Government increases financial support for Local Action Groups, four million lei annually for village development

Government of the Republic of Moldova approved amendments to LEADER Program at today's meeting, which will ensure more resources for the development and modernization of villages. The new provisions increase the funding cap for Local Action Groups (LAGs) to four million lei annually, compared to the previous limit of three million.

The expanded program will allow for a diversification of eligible areas for funding. Thus, young entrepreneurs and communities can develop businesses and initiatives not only in agriculture but also in tourism, green energy, health, and social services. A new element is the simplification and transparency of the application process. Beneficiaries will be able to submit their funding requests online and have access to real-time monitoring of the selection and funding stages.

The modifications provide for a funding range between 2 and 4 million lei per LAG and an increase in the maximum support value granted for projects – from 40,000 to 50,000 lei. The financial resources come from the National Fund for the Development of Agriculture and Rural Environment, supplemented annually through the State Budget Law, as well as from contributions from development partners.

LEADER Program aims to strengthen rural development by creating jobs, stimulating local initiatives, and improving the living standards of the population.

Currently, there are 54 LAGs operating in the Republic of Moldova, covering over 61% of the territory and including 513 localities, with a total population of about 1.14 million people. Only in recent years, over 1400 local projects have been implemented through LAGs, contributing to the modernization of villages and creating opportunities for residents.