

European Union increases support for Moldova with investments in forest development and railway infrastructure

By 17 September 2024

- → The investments include a €12 million EU grant to enhance the country's railway infrastructure, supporting regional trade routes with Ukraine, and a €200 million EIB loan for Moldova's forestry sector.
- → The initiatives aim to foster regional stability, economic resilience, and environmental sustainability, in line with Moldova's strategic development goals.

Today at the Moldova Partnership Platform conference in Chişinău, the European Investment Bank (EIB Global) and the government of Moldova signed two agreements aiming to enhance the country's economic and environmental resilience. EIB Vice-President Teresa Czerwińska, alongside Moldovan President Maia Sandu and Ambassador of the European Union to Moldova Jānis Mažeiks, announced a €200 million loan for forest development and a €12 million EU grant for railway infrastructure improvements. These investments aim to enhance Moldova's green transition, improve connectivity, and support regional trade routes, including crucial links with neighbouring war-torn Ukraine.

The €200 million EIB loan will support sustainable forestry in Moldova by improving forest governance, strengthening the regulatory framework and contributing to the National Forest Extension and Rehabilitation Programme, which aims to expand Moldova's forest area by 145 000 hectares. The EIB financing will specifically rehabilitate 63 000 hectares of degraded land and forests, addressing challenges like soil erosion and biodiversity loss. The EIB is also providing a €500 000 technical assistance grant through the EU for Ukraine Advisory Programme.

Another agreement signed today includes a €12 million EU investment grant, which was announced at the Global Gateway Forum. This grant complements a €41.2 million loan agreement signed in 2023. The funding is being used to rehabilitate and modernise key sections of Moldova's railway infrastructure, enhancing internal connectivity and providing a vital export route for Ukraine. This project is aligned with the Solidarity Lanes initiative, which aims to strengthen regional stability and economic resilience by improving Moldova's connectivity with Europe and Ukraine.

Moldova's President Maia Sandu said: "Our development strategy goes hand-in-hand with tackling climate change. One project especially close to my heart is our ambitious afforestation effort to add 145 000 hectares of forest over the next decade. I am grateful for the support of the European Investment Bank, which has committed to this effort today."

EIB Vice-President Teresa Czerwińska, who is responsible for the Bank's operations in Moldova, said: "As the EU climate bank, the EIB is dedicated to supporting Moldova's sustainable development and its path towards EU integration. The agreements signed today reflect our commitment to enhancing Moldova's environmental resilience, improving infrastructure and fostering economic stability. By addressing key challenges in forestry and connectivity, we aim to boost Moldova's progress and solidify its role as a valued partner of the EU family."

Ambassador of the European Union to Moldova Jānis Mažeiks said: "Both agreements – the €12 million grant for country's railway structure and €200 million loan for Moldova's forestry sector – will address key challenges currently holding back Moldova's economic development, such as transportation infrastructure, soil erosion and biodiversity loss. With the €12 million grant offered by the European Union, we continue to

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modernise Moldova's railway infrastructure and improve the EU-Ukraine-Moldova transport routes. To date, Solidarity Lanes have been a vital form of support offered by the EU to Ukraine and Moldova in the context of Russia's war against Ukraine, as they have helped Ukraine export more than 136 million tonnes of goods, such as grain, ores and steel, and import more than 52 million tonnes of essential merchandise."

Background information

The European Investment Bank (EIB) is the long-term lending institution of the European Union owned by its Member States. It makes long-term finance available for sound investment to contribute towards EU policy goals.

EIB Global is the EIB Group's specialised arm devoted to increasing the impact of international partnerships and development finance, and a key partner in the Global Gateway. We aim to support €100 billion of investment by the end of 2027, around one-third of the overall target of this EU initiative. With Team Europe, EIB Global fosters strong, focused partnerships, alongside fellow development finance institutions and civil society. EIB Global brings the Group closer to local people, companies and institutions through our offices around the world.

EIB Global and Moldova: Since establishing its presence in Moldova in 2007 and following the signing of the €200 million Moldova Forest Development Programme at the Moldova Partnership Platform conference in 2024, the EIB's total investment in the country has reached about €1.5 billion across more than 30 projects. These investments support EU policy objectives in various sectors, including energy security and energy efficiency, transport, healthcare, digitalisation, private sector growth and forestry. As the European Union's financing arm, the EIB continues to support Moldova's development and path towards EU integration through its strategic investments.

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