Early Warning System

WB-P513997

Moldova Growth and Resilience DPF

Quick Facts

Countries	Moldova
Financial Institutions	World Bank (WB)
Status	Approved
Bank Risk Rating	A
Voting Date	2026-06-04
Borrower	Government of Moldova - Ministry of Finance
Sectors	Finance, Law and Government
Investment Type(s)	Loan
Investment Amount (USD)	$ 250.00 million
Project Cost (USD)	$ 250.00 million

Project Description

According to the Bank’s website, the development objective of the Growth and Resilience Development Policy Operation for Moldova is to support sustainable economic growth through the following reform areas: (i) strengthening competitiveness, efficiency, and transparency of markets; and (ii) strengthening resilience and economic integration. These two pillars focus on:

- Strengthening competitiveness, efficiency, and transparency of markets: Pillar 1 seeks to foster private sector development and stronger market institutions through four complementary reform areas. It strengthens market competition and sustainable procurement by fostering competition in public tenders and promoting green procurement practices. It reduces compliance costs and facilitates market entry by simplifying business registration requirements, easing entry and exit of unviable firms and consolidating the SOE portfolio. It supports competition through Open Banking, transparency and trust through stronger consumer protection, and efficiency through improved allocation of capital, including via the green finance framework. In addition, the pillar promotes more and better jobs by improving access to early childhood education - thereby boosting women’s labor force participation - and by facilitating the formalization of temporary workers and low-skilled employment. The reforms supported under this pillar are supporting alignment with the EU legislation.

- Strengthening resilience and economic integration: Pillar 2 seeks to enhance energy security and efficiency, integrating Moldova into the EU electricity market, and modernizing and decarbonizing district heating. It advances cross-border energy trade and renewable integration by aligning national frameworks with regional electricity trading and market coupling rules and supporting renewable uptake. It improves energy efficiency, security, and affordability by strengthening the regulatory framework for cogeneration and thermal energy, and scaling up energy efficiency investments into public buildings. It further strengthens climate-resilient infrastructure by embedding climate resilience in the Trans-European Transport Network (TEN-T) corridor development and supporting multimodal transport.

Early Warning System Project Analysis

The overall risk rating is **substantial**. *Macroeconomic* risks are substantial, reflecting widening twin deficits, inflationary pressures following the recent energy shock, reliance on energy imports, spillovers from Russia’s invasion of Ukraine, and agriculture exposure to drought. The Middle East conflict would affect Moldova mainly through weaker external demand and higher import prices, while energy supply risks remain limited due to reliance on Romania. Rising energy costs, governance bottlenecks, and social pressures could further strain reform momentum and fiscal stability despite the already substantial energy support measures to households and firms. S*ector strategy and policy* risks remain substantial, particularly in the complex reforms such as PA1, PA5 and PA6. *Institutional capacity* risks persist due to resource constraints and reform complexity, mitigated by technical assistance from the World Bank and development partners. *Political and governance* risks are also substantial, driven by tensions between different political fractions and compounded by social pressures and declining household purchasing power.

Investment Description

- World Bank (WB)

Total Project Cost: US$ 250.00 million

World Bank Lending: US$ 250.00 million

Contact Information

World Bank

Sanja Madzarevic-Sujster - Senior Economist

Borrower/Client/Recipient

Republic of Moldova

Implementing Agencies

Ministry of Finance

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Bank Documents

- Appraisal Program Information Document (PID)
- Concept Program Information Document (PID)
- Moldova - Growth and Resilience Development Policy Operation
- Official Documents- Loan Agreement for Loan 9978-MD.pdf
- Record of Approval on an Absence of Objection Basis on June 4, 2026