Basic information

2024/0258(COD) COD - Ordinary legislative procedure (ex-codecision procedure) Regulation	Procedure completed
Establishing the Reform and Growth Facility for Moldova **Subject** 6.30.02 Financial and technical cooperation and assistance 6.40.02 Relations with central and eastern Europe 8.20.01 Candidate countries 8.20.04 Pre-accession and partnership **Geographical area** Moldova	

Key players

European Parliament

Joint committee responsible	Rapporteur	Appointed
AFET Foreign Affairs	MIKSER Sven (S&D)	18/11/2024
BUDG Budgets	MUREŞAN Siegfried (EPP)	18/11/2024
	Shadow rapporteur HALICKI Andrzej (EPP) NEGRESCU Victor (S&D) ZIJLSTRA Auke (PfE) STÖTELER Sebastiaan (PfE) ZĪLE Roberts (ECR) TERHEŞ Cristian (ECR) VAN BRUG Anouk (Renew) BARNA Dan (Renew) TEGETHOFF Kai (Greens /EFA) VAN LANSCHOT Reinier (Greens/EFA) SJÖSTEDT Jonas (The Left) OLIVEIRA João (The Left) SELL Alexander (ESN)	

Committee for opinion	Rapporteur for opinion	Appointed

	INTA International Trade	ZDROJEWSKI Bogdan Andrzej (EPP)	18/11/2024
	CONT Budgetary Control	SJÖSTEDT Jonas (The Left)	28/11/2024

Council of the European Union

Council configuration	Meetings	Date
General Affairs	4087	2025-03-18

European Commission

Commission DG	Commissioner
Neighbourhood and Enlargement Negotiations	KOS Marta

Key events

Date	Event	Reference	Summary
09/10/2024	Legislative proposal published	COM(2024)0469	Summary
16/12/2024	Committee referral announced in Parliament, 1st reading		
30/01/2025	Vote in committee, 1st reading		
30/01/2025	Committee decision to open interinstitutional negotiations with report adopted in committee		
31/01/2025	Committee report tabled for plenary, 1st reading	A10-0006/2025	Summary
10/02/2025	Committee decision to enter into interinstitutional negotiations announced in plenary (Rule 72)		
12/02/2025	Committee decision to enter into interinstitutional negotiations confirmed by plenary (Rule 72)		
06/03/2025	Approval in committee of the text agreed at 1st reading interinstitutional negotiations	PE770.077 GEDA/A/(2025)001013	
10/03/2025	Debate in Parliament		
11/03/2025	Decision by Parliament, 1st reading	T10-0022/2025	Summary
11/03/2025	Results of vote in Parliament		
18/03/2025	Act adopted by Council after Parliament's 1st reading		
18/03/2025	Final act signed		
21/03/2025	Final act published in Official Journal		

Technical information

Procedure reference	2024/0258(COD)

Procedure type	COD - Ordinary legislative procedure (ex-codecision procedure)
Procedure subtype	Legislation
Legislative instrument	Regulation
Legal basis	Rules of Procedure EP 59
Stage reached in procedure	Procedure completed
Committee dossier	CJ15/10/01177

Documentation gateway

European Parliament

Document type	Committee	Reference	Date	Summary
Committee draft report		PE766.648	04/12/2024	
Amendments tabled in committee		PE766.941	19/12/2024	
Committee opinion	INTA	PE766.713	16/01/2025	
Committee opinion	CONT	PE766.703	29/01/2025	
Committee report tabled for plenary, 1st reading/single reading		A10-0006/2025	31/01/2025	Summary
Text agreed during interinstitutional negotiations		PE770.077	27/02/2025	
Text adopted by Parliament, 1st reading/single reading		T10-0022/2025	11/03/2025	Summary

Council of the EU

Document type	Reference	Date	Summary
Coreper letter confirming interinstitutional agreement	GEDA/A/(2025)001013	26/02/2025	
Draft final act	00001/2025/LEX	18/03/2025	

European Commission

Document type	Reference	Date	Summary
Legislative proposal	COM(2024)0469	09/10/2024	Summary
Commission response to text adopted in plenary	SP(2025)04	30/04/2025	

National parliaments

Document type	Parliament /Chamber	Reference	Date	Summary
Contribution	ES_PARLIAMENT	COM(2024)0469	18/02/2025	

Additional information

Source	Document	Date
European Commission	EUR-Lex	

Meetings with interest representatives published in line with the Rules of Procedure

Rapporteurs, Shadow Rapporteurs and Committee Chairs

Transparency				
Name	**Role**	**Committee**	**Date**	**Interest representatives**
TERHEŞ Cristian	Shadow rapporteur	AFET	24/01/2025	Mission of the Republic of Moldova to the European Union
MIKSER Sven	Rapporteur	AFET	12/12/2024	Ms Daniela Morari, Ambassador of the Republic of Moldova to the European Union
TERHEŞ Cristian	Shadow rapporteur	AFET	05/12/2024	Mission of the Republic of Moldova to the European Union
SJÖSTEDT Jonas	Rapporteur for opinion	CONT	03/12/2024	ECA
SJÖSTEDT Jonas	Rapporteur for opinion	CONT	29/11/2024	EUDEL Chisinau
SJÖSTEDT Jonas	Rapporteur for opinion	CONT	29/11/2024	Swedish Emabssy
SJÖSTEDT Jonas	Rapporteur for opinion	CONT	29/11/2024	Moldova Ministry for Economic Development and Digitalization
MIKSER Sven	Rapporteur	AFET	20/11/2024	Deputy Prime Minister, Minister of Economic Development and Digitalization, Mr. Dumitru Alaiba,

Final act	
Regulation 2025/0535 OJ OJ L 21.03.2025	Summary

Establishing the Reform and Growth Facility for Moldova

2024/0258(COD) - 09/10/2024 - Legislative proposal

PURPOSE: to establish the reform and growth facility for Moldova for the period 2025-2027.

PROPOSED ACT: Regulation of the European Parliament and of the Council.

ROLE OF THE EUROPEAN PARLIAMENT: the European Parliament decides in accordance with the ordinary legislative procedure and on an equal footing with the Council.

BACKGROUND: it is in the common interest of the Union and Moldova to advance with the reforms its political, legal and economic systems with a view to its future Union membership. The prospect of Union membership has a powerful transformative effect, embedding positive democratic, political, economic and societal change.

There is a need to bring forward some of the advantages of Union membership before accession. Economic convergence is at the heart of those benefits. Currently, the convergence of Moldova in terms of GDP per capita expressed in purchasing power standards remains low at 29% of the Union average and is not progressing fast enough.

CONTENT: the Commission drafted this proposal to establish the Reform and Growth Facility for Moldova. The proposal lays down the Facility's objectives, its financing, the budget for the period 2025-2027, the forms of Union funding under it and the rules for providing such funding.

The general objectives of the Facility should be to accelerate regional economic integration, progressive integration with the Union single market, socio-economic convergence of Western Balkans economies and alignment with Union laws, rules, standards, policies and practices with a view to Union membership. The Facility should also help accelerate reforms related to fundamentals of the enlargement process, including rule of law, public procurement and State aid control, public finance management and fight against corruption. These objectives should be pursued in a mutually reinforcing manner.

Reform agendas

Moldova will submit a reform agenda which should contain reforms and investment areas to be financed by the Facility, and the systems to prevent, detect and correct irregularities, fraud, corruption and conflicts of interests, when using the funds provided under the Facility.

Funding

In 2025-2027, the maximum resources made available to Moldova through the Facility will be EUR 1 785 million (in current prices). This amount combines up to EUR 1 500 million in concessional loans and EUR 285 million of non-repayable financial support. On top of the maximum amount available for disbursements to Moldova, referred to above, EUR 135 million will be set aside in the Common Provisioning Fund to provision the loans.

The non-repayable support will cover support provided by the Union for projects approved under the Neighbourhood Investment Platform (NIP), as well as complementary support. This complementary support will include support to civil society organisations and technical assistance, which will facilitate the implementation of reforms and Moldova's path to EU accession.

In addition, the Facility is expected to mobilise up to EUR 2 500 million of new investments from the international financial institutions and the private sector.

The implementation of the Growth Plan for Moldova requires the appropriate funding under a dedicated new financing instrument, the Facility to assist the country in implementing reforms for sustainable economic growth and advance on the fundamentals.

To achieve the goals of the Growth Plan for Moldova, emphasis with respect to investment areas should be placed on sectors that are likely to function as key multipliers for social and economic development: connectivity, including sustainable transport, decarbonisation, energy, green and digital transitions, as well as education, labour market participation and skills development, with a particular focus on youth.

Release of funds

Payments will take place on a semi-annual basis, following Moldova's submission of a request to release the funds after having satisfactorily met the relevant payment conditions in the form of qualitative and quantitative steps to be undertaken. In case of a negative assessment by the Commission, a part of the amount corresponding to the payment conditions that have not been met will be withheld. The withheld funds can only be released once Moldova has duly justified, as part of the subsequent request to release funds, that it has taken the necessary measures to ensure the relevant payment conditions have been satisfactorily met.

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 20252027 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 20252027.

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.

Establishing the Reform and Growth Facility for Moldova

2024/0258(COD) - 31/01/2025 - Committee report tabled for plenary, 1st reading/single reading

The Committee on Foreign Affairs and the Committee on Budgets jointly adopted the report by Sven MIKSER (S&D, EE) and Siegfried MUREŞAN (EPP, RO) 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.

The committees responsible recommended that the European Parliament's position adopted at first reading under the ordinary legislative procedure should amend the proposal as follows:

Subject matter

The proposed Regulation establishes the Reform and Growth Facility for Moldova for 2025-2027, aiming to support Moldova's Growth Plan. Key investment areas include connectivity, infrastructure, sustainable transport, decarbonisation, energy, green and digital transitions, agriculture, education, labour market participation, and skills development, focusing on children, youth, and raising living standards. The Facility builds on Moldova' s Association Agenda and the Economic and Investment Plan for the Eastern Partnership, focusing on sectors like connectivity, energy security, business development, and integration into the EU single market.

Implementation

The Facility should be supported with resources from the Neighbourhood, Development and International Cooperation Instrument – Global Europe amounting to EUR 420 million and a maximum amount of EUR 1 500 million in loans for the period from 2025-2027. The amount should cover the **9%** provisioning required for the loans corresponding to **EUR 135 million**, support provided by the Union for projects approved under the NIP and complementary support, including support to civil society organisations and technical assistance.

In order to maximise EU financial support, **the 9 % provisioning required for the loans corresponding to EUR 135 million should be covered from the NDICI- Global Europe Emerging challenges and priorities cushion**. In addition, Moldova should remain eligible for NDICI regional, thematic and rapid response programmes as well as humanitarian aid.

Member States, third countries, international organisations, international financial institutions or other sources may provide additional financial contributions to the Facility.

Specific objectives

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

- build a functioning market economy capable of coping with competitive pressure and market forces within the Union, strengthen the fight against fraud and all forms of corruption, including high-level corruption, **oligarchic influence and nepotism**;

- reinforce territorial integrity;

- fight disinformation, **hybrid threats, cyberattacks 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 sustainable, climate-neutral and inclusive economy, that is capable of withstanding competitive market pressures of the Union single market, and to a stable investment environment and reduce its **strategic dependency** by diversifying energy sources and by constructing **new electricity interconnections** with neighbouring countries in order to achieve **energy security**;

- support communication activities to improve Moldovan citizens' awareness of the positive impact of Union accession and understanding of the required reforms.

Exceptional bridge financing

The report stressed that if the Facility Agreement is not signed or the Reform Agenda is not adopted by 1 May 2025, the Commission may decide to provide limited, exceptional support to Moldova in the form of loans for a period of up to 4 months starting from the date of entry into force of the Regulation, subject to satisfactory progress on the preparation of the Reform Agenda, subject to conditions to be agreed in a Memorandum of Understanding (MoU) between the Commission and Moldova.

The MoU shall in particular establish policy conditions, indicative financial planning and the reporting requirements, proportionate to the duration of the financing. The policy conditions should include a commitment to the principles of sound financial management with a focus on **anti-corruption and anti-money laundering**.

The amount of exceptional support should not exceed EUR 50 million.

Parliamentary oversight and scrutiny over the Facility

The Commission is required to report to the competent committees of the European Parliament on the progress of the Facility and the Reform Agenda. The report should include:

- progress on the Facility's implementation, particularly the Reform Agenda, related investments, reforms, and the Facility Agreement;

- an assessment of the Reform Agenda, including any amendments;

- information on payment, withholding and reduction procedures, and any observations to ensure satisfactory fulfilment of conditions;

- details on withheld or suspended payments and any remedial measures taken to meet payment conditions;

- any other relevant elements regarding the Facility's implementation.

Additionally, the Commission and European Parliament will engage in a regular dialogue at least once a year, in addition to ad-hoc meetings in response to sudden developments in Moldova.

Establishing the Reform and Growth Facility for Moldova

2024/0258(COD) - 21/03/2025 - Final act

PURPOSE: to establish a Reform and Growth Facility for the Republic of Moldova.

LEGISLATIVE ACT: Regulation (EU) 2025/535 of the European Parliament and of the Council establishing the Reform and Growth Facility for the Republic of Moldova.

CONTENT: this Regulation establishes the **Reform and Growth Facility for Moldova for the period 2025-2027**.

The Facility will **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.

Objectives

The general objectives of the Facility will be to:

- support the enlargement process by accelerating the alignment with Union values, laws, rules, standards, policies and practices ('acquis') through the adoption and implementation of reforms with a view to future Union membership;

- support the progressive integration of Moldova into the Union **single market**;

- accelerate the **socio-economic convergence** of Moldova's economy with the Union;

- foster **good neighbourly relations** with Member States and Union enlargement partners, as well as people-to-people contact.

The Facility should further strengthen the fundamentals of the enlargement process, including the **rule of law and fundamental rights**, the functioning of democratic institutions, including de-polarisation, public administration and fulfil the economic criteria; this includes promoting an independent judiciary, 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 as well as terrorism financing.

In light of Russia's war of aggression against Ukraine, as well as hybrid attacks targeting the country and democratic institutions, the Facility will help Moldova address significant challenges, particularly in **the economy, energy, food and value chains,** and will strengthen its resilience to **information manipulation and interference** from abroad in its sovereignty, democratic processes and institutions.

To achieve the goals of the Growth Plan for Moldova, emphasis with respect to **investment areas** should be placed on sectors such as connectivity, infrastructure, including sustainable transport, decarbonisation, energy, green and digital transitions, agriculture and food industry, rural development, as well as education, labour market participation and skills development, with a particular focus on children and youth.

The granting of support under the Facility is subject to the precondition that Moldova upholds and respects effective democratic mechanisms, including parliamentary pluralism, free and fair elections, freedom, independence and pluralism of the media, independence of the judiciary and the rule of law, and ensures compliance with all human rights obligations, including the rights of persons belonging to minorities.

Funding

The Facility will be financed by resources from the Neighbourhood, Development and International Cooperation Instrument (NDICI - Global Europe) up to **EUR 520 million in the form of non-repayable support** and by a maximum amount of **EUR 1 500 million in the form of loans**.

The financing of the non-repayable financial support will come from the envelope allocated to the Neighbourhood Geographic Programme under the Regulation establishing the NDICI – Global Europe. This amount covers the provisioning of loans for EUR 135 million, the support provided by the Union to projects approved under the Neighbourhood Investment Platform and complementary support, including support to civil society organisations and technical assistance. At least **25%** of the loan component will be made available to Moldova for investment projects approved under the Neighbourhood Investment Platform. The complementary support must correspond to at least **20%** of the total non-repayable financial support.

Moldova will have access, as pre-financing, to a maximum percentage of **18%** of the total amount provided for under the financial assistance facility.

Funds under the Facility may not support activities or measures that undermine **the sovereignty and territorial integrity of Moldova**.

Facility Agreement

For the purpose of implementing the Facility, the Commission will conclude a Facility Agreement with Moldova, which will set out the obligations and conditions for payments for the disbursement of funds. The funds will be released twice a year, based on requests from the Moldovan Government and after verification by the Commission that all the conditions set out in the reform programme have been met.

Transparency

Moldova will publish updated data on final recipients receiving funding amounts exceeding the equivalent of **EUR 50 000** cumulatively over the three-year period for the implementation of reforms and investments under the Facility.

Parliamentary control and supervision of the facility

The Commission will be required to report to the relevant committees of the European Parliament on the progress of the Facility and the reform agenda. The report will include an assessment of the reform agenda, as well as information on payments, withholding, and reduction procedures, including any observations aimed at ensuring compliance with conditions. A **regular dialogue** between the European Parliament and the Commission will take place at least once a year.

ENTRY INTO FORCE: 22.3.2025.