

Establishing the Reform and Growth Facility for Moldova

2024/0258(COD) - 11/03/2025 - Text adopted by Parliament, 1st reading/single reading

The European Parliament adopted by 499 votes to 177, with 44 abstentions, a legislative resolution on the proposal for a regulation of the European Parliament and of the Council on establishing the Reform and Growth Facility for the Republic of Moldova.

Parliament's position adopted at first reading under the ordinary legislative procedure amends the proposal as follows:

Objectives

The proposed regulation establishes the Reform and Growth Facility for Moldova for the period 2025-2027 in order to provide assistance to Moldova for the delivery of Union-related reforms, in particular inclusive and sustainable socio-economic reforms and reforms concerning fundamentals of the enlargement process, aligned with Union values, as well as investments to implement Moldova's Reform Agenda.

The specific objectives of the Facility will be to, *inter alia*:

- strengthen the rule of law and fundamental rights, the functioning of democratic institutions, notably by promoting an independent judiciary, reinforcing security and stability, strengthening the fight against fraud and all forms of corruption, including high-level corruption, **oligarchic influence and nepotism**, organised crime, cross-border crime and money laundering;
- promoting gender equality, gender mainstreaming and the empowerment of women and girls, **promoting children's rights**;
- help mitigate challenges posed by Russia's war of aggression against Ukraine and attempts to destabilise Moldova, **fight disinformation, hybrid threats, and foreign information manipulation and interference**, in particular by Russia, against Moldova's sovereignty, democratic processes and institutions, as well as against the Union and its values;
- accelerate the transition of Moldova to a sustainable, climate-neutral and inclusive economy and **reduce its strategic dependency by diversifying energy sources**, including by improving interconnections with Member States and Union enlargement partners, in order to achieve energy security and independence;
- accelerate the **inclusive and sustainable green transition** to climate neutrality by 2050 covering all economic sectors, particularly agriculture and energy;
- support activities to improve **Moldovan citizens' awareness of the benefits** of the Union accession process, including through communication campaigns.

Financing

The Facility will be supported with resources from the Neighbourhood, Development and International Cooperation Instrument – Global Europe (NDICI – Global Europe), primarily from the financial allocation for Neighbourhood East, amounting to **EUR 520 million in non-repayable support** and a maximum amount of EUR 1 500 million in loans for the period from 2025-2027.

The non-repayable financial support will be financed from the envelope allocated to the Neighbourhood geographic programme. It will cover provisioning for loans amounting to EUR 135 million, support provided by the Union for projects approved under the Neighbourhood Investment Platform, and complementary support, including support to civil society organisations and technical assistance. **Complementary support** will correspond to at least **20 %** of total non-repayable financial support.

In order to ensure that Moldova disposes of start-up funding for the implementation of the first reforms, it should have access to up to **18 %** of the total amount provided for in the Facility. Funds under the Facility may not support activities or measures that compromise Moldova's **sovereignty and territorial integrity**.

Inclusive partnership

The Commission should strive to ensure that Moldova's parliament, **local authorities**, in accordance with Moldova's national legal framework, and relevant stakeholders in Moldova, including social partners and civil society organisations are duly consulted and have timely access to relevant information to allow them to play a meaningful role during the design and implementation of programmes and the related monitoring processes.

In addition, the Commission will ensure that **civil society** in Moldova, including non-governmental organisations, is able to directly report any irregularities concerning funding or final recipients to the Commission via appropriate standing channels.

Parliamentary oversight and scrutiny over the Facility

The Commission will report to the competent committees of the European Parliament on the implementation of the Facility and the Reform Agenda. The report will include information on:

- the state of progress in the implementation of the Facility;
- the assessment of the Reform Agenda;
- the main findings of the report;
- payment, withholding and reduction procedures, where applicable, including any observation presented to ensure a satisfactory fulfilment of the conditions; and
- any other relevant elements in relation to the implementation of the Facility.

The **regular dialogue** between the European Parliament and the Commission will take place at least once a year and may coincide with the High Level Geopolitical Dialogue concerning NDICI – Global Europe.