

# **Moldovan processing industry enterprises to benefit from support on behalf of state as of 1 January 2025**

23 December 2024, Chişinău - The government today approved the scheme of state regional assistance for the investments made in Moldova, which will enter into force on 1 January 2025. The new scheme will additionally support the enterprises from the processing industry through two instruments: exemptions from the payment of income tax and providing of grants. Thus, investments will be stimulated in the processing industry and regional development.

The document approved establishes the list of eligible activities, the procedure, way and conditions of providing state assistance to the processing industry enterprises which make investments in the priority sectors of Moldova.

The list of activity sectors, for which the state assistance will be provided, comprises the food industry, manufacturing of textile products, clothes, processing of wood, metal constructions industry, fabrication of electric equipment, etc.

Projects which imply initial investments, such as the creation of new entities, extension or modernization of existing units, diversification of production will be eligible. Also, expenses for purchasing equipment, constructions, as well as of the licences or copyrights will be eligible and beneficiaries should provide their own contribution of at least 25 per cent from these expenses.

The conditions established see also the fact that, through the scheme, state assistance can be provided for projects which have an overall value of the costs eligible, without the value added tax, of at least 10 million lei.

State assistance in form of grant, at a level of 25 per cent, will be provided for each investment project, as well as in form of partial exemption from the payment of the

income tax, at a level of 75 per cent.

The total estimated value of the state assistance provided based on the scheme is of 2 billion lei, of which 1.5 billion lei – for partial exemptions from the payment of the income tax and 0.5 billion lei – for grants. About 150 enterprises are estimated to be backed in all.