



RÉPUBLIQUE
FRANÇAISE

Liberté
Égalité
Fraternité



AFD Group and

The Republic of Moldova



310M€

committed by
the AFD Group since 2022

including

38M€

dedicated to
private sector

45

Moldovan CSOs
supported since 2022

At the eastern border of the European Union (EU), Moldova is undergoing a profound transformation, driven by an ambitious agenda of economic and institutional reforms with a view to its accession to the EU. Since 2022, the AFD Group has been supporting this momentum by promoting convergence with European standards and financing structural investments in key sectors for the country's transformation. It has thus become a major partner of Moldova and the European Commission in implementing the EU Growth Plan for 2025–2027, contributing to more sustainable, more resilient and more inclusive development for the benefit of the population.

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OUR ACTION IN Moldova

1

Supporting European Convergence and Improving Governance Frameworks

Moldovan authorities are engaged in a comprehensive reform program as part of the opening of negotiations for accession to the European Union. The AFD Group supports the country's convergence towards the EU acquis and the associated economic, environmental, and social ambitions.

This support notably takes the form of budget financing for public policies, combined with technical assistance programs, aimed at supporting the implementation of reforms and strengthening the capacities of public institutions.

This approach is notably applied in support of the energy sector reform, which aims to structure the electricity market and develop a regulatory framework conducive to the promotion of renewable energy and energy efficiency. Technical assistance, financed by the European Union and implemented by Expertise France, supports the Ministry of Energy in the implementation of these key reforms.

In the forestry sector, budget support—combined with technical assistance implemented by the Forestry Company of the Caisse des Dépôts et Consignations—supports the Ministry of Environment in sector reform and in the implementation of the country's ambitious afforestation program.

At the same time, Expertise France provides technical assistance to Moldovan administrations in the fight against corruption, the strengthening of the rule of law, and the reform of state-owned enterprises.

2

Modernizing Infrastructure and Strengthening its Resilience to Climate Change

In a context of intense climate change, Moldova's economy is particularly vulnerable, especially to droughts affecting the agricultural sector. AFD is therefore supporting farmers through an agricultural development project focused on the rehabilitation of centralized irrigation systems, with a component dedicated to the development of new agricultural practices aimed at strengthening the resilience of Moldovan agriculture and optimizing water resource management.

In the energy sector, AFD, in cooperation with its German counterpart KfW, supports the implementation of the Republic of Moldova's national priorities under a "Team Europe" approach. This partnership is reflected in the financing of investments in the energy renovation of public buildings, particularly in the health and education sectors. These interventions will improve the energy efficiency of these infrastructures, reduce their energy consumption and environmental footprint, while strengthening energy security, thereby contributing to more sustainable development.

To promote rail as a sustainable alternative to road transport and to develop the Moldovan railway sector, AFD has supported the national railway company, CFM, through a technical assistance program aimed at developing a roadmap for the digitalization and modernization of the sector.

3

Encouraging the Development of Private Sector and Civil Society Actors

Revitalizing the private sector is crucial for the Republic of Moldova. In this regard, the AFD Group promotes the development of a resilient economy that creates job opportunities.

Proparco, the AFD Group subsidiary dedicated to the private sector, with contributions from the EU via the EFSD Guarantee programme, finances the country's main microfinance institution, Microinvest, to enable it to support more micro-entrepreneurs and SMEs, particularly in rural areas and the agricultural sector. Proparco is also financing companies in the energy and agro-industry sectors, as well as financial institutions.

As part of the EU4Innovation East regional project funded by the EU, Expertise France is committed to strengthening innovation ecosystems in the Eastern Partnership countries (Moldova, Georgia, Armenia, Azerbaijan, and Ukraine). By collaborating with the public authorities, incubators, and accelerators, the AFD Group aims to increase the number of start-ups scaling up and promote convergence with European markets and investors.

AFD has also supported French and Moldovan civil society organizations mobilized to host refugees from Ukraine and to strengthen, over the long term, the economic and social resilience of Moldovan society. Building on this commitment, the SOLIDES project, implemented by Electriciens sans frontières in partnership with three Moldovan civil society organizations, aims to ensure sustainable, local and low-carbon access to energy for health centers and social centers, while strengthening local capacities and improving youth employability prospects.