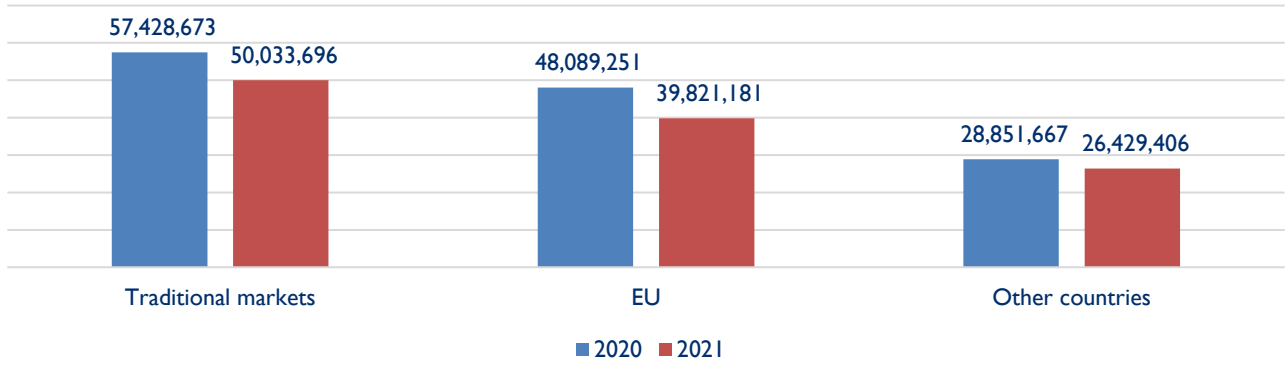
### WINE VALUE CHAIN

Despite the decrease in volumes for the wine exported, its value increased on all markets in 2021 compared to 2020, due to a 27% increase in average price on the traditional markets, a 15% increase in the average price on the EU market and a 25% increase in average price on the non-traditional markets.

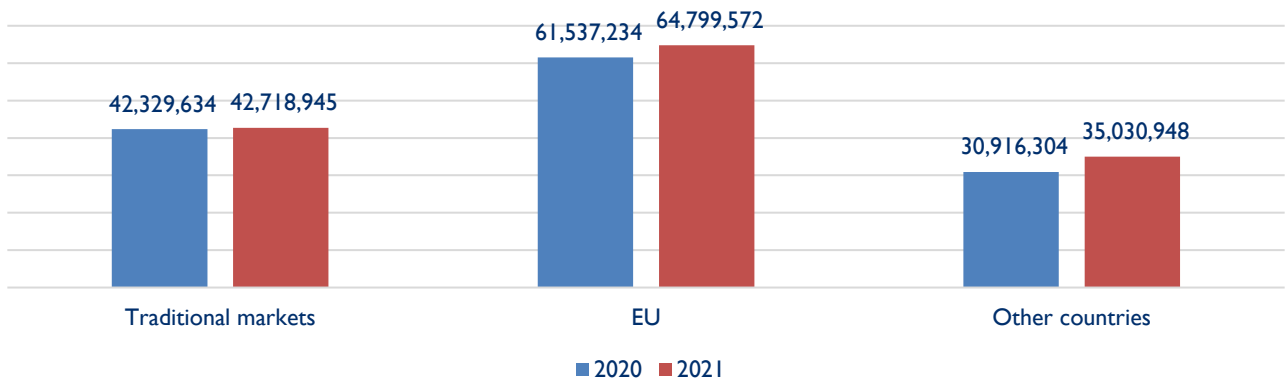
### AVERAGE EXPORT PRICES FOR WINE BY MARKET (2020-2021), USD/L



### WINE EXPORTS VOLUME PER MARKET, L



### WINE EXPORTS VALUE PER MARKET, USD





## **SECTION II. DELIVERABLES**

- Quarter I Report
- January Report
- February Report

## **SECTION III. SCHEDULES**

Russia began a full-scale invasion of Ukraine on February 24, a major escalation of the Russian-Ukrainian War that began in 2014. In addition to causing an unprecedented humanitarian disaster, the war is also impacting Moldova economically.

Ukraine and Russia are major producers and suppliers of many agricultural inputs and products (fertilizers, cereals, dairy products, cooking oil), gas, and metals. Damage to production, supply chain disruptions, and/or elimination of trade (including those induced by Western sanctions) are noticed across the world but disproportionately and very substantially affect Moldova given its very strong economic ties with Ukraine and Russia and reliance on Ukrainian ports for trade with the world. The war is also resulting in a high influx of Ukrainian refugees into Moldova, which has the potential to overwhelm the current system, particularly as Moldova's border entry rules have been loosened to allow entry for refugees. Lastly, as in Ukraine, Russia could try to stir anti-government, pro-Russian sentiment in more sensitive autonomous regions. The level of uncertainty is very high.

While much uncertainty remains, it is clear that the focus in the immediate period should be on facilitating exports to the EU and other non-traditional markets. Most HVAA activities remain very relevant and respond to current sector challenges, especially activities that facilitate access to new markets. Therefore, these activities are prioritized. On the other hand, some activities that are not appropriate in the new context are being cut or postponed. For example, HVAA eliminated (for now) activity related to honey/beekeeping products and tourism, as it is not appropriate in this context.

## **SECTION IV. PROBLEMS**

Finding alternative markets is not easy at the best of times (due to specific market requirements for products) but now it is so much more difficult due many challenges. Russia's invasion of Ukraine dramatically affected Moldova's agriculture sector due to very significant logistical challenges for accessing the traditional market, and the inability to access Ukraine's port of Odesa to trade with the world. Using the port of Constanta in Romania is currently the best alternative but this port is overwhelmed, transport costs are higher, waiting times are longer (a big issue for perishable products), phytosanitary and/or veterinary checks are more extensive even in cases when goods are transiting the EU. Exporting to the EU has been difficult due to limited trucking authorizations issued by transit countries (Hungary, Slovakia etc.) for Moldovan trucking companies that cannot use the shorter routes through Ukraine; very long waiting times on Moldova/Romania border. Additional challenges include rising costs of transport, insurance costs, fuel, inputs, packaging as well as liquidity issues.

The Moldovan horticulture and wine sectors are effectively being strangled, which will have ramifications not only on producers and exporters, but also rural livelihoods at large given that agriculture is the main employer in rural areas. These issues impact some HVAA-targeted value chains more than others (see Table 4). The most significant impact is felt by apple producers, given that Moldova still has about 100,000 tons of apples in cold storage and that 98 percent of apples are traditionally sold to Russia.

**Table 4. Preliminary assessment of the likely impact on HVAA-supported value chains**

Concern/ impact	Apples	Stone fruits	Table grapes	Wine	Berries	Vegetables for processing	Honey
<b>Trade - Loss of traditional market</b>	Very high (98% of apples go to Russia)	Medium (approx. half sold to Russia)	Medium (approx. half sold to Russia)	High Bottled wine destination markets: #4 Russia, #7 Ukraine  Bulk wines markets: #1 Belarus, and other markets due to logistics/maritime transportation issues (i.e., the UK, the Netherlands, Asia)	Medium	Low	Low  Most of the honey is sold in the EU and CEFTA countries
<b>Urgency to reorient markets away from Russia</b>	Very high (0-2 months)	High (Fall 2022, as 2021 harvest has been sold)	High (Fall 2022, as most of 2021 harvest has been sold)	Medium (during 2022)	High (May/June)	Low	N/A
<b>Difficulty to reorient markets</b>	Very high	High	High	Medium	Medium	Medium (for processed products)	Low
<b>Likelihood of operating losses or severe reduction in profit margins</b>	Very high	High	High (Price paid for table grapes in Romania already fell by 40%)	High	Low	Low	Low (Price of honey is up but so are production costs)

## HVAA RESPONSE

HVAA is designed to directly or indirectly contribute to market reorientation away from Russia to other markets. Most relevant activities have been further strengthened, expanded,

and prioritized. New activities have also been added. Below is a summary of key actions taken in the previous 2 months:

- HVAA launched a new export support program targeting fruit producers to test new transportation and logistical solutions to enter new markets. This has proven to be an impactful activity that resulted in exports to new markets in the Gulf and the EU.
- HVAA expanded the number of participants at the FRUITLOGISTICA fair, which was held in Berlin between April 5-7. New marketing leads have been identified.
- HVAA increased focus on Strategic Export Marketing Plan (SEMP) exercise to coordinate efforts of stakeholders. HVAA and MFA held the SEMP activity for apples on March 18 and stone fruits on March 25. SEMP for Table grapes is planned for April 15.
- Additional two companies were included in the HVAA program for implementation of standards and certifications (GlobalG.A.P., SMETA), to ensure these companies are export ready.
- Increased emphasis is placed on the export mentoring program for plum producers.
- HVAA supported key sector organizations to collate, and prioritize issues and potential solutions, as well as to communicate this to relevant Government agencies so they may be addressed as quickly as possible.
- HVAA is supporting Future Technologies Activity (FTA) initiative to assist the Ministry of Economy and Prime Minister's Economic Council to assess the impact of the crisis in Ukraine on Moldova's agriculture sector and develop a road map for mitigating the issues.
- HVAA is sharing with other donor-funded projects information about issues and challenges, as well as potential interventions that will provide businesses support for short-term and sustainable re-orientation away from Russia towards other markets.



## SECTION V. MAJOR ACTIVITIES PLANNED FOR NEXT QUARTER

On-going activity	Planned for next quarter
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Fruit Value Chain Activities	Y6 Q3		
	Apr	May	Jun
<b>Objective 1. Expand and strengthen linkages to domestic, regional, and international markets</b>			
Activity 1.2. Develop individual marketing plans for key exporting entities			
Jointly with industry associations, continue to identify entities that are already involved in, or are planning to begin, export operations			
Carry out export-readiness audits and support development of marketing plans for at least four entities			
Provide grant support for export marketing plans (a single RFA for fruit, grape, berry, and honey value chains)			
Activity 1.3 Increase sales			
Organize virtual and in-person trade missions with potential importers from non-traditional markets			
Support participation of Moldovan exporters as speakers at online or in-person trade events, such as Fresh Produce Conference in Romania			
Support industry associations and their members to develop digital promotion tools, based on the model of the “Meet your exporter” campaign			
Provide grant support to regional- and national-level industry associations for exporter training and joint marketing initiatives (a single RFA for fruit and table grape value chains)			

Mentor industry associations and other member-based organizations to provide follow-up support to trade mission and fair participants			
<b>Objective 2. Improve productivity, post-harvest handling, and private sector capacity to comply with EU and international standards</b>			
<b>Sub-objective 2.1 Improve adoption of innovative technologies and best agricultural practices</b>			
Activity 2.1. Introduce innovative fruit production, post-harvest technologies, and best agricultural practices			
Continue to provide on-demand technical assistance to implement and demonstrate improved apple stone fruit packaging operations that meet specific export market requirements (bushel pack, grading, flow pack)			
Continue to provide technical assistance to government institutions and industry associations to test and register improved fruit varieties and rootstocks			
Activity 2.2. Improve productivity through dissemination of innovative practices and technologies			
Provide grant support to establish demo plots and educational initiatives promoting IPM practices and technologies (joint RFA for grapes and berries)			
Provide international expertise in apricot production to meet buyers' quality and food safety requirements			
<b>Objective 3. Strengthen capacities of member-based groups to serve their members</b>			
Activity 3.1. Support associations to provide services to members and ensure sustainability			
Support MFA in implementing OCA recommendations			
Conduct OCA of MFA for Y6			

Table Grape Value Chain Activities	Y6 Q3		
	Apr	May	Jun
<b>Objective 1. Expand and strengthen linkages to domestic, regional, and international markets</b>			
Activity 1.1. Support the coordination of sector-level, and private sector-led, export market development activities			
Regularly share market information with key sector stakeholders			
Activity 1.2. Facilitate increased sales			
Organize online and in-person trade missions with potential importers from target markets and provide follow-up assistance			
Support table grape producers and exporters in developing and updating their promotional and communication tools (print materials, websites, video spots)			
Provide grant support to implement export marketing plans			
Provide grant support to regional- and national-level industry associations to implement exporter training and joint marketing initiatives (a single RFA for fruit and table grape value chains)			
<b>Objective 2. Improve productivity, post-harvest handling, and private sector capacity to comply with EU and international standards</b>			
<b>Sub-objective 2.1 Improve adoption of innovative technologies and best agricultural practices</b>			
Activity 2.1. Introduce innovative grape production, post-harvest technologies, and best agricultural practices			
Continue to implement and monitor intensive grape production (pergola and gable) demonstration plots			



Continue to provide grant support and technical assistance to demonstrate improved grading and packaging operations that meet specific export market requirements			
Organize a study tour to Italy for key crop advisors and industry leaders on organic table grape production, Post-Harvest Handling (PHH), and marketing			
Organize a roundtable to discuss the potential of developing organic table grape production in Moldova			
<b>Activity 2.2. Improve productivity through dissemination of innovative practices and technologies</b>			
Organize training events for grape growers and exporters to demonstrate and promote intensive grape production technologies and practices			
Provide local and international technical assistance to table grape growers transitioning to intensive production approaches (4-6 visits, Vito Manisi)			
<b>Activity 2.3. Establish capacity to produce domestic, certified virus-free planting material</b>			
Continue to provide on-demand technical assistance to the Horticulture Research Institute (HRI) and other stakeholders to implement the Certified Grapevine Planting Material Partnership and lead the organization of regular stakeholder meetings			
Update the partnership concept to inform all stakeholders and other interested parties about the partnership status, including the timing of placing the first certified plants on the market			
Continue to provide on-demand technical assistance to HRI to diversify its income stream by establishing a royalty system for the grape varieties developed by HRI			
Support HRI to develop a marketing brochure for its grape varieties and certified planting material			
<b>Objective 3. Strengthen capacities of member-based groups to serve their members</b>			
<b>Activity 3.1. Support associations to provide services to members and ensure sustainability</b>			
Assist Agro Oguz to develop two new services for its members			
Support Agro Oguz to develop and approve its regulation on providing services			
Assist Agro Oguz to obtain MAFI accreditation			

Berry Value Chain Activities	Y6 Q3		
	Apr	May	Jun
<b>Objective 1. Expand and strengthen linkages to domestic, regional, and international markets</b>			
<b>Activity 1.1. Support the coordination of sector-level, and private sector-led, market development activities</b>			
Provide demand-driven technical assistance for implementing cluster development plans			
Provide grant support for implementing export marketing plans (a single RFA for fruit, grape, berry, and honey value chains)			
<b>Objective 2. Improve productivity, post-harvest handling, and private sector capacity to comply with EU and international standards</b>			
<b>Sub-objective 2.1 Improve adoption of innovative technologies and best agricultural practices</b>			
<b>Activity 2.1. Improve productivity through dissemination of innovative practices and technologies</b>			
Organize a study tour to Serbia for up to 10 export-oriented berry growers (cluster representatives) with a focus on raspberry and blackberry varieties, improved growing technologies and processing (freezing, drying, lyophilization), and packing			
Provide international berry production consultancy support to HVAA partners (two missions to Moldova)			

Activity 2.2. Establish capacity to produce domestic, certified virus-free planting material			
Provide technical assistance to initiate and extend production of certified strawberry planting material (fertigation and variety multiplication characteristics)			
Continue to provide assistance for establishing partnerships with international breeders, testing, and registration of improved varieties. Collaboration with SAUM, Scientific-Practical Institute of Horticulture and Food Technologies (ISPHTA), MAFI, etc.			
<b>Objective 3. Increase capacities of member-based groups to serve their members</b>			
Activity 3.1. Support associations to provide services to members and ensure sustainability			
Support Belii Most to develop and implement the strategic action plan			
Conduct OCA of BoM for Y6			
<b>Objective 4. Improve the enabling environment leading to increased investments and an improved workforce</b>			
<b>Sub-objective 4.2 Build capacity of agricultural education institutions to prepare a competitive workforce and promote their educational programs</b>			
Activity 4.1. Build Capacity (training infrastructure, curriculum, staff) of Nisporeni School to prepare a competitive workforce in the berry value chain			
Continue implementing the berry production demo and didactical plot at Nisporeni VET School			
Establish Digital Learning Platform for Berry Training Program			
<b>Sub-objective 4.3. Support youth initiatives to address workforce gaps in the berry sector</b>			
Activity 4.2. Support initiatives for youth and students to enter the job market			
Establish and launch the Start-up program for berry students at Nisporeni VET school			

Vegetable Value Chain Activities	Y6 Q3		
	Apr	May	Jun
<b>Objective 1. Expand and strengthen linkages to domestic, regional, and international markets</b>			
Activity 1.1. Facilitate linkages between producers and buyers			
Support development of improved packing and distribution operations for Moldovan fruit and vegetables on the local market targeting distribution companies, online channels, and retailers			
Activity 1.2. Facilitate export sales			
Provide technical assistance for Moldovan consolidators, processors, and exporters to identify and develop additional export markets for Moldovan gherkins and cucumbers			
<b>Objective 2. Improve productivity, post-harvest handling, and private sector capacity to comply with EU and international standards</b>			
<b>Sub-objective 2.1 Improve adoption of innovative technologies and best agricultural practices</b>			
Activity 2.1. Demonstrate partnerships for open field vegetable production			
Support processors to organize at least four open house days for their current and prospective suppliers of open-field vegetables to strengthen the results of the “Growing Together” Program implemented in Y2-5			

Honey Value Chain Activities	Y6 Q3		
	Apr	May	Jun
<b>Objective 1. Expand and strengthen linkages to domestic, regional, and international markets</b>			
Activity 1.2. Facilitate increased sales			
Provide grant support to implement export marketing plans (a single RFA for fruit, grape, berry, and honey value chains)			
Support industry associations to organize online meetings and trade missions with buyers from target markets			
Support industry associations and organic honey exporters to attend and/or exhibit at (in person or online) specialized trade fairs, such as BioFach			
Support honey consolidators, packers, and exporters to develop and update their digital promotional and communication tools (e.g., websites, promotional videos)			
<b>Objective 2. Improve productivity, post-harvest handling, and private sector capacity to comply with EU and international standards</b>			
<b>Sub-objective 2.1 Improve adoption of innovative technologies and best agricultural practices</b>			
Activity 2.1. Increase adoption of improved production, processing, and management practices			
Continue to provide on-demand technical assistance to partnerships between honey consolidators and beekeepers aimed at adoption of organic beekeeping practices			
Collect field data and develop a technical brief to encourage Moldovan beekeepers to use improved genetic material that is increasingly available from HVAA-supported queen bee rearing activities			
Activity 2.2. Develop and implement initiatives, including a digital communication tool, to reduce bee poisoning			
Support NBARM to promote BeeProtect			
<b>Objective 3. Strengthen capacities of member-based groups to serve their members</b>			
Activity 3.1. Support associations to provide services to members and ensure sustainability			
Assist NBARM to implement its strategic plan			
Conduct OCA of NBARM for Y6			
<b>Objective 4. Improve the enabling environment leading to increased investments and an improved workforce</b>			
<b>Sub-objective 4.2. Build capacity of agricultural education institution to prepare a competitive workforce and promote their educational programs</b>			
Activity 4.1. Build capacity of Bubuieci (training, infrastructure, curriculum, staff) to prepare a competitive workforce in the honey value chain			
IT and video training for staff as part of Digital Transformation of Honey Program			
Establish digital learning platform for Honey Training Program			
<b>Sub-objective 4.3. Support youth initiatives to address workforce gaps in the honey value chain</b>			
Activity 4.2. Support initiatives for youth and students to enter the job market			
Establish and launch the Start-up program for beekeeping students at Bubuieci VET school			

Wine Value Chain Activities	Y6 Q3		
	Apr	May	Jun
<b>Objective 1. Expand and strengthen linkages to domestic, regional, and international markets</b>			
Activity 1.1. Promote Moldova's wine internationally under the WoM brand			
Promote Moldova's wine internationally under the WoM brand			
Support efforts to upgrade the WoM brand			
Strategic marketing advisor for ONVV			
Website audit and SEO/key words on wom.com			
Support emerging wineries to participate in events such as Mundus Vini and Berliner Wine Trophy			
<b>Objective 2. Improve productivity, post-harvest handling, and private sector capacity to comply with EU and international standards</b>			
<b>Sub-objective 2.1 Improve adoption of innovative technologies and best agricultural practices</b>			
Activity 2.1. Support wine quality upgrade and emergence of small winegrowers			
Provide technical assistance in winemaking to improve quality and add value to the final product			
Road to market assistance under the Product Quality Upgrading Program			
Provide grants for equipment upgrades that will help integrate improved technologies and practices facilitated through training and technical assistance			
<b>Objective 3. Strengthen capacities of member-based groups to serve their members</b>			
Activity 3.1. Support associations to provide services to members and ensure sustainability			
Support ASW to increase its capacity			
Conduct OCA of ASW for Y6			
<b>Objective 4. Improve the enabling environment leading to increased investments and an improved workforce</b>			
<b>Sub-objective 4.3. Support the development and continuity of partnerships</b>			
Activity 4.3. Support ONVV to improve its internal management processes and services to its members			
Support ONVV to improve its internal management processes (ONVV Board assistance on legal/regulatory, internal process management, and international marketing strategies)			
Pending approval of the Wine Strategy 2020, assist ONVV to develop wine industry sustainability standards (Code of Conduct, certification procedure, etc.)			

Cross-Cutting Activities	Y6 Q3		
	Apr	May	Jun
<b>Objective 1. Expand and strengthen linkages to domestic, regional, and international markets</b>			
Activity 1.1. Help private-sector companies and organizations to professionalize their image by supporting development of professional websites and online presence			
On a demand-driven basis, support Moldovan companies to upgrade their websites to professional standards. (Note: This activity is driven by the grants program or marketing activities)			

Help private sector companies improve/professionalize their online communications practices			
Increase/ensure online presence of local producers/sector associations on international platforms			
<b>Objective 2. Improve productivity, post-harvest handling, and private sector capacity to comply with EU and international standards</b>			
<b>Sub-objective 2.1 Improve adoption of innovative technologies and agricultural practices</b>			
Activity 2.1. Increase adoption of new practices through enhanced outreach			
Oversee media grants to promote new technologies and successes in the agriculture sector and educate farmers in targeted value chains			
<b>Sub-objective 2.2 Improve private sector compliance with international/EU food/quality standards</b>			
Activity 2.2. Facilitate implementation of good agricultural practices			
Encourage and support institutionalization of some cooperation elements in the Moldovan GLOBALG.A.P. ecosystem: advisors, certification bodies, industry associations, and other organizations, such as the Organization for Small and Medium Enterprises Sector Development (ODIMM)			
Continue to provide technical assistance to implement GLOBALG.A.P., GRASP, Sedex Members Ethical Trade Audit (SMETA), and International Featured Standards (IFS) with clearly identified buyers in EU or other non-traditional markets			
Support National Food Safety Agency (ANSA) to design and offer the “Sustainable Use of Pesticides” eLearning course			
<b>Objective 3. Increase capacities of member-based groups to serve their members</b>			
Activity 3.1. Support associations to provide services to members and ensure sustainability			
Train associations’ management and staff in project management (project cycle management, results-based management, human resource management strategies and practices)			
Activity 3.2. Strengthen WUAs and improve irrigation services			
Provide training and technical assistance on soil protection, smart irrigation technologies, and climate-smart agriculture			
Provide support to WUAs to register as Personal Data Operators			
Conduct OCAs for the two initially targeted WUAs			
<b>Objective 4. Improve the enabling environment leading to increased investments and an improved workforce in key value chains</b>			
<b>Sub-objective 4.1 Increase private sector linkages with the education/research sector, leading to a competitive workforce in targeted value chains</b>			
Activity 4.1. Stimulate links between the private sector and agriculture education institutions in HVA value chains			
National Forum on WFD in HVA			
Continue to facilitate the participation of irrigation companies in the Quality Curriculum Council			
Activity 4.2. Support SAUM to develop apprenticeship and outreach programs in the irrigation sector			
Continue the apprenticeship program in partnership with WUAs			
Support Extension in irrigation (short 90-hour courses, seminars, conferences, study tours)			
Continuously update the Irrigation Lab Facebook page with information on events (practical classes, new irrigation technologies, research)			



<b>Sub-objective 4.2. Support youth initiatives and broker partnerships to address workforce gaps and increase investments</b>			
Activity 4.3. Support initiatives for youth and student engagement in HVA value chains			
Develop, test, and integrate technological solutions at the level of HVA companies			
Organize the Final Roundtable of the Entrepreneurship Incubator at CEVVC			
Activity 4.4. Broker partnerships to address workforce gaps and increase investments			
Mentorship/Apprenticeship Program for students as part of Agriculture Entrepreneurship Incubator at CEVVC			
<b>Sub-objective 4.3. Improve the policy and enabling environment for selected value chains</b>			
Activity 4.5. Strengthen sector associations' capacities to advocate on behalf of their members			
Support HVA associations to advance policy reform and implementation			
Assist Advocacy Committee to implement HVA sector advocacy agenda			
Activity 4.6. Support the Government of Moldova to improve the business enabling environment			
Support endorsement process for drafts initiated with HVAA support			
<b>Sub-objective 4.4. Support the development and continuity of partnerships</b>			
Activity 4.7. Continue developing the online agriculture library			
Monitor and support development of the online library developed by agrobiznes.md			
Activity 4.8. Support efforts to establish a packing house in Gagauzia with private and public funding			
Support stakeholders to plan and manage the packing house financing system			
Activity 4.9. Review existing partnerships and develop transition and sustainability plans			
Support implementation of Sustainability Plans			
<b>CROSS-OBJECTIVE ACTIVITIES</b>			
Activity C.2. Environmental compliance			
Provide technical assistance to implement Environmental Mitigation and Monitoring Plans (EMMPs)			
File and approve the Environmental Closeouts			
Use media subcontracts and grants to promote environmentally-friendly agricultural practices			
Activity C.3. Develop news stories and perform media relations to ensure visibility of project activities and beneficiaries' success			
Continuous oversight of public relations subcontractor			
Activity C.4. Monitoring and Evaluation			
Collect data on practices adopted in any/all of the HVAA value chains			
Activity C.5. Develop and implement close-out communications plan			
Develop first draft of the Final Report			
Reviews of the final report			
Translation of selected contract to Romanian and Russian			
Develop an HVAA Achievements booklet			
Distribute USB drives with high-value documents to key stakeholders			
HVAA Close-out plan submitted to USAID			
Produce video series in Romanian and English to highlight HVAA achievements (general video up to 10 minutes and five 5-minute videos on specific results) that will broadcast on TV and used in social media campaign			

Organize seven press tours with a focus on HVAA development models in targeted value chains

