



## COUNTRY PROFILE

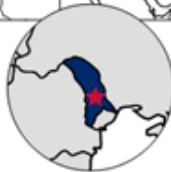
November 2009



*Ion Ambrosie is one of 100 small-scale producers who participate in USAID's Agricultural Development Program. Demonstration plots introduce modern and innovative production techniques which increase local farmers' income in Moldova.*

### OVERVIEW

Although Moldova was the least developed Eastern Europe republic after the collapse of the USSR in 1991, it has made progress toward



### Chişinău

becoming a strong, independent, and market-oriented democracy. In 1992, USAID began assistance programs to support Moldova's transition by establishing critical health and social safety net programs for its citizens, building democratic practices within the government, and restructuring and privatizing key industries to boost economic growth.

Today, Moldova has benefited from the many democratic, economic and social reforms made since independence. However, many challenges remain. Moldova is the poorest country in Europe, with a vulnerable economy that relies heavily on remittances from citizens working abroad. Its agriculture-based economy is subject to external and market pressures on its primary products. As the 2007 record drought demonstrated, the country lacks a modern agricultural system that can mitigate the impact of natural disasters. Although foreign investment has increased, the business climate remains weak and is characterized by corruption and over-regulation. In terms of good governance, a current uneven concentration of power and lack of transparency in governing bodies threatens to undermine democratic progress and reforms. Trafficking in persons, weak healthcare systems, and the rise of infectious diseases, such as HIV/AIDS and hepatitis B and C, are further barriers to the economic and political advancement of the country.

To address these and other important development issues, USAID works primarily in three areas under the U.S. Government's Foreign Assistance Framework: (1) Peace and Security; (2) Economic Growth; and (3) Governing Justly and Democratically. Collectively, these programs seek to help Moldova achieve economic and political stability and, in turn, be able to sustain further advances on its own. To carry out these goals, 20 projects are implemented with USAID funding and technical assistance. Implementing partners include international and local nongovernmental organizations (NGOs), U.S. businesses, and U.N. agencies.

### MOLDOVA SNAPSHOT

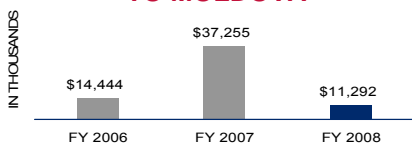
Date of independence:  
August 27, 1991  
Capital: Chisinau  
Population: 4.3 million (2009 est.)  
GDP per capita (PPP): \$2,500  
(2008 est.)

**For more information,  
see [www.usaid.gov](http://www.usaid.gov)  
Keyword: Moldova**

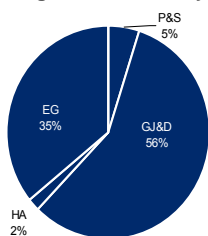


## COUNTRY PROFILE CONTINUED

### USAID ASSISTANCE TO MOLDOVA



### FY 2008 Budget Allocation by Objective



Peace & Security: \$528,000  
 Governing Justly & Democratically:  
 \$6,341,051

Economic Growth: \$3,943,000  
 Humanitarian Assistance: \$190,000

Based on FY 2008 Freedom Support Act funding. (FY 2007 includes \$12.35M for MCP.)

### CONTACT INFORMATION

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## PROGRAMS

### WORKING TOWARDS PEACE AND UNITY

USAID is reducing transnational crime by training a wide variety of public and private sector participants, as well as media and community members on the legal and human rights aspects of trafficking and providing support services to Moldova's trafficking survivors. USAID efforts are decreasing the number of persons trafficked, leading to a more secure and prosperous Moldova.

### STIMULATING MOLDOVA'S ECONOMIC GROWTH

USAID is working with the public and private sectors in Moldova to achieve broad-based economic growth, reduce poverty, and strengthen the market economy. Bottom-up interventions are helping strategic industries—agriculture, winemaking, information technology, and textile and apparel—increase their efficiency and competitiveness in global markets. Broader programs are fostering a business operating environment that supports competitive industries, strengthens the financial sector, attracts foreign investment, and promotes best international practices. Finally, USAID is addressing the economic roots of human trafficking by supporting programs to develop skills and create jobs for vulnerable populations.

### SUPPORTING JUST AND DEMOCRATIC GOVERNANCE

USAID is advancing Moldova's democratic transition by promoting rule of law and democratic practices. Grassroots programs are building the capacity of local governments and citizens to improve their communities. Programs with political parties are strengthening democratic political organizing, engaging citizens, and providing election monitoring. At the judicial level, USAID is increasing the overall integrity and efficiency of the legal system to ensure fair treatment of all citizens and organizations.

### COMBATING CORRUPTION THROUGH PARTNERSHIPS

USAID is also implementing a two-year, \$24.7 million dollar Threshold Country Program (TCP) funded by the U.S. Millennium Challenge Corporation. The TCP extends across the USAID portfolio by addressing one of Moldova's greatest development challenges—corruption. The program works with the Government of Moldova to prevent and combat corruption in the public sector and build the capacity of civil society and media to effectively monitor the reform process, provide access to objective information and hold government accountable.