

Chapter 32 – Financial Control

Financial Control encompasses four key areas: internal public financial control (IPFC), external audit, protection of the EU's financial interests, and protection of the euro from counterfeiting.

The EU promotes the reform of national governance systems to enhance managerial accountability, solid financial management of public revenues and expenditures, and external auditing of public funds. Simultaneously, the financial control rules are designed to protect against the fraud of EU funds and the counterfeiting of the euro.

The Republic of Moldova is expected to adopt and implement managerial internal control (*based on managerial accountability*) and internal auditing in the public sector, in line with internationally recognized standards and EU best practices. For external auditing, the candidate country must adopt and apply the standards set by the International Organization of Supreme Audit Institutions (INTOSAI).

Regarding the protection of the EU's financial interests, Moldova is required to establish a national anti-fraud coordination service (AFCOS) and ensure cooperation with the Commission, including during its on-site missions. The country must also establish a system for reporting irregularities and suspected fraud cases. Protection of the euro against counterfeiting, under this chapter, focuses solely on civil matters. This includes ratifying the 1929 International Convention for the Suppression of Counterfeiting of Currency, aligning national legislation with the Acquis, and ensuring the establishment of administrative structures capable of technical analysis and classification of counterfeit currency.

In Moldova, responsibilities related to the implementation and competence of financial control are outlined in *Law no. 229/2010 on internal public financial control*, which is mandatory for budgetary authorities and institutions at central and local levels, independent public institutions, autonomous bodies, state-owned enterprises, joint-stock companies with full or majority public capital, and independent entities responsible for regulating specific economic or social sectors. [Law No. 229/2010 on public internal financial control](#).