



# THE EUROPEAN UNION AND MOLDOVA

## #StrongerTogether



Ties between the EU and the Republic of Moldova have been in place for over 20 years. Since 2014, relations have been based on the **EU-Moldova Association Agreement**, which provides the foundations for stronger political association and economic integration between the EU and Moldova. The Deep and Comprehensive Free Trade Area (DCFTA) is an integral part of this Agreement. The EU's assistance and support for democratic reforms **have delivered tangible benefits to Moldovan citizens.**

On 2 June 2021 the European Commission announced an **Economic Recovery Plan for the Republic of Moldova**. The Commission will mobilise up to €600 million between 2021 and 2024 to **promote investments in Moldova and support recovery from the COVID-19 crisis** in the country, in exchange for structural reforms.

The **Neighbourhood, Development and International Cooperation Instrument – Global Europe** (NDICI) is the main instrument for the EU's cooperation with external partners, including Moldova. The EU's indicative grants to Moldova for 2021-2024 amount to €260 million and will be complemented by other regional and thematic programmes as well as funding in the forms of loans and guarantees.

On **3 March 2022**, Moldova presented its application for EU membership.

### RESPONSE TO RUSSIAN INVASION OF UKRAINE

Russia's war of aggression against Ukraine has particularly affected Moldova with over 450,000 refugees entering the country and around 80,000 still on Moldovan territory. Relative to its population of just over 2.6 million, Moldova is the country with the most refugees per capita.

EU support has focused on humanitarian aid (€13 million), support to people fleeing the invasion (€15 million), and border management (€15 million). The EU provided €60 million in budget support and €15 million in grant assistance to support energy security and efficiency in Moldova.

To strengthen Moldova's resilience, the EU also supports cybersecurity and the fight against disinformation (€8 million), modernisation of the armed forces to help civilians in crisis through the European Peace Facility (€47 million) and independent media (€5 million).

Macro-financial assistance (€150 million) and budget support (€75 million) will contribute to the country's efforts to cope with the repercussions of the invasion, as well as an additional €52 million to advance Moldova's long term resilience, recovery and reforms.

Thanks to visa free travel, Moldovan citizens have taken more than **2.5 million trips** to the EU without a visa.

The EU is **Moldova's largest trading partner and biggest investor**. In 2020, the EU accounted for approximately 67% of Moldova's total exports and 53% of its total trade

### ECONOMIC & INVESTMENT PLAN

The EU supports Moldova with concrete investments to help post-pandemic recovery and improve the lives of Moldovan citizens. In the coming years, the EU will invest in the following **five flagship projects**:



**Direct support for 50,000 Moldovan SMEs**

**Construction of an Inland Freight Terminal in Chisinau**



**Refurbishment of district heating systems in residential buildings in Chisinau and Balti**



**Anchoring Moldova in the Trans-European Network for Transport**



**Modernising school infrastructure**

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### INSTITUTIONS

- Thanks to the EU budget support programme for police reform, the level of public confidence in the police rose from 25.5% in April 2016 to 41% in October 2020. Further, the share of women in the police force has increased from 14% in 2016 to 19% in 2020.

### ECONOMY

- More than 19,000 Moldovan SMEs benefitted from EU support for access to finance in 2020, of which 24.3% are women-owned, and more than 33,000 new jobs (3.8% of the workforce) were created in 2019 and 2020. 10 business incubators were set up with EU support.



### GREEN

- New drinking water supply infrastructure was built in southern Moldova with EU support. As a result, approximately 15,700 additional people have access to sufficient and safe drinking water.

## RECOVERY RESILIENCE REFORM

### SOCIETY

- From 2015-20, nearly 3,700 students and academic staff benefitted from Erasmus+ academic mobility between Moldova and the EU.



### DIGITAL

- A new ICT Innovation Centre in Cahul for innovative SMEs and a seed-fund for innovative companies in Moldova are being set up.

The EU continues its **firm support of Moldova's sovereignty** and **territorial integrity** within its internationally recognised borders.