



The Ministry of Economy in partnership with the World Bank launched today the Matching Grants Facility (MGF) subcomponent under the Competitiveness Enhancement Project II (CEP II), with a total budget of 3 million dollars. The event was attended by Deputy Prime-Minister and Minister of Economy Stephane Bride, The World Bank Country Manager in Moldova Alex Kremer, and the Executive Director of CEP II project Aureliu Casian.

Under the World Bank matching grants facility (MGF), Moldovan SMEs will benefit from funding for business development services to improve the competitiveness of their products and access new markets. With a total budget of US \$3 million, the MGF will award grants to cover 50% of the cost of services, but not more than 200 thousand lei per beneficiary. Thus, companies will be able to improve existing products and services, create new products and services, improve production processes, improve business management practices and establish partnerships through the export value chains.

Deputy Prime-Minister and Minister of Economy Stephan Bride, expressed gratitude to the World Bank for supporting new business opportunities and highlighted that the funding offered by the project is an important development tool for Moldovan exporters.

"Increasing the competitiveness of Moldovan SMEs is our main goal. To achieve that we have directed all our efforts and the support of our partners. A company that is not competitive can survive neither on the domestic nor on foreign markets. Therefore, the funding from the World Bank is a very good tool for domestic companies to reach a new level of quality and competition," said Stephane Bride.

In turn, the World Bank Country Manager in Moldova Alex Kremer, noted: „As Moldova implements free trade with the EU, its economic future will depend on how well its firms compete in European markets and at home. The



CEPII Project's matching grants will help small and medium enterprises to get technical advice to innovate and become more competitive."

According to Aureliu Casian, Executive Director of the CEP II, MGF financing will be available for exporters or export-oriented companies along the value chain in four priority sectors: processed food and beverages; manufacture of electronic and mechanical products; textiles and apparel, IT and business process outsourcing. However, companies from other sectors of the economy may also apply, but these four sectors will be given priority because they have the highest potential for significant growth and currently generate about half of the domestic exports, mentioned Aureliu Casian.

Note. With a total budget of 45 million dollars, CEP II will be implemented during 2015-2019. The project aims to improve the business environment by supporting the Government in implementing strategies aimed at creating a favorable business environment, reduce the constraints and costs for business management. Also, the project will contribute to the development of small and medium enterprises (SMEs) by facilitating access to medium and long term finance, strengthening institutional capacities of ODIMM and MIEPO, providing grants to private businesses for consulting services, which contribute to increasing export competitiveness, etc.



Images:

[1]

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