

MOLDOVA



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**Moldovan Governor to EBRD statement at the Annual Meeting of the Board of
Governors of the European Bank for Reconstruction and Development
10 – 12 May 2016**

**Distinguished Governors,
Ladies and Gentlemen,**

I would like to take this opportunity to express my deepest gratitude and thanks to His Excellency, EBRD President, Sir Suma CHAKRABARTI, to the Bank’s staff for their successful work and excellent organization of the Annual Meeting of the EBRD. It is an honor for me to round up these productive and important three days that brought people together from economic, political and diplomatic fields for the well-being of our countries.

EBRD’s activity in Moldova is focused on improving the business climate, supporting economic diversification and reforming the energy and municipal sectors. It is important to mention that during our close collaboration, which started 24 years ago, 110 projects have been financed and over € 970 invested in the Moldovan economy in the priority areas of infrastructure, energy, financial institutions, industry, trade and agribusiness. All these efforts have been made by EBRD in order to strengthen the economic potential of the Republic of Moldova and to develop its capacity for growth, development and future success.

In this respect, I would like to convey our most sincere gratitude to EBRD for the constant support and empowerment it has offered to the Republic of Moldova in accomplishing our main objective, which is the building a modern, democratic state, being based primarily on European principles.

I believe that successful and rational use of existing financial instruments is a guaranteed way for sustainable long term development. We have to create a solid foundation for stability and modernization in whole of the country and EBRD projects help us to realize all our ambitious ideas.

Despite all the political difficulties that Moldova is currently experiencing, the Government concentrates its efforts towards restoring stability in the financial and banking sector in order to prevent the ongoing crisis from impacting even more on the population and to prevent incomes from sliding.

In the meantime, as Moldova is a small country with an open economy, Moldova is affected by the regional crisis, and restoring economic growth in Moldova greatly depends on the measures carried out by the countries that are our economic and trade partners, sometimes even more so than the measures that we undertake at the national level. At the moment Moldova needs economic stimulatory measures in conjunction with budgetary – fiscal policies.

Taking all this into consideration, and looking to international experience, the governmental measures towards the stimulation of the Moldovan economy shall be guided on the following principles:

1. Increasing confidence in the Government's capacity within the private sector, external partners and the general population;
2. Implementing reforms aimed at supporting the private sector, strengthening the productive capacity, improving market access, and ensuring the protection of human rights and health;
3. A proper combination of fiscal expenditure measures, including reforms oriented towards reducing inefficient public expenditures;
4. Encouraging and supporting the development of the SME sector,
5. Continuing to offer young people access to credit.

To conclude, European integration remains a key priority for the Republic of Moldova, one which marks the entire set of policies promoted by the Government. We believe that implementation of the commitments stipulated in the Association Agreement and Deep and Comprehensive Free Trade Areas (DCFTA) will not only enhance trade liberalization and eliminate non-tariff barriers, but will also boost

investor confidence in the Moldovan economy through the establishment of clear and common rules for all market operators. We expect that through the free trade area and institutional reforms that the Republic of Moldova will be allowed to use its competitive advantage to spur economic growth, thus developing a predictable framework for trade relations with the EU and third countries.

Please allow me once again to emphasize that the Republic of Moldova considers EBRD one of our main development partners, relies on continued EBRD support and wishes to enhance the Moldovan portfolio by implementing new common projects.

Dear Governors, Ladies and Gentlemen, I am looking forward to our further constructive cooperation.

Thank you for your attention.

**Deputy Prime Minister,
Minister**

Octavian CALMÎC