REGULATION (EU) 2025/…  
OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL

of 18 March 2025

establishing the Reform and Growth Facility   
for the Republic of Moldova

THE EUROPEAN PARLIAMENT AND THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty on the Functioning of the European Union, and in particular Article 212 thereof,

Having regard to the proposal from the European Commission,

Acting in accordance with the ordinary legislative procedure[[1]](#footnote-1),

Whereas:

(1) The Union is founded on the values referred to in Article 2 of the Treaty on the European Union (TEU), which include democracy, the rule of law and respect for human rights. Those values form part of the accession criteria established at the Copenhagen European Council in June 1993 (Copenhagen criteria), which constitute the conditions of eligibility for Union membership.

(3) Russia’s war of aggression against Ukraine further showed that Union enlargement is a geo-strategic investment in peace, security and stability. The Union is fully and unequivocally committed to the Union membership perspective of Moldova. Moldova’s orientation and commitment towards the Union is a strong expression of its strategic choice and place in a community of values. Moldova’s EU path needs to be firmly anchored in tangible and concrete progress on reforms.

(12) The Facility should support investments and reforms that promote Moldova’s path to the digital transformation of the economy and society in line with the Union vision for 2030 presented in the Commission communication of 9 March 2021, entitled ‘2030 Digital Compass: the European way for the Digital Decade’, fostering an inclusive digital economy that benefits all citizens. The Facility should strive to facilitate Moldova’s achievement of the general objectives and digital targets with regard to the Union. As outlined by the Commission in its communication of 15 June 2023, entitled ‘Implementation of the 5G cybersecurity Toolbox’, the 5G cybersecurity Toolbox should be the reference for Union funding to ensure security, resilience and the protection of integrity of digital infrastructure projects in the region.

(26) Reflecting the European Green Deal as Europe’s sustainable growth strategy and the importance of tackling climate and biodiversity objectives in line with the commitments of the Interinstitutional Agreement between the European Parliament, the Council of the European Union and the European Commission[[2]](#footnote-2), the Facility should contribute to the achievement of an overall target of 30 % of Union budget expenditure supporting climate objectives and 7,5 % in 2024 and 10 % in 2026 and 2027 biodiversity objectives. At least 37 % of the non-repayable financial support, including provisioning, provided to investment projects approved under the Neighbourhood Investment Platform, one of the regional investment platforms referred to in Article 33 of Regulation (EU) 2021/947 of the European Parliament and of the Council[[3]](#footnote-3), should be attributed to climate objectives. That amount should be calculated using the ‘Rio markers’ following the obligation to report the EU’s international climate finance to the OECD, as well as obligations under other international agreements or frameworks. As early as June 2025, the EU climate coefficients, applicable across all programmes under the Multi-annual Financing Framework (MFF) and set out in the Commission Staff Working Document entitled ‘Climate Mainstreaming Architecture in the 2021-2027 Multiannual Financial Framework’, will also be applied to climate expenditure under the MFF’s Heading 6 (‘Neighbourhood and the world’). The Facility will align with the approach of other Heading 6 instruments, in order to ensure consistent climate reporting in Moldova. The Facility should support activities that fully respect the climate and environmental standards and priorities of the Union and the principle of ‘do no significant harm’.

(29) The Facility should 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 USD 1 500 million in loans for the period from 2025‑2027. The non-repayable support should cover the 9 % provisioning required for the loans corresponding to EUR 135 million, support provided by the Union for projects approved under the Neighbourhood Investment Platform, as referred to in Article 18(2) of this Regulation, and complementary support, including support to civil society organisations and technical assistance. The non-repayable support should be financed from the envelope allocated to the Neighbourhood geographic programme under Article 6(2), point (b), of Regulation (EU) 2021/947. All provisions under Regulation (EU) 2021/947 should apply unless otherwise mentioned in this Regulation.

(30) Decisions on the release of funds referred to in Article 19(3) for the support in the form of loans should be adopted in the period from 1 January 2025 to 30 June 2029. This final date includes the time necessary for the Commission to evaluate the successful fulfilment of the payment conditions concerned and to adopt the subsequent decision on the release of funds.

(32) The financial liability from loans under the Facility should not constitute part of the amount of the External Action Guarantee within the meaning of Article 31(4) of Regulation (EU) 2021/947.

(33) Horizontal financial rules adopted by the European Parliament and the Council on the basis of Article 322 of the Treaty on the Functioning of the European Union (TFEU) should apply to this Regulation. Those rules are laid down in Regulation (EU, Euratom) 2024/2509 of the European Parliament and of the Council[[4]](#footnote-4) (‘the Financial Regulation’) and determine in particular the procedure for establishing and implementing the budget in direct and indirect management through grants, procurement, financial assistance, blending operations and the reimbursement of external experts, and provide for checks on the responsibility of financial actors.

(41) Measures under the Reform Agenda should contribute to improving an efficient public financial management and control system and an effective system of State aid control and to preventing money laundering, tax avoidance, tax evasion, fraud and organised crime, with the aim of ensuring fair conditions for all undertakings. The Reform Agenda should contain a description of such systems as well as specific steps related to negotiation Chapter 32 in order to support Moldova in bringing its audit and controls requirements in line with Union standards. In the event that a request for the release of funds includes a step related to negotiation Chapter 32, referred to in Article 19(2), the Commission should not adopt a decision authorising the release of funds unless it assesses such step positively.

(43) The Commission should assess the Reform Agenda based on the list of criteria set out in this Regulation. In order to ensure uniform conditions for the implementation of this Regulation, implementing powers should be conferred on the Commission to approve the Reform Agenda. Those powers should be exercised in accordance with Regulation (EU) No 182/2011 of the European Parliament and of the Council[[5]](#footnote-5). The Commission should duly take into account Council Decision 2010/427/EU[[6]](#footnote-6) and the role of the European External Action Service (EEAS), where appropriate.

(44) The work programme within the meaning of Article of the Financial Regulation adopted in accordance with the relevant provisions of Regulation (EU) 2021/947 should cover the amounts funded from the envelope allocated to the Neighbourhood geographic programme under Article 6(2), point (a) of Regulation (EU) 2021/947.

(48) Considering that the financial risks associated with the support to Moldova in the form of loans under the Facility are comparable to the financial risks associated with lending operations under Regulation (EU) 2021/947, provisioning for the financial liability from loans under this Regulation should be constituted at the rate of 9 %, in line with Article 214 of the Financial Regulation and the funding of the provisioning should be sourced from the envelope allocated to the Neighbourhood geographic programme under Article 6(2), point (a), of Regulation (EU) 2021/947.

(49) The provisioning rate for the financial liability from loans under this Regulation should be set at the rate of 9 % to be reviewed at least every three years from the date of entry into force of this Regulation. The Commission is empowered to adopt a delegated act established under Article 31(5), 4th subparagraph, of the Regulation (EU) 2021/947.

(55) In the interest of transparency and accountability, Moldova should publish data on final recipients receiving amounts of funding exceeding the equivalent of EUR 50 000 cumulatively during the implementation of reforms and investments under the Facility.

(56) In accordance with the Financial Regulation, Regulation (EU, Euratom) No 883/2013 of the European Parliament and of the Council[[7]](#footnote-7) and Council Regulations (EC, Euratom) No 2988/95[[8]](#footnote-8), (Euratom, EC) No 2185/96[[9]](#footnote-9) and (EU) 2017/1939[[10]](#footnote-10), the financial interests of the Union are to be protected by means of proportionate measures, including measures relating to the prevention, detection, correction and investigation of irregularities, fraud, corruption, conflicts of interest, double funding, to the recovery of funds lost, wrongly paid or incorrectly used.

(57) In particular, in accordance with Regulations (Euratom, EC) No 2185/96 and (EU, Euratom) No 883/2013, the European Anti-Fraud Office (OLAF) should be in a position to carry out administrative investigations, including on-the-spot checks and inspections, with a view to establishing whether there has been fraud, corruption or any other illegal activity affecting the financial interests of the Union.

(58) In accordance with Article 129 of the Financial Regulation, the necessary rights and access should be granted to the Commission, OLAF, the Court of Auditors and, where applicable the European Public Prosecutor’s Office (EPPO), including by third parties involved in the implementation of Union funds.

Chapter II   
Financing and implementation

Article 6  
Implementation

1. The Facility shall be supported with resources from the NDICI – Global Europe amounting to EUR 520 million in non-repayable support and a maximum amount of EUR 1 500 million in loans. The amount for loans shall not constitute part of the amount of the External Action Guarantee within the meaning of Article 31(4) of Regulation (EU) 2021/947.

2. The non-repayable financial support shall be financed for the period from the first of January 2025 to 31 December 2027 from the envelope allocated to the Neighbourhood geographic programme under Article 6(2), point (a), of Regulation (EU) 2021/947. It shall cover provisioning for loans amounting to EUR 135 million, support provided by the Union for projects approved under the Neighbourhood Investment Platform, as referred to in Article 18(2) and complementary support, including support to civil society organisations and technical assistance. That funding shall be implemented in accordance with Regulation (EU) 2021/947.

Decisions on the release of funds referred to in Article 19(3) for the support in the form of loans shall be adopted in the period from 1 January 2025 to 30 June 2029.

3. The release of the Union’s assistance shall be managed by the Commission in a manner consistent with the key principles and objectives of reforms set out in the Reform Agenda. All funds, with the exception of complementary support referred to in paragraph 2, and resources referred to in paragraph 6, shall be provided in twice-yearly instalments based on the completion of the necessary reforms in the specified timelines as agreed in the Reform Agenda and agreed in the Commission implementing decision.

4. At least 25 % of the loan released to Moldova shall be made available by Moldova to investment projects approved under the Neighbourhood Investment Platform, one of the regional investment platforms referred to in Article 32 of Regulation (EU) 2021/947. The Facility Agreement shall detail this obligation, as well as the detailed rules and principles for its implementation. Failure to comply with this obligation shall trigger suspension of further operations under the Facility and recovery of said amounts from Moldova, as referred to in Article 19 of this Regulation.

5. Complementary support shall correspond to at least 20 % of total non-repayable financial support as referred to in paragraph 2.

Article 30  
Entry into force

This Regulation shall enter into force on the day following that of its publication in the *Official Journal of the European Union*.

This Regulation shall be binding in its entirety and directly applicable in all Member States.

Done at Brussels, 18 March 2025.

**The action before the General Court and the judgment under appeal**

28 By application lodged at the Registry of the General Court on 20 June 2019, the Parliament brought an action under Article 272 TFEU, by which it requested the General Court:

– to find that the water damage caused at the KAD building construction site when heavy rainfall occurred on 27 and 30 May 2016 falls within the scope of the CAR contract;

– accordingly, to order the defendants at first instance to pay it the expenses claimed, that is to say, EUR 779 902.87, and in particular:

– to order AXA Assurance Luxembourg to pay 50% of the aforementioned amount, that is to say, EUR 389 951.44;

– to order Bâloise Assurances Luxembourg to pay 20% of the aforementioned amount, that is to say, EUR 155 980.57;

– to order La Luxembourgeoise to pay 20% of the aforementioned amount, that is to say, EUR 155 980.57;

– to order NN to pay 12% of the aforementioned amount, that is to say, EUR 77 990.29;

– to order the defendants at first instance to pay it statutory interest for late payment on those amounts, from 22 December 2017, at a rate which is the sum of the interest rate applied by the European Central Bank (ECB) to its main refinancing operations and eight percentage points;

– in the alternative, should the first and second claims not be upheld, to order the defendants at first instance jointly and severally to pay for the loss caused by failure to fulfil the obligations under Article I.13.2 of the CAR contract, that is to say, EUR 779 902.87;

– to order the defendants at first instance to pay it the costs of the expert reports, that is to say, EUR 16 636, and specifically:

– to order AXA Assurance Luxembourg to pay 50 % of the aforementioned amount, that is to say, EUR 8 318;

– to order Bâloise Assurances Luxembourg to pay 20% of the aforementioned amount, that is to say, EUR 3 327.20;

– to order La Luxembourgeoise to pay 20% of the aforementioned amount, that is to say, EUR 3 327.20;

– to order NN to pay 10% of the aforementioned amount, that is to say, EUR 1 663.60;

– to order the defendants at first instance to pay it statutory interest for late payment on those amounts, from 22 December 2017, at a rate which is the sum of the interest rate applied by the ECB to its main refinancing operations and eight percentage points; and

– to order the defendants at first instance to pay the costs.

*Arguments of the parties*

42      According to the Parliament, the judgment of 18 January 2024, *Eulex Kosovo* v *SC*(C‑785/22 P, EU:C:2024:52), has no impact on the admissibility of the appeal by which that party is seeking the setting aside of points 2 and 4 of the operative part of the judgment under appeal. Whereas in the case that gave rise to the former judgment, the Court was hearing an application to set aside the judgment of the General Court of 19 October 2022, *SC*v *Eulex Kosovo* (T‑242/17 RENV, EU:T:2022:637), by which the General Court had ruled by default in respect of a single defendant, the judgment under appeal was delivered by default in respect only of one of the four defendants, namely NN. Accordingly, the present appeal, which is directed against those points of the operative part that were delivered after an exchange of arguments, and which cannot be the subject of an application to set aside, is admissible.

43      In the Parliament’s view, it is clear from paragraphs 31, 33 and 35 of the judgment of 18 January 2024, *Eulex Kosovo* v *SC*(C‑785/22 P, EU:C:2024:52), that only those points of the operative part of a judgment that are the subject of an application to set aside lead to the inadmissibility of an appeal seeking to set aside those points, on the ground that, as a result of such an application, that appeal does not relate to a ‘final’ decision within the meaning of Article 56 of the Statute of the Court of Justice of the European Union. The foregoing interpretation is borne out by Article 163 of the Rules of Procedure of the General Court, pursuant to which, where an appeal before the Court of Justice and an application to set aside a judgment given by default concern the same decision of the General Court, the President of the General Court may stay the procedure to set aside until the Court of Justice delivers its ruling on the appeal.

44      The respondents, for their part, claim that the appeal brought by the Parliament is inadmissible, in accordance with the principles flowing from the judgment of 18 January 2024, *Eulex Kosovo* v *SC*(C‑785/22 P, EU:C:2024:52), from which it is apparent that a judgment of the General Court that is the subject of an application to set it aside, and which is therefore not final, may only be the subject of an appeal once the procedure to set aside has been closed.

1. Position of the European Parliament of 11 March 2025 (not yet published in the Official Journal) and decision of the Council of 18 March 2025. [↑](#footnote-ref-1)
2. Interinstitutional Agreement of 16 December 2020 between the European Parliament, the Council of the European Union and the European Commission on budgetary discipline, on cooperation in budgetary matters and on sound financial management, as well as on new own resources, including a roadmap towards the introduction of new own resources (OJ L 433 I, 22.12.2020, p. 28, ELI: http://data.europa.eu/eli/agree\_interinstit/2020/1222/oj). [↑](#footnote-ref-2)
3. Regulation (EU) 2021/947 of the European Parliament and of the Council of 9 June 2021 establishing the Neighbourhood, Development and International Cooperation Instrument – Global Europe, amending and repealing Decision No 466/2014/EU of the European Parliament and of the Council and repealing Regulation (EU) 2017/1601 of the European Parliament and of the Council and Council Regulation (EC, Euratom) No 480/2009 (OJ L 209, 14.6.2021, p. 1, ELI: <http://data.europa.eu/eli/reg/2021/947/oj>). [↑](#footnote-ref-3)
4. Regulation (EU, Euratom) 2024/2509 of the European Parliament and of the Council of 23 September 2024 on the financial rules applicable to the general budget of the Union (OJ L, 2024/2509, 26.9.2024, ELI: http://data.europa.eu/eli/reg/2024/2509/oj). [↑](#footnote-ref-4)
5. Regulation (EU) No 182/2011 of the European Parliament and of the Council of 16 February 2011 laying down the rules and general principles concerning mechanisms for control by Member States of the Commission’s exercise of implementing powers (OJ L 55, 28.2.2011, p. 13, ELI: http://data.europa.eu/eli/reg/2011/182/oj). [↑](#footnote-ref-5)
6. Council Decision 2010/427/EU of 26 July 2010 establishing the organisation and functioning of the European External Action Service (OJ L 201, 3.8.2010, p. 30, ELI: http://data.europa.eu/eli/dec/2010/427/oj). [↑](#footnote-ref-6)
7. Regulation (EU, Euratom) No 883/2013 of the European Parliament and of the Council of 11 September 2013 concerning investigations conducted by the European Anti-Fraud Office (OLAF) and repealing Regulation (EC) No 1073/1999 of the European Parliament and of the Council and Council Regulation (Euratom) No 1074/1999 (OJ L 248, 18.9.2013, p. 1, ELI: http://data.europa.eu/eli/reg/2013/883/oj). [↑](#footnote-ref-7)
8. Council Regulation (EC, Euratom) No 2988/95 of 18 December 1995 on the protection of the European Communities financial interests (OJ L 312, 23.12.1995, p. 1, ELI: http://data.europa.eu/eli/reg/1995/2988/oj). [↑](#footnote-ref-8)
9. Council Regulation (Euratom, EC) No 2185/96 of 11 November 1996 concerning on-the-spot checks and inspections carried out by the Commission in order to protect the European Communities’ financial interests against fraud and other irregularities (OJ L 292, 15.11.1996, p. 2, ELI: http://data.europa.eu/eli/reg/1996/2185/oj). [↑](#footnote-ref-9)
10. Council Regulation (EU) 2017/1939 of 12 October 2017 implementing enhanced cooperation on the establishment of the European Public Prosecutor’s Office (‘the EPPO’) (OJ L 283, 31.10.2017, p. 1, ELI: http://data.europa.eu/eli/reg/2017/1939/oj). [↑](#footnote-ref-10)