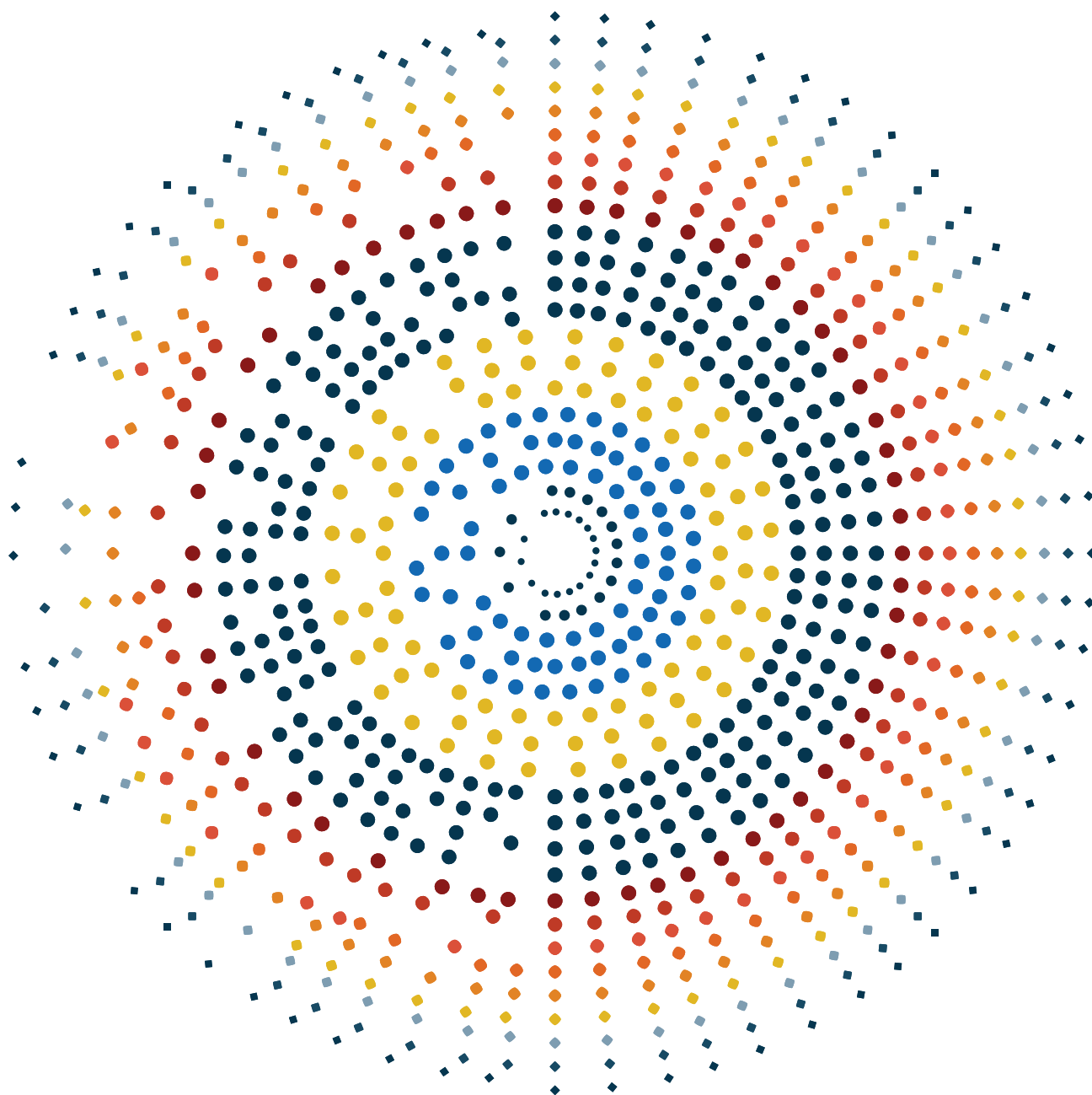ANALYTICAL REPORT

ANALYSIS OF MULTIDIMENSIONAL POVERTY

in the Republic of Moldova in 2022

Chisinau, 2024

Authors:

National Bureau of Statistics, United Nations Development Programme in Moldova

Layout: Axenti Ion

UNDP is the leading United Nations organization fighting to end the injustice of poverty, inequality, and climate change. Working with our broad network of experts and partners in 170 countries, we help nations to build integrated, lasting solutions for people and planet.

ACKNOWLEDGEMENTS

FOREWORD

In the Republic of Moldova and globally, the 2030 Agenda for Sustainable Development promotes the eradication of poverty in all its forms and in all contexts. To implement the Sustainable Development Agenda, an important role is given to the production and dissemination of data for monitoring target 1.2 "By 2030, reduce by at least half the proportion of men, women and children of all ages living in poverty in all its dimensions according to the national definition".

In the context of the latest global developments, affected by economic, energy and health crises, influenced by climate change and armed conflicts, we are increasingly asking ourselves about the quality of people's lives and the extent to which poverty in all its dimensions affects the population of the Republic of Moldova and in particular its most vulnerable groups. The present report on "Analysis of Multidimensional Poverty in the Republic of Moldova in 2022, Analytical Report" addresses these critical questions. The national Multidimensional Poverty Index (MPI) looks beyond monetary indicators to include the dimensions of health, education, living conditions and employment. The dimensions of poverty proposed for the structure of the Index were identified through an extensive consultative process.

The objective of this report is, on the one hand, to describe the process of development of the national MPI, presenting in detail the dimensions, the indicators with the deprivation thresholds and, on the other hand, to present the proportion of the country's population living in multidimensional poverty and the deprivations that affect it. Moreover, the information and analysis in this report can be used to identify deprived people and vulnerable groups, allocate resources with a major impact on poverty, coordinate multisectoral policies and approaches to manage interventions on the problems identified, and adjust evidence-based policies that will accelerate the increase in quality of life.

The National Bureau of Statistics expresses its deep gratitude to all those who contributed directly or indirectly to the report. We appreciate the technical support of the team of experts from the Oxford Poverty and Human Development Initiative, the United Nations Development Programme (UNDP), line ministries for their collaboration and support in developing the calculations of the Multidimensional Poverty Index and interpreting the results from a policy perspective shared with the NBS collaborators for their technical and financial support in the preparation of this report.

We call upon data users to explore the subject covered in this report and use the information published to better understand the phenomenon of poverty in its various dimensions.

Oleg Cara

General Director of the National Bureau of Statistics

FOREWORD

At the midpoint to 2030, the poverty reduction continues to be an uphill struggle around the world. From inequality, political instability, conflict, climate emergencies, and various economic crises - these universal challenges have distinct manifestations in each country - necessitating tailored and comprehensive approaches to address them effectively. Yet, precisely for these reasons it's the time now to take a step back and re-assess our respective strategies to achieving the poverty reduction and adjust them in light of complexities dictated by our current context.

In Moldova, the United Nations Development Programme (UNDP) works to support national efforts to combat poverty, foster inclusive growth, and promote human development. Our initiatives aim to enhance the well-being of all by focusing on sustainable development, social inclusion, and economic resilience. Through its programs and partnerships, UNDP addresses the multifaceted aspects of poverty, striving to improve access to quality education, healthcare, economic and employment opportunities while also ensuring environmental sustainability and strengthening governance.

It is within this context that we proudly present the first Moldova Multidimensional Poverty Index report. This pioneering initiative, developed by the National Bureau of Statistics in collaboration with UNDP and the Oxford Poverty and Human Development Initiative, is specifically tailored to reflect our national realities. By considering multiple facets of poverty, including health, education, living standards, and employment, this report moves beyond traditional monetary measures to provide a more nuanced view of how people experience poverty in Moldova.

The MPI serves as a crucial baseline for our ongoing and future efforts. It offers robust evidence that can guide policymakers, practi-tioners, and stakeholders in formulating targeted strategies and interventions. By leveraging the insights presented here, we aim to build a more inclusive, equitable, and prosperous society where no one is left behind.

We recognize the importance of timely and disaggregated data in driving effective policy-making. While this report makes the best use of existing data, it also underscores the urgent need for continuous investment in statistical sources to measure both acute and moderate multidimensional poverty. Enhancing the national MPI will enable us to leverage its full potential for data-driven and anticipatory policymaking, ensuring that our strategies are informed by the most accurate and timely information available.

We extend our sincere gratitude to the Government of Moldova for its unwavering commitment to addressing poverty and promoting social development. The collaboration and support provided by various ministries, agencies, and research institutions have been instrumental in the success of this initiative. We also commend the research team for their dedication, expertise, and tireless efforts in ensuring the accuracy and reliability of the findings. We acknowledge the individuals who participated in this study. Their willingness to share their experiences and perspectives has been invaluable in capturing and unfolding the dimensions of poverty in Moldova.

We encourage all readers to delve into the methodology, findings, recommendations, and lessons learned outlined in this report. Let us use this knowledge to advocate for positive change, foster collaboration across sectors, and empower individuals and communities to eradicate poverty in all its forms.

Daniela Gasparikova

Resident Representative
United Nations Development Programme
in Moldova

TABLE OF CONTENTS

TABLES

ANNEX

FIGURES

LIST OF ABBREVIATIONS

AF   Alkire-Foster method

CI   Confidence interval

DHS   Demographic and Health Surveys

HBS   Household Budget Survey

HDI   Human Development Index

HDRO   Human Development Report Office

MPPN   Multidimensional Poverty Peer Network

MPI   Multidimensional Poverty Index

NBS   National Bureau of Statistics

NESTA   National Endowment for Science, Technology, and the Arts

NDPs   National Development Plans

OPHI   Oxford Poverty and Human Development Initiative

SDGs   Sustainable Development Goals

SE   Standard error

VNR   Voluntary National Review

UNDP   United Nations Development Programme

UNECE   United Nations Economic Commission for Europe

NEET   Not in Education, Employment, or Training

NOTE: In some cases, insignificant gaps may appear between the indicated totals and the included component amounts, a fact that is explained by data rounding.

GLOSSARY

Global Multidimensional Poverty Index

International measure of acute multidimensional poverty, launched by OPHI and the Human Development Reporting Office (HDRO) of UNDP. It reflects the multiple deprivations that poor people face in the areas of education, health, and living standards. The Global MPI reflects both the incidence of multidimensional poverty and its intensity. It can be used to create a comprehensive picture of people living in poverty and allows for comparisons between countries, regions and the world, as well as within countries.

National Multidimensional Poverty Index (hereafter MPI)

National measure of multidimensional poverty, relevant to the context of the Republic of Moldova, which reflects the multiple deprivations that poor people face in the areas of education, health, living standards and employment. It reflects both the incidence of multidimensional poverty and its intensity. The national MPI is used to create a comprehensive picture of people living in poverty and allows for comparisons within the country.

Incidence, H

Proportion of people identified as multidimensionally poor. It is also referred to as the "headcount ratio". It is the percentage of people out of the total population whose weighted deprivation score is greater than or equal to the poverty cut-off. Value ranges from 0 to 100%.

Intensity, A

Average proportion of weighted indicators in which multidimensions poor people are deprived. Also referred as the average deprivation score across all multidimensionally poor people.

MPI Indicators

Fundamental components of the MPI that capture deprivations which define poverty, according to the purpose of the measure.

MPI Dimensions

Conceptual groupings of indicators that are used to communicate the final measure.

Deprivation cut-off

Minimum level of achievement that a household or individual must have to be considered non-deprived in each indicator. For instance, the deprivation cut-off for years of schooling could be six years, so a person is considered deprived if she has not completed at least six years of schooling.

Reference population

Population for which the deprivation is relevant (e.g., school attendance is relevant only for school age children). Indicators have different deprivation cut-offs depending on the age group of the reference population.

Weight

Value that is given to indicators within the MPI (and, by association, to the dimensions they correspond to). Weights, like dimensions, indicators, and cut-offs, are fixed over time. Setting weights plays a fundamental role in defining the relative importance of each deprivation in the final measure of MPI.

Poverty cut-off, k

Identifies those who are multidimensionally poor in at least k-weighted indicators. The value of k reflects the minimum level of deprivations or deprivation score an individual or household must be suffering simultaneously to be considered multidimensionally poor.

Uncensored Headcount ratio

Percentage of people in the population who are deprived in a given indicator.

Censored Headcount ratio

Percentage of people who are both poor and deprived in a given indicator.

Percentage contribution

The percentage of the MPI that each indicator contributes to (sums to 100%).

EXECUTIVE SUMMARY

Moldova's transition to a market-based, socially oriented economy has been marked by abundant development challenges. Following the steady growth of the Gross National Income per capita from its lowest of $5,021 in 1999 to $12,964 in 2022[1], Moldova graduated from the group of low-income countries into the low-middle income ones. During the same period, the country has also improved its Human Development Index[2] to 0.763 in 2022, ranking 86 out of 193 countries and territories (a change of 10.9% compared to HDI 0.647 in 1999). When the value of HDI is discounted for inequality, it falls to 0.698, a loss of 8.5% due to unequal distribution of the indices. Moreover, due to deeply entrenched vulnerabilities and structural factors, the socio-economic growth in Moldova has been volatile and urban-based.

The series of crises that Moldova experienced since 2019 (economic and public-health crisis posed by the COVID-19 pandemic, the energy and food prices growth, the economic and humanitarian fallout of the war in Ukraine) have magnified country's vulnerabilities, maintaining the absolute poverty rate at over 30%. This adds layers of complexity to the nation's poverty reduction efforts, necessitating multifaceted and responsive strategies to safeguard and advance the well-being of its population.

With a national objective to halve both absolute poverty and poverty in all its dimensions by 2030, Moldova is committed to the achievement of Sustainable Development Goal 1. Central to this commitment is the "European Moldova 2030" National Development Strategy[3], which advocates for a human-centered approach to development, positioning individuals as beneficiaries of, rather than merely resources for growth.

Addressing poverty comprehensively is a key priority of the Strategy, focusing on decreasing poverty rates and promoting social inclusion throughout the nation. Central to these initiatives is the drive to stimulate economic growth, enhance employment opportunities, and guarantee that the benefits of growth are equitably distributed to all community sectors, with special focus on groups like the elderly, children, people with disabilities, and marginalized communities.

Employing a multidimensional approach to poverty measurement allows Moldovan authorities to gain an in-depth understanding of poverty's prevalence and complexity at both national and local levels. This approach is instrumental in developing targeted policies and practical actions to alleviate poverty.

This report introduces the national Multidimensional Poverty Index (MPI), which uses the national Household Budget Survey[4] 2022 data, and the Alkire-Foster method[5]. The document also presents a comprehensive analysis of the various ways in which poverty impacts the Moldovan population across four key poverty dimensions: health, education, living standards, and employment, detailed through 11 specific indicators.

As Moldova advances its poverty reduction strategies, the national MPI will serve as a valuable resource for policymakers, offering essential insights for designing effective interventions, allocating resources wisely, and securing significant enhancements in Moldovan population's quality of life. Through detailed scrutiny of poverty's multiple di mensions, the national MPI not only measures progress but also highlights the route towards sustainable development and increased social fairness.

1 UNDP (United Nations Development Programme). 2024. Human Development Report 2023-24: Breaking the gridlock: Reimagining cooperation in a polarized world. New York, https://hdr.undp.org/content/human-development-report-2023-24

2 ibid

3 Government of the Republic of Moldova, National Development Strategy "European Moldova 2030", https://www.legis.md/cautare/getResults?doc_id=134582&lang=ro

4 National Bureau of Statistics, Household Budget Survey, https://statistica.gov.md/en/household-budget-survey-hbs-9925.html

5 Oxford Poverty and Human Development Initiative, Technical introduction to the AF Method, https://ophi.org.uk/research/af-method

Key findings

In 2022, almost 811 thousand people in Moldova (31.1% of the population) were monetary poor according to the national poverty line[6] (MDL 2,942 per month).

At the same time, **716 thousand people (27.5% of the population) were multidimensionally poor**, because they experienced deprivations in at least 35 percent of the weighted indicators.

Each multidimensionally poor person in the country, is, **on average, deprived in 46.5 percent of the weighted indicators**.

The national MPI value amounts to 0.128, indicating that, on average, multidimensionally poor people in Moldova experience 12.8 percent of the total deprivations.

Primary among the challenges encountered by the multidimensionally poor are the absence of medical insurance, affecting approximately 24.7%, alongside sanitation issues (24.2%), and dwelling-heating with polluting fuel (23.4%). Unemployment (2.7%) and limited access to medical services (0.4%) exhibit comparatively lower prevalence rates.

Almost 163 thousand people (22.8% of those identified as multidimensionally poor) **hover marginally below the multidimensional poverty threshold** (deprivation levels ranging from 35 to 39.99% across weighted indicators), and are vulnerable to slipping deeper into poverty, if not supported.

Nearly half of the multidimensionally poor population (43.4% or 311 thousand), faces deprivation levels ranging from 40 to 49.99%, indicative of moderate to severe hardship.

Nearly one-third (33.4%) **of the population identified as multidimensionally poor faces significant deprivation** (in 50 to 79.99% of the indicators), highlighting the depth of poverty affecting a substantial segment and underscoring the urgent need for enhanced support and interventions to tackle these extensive and intense deprivations.

Despite constituting only 0.4% of the population, the group experiencing extreme poverty (deprivations in over 80% of the indicators) **represents profound vulnerability,** necessitating targeted support to alleviate their significant hardships and facilitate their movement toward the poverty threshold.

Multidimensional poverty is significantly more prevalent in rural regions compared to urban areas in Moldova, with the former experiencing nearly three times the rate of such poverty at 37.6%, as opposed to 12.3% in urban locales. Additionally, the intensity of poverty, which reflects the depth of deprivation, is more acute in rural settings, where it stands at 47.4%, in contrast to 42.4% in urban environments. Consequently, the MPI underscores this stark disparity, registering a value of 0.178 in rural areas - a figure that is more than triple the value of 0.052 recorded in urban centers.

Disparities across Moldova's regions underscore varying degrees of multidimensional poverty. The distribution suggests that the Chisinau municipality fares much better, with the lowest poverty incidence (10.4%), intensity (43.6%) and MPI (0.045). In contrast, the North and Center regions, having roughly similar MPI values (0.158 and 0.157), exhibit the highest incidence of multidimensional poverty (33.8% and 33.2% respectively).

The analysis shows that within Moldova, the group aged 40 to 49 is the most affected by multidimensional poverty, marked by an incidence of 39.7% and an intensity of 47.0%.

Children aged 0-17 emerge as the second most impacted group. They exhibit an MPI of 0.172, with an incidence rate of 36.0% and intensity of 47.9%, indicating significant exposure to multidimensional poverty factors and underscoring the need for focused support.

People from households with children, which constitute 47.6% of total population, face a notably higher burden of multidimensional poverty compared to those without children. Specifically, the MPI for people from households with children stands at 0.172, while the incidence rate is 35.9%, both figures surpassing the corresponding rates for people from childless households, which are at 0.089 and 19.3%, respectively. This disparity becomes even more pronounced in larger families, as people from households with three children or more exhibit the most significant levels of multidimensional poverty, with an MPI of 0.256, that is double the national average.

Chapter I. INTRODUCTION

1.1. Context and Framework

Poverty measurement frequently relies on monetary metrics, focusing on income or expenditures against a benchmark (usually poverty line) necessary for a person to afford essential goods and services. However, genuine well-being surpasses mere financial adequacy. Vital services and facilities that significantly enhance life quality, such as access to quality education, healthcare, and a clean environment, are often supported by government initiatives and are crucial to holistic well-being.

To achieve a more nuanced understanding of poverty, it is vital to include non-monetary deprivations that impact individual life quality, thereby broadening the scope of monetary analysis. This expanded view recognizes that well-being transcends the mere acquisition of necessities, reflecting a wider spectrum of human development and societal advancement.

In Moldova the official poverty measure use consumption/expenditure-based measurement of poverty and an absolute poverty line, which is computed for a specific year as to capture the monetary value of a consumption basket deemed to provide minimum acceptable living conditions in the circumstances of the country. The consumption/expenditure-based poverty line is updated over time using the consumer price index. However, with changes in the living conditions of the country, from time to time, it is important to review the calculation of the absolute poverty line.

The absolute poverty line in Moldova was computed using the Household Budget Survey (HBS) 2006[7] and 2016[8]. In particular, it has been used to set the national poverty line for official poverty measurement and as the main source of analysis to understand the impact of various socio-economic policies on poverty.

By compiling detailed data on household incomes, consumption trends, as well as a wide spectrum of non-monetary indicators—including levels of education, access to healthcare, employment status, housing quality, asset ownership, and self-assessed living standards - the HBS provides a comprehensive perspective on the living standards and supports efforts to address poverty in an all-encompassing manner.

The Republic of Moldova has made gradual progress in tackling extreme poverty, yet the challenge of diminishing absolute poverty persists. The positive trend is partly attributable to enhanced social protection initiatives and increased remittances from abroad. However, the 2022 energy crisis and inflation, exacerbated by the war in Ukraine, prompted a rise in both extreme and absolute poverty levels within the country.

The broadened scope of social assistance and energy subsidy programs, fueled by redirected national funds and substantial external support, played a crucial role in alleviating these adverse effects. The sustained support of social assistance schemes is vital to navigate out of this predicament and resume a path toward significant poverty reduction.

In this context, adopting a multidimensional approach to poverty, which combines both monetary and non-monetary aspects, affords a deeper understanding of the population's real-life experiences. This approach informs more focused and efficacious policy measures to support those in need and foster national well-being, ensuring consistency in addressing the multifaceted nature of poverty.

---

7 Poverty measurement note, https://statistica.gov.md/files/files/SeminareConferinte/Seminar26oct2007/Not_inf_mas_saraciei_en.pdf

8 Poverty measures for 2019 in the Republic of Moldova, https://statistica.gov.md/files/files/Metadate/alte/2_NBS_Moldova_Note_2019_poverty_measure_eng.pdf

1.2. National multidimensional poverty index for Moldova (MPI) in 2030 Agenda

In September 2015, the Republic of Moldova, alongside 192 other UN member states, committed to the 2030 Agenda for Sustainable Development by adopting the Declaration of the Sustainable Development Summit in New York[9].

This Agenda, building on the momentum of the Millennium Development Goals, sets forth ambitious objectives, including the eradication of poverty by 2030 and the promotion of sustainable development globally. Encompassing 17 overarching goals and 169 targets, the Agenda spans vital dimensions of economic, social, and environmental progress and is adaptable to each country's unique circumstances.

Moldova has tailored and integrated the SDGs into its national agenda, a process defined as nationalization of targets and indicators for Sustainable Development Goals[10], implemented with the support of UNDP, with the support of UN Country Team, including UNFPA, UNICEF, ILO and UN Women. The national monitoring framework[11] establishes the responsibilities of public authorities, the coordination mechanism, and the framework for reporting progress in the implementation of the 2030 Agenda.

The National Bureau of Statistics coordinates the production and dissemination of indicators that monitor the SDGs in the Republic of Moldova, ensuring open access to data for decision-makers and other stakeholders. In cooperation with the State Chancellery, NBS develops instructions for the presentation and publication of SDG data, including of Voluntary National Reviews[12]. The Bureau also maintains

the national SDG Platform[13], and liaises between national entities and international custodian agencies.

SDG 1 aims to end poverty in all its forms. Target 1.1 focuses on monetary poverty, while Target 1.2 addresses the importance of halving multidimensional poverty for all women, men, and children of all ages living in poverty in all its dimensions according to national definitions. In this context, the International Group of Experts on SDG Indicators recommended that governments develop their own national Multidimensional Poverty Index (MPI), tailored to their national context, and use it to monitor poverty reduction.

A national MPI captures the simultaneous deprivations experienced by the poor through a set of indicators directly related to poverty measurement. Therefore, constructing an MPI helps provide data (especially for indicator 1.2.2) to monitor progress in implementing the SDGs[14]. The inclusion of Indicator 1.2.2 in the SDGs places an important focus on multidimensional poverty in a national context in order to drive down poverty. In addition, by sharing progress through Indicator 1.2.2, countries can empower each other to reduce poverty sustainably.

1.3. Process of designing a national MPI

To make the measure long-lasting, rather than an ad-hock instrument used by a particular administration, it was essential to build consensus and a shared sense of legitimacy around the national MPI that transcends political actors and decision-makers.

The process of creating a national measure of multidimensional poverty enjoyed solid government ownership and coordination with different ministries and stakeholders, ensuring that the process and final measure are seen as legitimate, transparent, inclusive and relevant (Figure 1).

Initially, with the support and expertise of the United Nations Development Programme (UNDP), a workshop was organised on December 2016 to familiarise representatives

---

9 UN, Transforming our world: the 2030 Agenda for Sustainable Development Resolution adopted by the General Assembly on 25 September 2015, https://www.un.org/en/conferences/environment/newyork2015

10 UN, Government of the Republic of Moldova, Nationalization of indicators for Sustainable Development Goals, 2017, https://statistica.gov.md/public/files/SDG/docs/Indicators_ONU_EN.pdf

11 The national framework for monitoring the implementation of the Sustainable Development Agenda 2030 approved by Government Decision no. 953/2022, https://www.legis.md/cautare/getResults?doc_id=135555&lang=ro

12 Government of the Republic of Moldova, Voluntary National Review / Progress Report 2020, https://statistica.gov.md/files/files/SDG/docs/VNR_2020_Moldova_Report_English.pdf

13 Platform for dissemination of ODD indicators https://statistica.gov.md/en/sustainable-development-goals-183.html

14 SDGs and MPI | MPPN www.mppn.org

of the National Bureau of Statistics (NBS), ministries, public authorities, and the academic community with existing internationally recognized approaches and best practices for measuring the various dimensions of poverty and its multiple manifestations (deprivation, exclusion, discrimination, etc.) for different population groups, including the deprived. NBS specialists presented experimental MPI calculations (following the AF method) using HBS. The dimensions of poverty proposed by NBS were repeatedly discussed from the perspective of national policy priorities and the national context with line ministries, other public institutions, academia, civil society organisations, and presented at the meeting of the UNECE Task Force on measuring poverty and inequality in Geneva in December 2018.

Later in May-July 2017, in collaboration with the National Endowment for Science, Technology, and the Arts (NESTA) from the United Kingdom, a practical exercise was conducted to seek the opinions of various vulnerable groups in the Republic of Moldova regarding the most important and pressing issues faced by "poor people." Two methods of analysis were used: (i) focus groups in the form of semi-structured discussions with representatives of 15 vulnerable groups, led by a trained facilitator, and (ii) a prioritisation exercise to understand the relative importance of the problems faced by poor communities. As a result of these consultations, 68 poverty and disadvantage issues were identified, which helped identify and understand what it means to be poor in Moldova.

Next - November 2017, the 68 poverty and disadvantage issues identified through the consultations with vulnerable groups were discussed with decision-makers and then prioritised and grouped according to 10 socio-economic dimensions, for each of which indicators were proposed for measurement. A public opinion survey was then conducted in 2018 to further prioritise poverty dimensions (according to the general population) and distribute poverty issues by dimensions at the individual and community levels. As a result of these activities, the final list of domains subject to measurement of non-monetary poverty in all dimensions relevant to the context of Moldova was identified, along with a list of 25 statistical

indicators to capture these dimensions and related deprivations, for 10 indicators of which data were collected in the field (4th quarter of 2019) in an additional module of the HBS, while the rest were already available.

Subsequently, in 2020-2021, NBS collaborated with Oxford Poverty and Human Development Initiative (OPHI) to develop the national MPI. For the calculation of the pilot MPI, dimensions, indicators, weights, and multidimensional poverty line were defined, and the Alkire-Foster method was used to calculate the MPI that allows the identification of deprivation profiles by person/household.

In June 2022, a high-level workshop[15] was organised for representatives of relevant ministries, whereby NBS, OPHI, and UNDP experts presented the proposed methodology for calculating the National MPI and the main results of the initial experimental calculations. Representatives of the following institutions participated in the event: State Chancellery, Ministry of Economic Development and Digitalization, Ministry of Finance, Ministry of Infrastructure and Regional Development, Ministry of Labour and Social Protection, Ministry of Health, Ministry of Education and Research.

In November, 2023, the NBS organised a working group meeting to present the MPI methodology as well as the results of the MPI calculation for 2022. Participants from the line ministries (Ministry of Economic Development and Digitalization, Ministry of Infrastructure and Regional Development, Ministry of Labour and Social Protection, Ministry of Health, Ministry of Education and Research and Ministry of Energy) also discussed the perspective of using MPI in public policies, for monitoring the living standards of the population.

In the final stage, the MPI methodology[16] as of 30 November 2023, and the resulting indicators were included in the national list of SDG monitoring indicators.

---

15 Presentation of the Multidimensional Poverty Index (MPI) methodology, based on the Alkire-Foster methodology, https://statistica.gov.md/ro/noua-metodologie-de-masurare-a-saraciei-multidimensionale-prezentata-de-12_59391.html

16 The methodology for calculating the Multidimensional Poverty Index, https://statistica.gov.md/files/files/despre/Statistica_experimentala/Metodologia_MPI.pdf

In 2024, the present analytical report on multidimensional poverty analysis in the Republic of Moldova in 2022 has been developed.

FIGURE 1. **Milestones of Moldova's multidimensional poverty index**

Inter-institutional workshop

GOAL: experimental estimations of MPI / Alkire-Foster methodology

OUTPUT: poverty dimensions versus national policies

Consultation with the decision-makers

GOAL: identify measurements for poverty dimensions of the "poor"

OUTPUT: 68 issues of poverty & deprivation prioritized and grouped by 10 socio-economic dimensions; proposals of indicators to measure them

MPI methodology development

GOAL: experimental calculations, using dimensions, indicators, weights, thresholds. Creation of deprivation profiles for each individual/household

OUTPUT: National MPI, using available indicators is calculated using Alkire-Foster method

Moldova MPI 2022 Analytical Report development

GOAL: National MPI key indicators analysis, conclusions and recommendations

OUTPUT: Public presentation of National MPI report

December 2016 | May–July 2017 | November 2017 | June–July 2018 | 2020–2021 | June 2022 | 2023–2024

Qualitative research & collective intelligence

GOAL: poverty by "poor"

** 15 focus-groups by "opinion leaders" of vulnerable population, 124 participants - migrants, elderly, unemployed, young unemployed, HIV-SIDA, Roma, women with children, people with chronic diseases

OUTPUT: 68 issues/concerns of the "poor"

Quantitative survey/public opinion poll

GOAL: prioritize poverty dimensions by general population

OUTPUT: distribution of poverty & deprivation issues by dimensions at community/individual levels

High-level workshop

GOAL: presentation to all state stakeholders results of MPI and draft methodology

OUTPUT: Finalization of MPI methodology

Chapter II. METHODOLOGY AND DATA

2.1. Alkire-Foster method

Professors Sabina Alkire and James Foster of the University of Oxford presented a family of multidimensional poverty measures[17] based on the counting approach, which has captured global attention and is being widely adopted by countries. The first and most well-known application is the UNDP-OPHI global Multidimensional Poverty Index[18] (MPI), which has been published since 2010. Since then, many countries followed their guidance in what is known as the MPI approach.

2.2. Structure of MPI

The national Multidimensional Poverty Index (MPI) employs the Alkire-Foster methodology to assess multidimensional poverty, examining both its extent and intensity. This approach allows for the detailed examination of data disaggregated by region, type of settlement, and gender, highlighting variations in poverty levels. The AF method encompasses two primary stages:

BOX 1. AF method to measure multidimensional poverty

The AF family of measures follows five steps, and the two stages one of identification and another of aggregation and uses two different cut-offs, (i) deprivation specific threshold for each indicator, and (ii) cross-dimensional poverty cut-off to determine whether the person (or household) is multidimensionally poor based on their weighted deprivation score. The MPI applies weights to both dimensions and indicators; these can be equal or different depending on national priorities and the normative importance of each dimension or indicator. Individuals whose deprivation score is equal to or higher than the poverty cut-off are identified as multidimensionally poor. Their share gives the incidence of multidimensional poverty, which is usually referred to as H (headcount ratio).

An innovation introduced by the AF family of measures is that it is possible to account simultaneously for both the incidence of poverty (H), as well as its intensity (A). The intensity of poverty - also called depth of poverty - is defined as the average share of weighted deprivations in which the poor are deprived. Combining intensity and headcount ratio, it is possible to estimate an adjusted headcount ratio (M_0 or MPI), following the below formula:

$$M_0 = H \times A$$

The MPI ranges from 0 to 1 and is interpreted as the proportion of all possible deprivations that would be experienced if every person in the society were poor and deprived in every indicator. The adjusted headcount ratio, just like other measures, can be disaggregated by population subgroups (e.g. geographic area, ethnicity), and it can be broken down by dimension or indicator. For more details on the methodology, see AF Methodology[20].

Source: *the UN SDG indicator metadata:*
https://unstats.un.org/sdgs/metadata/files/Metadata-01-02-02.pdf

17 https://ophi.org.uk/md-poverty-and-AF-method

18 https://ophi.org.uk/global-mpi

19 Alkire, S., Foster, J. E., Seth, S., Santos, M. E., Roche, J. M., & Ballon, P. (2015). Multidimensional Poverty Measurement and Analysis, Oxford: Oxford University Press, https://ophi.org.uk/research/af-method

I. Identification

This stage involves identifying the dimensions and indicators that are applicable for assessing poverty. Each indicator will be assigned a deprivation cut-off, which determines whether a household or individual is considered deprived or not. By applying these cut-offs, individuals or households can be classified into two categories: deprived and non-deprived.

Indicators are classified according to binary variables where "1" refers to the presence of deprivation and "0" denotes the absence of deprivation.

II. Aggregation

This stage involves calculating the proportion of deprivations that an individual or household encounters among the chosen set of weighted indicators. An individual is classified as 'multidimensionally poor' if they experience a specific portion of deprivations from the overall indicators considered. This determination is made by first summing the number of deprivations experienced by each person into a weighted deprivation score, then applying a 'poverty cut-off'. The poverty cutoff is an evaluative judgment regarding the percentage of weighted deprivations that qualify a person as being multidimensionally poor. A robustness check is conducted to confirm the validity and reliability of this cross-dimensional cut-off.

Dimensions and indicators

The **identification stage** for Moldova's MPI included selecting relevant dimensions through a consultative process that engaged policymakers, stakeholders, and, notably, the population itself. This inclusive approach ensured that the chosen dimensions reflect national policy priorities and legal frameworks, as well as the lived experiences and perceptions of poverty from various societal segments, particularly those from disadvantaged groups. Considerations during this process also encompassed data availability from the selected source and insights drawn from analyzing the global MPI's structure and indicators.

Consequently, the national MPI for Moldova encompasses 11 indicators distributed across four key dimensions: **Health, Education, Living Standards,** and **Employment** *(Table 1).*

TABLE 1. Moldova´s MPI – dimension, indicators, deprivation cut-offs and weights

Dimension	Indicator	Deprivation Cut-off	Weights
Health (1/4)	Access to medical services	A household is deprived if at least one member of the household did not have access to medical services when they needed it	1/8
	Lack of medical insurance	A household is deprived if at least one member of the household does not have health insurance	1/8
Education (1/4)	Years of schooling	A household is deprived if at least one member of the household aged 18-65 has not completed secondary education	1/8
	Youth NEET (Not in Education, Employment or Training)	A household is deprived if at least one member of the household aged 15-29 is not participating in any form of employment, education or training	1/8
Living standards (1/4)	Heating	A household is deprived if the dwelling is heated with polluting fuel (wood, coal, oil)	1/20
	Sanitation	A household is deprived if the dwelling is not connected to the public sewerage network	1/20
	Housing	A household is deprived if the household faces at least one problem: leaky roof, damp walls/ floors, damp foundation, rotten floor or window frames	1/20
	Overcrowding	A household is deprived if the average living area per capita is less than 9 m^2	1/20
	Drinking water	A household is deprived if the dwelling is not connected to the public water supply network	1/20
Employment (1/4)	Unemployment	A household is deprived if at least one household member of working age (16-62 for men and 16-59 for women) is unemployed (ILO definition)	1/8
	Decent work	A household is deprived if at least one member of the household is employed informally in the labour market or employed seasonally/ occasionally	1/8

Weights

All dimensions are weighted equally, receiving one-fourth of the total weight (1/4). Indicators are equally weighted within their corresponding dimensions.

Poverty cut-off

As indicated in joint handbook by UNDP and OPHI[20], the cut-off value is linked to the structure of the measure. In the case of Moldova, the cut-off has been set at 35%, representing the weighted sum of deprivations

20 UNDP, OPHI, How to build a National Multidimensional Poverty Index, 2019, https://www.undp.org/publications/how-build-national-multidimensional-poverty-index

in one and a half dimensions. Thus, units (individuals or households) deprived in 35% or more of the weighted indicators are identified as multidimensionally poor.

Moreover, the way poverty thresholds are defined (cut-offs) and the importance (weights) is assigned to each dimension can vary, reflecting different viewpoints on what aspects are most crucial in determining poverty. These limitations can be mitigated through updated iterations of the MPI.

As the national MPI can provide insight into how multidimensional poverty changes, it should be updated periodically to track progress towards reducing poverty by 2030 effectively. Unfortunately, defining retrospective values of the national MPI for Moldova is not feasible due to data limitations.

Robustness tests

Regardless of the particular cut-off selected, robustness tests are run to assess how sensitive the measure is to changes in the k value as well as other parameters of the measure.

The robustness of the selected MPI structure was tested by comparing whether regional orderings were preserved when using alternative poverty cutoffs or alternative weighting structures. The analysis results for the Moldova national MPI are outlined in Table 9. The poverty cutoff of 35% was taken as a baseline, with alternative cutoffs specified at 30% and 40%.

2.3. Data source

The design of the national MPI requires information from one single data source.

As the MPI requires a complete deprivation profile for each unit (individual or household), information on all indicators must be available for each person and come from the same source of data. The data used for the national MPI is the Household Budget Survey (HBS) 2022, which is conducted on a monthly basis and data development is on an annual basis. Firstly, the year-long survey collects data across several socio-economic indicators. Secondly, since the monetary poverty statistics are deduced from the HBS, using it allows for comparisons of monetary and non-monetary poverty rates, which provides useful information in describing the nature of poverty in the country.

The Main household questionnaire and the Household register are used to collect information within the HBS. Two methods of data recording are used: the interview and the self-recording. The data recording in the main household questionnaire is carried out on the basis of an interview, while the Household register is filled in directly by the household. Filling in the main questionnaire implies discussions with every member of the household and, in case this is not possible, the information is obtained from the household head, spouse or another adult who can provide complete information on the other people in the household and on the whole household. The household register is filled in by an adult member of the household who is available to make accurate records every day or as frequently as possible.

2.4. Alignment with national priorities

The design of Moldova's Multidimensional Poverty Index (MPI) was influenced by a series of strategic considerations, emphasizing inclusivity and alignment with national and international development frameworks. The methodology for selecting dimensions, indicators, and thresholds was developed through extensive consultations across various sectors, ensuring that the MPI's components aligns with the National Development Strategy "European Moldova 2030"[21], the 2030 Agenda, and relevant sectoral strategies and programs (*Table 2*). This process aimed to establish an MPI that reflects comprehensive and relevant aspects of poverty, informed by reliable data sources.

21 Government of the Republic of Moldova. 2023. National Development Strategy "European Moldova 2030". Chisinau, available at: https://gov.md/ro/moldova2030

TABLE 2. **Alignment of MPI with national priorities**

Dimension	Indicator	National Development Strategy	Government Activity Program[22]	Government National Action Plan
Health	Access to medical services	Objective 5. Enhancing the physical and mental health of the population through the active contribution of a modern and efficient healthcare system that addresses the needs of each individual.	Health objective	Action 14. Renovated regional hospitals
	Lack of medical insurance			
Education	Years of schooling	Objective 3. Ensuring relevant and quality lifelong education for all	Education and Research objective	Action 18. Creation of the National Institute for Education
	Youth NEET (Not in Education, Employment or Training)		Labor and Social Protection objective	
Living standards	Heating	Objective 10. Ensuring a healthy and safe environment	Energy objective	Action 2. Energy efficiency of buildings
	Sanitation	Objective 2. Improving living conditions	Environment objective	Action 3. Clean water and sanitation
	Drinking water			
	Housing		Infrastructure and regional development objective	Action 1. Modernization of cities and villages
	Overcrowding			
Employment	Unemployment	Objective 1. Increasing income from sustainable sources and mitigating inequalities.	Labour and social protection objective	Action 17. Reformed social assistance system
	Decent work			

The rationale for the **Health dimension** in Moldova's MPI is grounded in both strategic government initiatives and a comprehensive legal framework aimed at improving and reducing disparities in health outcomes. The focus is on improving the quality and accessibility of medical services, ensuring that the population has adequate health insurance coverage.

Specifically, the Government Activity Program "Prosperous, Safe, European Moldova" empha-sizes improving the quality and accessibility of health services. The National Plan "Building European Moldova" includes Action 14, focu-sing on renovating regional hospitals to ensure a modern and quality medical infrastructure. The Law No. 411/1995 on health protection, Chapter IV, and Law No. 263/2005 regarding the patient's rights and responsibilities provide

22 https://gov.md/sites/default/files/document/attachments/program_de_guv-final_ro.pdf

a legal foundation for medical assistance and patient rights, contributing to the overall objective of improving access to health services. The Law No. 1585/1998 addresses mandatory medical assistance insurance, creating an autonomous system for financial protection in healthcare based on solidarity principles.

The justification for the **Education dimension** in Moldova's MPI is rooted in several key policy initiatives and legislative measures aimed at enhancing educational opportunities and addressing workforce-related challenges.

In particular, the Government Activity Program, specifically the Education and Research objective and the Labor and Social Protection objective outlined in the National Plan "Building European Moldova," underscores a commitment to promoting education. Action 18 focuses on the creation of the National Institute for Education, emphasizing the improvement of training and professional development in the education sector. This signals a strategic approach to modernizing educational processes, including the initial and continuous training of teaching and managerial staff.

Moreover, laws such as Law no. 105/2018 highlights the government's broader efforts to prevent unemployment, reduce its social impacts, and ensure a highly adaptable work-force. This legislative framework emphasizes the interconnectedness of education and employment by addressing the adaptation of the labour force skills to market requirements.

Various legislative measures and action plans specifically highlight the intention to reduce the risk of unemployment among the youth, emphasizing the importance of education in preparing them for the workforce. In this regard, the Education dimension of the national MPI includes a focus on *Youth NEET* (Not in Education, Employment, or Training).

The **Living Standards** dimension in Moldova's MPI is substantiated by a range of legislative measures, governmental programs, and action plans addressing key aspects such as *Heating, Sanitation, Housing, Overcrowding, and Water*. The justification and rationale for each sub-dimension are outlined below:

Heating:

The "Prosperous, safe, European Moldova" Government Activity Program emphasizes the importance of promoting clean energy for adequate heating. The Energy objective in the government program and Action 2 of the National Plan specifically focus on enhancing the energy efficiency of buildings, including public and residential structures. This reflects a commitment to improving living standards by ensuring access to efficient and sustainable heating. In terms of legislation: laws such as Law No. 113/2023 and Law No. 10/2016, along with proposed amendments, demonstrate legislative efforts to promote energy efficiency and the use of renewable energy sources. These measures contribute to the overall objective of providing access to adequate heating while addressing environmental concerns, further justifying the inclusion of Heating as an indicator in the MPI.

Sanitation:

The Environment objective in the government program and Action 3 of the National Plan highlight the significance of sanitation. Further-more, legislative measures, such as Law No. 303/2013, address the public water supply and sewage service, indicating a commitment to ensuring access to sanitation facilities, supporting the rationale for including Sanitation as an indicator in the national MPI. The focus on revising the legislative framework and deve-loping water supply and sewerage projects further justifies this indicator.

Housing and Overcrowding:

The Infrastructure and Regional Develop-ment objective in the government program and Action 10 of the National Plan highlight the importance of enabling households to live in decent housing conditions. Legislative measures, such as Law No. 75/2015, recognize housing as a fundamental right. Action 3.3 of the Ministry of Infrastructure and Regional Development's Action Plan outlines objectives related to housing, reinforcing the commit-ment to administering and ensuring access to safe and accessible housing. The mitigation of overcrowding is implicitly addressed in the efforts to provide decent housing conditions,

measures to enable households to live in dignity and without severe overcrowding are aligned with the broader objectives of housing-related policies.

Drinking water:

The Environment objective in the government program and Action 3 of the National Plan emphasize the importance of clean water and sanitation. Legislative measures, such as Law No. 303/2013, highlight the commitment to public water supply and sewage service. The focus on planning and developing water supply and sewerage systems aligns with the goal of ensuring access to piped water inside homes.

The Employment dimension in the national MPI is substantiated by a multifaceted approach that addresses various aspects of labour markets and employment quality. The justification and rationale for this dimension are outlined below:

The "Prosperous, safe, European Moldova" program, aligned with the Labor and Social Protection objective, emphasizes the need to improve access to labour markets, thereby increasing participation and employment.

The Labour Code No. 154/2003 provides a legal framework that regulates individual employment contracts, highlighting the commit-ment to formalizing employment relationships. The Law No. 105/2018 focuses on the promotion of employment and unemployment insurance, aiming to prevent and reduce unemployment, mitigate its social effects, and ensure a high level of employment. This legal framework aligns with the overarching goal of improving employment conditions. Government Decision No. 785 of 16-11-2022, which approves the National Employment Program for the years 2022-2026, also sets clear objectives for increasing labour force participation and promoting productive employment with a focus on specific areas. This includes increasing the participation rate of women and reducing informal employment, highlighting a commitment to diverse and inclusive employment practices.

The Law No. 105/2018, in addition to its focus on unemployment prevention, aims to ensure a high level of employment and adaptation of the labour force to market requirements. This legislative measure reflects the commitment to creating conditions for decent work. The National Employment Program, outlined in Government Decision No. 785, specifically targets the reduction of informal employment. By addressing the informal sector, the program emphasizes the importance of enhancing the quality of employment and promoting decent work for all.

Chapter III. RESULTS OF THE NATIONAL MULTIDIMENSIONAL POVERTY INDEX FOR 2022

This chapter presents a detailed analysis of the national MPI results on the three main statistics of the MPI – headcount ratio (H), intensity (A) and adjusted headcount ratio or MPI.

Disaggregated results are then discussed by rural and urban areas, statistical regions, and other individual and household characteristics. Finally, the incidence of multidimensional poverty is compared with the monetary poverty rates using the absolute poverty line.

3.1. Measuring Multidimensional Poverty in Moldova

Table 3 reveals that, for 2022, the incidence of multidimensional poverty (H) in Moldova, defined as the percentage of the population deprived in at least 35 percent of the weighted indicators, stands at 27.5%.

The intensity of poverty (A), defined as the average proportion of deprivation experienced by the poor, is recorded at 46.5%. This indicates that, within the identified 27.5% of the population who are multidimensionally poor, the average extent of deprivation across the weighted indicators reaches 46.5%.

These metrics underscore the qualitative dimensions of poverty, concentrating not merely on the prevalence of poverty but also on the extent of deprivation among affected individuals. This detailed perspective can be instrumental for policymakers, supporting the formulation of strategies that extend beyond reducing the headcount of poverty. The objective is to highlight the intensity of poverty experienced by the most disadvantaged groups, addressing not just the breadth but the depth of their needs.

The calculated national MPI value of 0.128 signifies that the multidimensionally poor experience approximately 12.8% of the total possible deprivations, assuming every individual was deprived in all indicators.

Figure 2 reflects on varying degrees of poverty intensity among the multidimensionally poor population.

It reveals that 22.8% of the multidimensionally poor are at the lower end of the multidimensional poverty scale, being affected by deprivations in 35 to 39.99% of the weighted indicators. This group (6.3% of the total population) is marginally above the multidimensional poverty threshold, yet susceptible to further impoverishment without adequate support.

The predominant share, 43.4% of the multidimensionally poor (12% of the total population), experiences moderate intensity of poverty (deprivations in 40 to 49.99% of the weighted indicators).

A third of the multidimensionally poor (9.2% of the total population) encounter substantial poverty depth deprivation of 50 to 79.99%).

With deprivations in 80% or more of the indicators, only a small fraction (0.4%) of the multidimensionally poor endure extreme poverty. Although they represent a minimal percentage of the total population (0.1%), the severity of their poverty is profound, indicating their extreme vulnerability and underscoring the critical need for targeted interventions to ameliorate their conditions and bridge their gap to the multidimensional poverty line.

TABLE 3. Incidence, intensity and value of MPI, 2022

Poverty Cutoff (k)	Index	Value
k-value=35%	Incidence (H), %	27.5
	Intensity (A), %	46.5
	MPI (Mo = H*A)	0.128

SOURCE: *Authors' calculations based on data from 2022 HBS.*

FIGURE 2. Intensity gradient among the poor, 2022

Legend:
- 35% - 39.99%
- 40% - 49.99%
- 50% - 59.99%
- 60% - 69.99%
- 70% - 79.99%
- 80% - 89.99%

Values: 22.8%, 43.4%, 22.5%, 8.6%, 2.3%, 0.4%
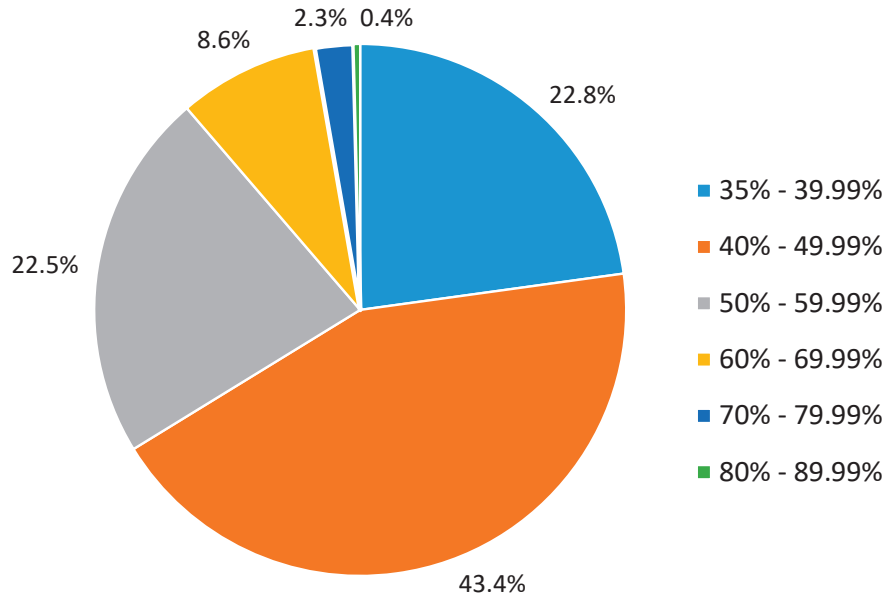
SOURCE: *Authors' calculations based on data from 2022 HBS.*

The uncensored headcount ratio of an indicator is defined as a proportion of the population who are deprived in that particular indicator, regardless of whether they are multidimensionally poor or not. As depicted in *Figure 3*, the highest deprivation levels at national level are found for *Sanitation* (66.0%), *Heating* (56.6%), followed by *Lack of medical insurance* (37.4%). On the other side, the lowest deprivation levels were reported in *Unemployment* (4.0%) and *Access to medical services* (1.0%).

FIGURE 3. National uncensored headcount ratio, 2022

%

Indicator	Value
Access to medical services	1.0
Lack of medical insurance	37.4
Years of schooling	27.3
Youth NEET	20.4
Heating	56.6
Sanitation	66.0
Housing	18.9
Overcrowding	14.8
Drinking water	24.2
Unemployment	4.0
Decent work	23.1
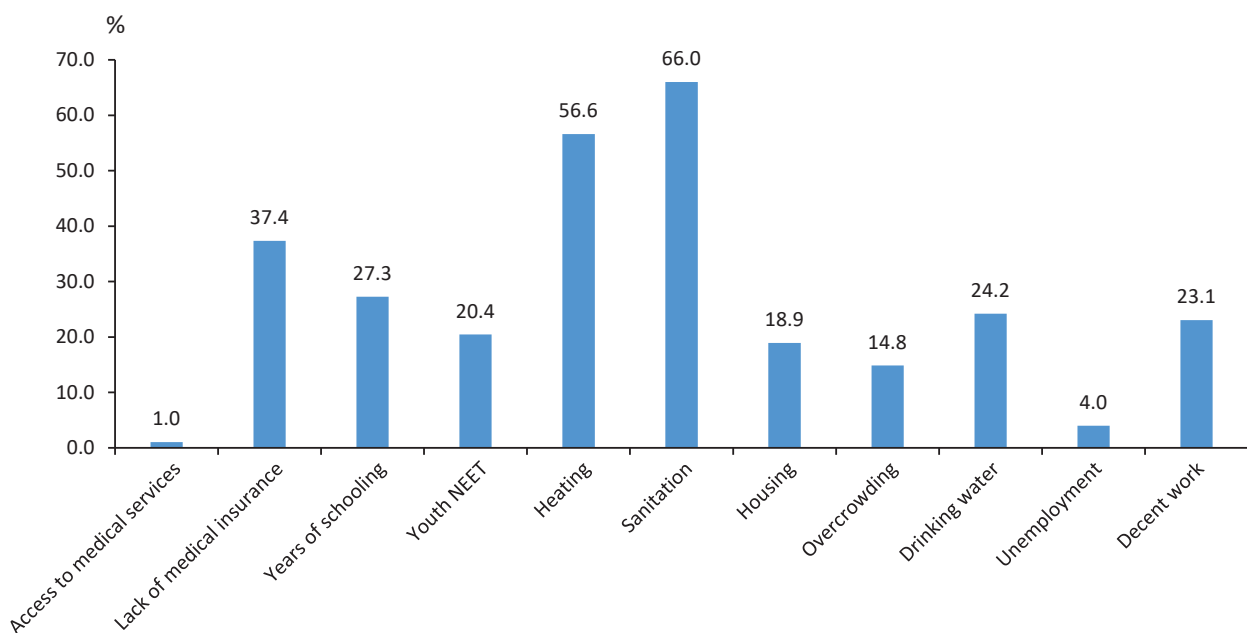
SOURCE: *Authors' calculations based on data from 2022 HBS.*

FIGURE 4. National censored headcount ratio, 2022
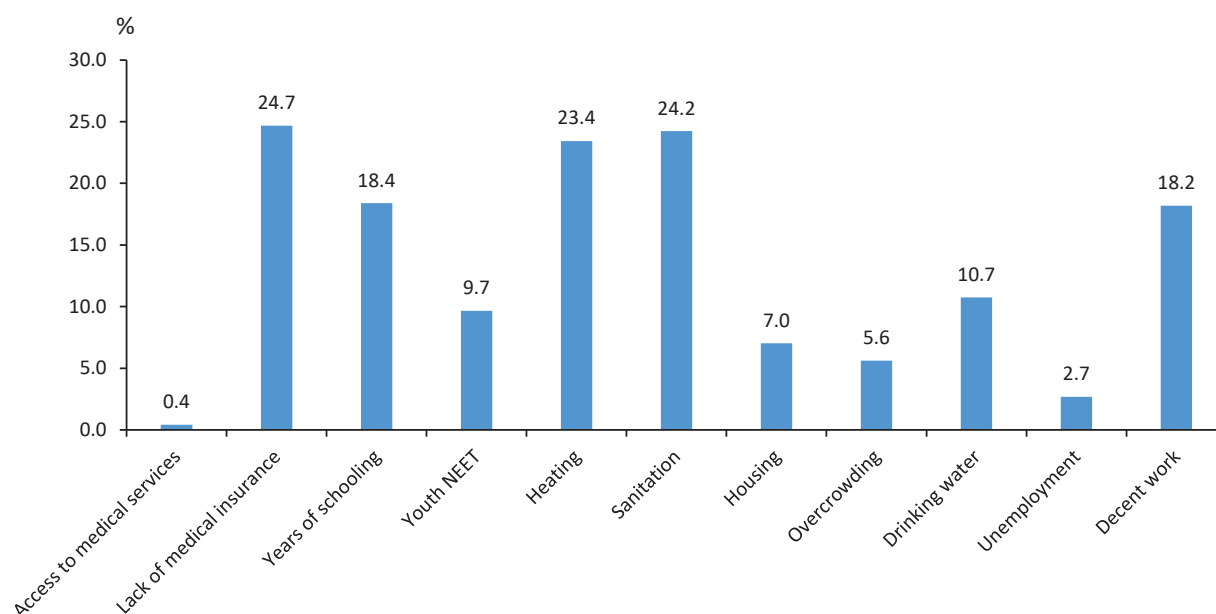
SOURCE: *Authors' calculations based on data from 2022 HBS.*

Figure 4 illustrates the censored headcount ratios for 11 indicators, detailing the proportion of the population that is both MPI poor and concurrently deprived in specific indicators.

Indicators with the highest deprivation levels among the multidimensionally poor are *Lack of medical insurance* (24.7%), *Sanitation* (24.2%) followed by *Heating* (23.4%).

The lowest censored headcount ratios were observed for *Unemployment* (2.7%) and *Access to medical services* (0.4%).

3.2. Urban, rural and regional disparities

The analysis reveals significant contrasts in the MPI between urban and rural areas, with the rural MPI (0.178) being three times higher than that of urban areas (0.052). This considerable disparity is primarily due to the difference in the prevalence of multidimensional poverty: 37.6% in rural regions versus 12.3% in urban ones. Furthermore, the intensity of poverty deepens this gap, with individuals in rural poverty on average experiencing deprivation in 47.4% of the weighted indicators, compared to 42.4% in urban settings (*Table 4*).

TABLE 4. Incidence, intensity and value of MPI, by area, 2022

	Population Share, %	Incidence (H), %	Intensity (A), %	MPI (Mo = H*A)
Urban	39.7	12.3	42.4	0.052
Rural	60.3	37.6	47.4	0.178

SOURCE: *Authors' calculations based on data from 2022 HBS..*

Figure 5 presents the censored headcount ratios for urban and rural settings, shedding light on the variances in poverty levels based on residential location. The data conclusively show that rural areas exhibit higher MPI values across all dimensions and indicators, signifying a greater prevalence of deprivation among the multidimensionally poor in these regions. Notably, the most pronounced disparities are seen in the *Sanitation* and *Heating* indicators, where the incidence of deprivation among the poor in rural areas is more than sevenfold higher compared to urban areas.

A complementary analysis to the censored headcount ratio is the percentage contribution of each indicator to multidimensional poverty. While the censored headcount ratio reveals the extent of deprivations among the multidimensionally poor, it does not indicate the relative significance of the indicators to overall poverty.

It's possible for two indicators to have the same censored headcount ratios but different contributions to overall poverty. This is because the contribution depends on both censored headcount ratio and the assigned weight for each indicator.

Figure 6 presents the percentage contributions of each weighted indicator to the MPI. The indicators that contribute the most to multidimensional poverty are the *Lack of medical insurance* (24.1%) followed by *Years of schooling* (17.9%) and *Decent work* (17.7%). The least contribution has the *Access to medical services* indicator (0.4%). A similar pattern is observed in both urban and rural areas, with some minor differences. Urban areas appear to have higher contributions for *Lack of medical Insurance, Decent work, Youth NEET, Overcrowding and Housing*. Rural areas, on the other hand, have higher contributions for indicators like *Years of schooling, Sanitation, Heating* and *Drinking water*.

FIGURE 5. **Censored headcount ratio, by area, 2022**
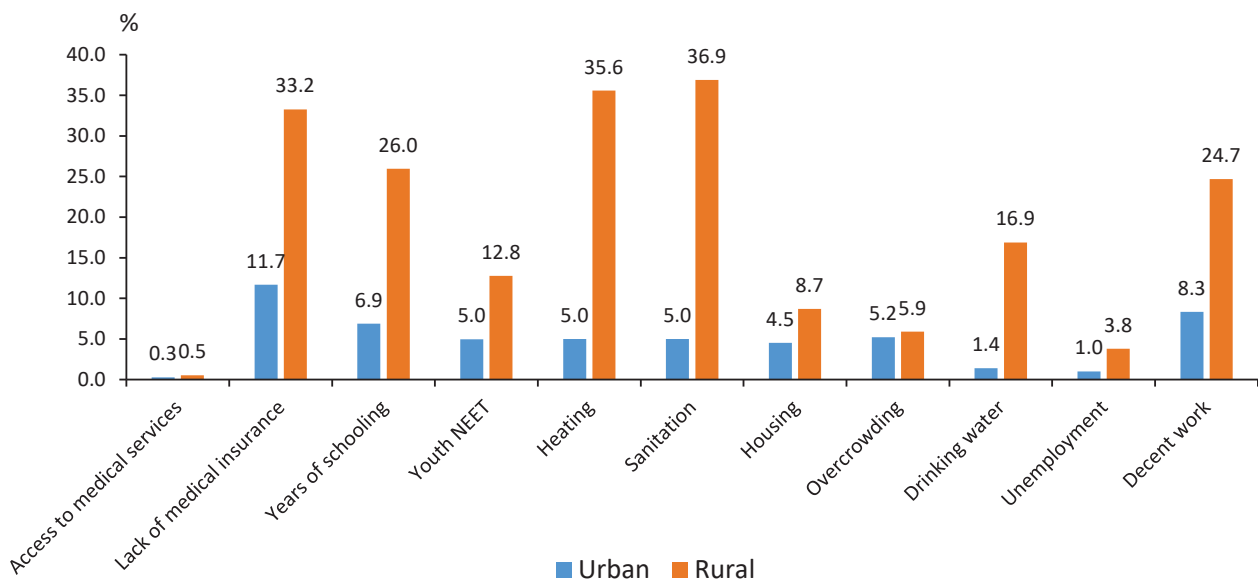
SOURCE*: Authors' calculations based on data from 2022 HBS.*

FIGURE 6. Percentage contributions of ISM indicators, by area, 2022

Legend:
- Access to medical services
- Lack of medical insurance
- Years of schooling
- Youth NEET
- Heating
- Sanitation
- Housing
- Overcrowding
- Drinking water
- Unemployment
- Decent work
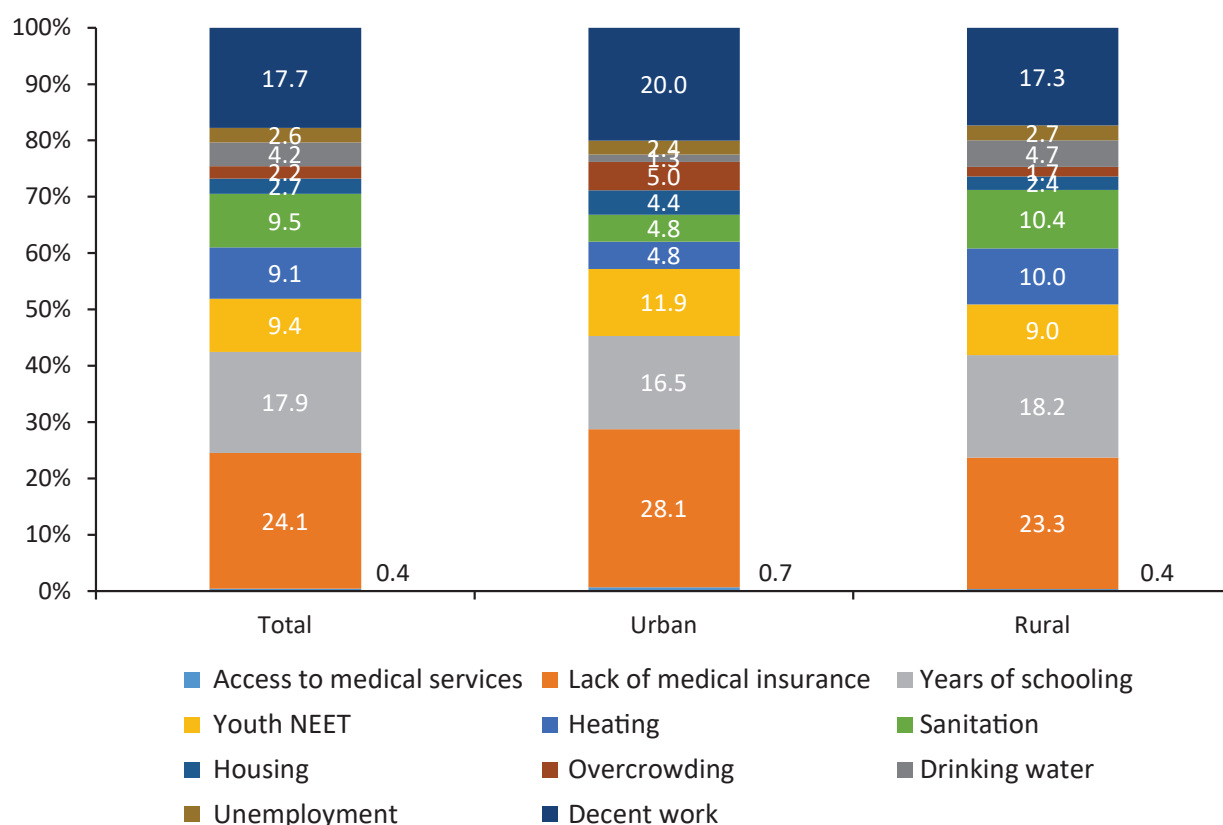
SOURCE: *Authors' calculations based on data from 2022 HBS.*

The analysis of multidimensional poverty across Moldova's four statistical regions reveals distinct disparities in poverty levels (*Table 5*).

Notably, the Chisinau municipality exhibits the most favorable outcomes with the lowest figures for poverty incidence (10.4%), intensity (43.6%), and the MPI value (0.045), indicating relatively lesser multidimensional poverty within this area.

In contrast, the North and Centre regions demonstrate markedly high levels of multidimensional poverty, with their MPI values (0.158 and 0.157) indicating similar extents of deprivation, pointing to considerable poverty challenges within these areas.

While the South region records a marginally lower poverty incidence at 30.4% (compared to 33.8% in the North and 33.2% in the Centre), it nonetheless faces significant challenges.

These disparities across the regions emphasize the critical need for differentiated strategies and interventions to address the distinct dimensions of poverty in each region effectively.

TABLE 5. Incidence, intensity and value of MPI, by statistical regions, 2022

	Population Share, %	Incidence (H), %	Intensity (A), %	MPI (Mo = H*A)
Chisinau Mun.	23.4	10.4	43.6	0.045
North	28.1	33.8	46.7	0.158
Centre	29.6	33.2	47.2	0.157
South	18.8	30.4	46.4	0.141

SOURCE: *Authors' calculations based on data from 2022 HBS.*

FIGURE 7. Censored headcount ratio, by statistical regions, 2022

Decent work	South 16.5 / Centre 19.6 / North 26.2 / Chisinau Mun. 8.2
Unemployment	South 3.0 / Centre 3.6 / North 3.0 / Chisinau Mun. 0.8
Drinking water	South 7.8 / Centre 13.5 / North 18.4 / Chisinau Mun. 0.4
Overcrowding	South 6.0 / Centre 5.3 / North 6.2 / Chisinau Mun. 5.0
Housing	South 10.3 / Centre 8.1 / North 8.1 / Chisinau Mun. 1.7
Sanitation	South 29.9 / Centre 31.0 / North 31.2 / Chisinau Mun. 2.7
Heating	South 28.3 / Centre 29.4 / North 31.2 / Chisinau Mun. 2.6
Youth NEET	South 10.8 / Centre 12.0 / North 11.1 / Chisinau Mun. 4.2
Years of schooling	South 22.8 / Centre 24.1 / North 18.3 / Chisinau Mun. 7.6
Lack of medical insurance	South 26.6 / Centre 30.9 / North 28.8 / Chisinau Mun. 10.3
Access to medical services	South 0.4 / Centre 0.3 / North 0.8 / Chisinau Mun. 0.1

■ South   ■ Centre   ■ North   ■ Chisinau Mun.

SOURCE: *Authors' calculations based on data from 2022 HBS.*

The breakdown of the MPI by indicators, as shown in *Figure 7*, provides a detailed view of the specific deprivations contributing to multidimensional poverty across Moldova's four statistical regions.

This analysis reveals that *Sanitation* stands out as the indicator with the highest censored headcount ratios in the North (31.2%), Centre (31.0%), and South (29.9%) regions.

Conversely, in the Chisinau municipality, the *Lack of medical insurance* emerges as the predominant deprivation, with a censored headcount ratio of 10.3%.

The analysis indicates that the North region presents elevated censored headcount ratios across a variety of indicators, reflecting a broad array of deprivations. Specifically, *Sanitation* and *Heating* are both noted at 31.2%, with *Decent work* at 26.2%, and *Drinking water* at 18.4%.

The calculation of the percentage contribution of each indicator to the MPI facilitates an in-depth understanding of how different deprivations influence overall poverty in each region.

As illustrated in *Figure 8*, the deprivation indicators with the most significant impact on the MPI are consistent across all regions and at the national level. Yet, there is variability in the extent of their contribution by region.

For example, the contribution of *Lack of medical insurance* fluctuates from 28.6% in the Chisinau municipality to 22.8% in the North region. The impact of the *Years of schooling* indicator ranges from 21.1% in Chisinau municipality to 14.5% in the North, while the *Decent work* indicator - from 22.7% in Chisinau municipality to 14.6% in the South region.

This gives an indication of the different approaches poverty reduction policies might need to take across the regions, to be most effective.

FIGURE 8. Percentage contributions of ISM indicators, by statistical regions, 2022

Legend:
- Access to medical services
- Lack of medical insurance
- Years of schooling
- Youth NEET
- Heating
- Sanitation
- Housing
- Overcrowding
- Drinking water
- Unemployment
- Decent work
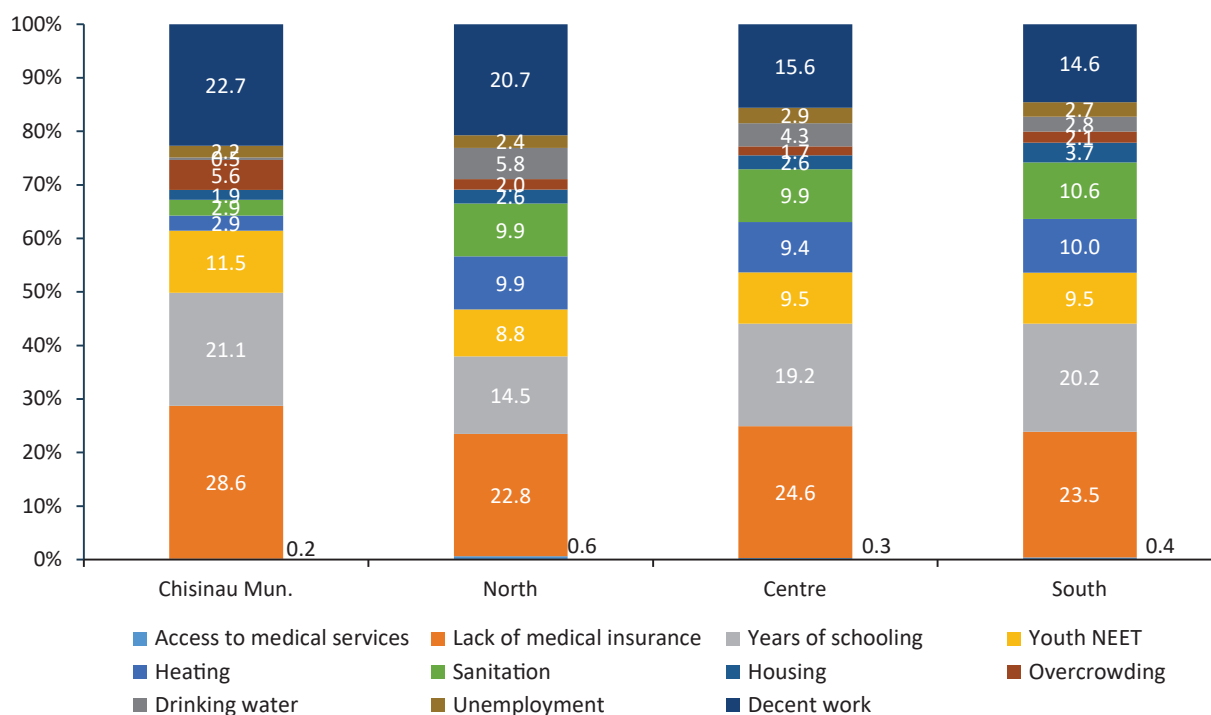
SOURCE: *Authors' calculations based on data from 2022 HBS.*

3.3. Multidimensional poverty across age groups

This subsection gives an insight into multidimensional poverty results across age groups of individuals (*Table 6*). The data reveals important variations in multidimensional poverty across the age groups. The age group 40-49 years faces the highest multidimensional poverty index (0.187), with both a high incidence (39.7%) and intensity (47.0%). On the other side, individuals 60+ years who make up the highest share of the population (23.7%), post the lowest incidence (7.1%), intensity (43.6%) and MPI (0.031).

The young population, specifically those between 0-29 years, face substantial multidimensional poverty challenges, which might have long-term societal implications. In particular, children constitute 22.2% of the population, with a relatively high MPI (0.172), incidence (36.0%) and intensity (47.9%).

TABLE 6. Incidence, intensity and value of MPI, by age groups, 2022

	Population Share, %	Incidence (H), %	Intensity (A), %	MPI (Mo = H*A)
0 - 17 years	22.2	36.0	47.9	0.172
18 - 29 years	9.6	35.2	47.8	0.168
30 - 39 years	12.3	31.0	46.8	0.145
40 - 49 years	14.4	39.7	47.0	0.187
50 - 59 years	17.8	27.7	43.8	0.121
60+ years	23.7	7.1	43.6	0.031

SOURCE: *Authors' calculations based on data from 2022 HBS.*

3.4. Unveiling sex disaggregated disparities of multidimensional poverty

While women constitute a slightly larger share of the population (54.1%), men face a higher incidence of multidimensional poverty (30.3%) compared to women (25.2%). Although the intensity of poverty is almost equal for both sexes, the overall MPI is slightly higher for men (0.141) than the one for women (0.117), indicating that multidimensional poverty is a more pronounced issue for men (*Table 7*).

exceeding the 0.089 MPI for people from households without children. This disparity is largely driven by the multidimensional poverty rate, which is nearly double for people from households with children (35.9%) compared to those without (19.3%).

Furthermore, the analysis reveals that poverty escalates with the number of children: people from households with three or more children face the most severe poverty levels, marked by the highest incidence (51.6%), intensity (49.7%), and MPI (0.256) within the group of households with children.

TABLE 7. Incidence, intensity and value of MPI, by sex, 2022

	Population Share, %	Incidence (H), %	Intensity (A), %	MPI (Mo = H*A)
Men	45.9	30.3	46.6	0.141
Women	54.1	25.2	46.5	0.117

SOURCE: *Authors' calculations based on data from 2022 HBS.*

3.5. Households with children in multidimensional poverty

47.6% of the population live in households with children, and they exhibit significantly higher levels of multidimensional poverty compared to population from households without children, as detailed in *Table 8*.

The Multidimensional Poverty Index for people from households with children is 0.172, notably

Figure 9 reveals that the censored headcount ratio for people from households with children increases with household size. People from larger households (3 children and more) tend to face higher censored headcount ratios in most indicators, such as *Lack of medical insurance, Years of schooling, Youth NEET, Heating, Sanitation, Housing* and *Overcrowding*.

TABLE 8. Incidence, intensity and value of MPI, by type of household, 2022

	Population Share, %	Incidence (H), %	Intensity (A), %	MPI (Mo = H*A)
Households with children	47.6	35.9	47.7	0.172
of which with:				
1 child	16.8	30.4	46.1	0.141
2 children	21.5	33.5	47.6	0.159
3 and more children	9.3	51.6	49.7	0.256
Households without children	52.4	19.3	44.6	0.089

SOURCE: *Authors' calculations based on data from 2022 HBS.*

FIGURE 9. Censored headcount ratio, by number of children, 2022

Legend:
- Households with 1 child
- Households with 2 children
- Households with 3+ children
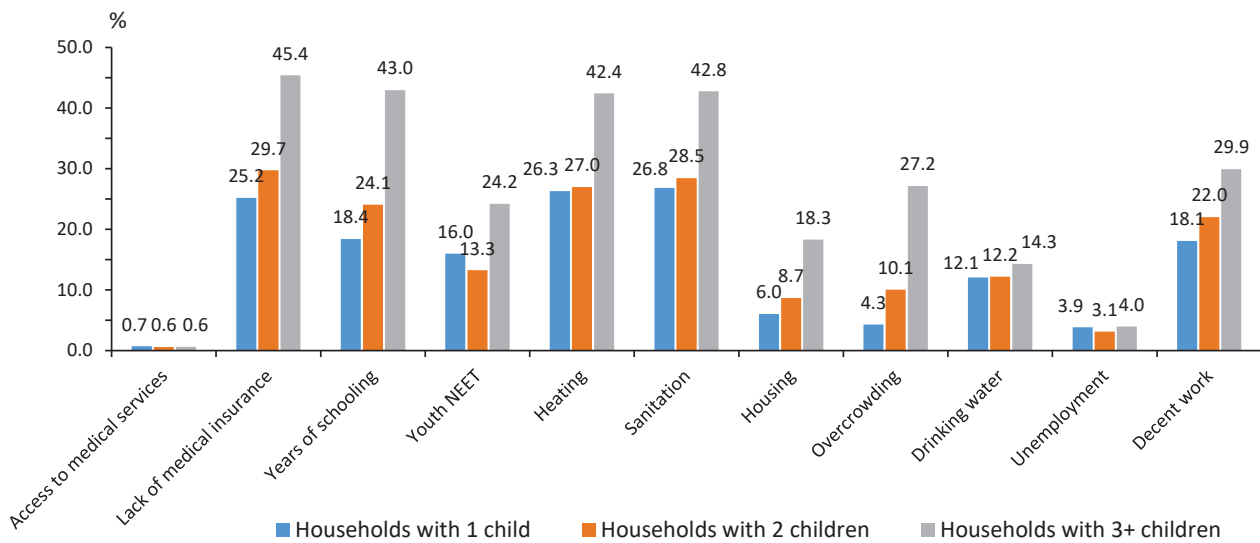
SOURCE: *Authors' calculations based on data from 2022 HBS.*

The most notable disparities are often observed between people from households with 1 child and those with 3 children and more across various indicators. Educational disparities (*Years of schooling*), disparities in *Overcrowding* and *Lack of medical insurance* are relatively pronounced among different household sizes.

3.6. Multidimensional poverty and monetary poverty

In analyzing poverty in Moldova, it is important to compare the insights from multidimensional poverty assessment with those obtained from the traditional monetary poverty assessment based on consumption expenditure. Given that monetary poverty assessment using consumption expenditure has been the official poverty measure in Moldova[23] it is important to compare the two measures in this analysis.

The Household Budget Survey, an ongoing survey conducted by the National Bureau of Statistics, serves as the primary source for assessing monetary poverty and setting the poverty threshold in the country. Since 2006, Moldova has used an absolute poverty line based on consumption/expenditure to measure monetary poverty, facilitating the evaluation of socio-economic policy impacts.

In 2022, the absolute poverty line was set at

MDL 2942, indicating that 31.1% of the population was considered monetary poor according to the national poverty line. At the same time, 27.5% of the population was identified as multidimensionally poor.

As can be seen in *Figure 10*, the place of residence is a significant factor in determining the population's well-being. In urban areas, monetary poverty (17.1%) is higher than multidimensional poverty (12.3%). In contrast, rural areas show a higher rate for both types of poverty, but the gap between them is narrower: 40.3% are monetary poor, and 37.6% are multidimensionally poor.

Poverty is also unequally distributed across the regions. The lowest poverty rate in the country was recorded for both measures, in the municipality of Chisinau – around 10%. Interestingly, while for monetary poverty, the proportion of the impoverished increases from North (30.5%) to South (49.0%), multidimensional poverty shows a decreasing North to South trend. Specifically, in the North region, the multidimensional poverty rate was 33.8%, in the Centre region it was 33.2%, and in the South region – 30.4%. Thus, the poorest region according to income poverty was South region, but according to multidimensional poverty North region. The highest difference in headcount ratios can be noticed for the South region, where 49.0% of the population was identified as income poor and 30.4% as multidimensional poor.

23 The methodology of absolute poverty line calculating, https://statistica.gov.md/files/files/Metadate/alte/Metodologie_saracie.pdf

FIGURE 10. **Monetary poverty versus Multidimensional poverty, 2022**
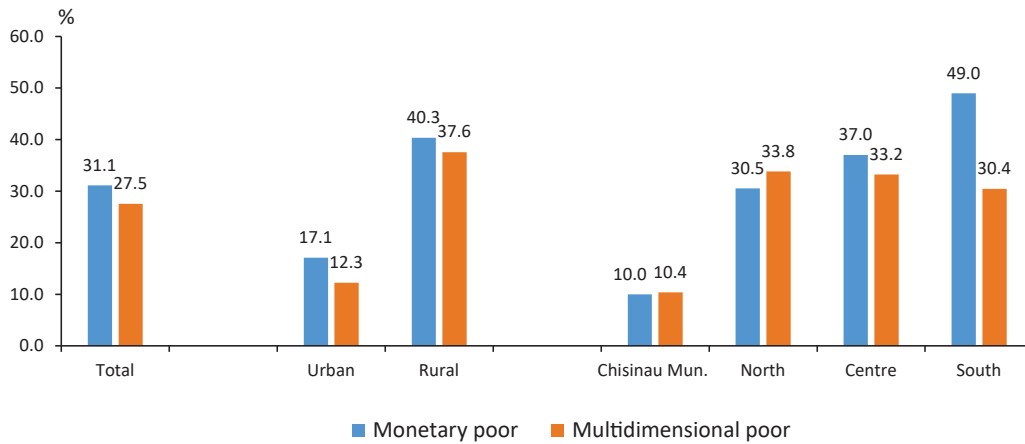
SOURCE: *Authors' calculations based on data from 2022 HBS.*

Figure 11 presents the differences in the incidence of poverty headcount ratio between multidimensional and absolute poverty, using the 2022 data. It highlights that approximately 53.1% percent of people in Moldova are neither multidimensionally nor monetary poor. Among the 31,1% of monetary poor, 19.4% are not multidimensionally poor – thus the MPI reveals a new segment of society who experience poverty despite having sufficient monetary means. Moreover, from the 27.5% of the multidimensionally poor, 15.8% are not also monetary poor. At the same time, 11.7% of the Moldovan population are multidimensionally

poor and consumption poor at the same time. The differences between the two measures show the importance of using both indicators to monitor poverty, as they convey information about poor people in different ways.

Further analysis shows that the proportion of people experiencing double deprivations (both income and MPI poverty) varies significantly between urban and rural areas. Thus, the percentage of people who were both multidimensionally poor and income poor was more than 4 times higher in rural areas (16,9%) than in urban ones (3.8%). A significant majority (74.4%) of urban households are

FIGURE 11. **Overlap between Monetary and Multidimensional poverty rates, 2022**
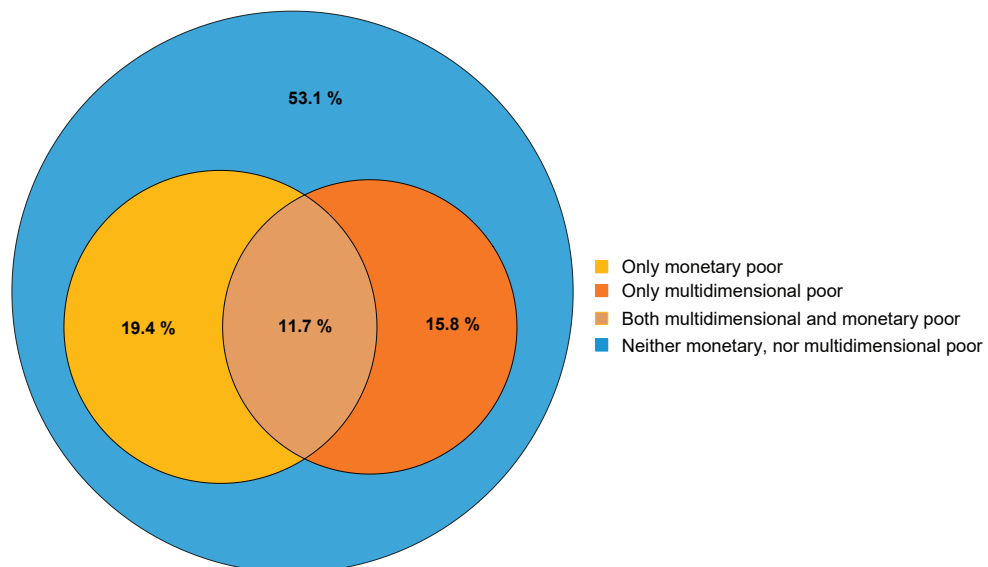
SOURCE: *Authors' calculations based on data from 2022 HBS.*

neither monetary nor multidimensionally poor. The situation is more challenging in rural areas with only 39.0% of households not falling into either poverty category *(Annex, Table 4)*.

The analysis of differences in multidimensional headcount and monetary headcount by statistical regions underscores pronounced regional differences. In the Chisinau municipality, was registered the highest rate (81.5%) of households that are neither monetary nor multidimensional poor and only 1.9%, experiencing both monetary and multidimensional poverty. Simultaneously, in the South region was registered a higher rate in overlapping of both types of poverty – 18.7%, as shown in *Figure 12*.

Overall, the data reveals that while monetary poverty is particularly significant in the South, Chisinau demonstrates greater economic resilience. The variation in percentages of the population affected by multidimensional poverty or by both types—compared to those unaffected by either—highlights the pronounced regional contrasts in economic well-being within the country.

The quintile distribution by consumption expenditure *(Annex, Tables 4 and 5)* reveals significant economic disparities. The first quintile, which includes the population with the lowest

consumption expenditures, has a monetary poverty rate of 88.8% and a comparably smaller multidimensional poverty rate of 48.6%. With an overlap of both metrics of 43.5%, very few individuals (6.0%) are not poor by either measure.

As we progress to higher quintiles, representing population segments with greater consumption expenditures, we see a significant reduction in poverty rates, highlighting the disparities in resource distribution. However, within this wealthier quintile, which exhibits a low monetary poverty rate of only 1.2%, a notable 11.3% of individuals are identified as multidimensionally poor, indicating that factors beyond monetary measures contribute to their poverty status.

3.7. Robustness test results

When analysing the stability of rankings for Moldova's four regions, there are six possible pairwise comparisons. Of those, three are significantly different at baseline, and all three are robust to changes in the poverty cutoff. Therefore, 50% of the possible comparisons are significantly different from the initial combination *(Table 9)*. Of the remaining three comparisons that are not significant at baseline, two are robust to changes in the

FIGURE 12. **Overlap and differences in multidimensional headcount and monetary headcount by statistical regions, 2022**
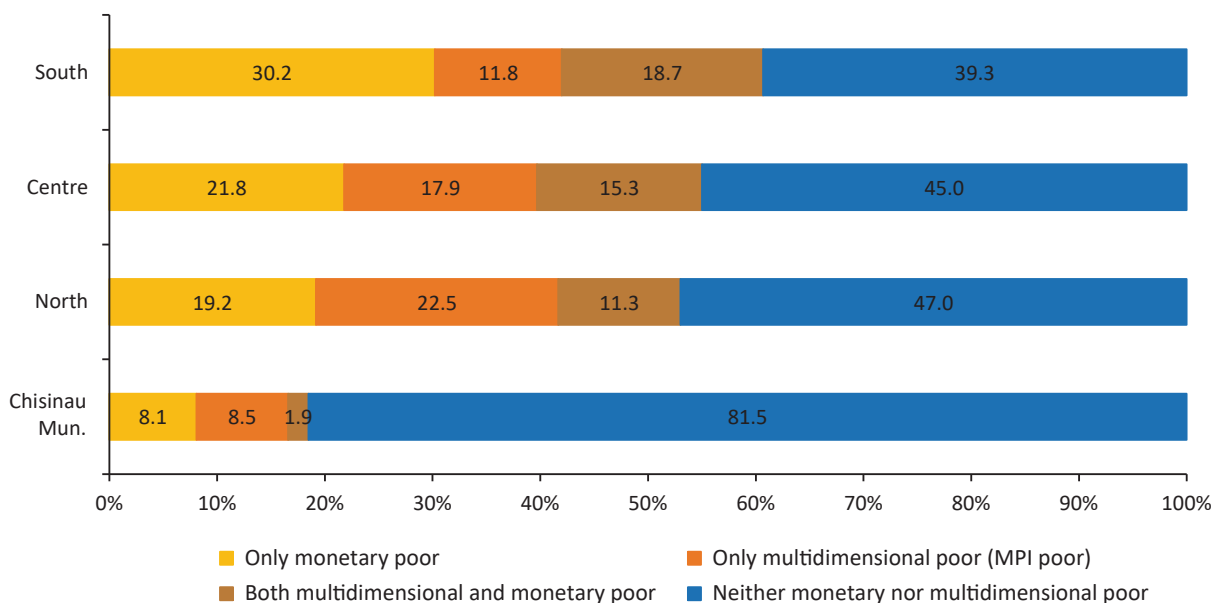
SOURCE: *Authors' calculations based on data from 2022 HBS.*

poverty cutoff. Overall, five out of six pairwise comparisons (83.33%) are robust to changes, thus, compared to the baseline or to changes in the poverty line. Similar results were found when testing the robustness of the measure to alternative weighting structures. Overall, all pairwise comparisons are robust, and all three comparisons significant at baseline were robust when the weighting structure was changed to equal weights for all indicators.

TABLE 9. Robustness test results, 2022

	Robustness test 1	Robustness test 2
Baseline specifications	Poverty cutoff k = 35%	Indicator weights Dim 1: 1/8 Dim 2: 1/8 Dim 3: 1/20 Dim 4: 1/8
Alternatives specifications	k = 30% k = 40%	Equal weights to all indicators 1/11
All possible pairwise comparisons	6	6
Comparisons significant at baseline	3/6 (50%)	3/6 (50%)
Robustness ratio (all)	5/6 (83.33%)	6/6 (100%)
Robustness ratio (significant at baseline only)	3/3 (100%)	3/3 (100%)

SOURCE: *Authors' calculations based on data from 2022 HBS.*

Chapter IV. ACTION AREAS

4.1. A periodic and systemic approach towards monitoring multidimensional poverty

The National Multidimensional Poverty Index is expected to be updated annually, ensuring ongoing analysis of changes in poverty levels. This will offer information for the analysis of absolute and relative changes and provide a sense of overall progress in the reduction of multidimensional poverty and to unmask possible widening gaps that would require attention from policymakers.

Using the current analytical report's results as baseline, as well as future iterations to track these trends, will help policymakers focus their attention and public resources in areas that bring visible changes to the official multidimensional poverty headline figures.

In Moldova, already at the design stage, institutional frameworks for future policy coordination based on MPI has been created *(Figure 1 "Milestones of Moldova Multidimensional Poverty Index 2022")*. However, the alignment of the MPI structure with high-level strategic policy and legal frameworks and the multidimensional nature of poverty challenges will require effective intersectoral coordination mechanisms.

Successfully lifting people from multidimensional poverty in Moldova will necessitate a coordinated effort from line Ministries and Agencies for effective policy planning and monitoring, an active engagement of the Ministry of Finance for effective public budget allocations and of the National Statistical Bureau for comprehensive data collection and dissemination. These coordinated actions are crucial for ensuring that interventions are well-targeted and effective, reflecting in measurable improvements in the official multidimensional poverty data.

Moldova's national Multidimensional Poverty Index serves as a nuanced tool for identifying and measuring various forms of poverty, enabling the development of targeted policies to alleviate poverty in all its forms and direct social assistance to the most vulnerable groups. The National Voluntary Review 2020 highlighted the critical need to recognize and integrate diverse vulnerabilities into strategic policy frameworks, necessitating adequate financial support for effective implementation. This approach helps to address systemic issues that prevent vulnerable groups from accessing their fundamental human rights, essential services, and economic opportunities. Without targeted interventions, these groups risk perpetuating poverty across generations, undermining national efforts to enhance well-being and economic prosperity.

The national MPI facilitates a focused examination of critical areas of poverty and vulnerability, demanding a unified and comprehensive response from multiple sectoral domains. Ministries are encouraged to collaborate on action plans that address key areas of multidimensional poverty, such as promoting green energy solutions, enhancing water and sanitation infrastructure in rural communities, advancing rural development, improving housing options for youth, ensuring complete enrollment in medical insurance, and addressing the needs of NEET youth.

Moreover, the disaggregation of the MPI by sectors, social groups, age, gender, and household composition allows policymakers to identify which regions or demographics are most affected by poverty, informing more precise and effective policy responses. This level of detail aids in tailoring legislative adjustments and sectoral strategies to meet the specific needs identified through the index.

Sector-specific analysis has revealed persistent deprivations in healthcare access, educational opportunities, and employment quality, which require further heightened attention. Additionally, the analysis of MPI data by subnational indicators enables a more detailed comparison of poverty reduction efforts across regions and between urban and rural areas, highlighting significant disparities in access to sanitation, clean water, heating, medical insurance, and education.

The results underscore the importance of prioritizing support for vulnerable demographic

groups, particularly households with children and youth, to foster their long-term escape from poverty. Assessing the impact of targeted social policies and other interventions is crucial to understanding and enhancing their effectiveness in reducing multidimensional poverty. This strategic use of the national MPI not only directs immediate efforts but also helps quantify the long-term benefits of reforms across various sectors, ensuring that all actions contribute meaningfully to reducing the breadth and depth of poverty in Moldova.

4.2. Informing budget allocation

Until now, no national poverty indicator has been directly utilized to guide budget allocations in Moldova. However, the national MPI has the potential to significantly influence how resources are distributed across regions and sectors. While it will not be the sole factors, as considerations like population size, monetary poverty levels, and overarching strategic priorities will also play a role, the MPI provides valuable insights into specific household deprivations that can enhance the efficiency and effectiveness of budget planning.

The detailed information provided by the national MPI allows for better coordination and logistical planning, enabling ministries to optimize resource allocation and reduce costs. The index's ability to breakdown data by rural and urban settings, as well as by region, makes it an excellent tool for identifying financial disparities and guiding equitable fund distribution to where it is most needed.

Furthermore, the national MPI's sectoral disaggregation enhances strategic planning for public investment, particularly in improving access to basic services like healthcare, education, sanitation and ocupation. This tar-

geted approach ensures that investments are made in sectors where they can have the most significant impact on reducing poverty.

The index's detailed analysis also includes data by social groups, enabling policymakers to identify and prioritize support for the most vulnerable populations. By understanding which groups are the poorest and assessing the size and scope of their needs, government transfers can be more accurately targeted, ensuring that resources are allocated to those who need them most.

Overall, the national MPI stands as a critical tool in Moldova's budgetary planning process, providing a data-driven foundation for making informed decisions that aim to balance regional inequities and focus on uplifting the most disadvantaged sectors of society.

4.3. Addressing critical deprivations and needs of the most vulnerable

Moldova is actively working to mitigate multidimensional poverty, with a focus on rural areas where specific deprivations impact the quality of life. The indicators from the national MPI identify the key areas for intervention, including medical insurance, years of schooling, decent employment, sanitation, youth NEET, and clean heating.

This section outlines strategic actions targeted at these indicators to enhance healthcare access, improve educational achievements, upgrade living standards, and improve employment conditions (ranked in *Table 10* below). Through focused efforts on these identified deprivations, Moldova can effectively reduce poverty levels and enhance the well-being of its most vulnerable populations, in alignment with the national strategic objectives and 2030 Agenda.

TABLE 10. Censored headcount ratio, by area of residence ranked by contribution to MPI, 2022

National MPI indicators	Censored headcount ratio, by area of residence (%)			Contribution to the national MPI (%)	Number of deprived households, thousand	Number of deprived people, thousand
	National	Urban	Rural			
Lack of medical insurance	24.7	11.7	33.2	24.1	222,3	642,3
Years of schooling	18.4	6.9	26.0	17.9	154,0	478,4
Decent work	18.2	8.3	24.7	17.7	167,6	473,1
Sanitation	24.2	5.0	36.9	9.5	219,6	630,7
Youth NEET	9.7	5.0	12.8	9.4	66,7	251.6
Heating	23.4	5.0	35.6	9.1	212,5	609,8
Drinking water	10.7	1.4	16.9	4.2	103,6	279,4
Housing	7.0	4.5	8.7	2.7	61,8	183,1
Unemployment	2.7	1.0	3.8	2.6	24,5	69,9
Overcrowding	5.6	5.2	5.9	2.2	31,6	146,4
Access to medical services	0.4	0.3	0.5	0.4	4,0	11,2

SOURCE: *Authors' calculations based on data from 2022 HBS.*

In addressing the multi-dimensional poverty across Moldova, focusing on the critical areas identified in the national MPI can lead to substantial improvements in the overall living standards and quality of life of the population, particularly in areas or categories which are most affected. Below are targeted action areas for addressing the main indicators of deprivation:

Medical insurance for all

As per the national MPI results, the lack of medical insurance affects more than 640,000 people (*Table 10*). It is also the main deprivation affecting the multidimensionally poor, especially in rural areas (33.2%) and a major contributor to the national MPI (24.1%).

In this sense, it essential to focus on improving accessibility and affordability, enhancing public awareness, and building trust. Simplifying the enrollment process, including through usage of online platforms and mobile applications, can make purchasing and managing insurance plans easier, thereby improving accessibility, and reducing paperwork.

Additionally, leveraging the local or mobile teams of the employment and social protection services (such as the National Employment Agency and the Labour Inspectorate) can provide more targeted and effective outreach in rural areas. By integrating these efforts, there is a significant opportunity to enhance healthcare access and reduce multidimensional poverty related to health disparities, particularly in rural communities.

Making insurance more affordable is crucial. This can be achieved by providing a broader range of insurance plans with varying levels of coverage and premiums to suit different budgets and purposes.

Raising awareness through targeted communication campaigns can inform the public about the benefits of having medical insurance and how it can be accessed. These campaigns can be tailored to address common misconceptions and highlight the personal and societal benefits of insurance coverage.

Building trust is another vital component. This can be done by ensuring transparency in how insurance claims are handled and by promoting the successes of the medical insurance system. Regular feedback from policyholders can also be used to improve services.

These combined efforts can significantly boost the adoption of medical insurance by making it more accessible, affordable, and trusted by the public.

Quality education and lifelong learning

Deprivations in education affect more than 470,000 people in Moldova (*Table 10*). Over 18% of the multidimensionally poor (and 26% of the population in rural areas) have not completed secondary education. By increasing the quality of education and integrating digital technologies, alongside ensuring qualified teaching staff, the educational experience can be significantly enhanced, making it more engaging and relevant for students, especially in rural areas.

Continuing to focus on the alignment between education and the evolving labor market will ensure that the curriculum is not only academically rigorous but also practically applicable. The relevance to real-world job markets increases students' motivation to complete their education, as they can see the direct benefits of their studies in terms of future employment opportunities.

The diversification of adult continuing education services and the establishment of non-formal education centers, particularly with the involvement of the private sector, will provide flexible learning pathways for those who might not fit into the traditional education model. These centers can cater to adults who need to balance educational pursuits with other responsibilities, such as work or family. They will also offer opportunities for people who left the education system prematurely to return and complete their secondary education.

Decent employment

To decrease deprivations in the context of decent work, affecting more than 470,000 people and accounting for almost 18% of the national MPI, a comprehensive approach is essential. Among priorities could be establish a more robust legal framework that will safeguard workers' rights and reduce the prevalence of informal employment.

Offering economic incentives for job creation, improvement and formalization is advised to motivate businesses to provide stable and formal employment opportunities. Additionally,

vocational training programs should be tailored to align with market demands, ensuring the workforce is equipped with in-demand skills.

Addressing the issue of youth not engaged in employment, education, or training, particularly in rural settings, involves creating seamless pathways between education, training, and employment. Comprehensive vocational training, coupled with career counseling services, equips the youth with necessary skills and guidance to transition into the labor market effectively.

Furthermore, the envisioned enhancement of the National Employment Agency and of the Labour Inspectorate will play a significant role in this approach. The strengthening of these institutions is expected to considerably increase employment support and reduce informal employment, thereby facilitating more decent employment opportunities. With improved functioning, these agencies can better connect job seekers with employers, provide essential training, and ensure adherence to labor standards, thus contributing to a decrease in employment-related deprivations and enhancing overall employment conditions.

Improved living conditions

Addressing the living conditions dimension of Moldova's Multidimensional Poverty Index requires a comprehensive approach that acknowledges the interconnectedness of indicators such as clean heating, sanitation, housing quality, overcrowding, and access to clean water. Improving these conditions is essential for reducing the nearly 28% contribution to the MPI.

For clean heating, a significant portion of the multidimensionally poor – 23.4% overall and 35.6% in rural areas – rely on polluting fuels. Subsidized transitions to cleaner energy sources, along with low-interest loans for installing efficient heating systems, could reduce reliance on wood and coal and increase energy resilience.

In sanitation, where 24.2% of the multidimensionally poor lack access (rising to 36.9% in rural areas), expanding the public sewerage network and supplementing it with local solutions like septic tanks could significantly improve conditions.

Housing quality improvements can be achieved through measures that provide localized solutions and increase energy efficiency of residences. The usage of sustainable and affordable building materials, including locally sourced, that offer excellent insulation properties, can be promoted through incentives or subsidies for homeowners, builders, and producers to adopt these techniques and facilitate their widespread adoption. Additionally, certification programs could be established to recognize and promote sustainable building practices. These programs could offer technical assistance, training, and financial incentives to local entrepreneurs who commit to constructing or renovating homes according to environmentally friendly principles. By incentivizing local entrepreneurs, this approach would not only improve housing quality, but would also generate authentic and sustainable travel experiences, thereby stimulating economic growth in rural areas.

Overcrowding, affecting only 5.6% of the multidimensionally poor but 14.8% of the population overall, can be alleviated through governmental programs like "Prima Casa", along with income enhancement strategies, which will increase access to and affordability of larger, more suitable living spaces.

Water access issues, although not a major contributor to the MPI, still affect 16.9% of the multidimensionally poor in rural areas. Strategies to expand the public water supply, coupled with the establishment of community-managed water points, can ensure sustainable and easier access to clean water for these communities.

The efforts to improve these conditions align closely with the Government's strategic objectives and local development programs, such as the "European Village" flagship, which focuses on the sustainable development of communities, enhancing access to quality public services, and increasing social infrastructure. The program's aim to enhance local authorities' capacity to attract external investment can further contribute to the improvement of living conditions in a manner that is comprehensive and sustainable.

Energy vulnerabilities

Energy vulnerabilities in Moldova have significantly escalated due to sharp increases in energy prices, impacting the affordability of basic utilities for many households. In response, the Moldovan government, in collaboration with the UNDP, introduced the Energy Vulnerability Reduction Fund[24] (EVRF). This innovative program provides on-bill energy compensation, supports winter heating needs, and promotes both energy efficiency and the shift towards sustainable energy sources. According to a UNDP assessment for the 2022-2023 heating season[25], which utilized Household budget survey data, the EVRF substantially alleviated energy poverty. The proportion of highly vulnerable households in energy poverty saw a marked reduction, dropping by 71 percentage points for gas and 10 percentage points for electricity. This initiative not only provides immediate relief to vulnerable populations but also promotes long-term sustainable energy practices, thereby enhancing social cohesion and reducing Moldova's dependency on energy imports. Moreover, the success of the EVRF illustrates how targeted initiatives can effectively alleviate multidimensional poverty.

24 Energy Vulnerability Reduction Fund, https://www.legis.md/cautare/getResults?doc_id=139097&lang=ro

25 UNDP Moldova, The Impact Assessment of the Energy Vulnerability Reduction Fund in the Winter of 2022–2023, https://www.undp.org/moldova/publications/impact-assessment-energy-vulnerability-reduction-fund-winter-2022-2023

Chapter V. CONCLUSION AND WAY FORWARD

The lack of information on the population living in multidimensional poverty and its vulnerability remains a challenge and concern at national level, and the need to measure poverty across different dimensions has been expressed at various meetings and planned as a necessary measure to be undertaken.

As a result of a complex and participatory process, which included consultations with numerous stakeholders in the country (including vulnerable sub-groups of the population, public administration bodies, academia and civil society), the methodology for calculating the National Multidimensional Poverty Index was developed. This methodology, approved in November 2023 by the National Bureau of Statistics, also took into account the provisions of the Handbook for the development of the Multidimensional Poverty Index, developed by OPHI and UNDP.

The national MPI is a tool for identifying the most disadvantaged peoples beyond the traditional monetary indicators of poverty and reflects the multiple deprivations relevant to the context of the Republic of Moldova faced by poor individuals. The national MPI for Moldova includes **11 indicators** distributed across four key dimensions of poverty: **Health, Education, Living Standards, Employment**.

The development of the MPI was driven both by the commitments made by the Republic of Moldova regarding the implementation of the 2030 Agenda for Sustainable Development and by the provisions of national strategic and policy documents.

The index measures both the incidence and the intensity of multidimensional poverty, provides a comprehensive picture of people living in poverty and allows for within-country comparisons. It serves as the monitoring indicator for Sustainable Development Goal 1, in particular target 1.2 *"By 2030, reduce by at least half the number of men, women and children of all ages living in poverty in all its dimensions according to national definitions"*, and is part of *the national framework for monitoring the implementation of the 2030 Agenda for Sustainable Development* (approved by Government Decision No. 953/2022).

Thus, measuring multidimensional poverty provides the information framework on the complexity, depth and persistence of poverty in the country. The adaptation of the multidimensional poverty index (in the process of its constitution) to nationally defined sets of dimensions and indicators that reflect the national context and development priorities of the Republic of Moldova, enhances its relevance for the design and monitoring of national policies.

The data used to calculate the MPI come from the Household Budget Survey (HBS), which is conducted on a regular basis, with annual data dissemination. The HBS collects data on a variety of socio-economic indicators, including for the compilation of monetary poverty data. Therefore, the use of the same data source (HBS) allows comparison of monetary and non-monetary poverty rates, which provides useful information in the complex description of the nature of poverty in the country. This will help government institutions to make more effective decisions and undertake more practical and targeted measures to reduce poverty among the most vulnerable groups of the population, ensuring that "*no one is left behind*".

The data on the national MPI are to be disseminated on a regular basis, in accordance with the Law no. 93/2017 on official statistics, within the deadlines stipulated by the statistical work program and the statistical information dissemination calendar, to all categories of users free of charge and under equal conditions of access in terms of volume, quality and dissemination deadlines through the official NBS webpage www.statistica.gov.md and the dissemination platform for the indicators for monitoring the SDGs integrated into it.

Annex.

TABLE 1. Uncensored headcount ratios, by demographic characteristics, %, 2022

	Access to medical services	Lack of medical insurance	Years of schooling	Youth NEET	Heating	Sanitation	Housing	Overcrowding	Drinking water	Unemployment	Decent work
Total persons	**1.0**	**37.4**	**27.3**	**20.4**	**56.6**	**66.0**	**18.9**	**14.8**	**24.2**	**4.0**	**23.1**
Area of residence											
Urban	1.5	29.9	14.2	21.8	15.2	20.1	15.6	24.1	4.1	3.7	16.5
Rural	0.8	42.3	35.9	19.5	83.9	96.2	21.1	8.8	37.4	4.2	27.4
Statistical regions											
Chisinau mun.	0.7	27.4	16.6	21.7	6.5	11.1	9.4	27.1	1.9	3.2	18.0
North	1.8	39.3	24.4	21.3	72.3	75.9	23.0	12.5	39.8	4.0	30.6
Centre	0.8	43.5	35.1	20.9	70.7	86.0	17.7	10.1	31.4	4.8	22.4
South	0.8	37.2	32.5	16.9	73.2	88.0	26.7	10.6	17.3	3.7	19.2
Sex of persons											
Men	1.1	40.5	29.1	20.4	57.1	66.6	18.2	15.9	24.4	4.4	25.8
Women	1.0	34.7	25.7	20.5	56.2	65.5	19.6	13.9	24.0	3.7	20.8
Age groups of persons											
0 - 17 years	0.7	47.1	36.6	32.2	49.4	59.1	19.4	30.3	19.3	4.4	27.5
18 - 29 years	0.5	45.8	33.7	39.7	42.4	49.4	15.8	19.0	19.8	5.6	28.7
30 - 39 years	1.0	46.7	33.0	14.8	42.9	50.9	18.1	25.1	16.6	4.3	28.2
40 - 49 years	1.1	47.0	34.5	37.1	60.1	68.7	18.4	13.3	24.1	4.9	30.5
50 - 59 years	1.3	42.2	21.7	9.6	64.3	77.0	17.0	4.1	33.0	4.8	27.7
60 years and over	1.4	10.5	12.8	2.6	68.4	77.1	22.0	2.3	27.9	1.7	5.9
Type of household											
Households with children	0.9	47.1	34.8	32.9	49.1	58.5	18.6	28.6	19.5	4.6	27.9
of which with:											
1 child	1.3	40.5	26.2	35.7	46.1	52.2	14.0	14.8	18.5	5.2	23.7
2 children	0.6	48.1	32.1	28.2	46.1	57.8	20.0	32.1	20.1	4.3	28.6
3 children and more	0.6	57.0	56.6	38.9	61.2	71.4	23.8	45.6	20.1	4.5	33.7
Households without children	1.2	28.5	20.5	9.1	63.5	72.8	19.2	2.3	28.4	3.4	18.7

TABLE 2. **Censored headcount ratios, by demographic characteristics, %, 2022**

	Access to medical services	Lack of medical insurance	Years of schooling	Youth NEET	Heating	Sanitation	Housing	Overcrowding	Drinking water	Unemployment	Decent work
Total persons	0.4	24.7	18.4	9.7	23.4	24.2	7.0	5.6	10.7	2.7	18.2
Area of residence											
Urban	0.3	11.7	6.9	5.0	5.0	5.0	4.5	5.2	1.4	1.0	8.3
Rural	0.5	33.2	26.0	12.8	35.6	36.9	8.7	5.9	16.9	3.8	24.7
Statistical regions											
Chisinau mun.	0.1	10.3	7.6	4.2	2.6	2.7	1.7	5.0	0.4	0.8	8.2
North	0.8	28.8	18.3	11.1	31.2	31.2	8.1	6.2	18.4	3.0	26.2
Centre	0.3	30.9	24.1	12.0	29.4	31.0	8.1	5.3	13.5	3.6	19.6
South	0.4	26.6	22.8	10.8	28.3	29.9	10.3	6.0	7.8	3.0	16.5
Sex of persons											
Men	0.5	27.4	20.3	10.0	25.8	26.7	7.5	6.3	11.8	2.9	20.6
Women	0.3	22.4	16.8	9.4	21.4	22.2	6.6	5.1	9.9	2.5	16.1
Age groups of persons											
0 - 17 years	0.6	31.3	26.6	16.1	29.7	30.6	10.1	12.2	12.3	3.5	22.0
18 - 29 years	0.4	32.7	23.7	15.9	28.3	29.5	8.7	8.3	14.2	3.3	23.1
30 - 39 years	0.3	28.1	23.2	9.0	25.7	26.2	8.3	7.4	10.3	3.2	21.1
40 - 49 years	0.4	34.8	26.0	17.6	33.9	35.3	10.0	5.8	15.4	4.1	26.1
50 - 59 years	0.3	26.1	14.4	4.1	25.4	26.4	5.9	1.3	14.0	2.5	20.5
60 years and over	0.4	6.2	4.4	0.9	6.6	6.8	1.9	0.6	2.9	0.7	4.6
Type of household											
Households with children	0.6	31.2	25.8	16.4	29.8	30.7	9.6	11.4	12.5	3.6	22.2
of which with:											
1 child	0.7	25.2	18.4	16.0	26.3	26.8	6.0	4.3	12.1	3.9	18.1
2 children	0.6	29.7	24.1	13.3	27.0	28.5	8.7	10.1	12.2	3.1	22.0
3 children and more	0.6	45.4	43.0	24.2	42.4	42.8	18.3	27.2	14.3	4.0	29.9
Households without children	0.2	18.8	11.7	3.6	17.7	18.4	4.7	0.4	9.1	1.9	14.6

TABLE 3. **Percentage contributions, of MPI indicators by demographic characteristics, %, 2022**

	Access to medical services	Lack of medical insurance	Years of schooling	Youth NEET	Heating	Sanitation	Housing	Overcrowding	Drinking water	Unemployment	Decent work
Total persons	0.4	24.1	17.9	9.4	9.2	9.5	2.8	2.2	4.2	2.6	17.8
Area of residence											
Urban	0.7	28.1	16.5	11.9	4.8	4.8	4.4	5.0	1.3	2.4	20.0
Rural	0.4	23.3	18.2	9.0	10.0	10.4	2.4	1.7	4.7	2.7	17.3
Statistical regions											
Chisinau mun.	0.2	28.6	21.1	11.6	2.9	2.9	1.9	5.6	0.5	2.2	22.7
North	0.7	22.8	14.5	8.8	9.9	9.9	2.6	2.0	5.8	2.4	20.7
Centre	0.3	24.6	19.2	9.5	9.4	9.9	2.6	1.7	4.3	2.9	15.6
South	0.4	23.5	20.2	9.5	10.0	10.6	3.7	2.1	2.8	2.7	14.6
Sex of persons											
Men	0.5	24.3	17.9	8.9	9.2	9.4	2.7	2.2	4.2	2.6	18.3
Women	0.4	23.9	18.0	10.0	9.2	9.5	2.8	2.2	4.2	2.7	17.2
Age groups of persons											
0 - 17 years	0.4	22.7	19.3	11.6	8.6	8.9	2.9	3.6	3.6	2.5	16.0
18 - 29 years	0.3	24.3	17.6	11.8	8.4	8.8	2.6	2.5	4.2	2.5	17.1
30 - 39 years	0.3	24.3	20.0	7.7	8.9	9.1	2.9	2.5	3.5	2.7	18.1
40 - 49 years	0.3	23.3	17.5	11.8	9.1	9.5	2.7	1.6	4.1	2.7	17.5
50 - 59 years	0.3	26.9	14.8	4.2	10.5	10.9	2.4	0.5	5.8	2.6	21.1
60 years and over	1.7	25.2	17.8	3.6	10.7	11.0	3.1	0.9	4.6	2.9	18.5
Type of household											
Households with children	0.5	22.7	18.8	11.9	8.7	8.9	2.8	3.3	3.7	2.6	16.2
of which with:											
1 child	0.6	22.4	16.4	14.2	9.4	9.6	2.2	1.5	4.3	3.4	16.1
2 children	0.5	23.3	18.9	10.4	8.5	8.9	2.7	3.2	3.8	2.5	17.3
3 children and more	0.3	22.1	21.0	11.8	8.3	8.3	3.6	5.3	2.8	1.9	14.6
Households without children	0.3	26.5	16.5	5.1	10.0	10.4	2.6	0.2	5.1	2.7	20.5

TABLE 4. Monetary and multidimensional poverty, by demographic characteristics, %, 2022

	Monetary poverty rate	Multidimensional poverty rate
Total persons	**31.1**	**27.5**
Area of residence		
Urban	17.1	12.3
Rural	40.3	37.6
Statistical regions		
Chisinau mun.	10.0	10.4
North	30.5	33.8
Centre	37.0	33.2
South	49.0	30.4
Sex of persons		
Men	30.8	30.3
Women	31.4	25.2
Age groups of persons		
0 - 17 years	28.4	36.0
18 - 29 years	23.6	35.2
30 - 39 years	23.1	31.0
40 - 49 years	29.3	39.7
50 - 59 years	28.6	27.7
60 years and over	43.9	7.1
Type of household		
Households with children	28.1	35.9
of which with:		
1 child	22.8	30.4
2 children	27.2	33.5
3 children and more	39.9	51.6
Households without children	33.9	19.9
Quintiles by consumption expenditure		
I	88.8	48.6
II	47.0	32.1
III	15.6	25.6
IV	3.0	20.0
V	1.2	11.3

TABLE 5. Overlap and differences in multidimensional headcount ratio and monetary headcount ratio, by demographic characteristics, %, 2022

	Only monetary poor	Only multidi-mensional poor	Both multi-dimensional and mone-tary poor	Neither monetary nor multidi-mensional poor	Total
Total persons	**19.4**	**15.8**	**11.7**	**53.1**	**100.0**
Area of residence					
Urban	13.3	8.5	3.8	74.4	100.0
Rural	23.5	20.7	16.9	39.0	100.0
Statistical regions					
Chisinau mun.	8.1	8.5	1.9	81.5	100.0
North	19.2	22.5	11.3	47.0	100.0
Centre	21.8	17.9	15.3	45.0	100.0
South	30.2	11.8	18.7	39.3	100.0
Sex of persons					
Men	17.9	17.4	12.9	51.8	100.0
Women	20.8	14.5	10.7	54.1	100.0
Age groups of persons					
0 - 17 years	12.0	19.6	16.4	51.9	100.0
18 - 29 years	9.2	20.9	14.4	55.5	100.0
30 - 39 years	9.4	17.3	13.7	59.6	100.0
40 - 49 years	13.3	23.7	16.0	47.0	100.0
50 - 59 years	18.2	17.4	10.3	54.0	100.0
60 years and over	40.4	3.6	3.5	52.5	100.0
Type of household					
Households with children	11.9	19.8	16.2	52.1	100.0
of which with:					
1 child	10.9	18.5	11.9	58.7	100.0
2 children	12.1	18.5	15.0	54.4	100.0
3 children and more	13.3	25.0	26.6	35.0	100.0
Households without children	26.3	12.3	7.6	53.9	100.0
Quintiles by consumption expenditure					
I	45.3	5.1	43.5	6.0	100.0
II	34.4	19.5	12.6	33.5	100.0
III	13.8	23.8	1.9	60.6	100.0
IV	2.7	19.7	0.3	77.3	100.0
V	1.0	11.2	0.1	87.7	100.0

TABLE 6. Alignment of the MPI with national priorities

Dimension		Goal	Reference to governmental priorities, national plans and sectoral strategies/programs	Reference laws, by-laws and normative acts
Health	Access to medical services	To increase access to quality health services	Government Activity Program "Prosperous, safe, European Moldova" Health objective https://gov.md/sites/default/files/document/attachments/program_de_guv-final_ro.pdf National Strategy "Health 2030" https://www.legis.md/cautare/getResults?doc_id=138493&lang=ro The National Plan "Building European Moldova" Action 14. Renovated regional hospitals. Details: Ensuring a modern and quality medical infrastructure by equipping and renovating existing hospitals to improve health services throughout the country. https://gov.md/en/node/45342 The Government's Action Plan for 2024 Health chapter https://gov.md/sites/default/files/document/attachments/pag_2024-27.12.2023.pdf Action plan of the Ministry of Health for 2024 https://ms.gov.md/wp-content/uploads/2024/01/ORDIN-MS-70-17.01.2024.pdf	Law no. 411/1995 on Health protection Chapter IV. Medical assistance Chapter IV[1] Primary medical assistance https://www.legis.md/cautare/getResults?doc_id=135137&lang=ro# Law no. 263/2005 regarding patients' rights and responsibilities https://www.legis.md/cautare/getResults?doc_id=133163&lang=ro# Details: the law aimed at strengthening the fundamental human rights in the health services system, ensuring respect for the dignity and integrity of the patient and increasing the participatory role of people in the adoption of health decisions.
	Lack of medical insurance	To increase access to quality health services		Law no. 411/1995 on health protection Chapter III. The rights and obligations of the population in health insurance https://www.legis.md/cautare/getResults?doc_id=135137&lang=ro# Law no. 1585/1998 regarding the mandatory medical assistance insurance. https://www.legis.md/cautare/getResults?doc_id=137657&lang=ro# Details: compulsory medical assistance insurance is an autonomous system guaranteed by the state for the financial protection of the population in the field of health care by establishing, on the principles of solidarity, from the account of insurance premiums, funds intended to cover the expenses of treating conditions conditioned by the occurrence insured events (illness or condition). The volume of medical assistance, granted within the framework of the mandatory medical assistance insurance, is provided for in the Single Program of the mandatory medical assistance insurance, developed by the Ministry of Health and approved by the Government. Government Decision no. 1387/2007 regarding the approval of the Single Program of mandatory health insurance. https://www.legis.md/cautare/getResults?doc_id=136680&lang=ro#

				Details: the Program establishes the types of medical assistance and the general spectrum of services, including the prescription and dispensing of medicines and compensated medical devices, to which people in the system of compulsory medical assistance are entitled.
				Government Decision no. 770 of 09.11.2022 regarding the approval of the standard contract for the provision of medical assistance (for the provision of medical services) within the framework of the mandatory insurance of medical assistance
				https://www.legis.md/cautare/getResults?doc_id=134126&lang=ro
Education	Years of schooling	To promote lifelong education for adults	Government Activity Program "Prosperous, safe, European Moldova" Education and Research objective Labor and Social Protection objective https://gov.md/sites/default/files/document/attachments/program_de_guv-final_ro.pdf Development Strategy "Education 2030" https://www.legis.md/cautare/getResults?doc_id=136600&lang=ro The National Plan "Building European Moldova" Action 18. Creation of the National Institute for Education Details: improving the system of training and professional development of human resources in education, through the creation of the National Institute for Education and Leadership, responsible for modernizing the initial and continuous training processes of teaching and managerial staff, modernizing and strengthening the mentoring activity in the educational system. https://gov.md/ro/content/crearea-institutului-national-pentru-educatie	Law no. 105/2018 regarding the promotion of employment and unemployment insurance. https://www.legis.md/cautare/getResults?doc_id=135224&lang=ro# Details: the purpose of this law is to prevent and reduce unemployment and its social effects, reduce the risk of unemployment and ensure a high level of employment and adaptation of the labour force to the requirements of the labour market. Government Decision no. 785 of 16.11.2022 regarding the approval of the National Employment Program for the years 2022-2026 and the Action Plan regarding its implementation https://www.legis.md/cautare/getResults?doc_id=134612&lang=ro Overall objective: to increase labour force participation and boost productive employment and decent work for all Specific objective 1: increasing the participation rate of women; Specific objective 4: strengthening the institutional capacities of the National Employment Agency, streamlining the financing and digitization of employment services and measures, as well as increasing the funding for the policy of active measures until 2026 Government Decision no. 1276/2018 for the approval of procedures regarding access to employment measures https://www.legis.md/cautare/getResults?doc_id=137187&lang=ro#

	Youth NEET	Improve skills demand, match of education and labour market, access of youth to trainings, labour market, (participation, employment) and quality of employment (salary, formal participation).		Law no. 105/2018 regarding the promotion of employment and unemployment insurance. https://www.legis.md/cautare/getResults?doc_id=135224&lang=ro# Details: the purpose of this law is to prevent and reduce unemployment and its social effects, reduce the risk of unemployment and ensure a high level of employment and adaptation of the labour force to the requirements of the labour market. Government Decision no. 785 of 16.11.2022 regarding the approval of the National Employment Program for the years 2022-2026 and the Action Plan regarding its implementation https://www.legis.md/cautare/getResults?doc_id=134612&lang=ro Overall objective: to increase labour force participation and boost productive employment and decent work for all Specific objective 2: reduction of informal employment. Specific objective 4: strengthening the institutional capacities of the National Employment Agency, streamlining the financing and digitization of employment services and measures, as well as increasing the funding for the policy of active measures until 2026.
Living standards	Heating	Promote clean energy, to facilitate access to adequate heating	Government Activity Program "Prosperous, safe, European Moldova" Energy objective https://gov.md/sites/default/files/document/attachments/program_de_guv-final_ro.pdf National Strategy for Regional Development (2022-2028) https://www.legis.md/cautare/getResults?doc_id=130572&lang=ro The National Plan "Building European Moldova" Action 2. Energy efficiency of buildings Details: Improving the energy efficiency of public buildings with social purpose and residential blocks; extending minimum energy performance requirements for buildings; the promulgation of the statute of the Energy Efficiency	Law no. 113/2023 for the amendment of Law no. 139/2018 regarding energy efficiency https://www.legis.md/cautare/getResults?doc_id=137208&lang=ro Law no. 10/2016 regarding the promotion of the use of energy from renewable sources https://www.legis.md/cautare/getResults?doc_id=132691&lang=ro# Government Decision no. 606/2022 regarding the approval of some measures to prevent and mitigate the impact of the energy crisis in case of limiting the supply of natural gas and preparation for the period of the heating season 2022-2023 https://www.legis.md/cautare/getResults?doc_id=133022&lang=ro

			Agency; creation of the Energy Efficiency Fund for Housing. https://gov.md/ro/content/ eficientizarea-energetica- cladirilor The Government's Action Plan for 2024 Energy chapter https://gov.md/sites/default/ files/document/attachments/ pag_2024-27.12.2023.pdf	
	Sanitation	Facilitate and ensure access to public sewer system	Government Activity Program "Prosperous, safe, European Moldova" Environment objective https://gov.md/sites/default/ files/document/attachments/ program_de_guv-final_ro.pdf National Strategy for Regional Development (2022-2028) https://www.legis.md/ cautare/getResults?doc_ id=130572&lang=ro The National Plan "Building European Moldova" Action 3. Clean water and sanitation Details: revising the legislative framework in the field of water supply and sanitation, strengthening the dialogue with Romania and Ukraine to ensure the integrated management of water resources and aquatic ecosystems, in accordance with international environmental requirements; construction of regional water supply and sewerage projects; and development of water distribution infrastructures. https://gov.md/ro/content/ apa-curata-si-sanitatie The Government's Action Plan for 2024 Environment chapter https://gov.md/sites/default/ files/document/attachments/ pag_2024-27.12.2023.pdf	Law no. 303/2013 regarding the public water supply and sewage service https://www.legis.md/cautare/ getResults?doc_id=135893&lang=ro# Government Decision no. 442/ 2020 for the amendment of the Government Decision no. 199/2014 regarding the approval of the Water Supply and Sanitation Strategy (2014-2028) https://www.legis.md/cautare/ getResults?doc_id=122313&lang=ro Order of the Ministry of Infrastructure and Regional Development no. 1 of 03.01.2024 regarding the approval of the Activity Plan of the Ministry of Infrastructure and Regional Development for the year 2024 Action 1.9. Ensuring universal access to water supply and safe sanitation systems. https://midr.gov.md/files/ shares/SITE_Plan_de_actiuni_ MIDR_2024_12_01_2024.pdf Government Decision no. 447 of 19.06.2017 for the approval of the Regulation regarding the record-keeping, allocation, and use of social housing. https://www.legis.md/cautare/ getResults?doc_id=110051&lang=ro#

Housing	Enable households to live in decent housing conditions	Government Activity Program "Prosperous, safe, European Moldova" Infrastructure and regional development objective	Law no. 75/2015 regarding housing, according to which the right to housing is a fundamental right, which is part of the right to a decent life of the person or family
Over-crowding	Enable households to live in dignity, in a decent house without severe overcrowding	https://gov.md/sites/default/files/document/attachments/program_de_guv-final_ro.pdf National Strategy for Regional Development (2022-2028) https://www.legis.md/cautare/getResults?doc_id=130572&lang=ro The Government's Action Plan for 2024 Infrastructure and regional development chapter https://gov.md/sites/default/files/document/attachments/pag_2024-27.12.2023.pdf	https://www.legis.md/cautare/getResults?doc_id=138440&lang=ro# Order of the Ministry of Infrastructure and Regional Development no. 1 of 03.01.2024 regarding the approval of the Activity Plan of the Ministry of Infrastructure and Regional Development for the year 2024 Action 1.7. Promoting European standards in construction and ensuring the quality of construction works and efficient management of housing. https://midr.gov.md/files/shares/SITE_Plan_de_actiuni_MIDR_2024_12_01_2024.pdf
Drinking water	Facilitate and ensure access to piped water inside home	Government Activity Program "Prosperous, safe, European Moldova" Environment objective https://gov.md/sites/default/files/document/attachments/program_de_guv-final_ro.pdf The National Plan "Building European Moldova" Action 3. Clean water and sanitation Details: revising the legislative framework in the field of water supply and sanitation, strengthening the dialogue with Romania and Ukraine to ensure the integrated management of water resources and aquatic ecosystems, in accordance with international environmental requirements; construction of regional water supply and sewerage projects; and development of water distribution infrastructures. https://gov.md/ro/content/apa-curata-si-sanitatie The Government's Action Plan for 2024 Environment chapter https://gov.md/sites/default/files/document/attachments/pag_2024-27.12.2023.pdf	Law no. 303/ 2013 regarding the public water supply and sewage service https://www.legis.md/cautare/getResults?doc_id=135893&lang=ro# Government Decision no. 442/2020 for amending the Government Decision No. 199/2014 regarding the approval of the Water Supply and Sanitation Strategy (2014-2028). https://www.legis.md/cautare/getResults?doc_id=122313&lang=ro Order of the Ministry of Infrastructure and Regional Development no. 1 of 03.01.2024 regarding the approval of the Activity Plan of the Ministry of Infrastructure and Regional Development for the year 2024 Ensuring universal access to water supply and safe sanitation systems. https://midr.gov.md/files/shares/SITE_Plan_de_actiuni_MIDR_2024_12_01_2024.pdf

| Employ-ment | Unemploy-ment | Improve access to labor markets (participation, employment) and quality of employment (salary, formal participation). | Government Activity Program "Prosperous, safe, European Moldova" Labour and social protection objective https://gov.md/sites/default/files/document/attachments/program_de_guv-final_ro.pdf

Labour Code no. 154/ 2003 of the Republic of Moldova Title III. Individual employment contract https://www.legis.md/cautare/getResults?doc_id=137770&lang=ro#

The Government's Action Plan for 2024 Labour and social protection chapter https://gov.md/sites/default/files/document/attachments/pag_2024-27.12.2023.pdf | Law no. 105/2018 regarding the promotion of employment and unemployment insurance. The purpose of this law is to prevent and reduce unemployment and its social effects, reduce the risk of unemployment and ensure a high level of employment and adaptation of the labour force to the requirements of the labour market. https://www.legis.md/cautare/getResults?doc_id=135224&lang=ro#

Government Decision no. 785 of 16.11.2022 regarding the approval of the National Employment Program for the years 2022-2026 and the Action Plan regarding its implementation https://www.legis.md/cautare/getResults?doc_id=134612&lang=ro

Overall objective: to increase labour force participation and boost productive employment and decent work for all.

Specific objective 1: increasing the participation rate of women.

Specific objective 2: reduction of informal employment.

Government Decision no. 1276/2018 for the approval of procedures regarding access to employment measures. https://www.legis.md/cautare/getResults?doc_id=137187&lang=ro# |
| | Decent work | Enhance quality of employment by improving status of employment, addressing unofficial employment. | | Law no. 105/2018 regarding the promotion of employment and unemployment insurance. https://www.legis.md/cautare/getResults?doc_id=135224&lang=ro#

Details: the purpose of this law is to prevent and reduce unemployment and its social effects, reduce the risk of unemployment and ensure a high level of employment and adaptation of the labor force to the requirements of the labor market.

Government Decision no. 785 of 16.11.2022 regarding the approval of the National Employment Program for the years 2022-2026 and the Action Plan regarding its implementation https://www.legis.md/cautare/getResults?doc_id=134612&lang=ro

Overall objective: to increase labour force participation and boost productive employment and decent work for all.

Specific objective 2: reduction of informal employment. |