

Report **5.0**

FOREIGN DIRECT INVESTMENTS

The impact on the economy
of the Republic of Moldova
(2016-2025)



Developed by:



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Abbreviations

AIM	Invest Moldova Agency
BIS	SC Business Intelligent Services SRL
CIS	Commonwealth of Independent States
EU	European Union
EUR	Euro
FDI	Foreign Direct Investments
GDP	Gross Domestic Product
GFCF	Gross fixed capital formation
IT&C	Information Technology & Communications
M&A	Mergers and acquisitions
MDL	Moldovan leu
mil.	Million
NBM	National Bank of Moldova
NBS	National Bureau of Statistics
UNCTAD	United Nations Conference on Trade and Development
USD	US dollar

Key messages

FDI: Global and regional developments

- 1** Global FDI flows increased by **14%** in 2025, reaching USD **1.6 trillion**, but the recovery was largely driven by over **USD 140 billion** in flows through financial centres, which overstates the strength of underlying real investment activity.
- 2** Investment patterns show a widening divergence: FDI to developed economies rose by **43%**, while flows to developing economies declined by **2%**, with approximately three quarters of least developed countries experiencing stagnant or declining inflows.
- 3** Core investment indicators remain weak: the value of cross-border M&A fell by **10%**, international project finance declined for the fourth consecutive year (-16%), and the number of Greenfield projects dropped by **16%**, despite high values driven by mega-projects.
- 4** FDI is increasingly concentrated in capital-intensive, technology-driven sectors, with data centres accounting for over **20%** of global Greenfield investment value and semiconductor projects rising by **35%**, while traditional global value chain sectors contracted sharply (-25%).
- 5** Infrastructure investment weakened, with international projects declining by **10%**, largely due to a slowdown in renewable energy investment, increasing the risk of future investment gaps.
- 6** The outlook for 2026 remains uncertain: while improved financing conditions may support moderate growth, geopolitical risks and economic fragmentation are likely to constrain investment activity and reinforce capital concentration.

FDI in the Economy of the Republic of Moldova

- 7** FDI flows in the Republic of Moldova have entered a phase of stabilization in recent years, at a moderate level, following a prolonged period of volatility over the past decade. The level recorded in 2025 (**EUR 409 million**), close to 2024 and above 2023, confirms the consolidation of existing investments, but also the absence of significant new capital inflows.
- 8** The structure of FDI flows is dominated by reinvested earnings, which represent the main source of investment growth, while equity inflows and intragroup debt financing remain limited or volatile. This dynamic reflects a focus on consolidating existing operations rather than launching new investment projects.

9

The investment model shows a transition from expansion to consolidation, with FDI flows largely driven by existing investors. At the same time, the relatively low level of new capital suggests a moderate pace in attracting large-scale investment projects, including Greenfield investments, indicating room for improvement in unlocking growth potential.

10

The FDI stock continues to grow moderately, exceeding **EUR 5.3 billion** in 2025, but its evolution is significantly influenced by external factors, particularly exchange rate fluctuations and valuation effects. As such, stock dynamics reflect not only actual investment flows, but also broader macroeconomic and financial conditions.

11

The structure of FDI is dominated by equity capital, accounting for approximately two-thirds of the total, while intragroup debt plays a secondary role. This configuration indicates a preference for more stable forms of investment, while also implying a stronger dependence on the performance of existing firms.

12

The geographical distribution of FDI shows a pronounced concentration in the European Union, with European capital exceeding EUR 3 billion and consolidating its dominant position. This trend reflects Moldova's economic integration with the EU, while also highlighting a reliance on a relatively limited number of capital sources.

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FDI is concentrated in a limited number of European countries, with Cyprus, the Netherlands and Romania as the main investors, followed by Bulgaria and the United Kingdom, which together account for approximately 56% of total equity capital. At the same time, the investment structure points to a broader diversification of the investor base, and in some cases, the use of investment platforms suggests that the ultimate economic origin of capital may be more diversified than indicated by the formal country distribution.

14

The sectoral structure of FDI is dominated by services and commercial activities, particularly financial services and trade, complemented by manufacturing as the main productive sector. At the same time, the relatively low share of sectors such as ICT, energy and professional services highlights a significant, yet still underutilized, potential in high value-added activities.

15

Overall, FDI in the Republic of Moldova reflects a stable investment base, but one characterized by pronounced geographical and sectoral concentration, underscoring the need for policies aimed at diversifying capital sources and attracting new investments in productive and innovative sectors to support long-term economic convergence.

Impact of FDI on the Economy of the Republic of Moldova

16

FDI flows have stabilized at a moderate level of around **2–2.5%** of GDP in 2023–2025, following a period of volatility in previous years. This stabilization reflects the presence of a functional and more predictable investment base but also indicates the absence of a phase of accelerated investment expansion.

17

The share of FDI stock in GDP declined to approximately **29.8% in 2025, from over 40% in 2019**, reflecting a more dynamic growth of the economy compared to the accumulation of foreign investment. Under these conditions, domestic investment is gaining relatively greater importance in the overall investment structure of the economy, in the context of a gradual evolution of the investment model.

18

FDI flows per capita stabilized in the range of approximately **EUR 130–180** per inhabitant, reaching around **EUR 172 in 2025**. This dynamic reflects a relatively stable investment intensity, largely supported by reinvested earnings, but still influenced by the episodic nature of large investment projects.

19

FDI stock per capita has recorded sustained growth in recent years, exceeding **EUR 2,250** per inhabitant in 2025, more than double the level recorded in 2016. This evolution reflects both the continued accumulation of foreign capital in the economy and the impact of demographic dynamics, particularly population decline, which contributes to higher per capita values.

20

The share of FDI in gross fixed capital formation declined to approximately **9.4% in 2025**, in the context of a record level of total investment (**EUR 4.36 billion**). This development reflects, on the one hand, the strengthening of domestic investment and diversification of financing sources, and on the other hand, the relatively limited level of new FDI inflows, particularly in the absence of large-scale investment projects. Under these conditions, FDI continues to play an important role in the modernization of the economy, albeit with a relatively smaller share in the overall investment structure.

21

The investment model of the economy is evolving towards a more balanced structure, in which domestic and foreign capital contribute complementarily to development. The declining share of FDI in key macroeconomic indicators does not signal a loss of importance, but rather a maturation of the investment base and increased domestic financing capacity.

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The moderate level of FDI flows and their stabilization below peak levels highlight significant growth potential, particularly through the attraction of new investments, including large-scale and Greenfield projects.

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Maximizing the impact of FDI depends not only on volume, but also on the quality and orientation of investments. Targeting productive, innovative, and export-oriented sectors is essential for generating multiplier effects and supporting long-term economic convergence.

Methodology and approach

The study on the impact of foreign direct investments (FDI) on the economy of the Republic of Moldova was prepared by the consulting company Business Intelligent Services (BIS), at the initiative of the Invest Moldova Agency (AIM). The analysis represents the fifth edition of this periodic exercise, aimed at assessing the role of FDI in the country's economic development.

The main objective of the study is to assess the role and impact of foreign direct investments (FDI) on the national economy, by analyzing its evolution in relation to key macroeconomic indicators, including gross domestic product and gross fixed capital formation, as well as by examining the dynamics of FDI flows and stocks and per capita indicators.

The methodological approach is based on the use of official statistical data and relevant macroeconomic indicators. The analysis relies on publicly available data provided by the National Bank of Moldova (NBM) and the National Bureau of Statistics (NBS), accessible through official statistical databases and publications.

In the most recent official statistical publications of the National Bank of Moldova (NBM), issued in 2026, data on foreign direct investments (FDI) are presented for the years 2025 and 2024, expressed in euro (EUR), in the context of alignment with European statistical standards.

Accordingly, in this edition, all indicators for the data series covering the period 2016–2025 are calculated and presented in EUR, in order to ensure the consistency and comparability of the analysis.

According to NBM methodology, the conversion from USD to EUR is carried out using the official USD/EUR exchange rate, as follows: quarterly average exchange rates for flows and end-of-period exchange rates for positions (stocks).

This approach is consistent with international practices in investment statistics and reflects the conceptual differences between flows (period variables) and stocks (point-in-time variables). Exchange rate fluctuations may influence the level of indicators expressed in EUR, reflecting both economic developments and exchange rate effects.

For the analysis of global FDI trends, the study uses data from the UNCTADSTAT database and analytical publications of UNCTAD (United Nations Conference on Trade and Development).

Statistical data for 2025 published by the National Bureau of Statistics (NBS) and UNCTAD are provisional and may be subject to further updates or revisions during 2026.

CHAPTER 1

FDI: Global, regional and local developments

1.1 Global and regional trends

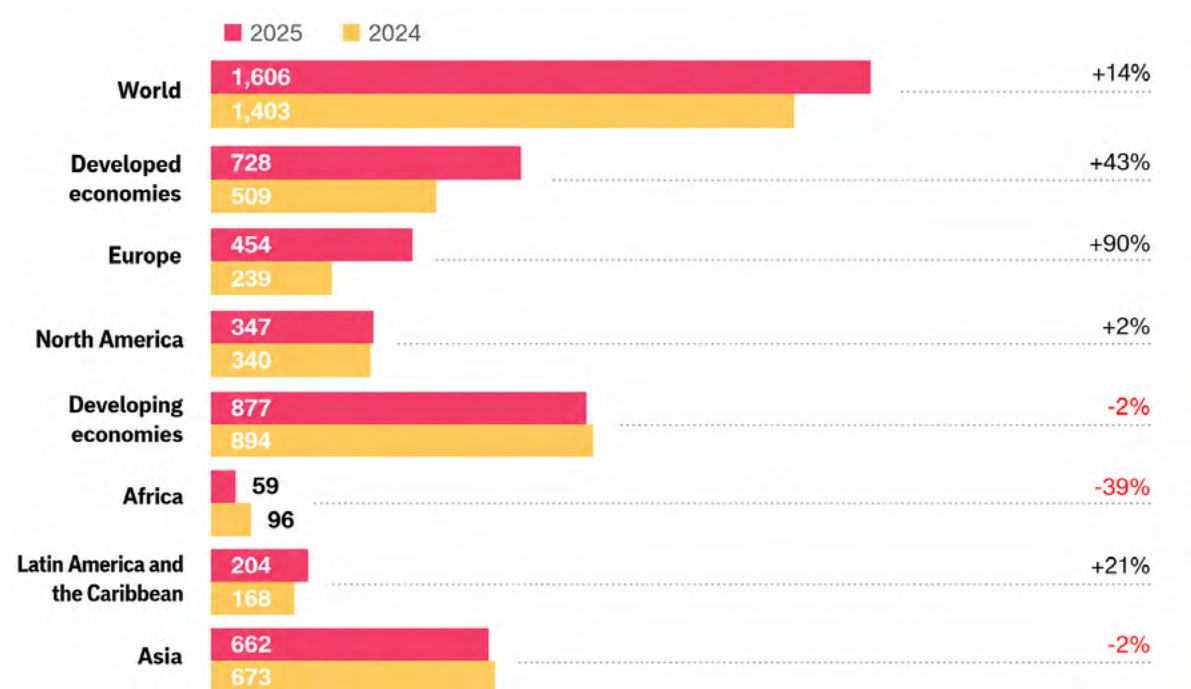
Global FDI Trends (2025)

Global foreign direct investments (FDI) increased by 14% in 2025, reaching an estimated USD 1.6 trillion, marking a rebound after two consecutive years of decline.

However, this headline growth overstates the strength of the investment recovery. A significant share of the increase was driven by financial flows through global investment hubs, while underlying investment activity remained relatively fragile.

FIGURE 1

FDI inflows, global and by group of economies, 2025 vs 2024 (billions of USD and percentages)



Source: UNCTAD

Overall, global investment patterns in 2025 indicate:

- Widening disparities between developed and developing economies;
- Increasing concentration of investment

in a limited number of capital-intensive and technology-driven sectors;

- Persistent weaknesses in investment segments critical for sustainable development.

FDI growth is largely driven by financial centres

More than USD 140 billion of the increase in global FDI was generated by higher flows through major financial centres, including the United Kingdom, Luxembourg, Switzerland and Ireland.

Excluding these “conduit” flows – i.e. investment routed through international financial centres without directly contributing to real economic activity – **global FDI growth would have been around 5%**, highlighting the limited strength of the underlying investment recovery.

At the same time, key indicators of investor sentiment remained weak:

- The value of cross-border mergers and acquisitions (M&A) declined by 10%;
- International project finance fell by 16% in value and 12% in deal numbers, Marking the fourth consecutive year of decline;
- Investors remain cautious about long-term commitments to capital-intensive infrastructure projects;
- The momentum in renewable energy investment has slowed significantly.

Greenfield investment activity also weakened, with the number of announced projects declining by 16%, particularly in industrial sectors, while total values remained relatively high, supported by a limited number of large-scale investments.

Divergence between economies is increasing FDI flows in 2025 highlight a growing divergence between developed and developing economies.

FDI to developed economies increased by 43%, reaching approximately USD 728 billion, driven mainly by Europe and financial centres. The European Union recorded a 56% increase, supported by large cross-border transactions and a rebound in major economies such as Germany, France and Italy.

In contrast, FDI flows to developing economies declined by 2%, totaling around USD 877 billion. The impact was particularly pronounced in least developed countries, where approximately three quarters experienced stagnant or declining inflows.

FDI is increasingly concentrated in technology-driven and capital-intensive sectors

A defining feature of global FDI in 2025 is the growing concentration in capital-intensive and advanced technology sectors.

- **Data centres accounted for more than 20% of total global Greenfield investment value, exceeding USD 270 billion;**
- **Semiconductor investments increased by 35%;**
- Investment remained concentrated in advanced economies, while also extending to selected emerging markets.

By contrast, **investment declined sharply in trade-exposed, global value chain-intensive sectors**, with project numbers falling by 25%, particularly in textiles, electronics and machinery.

While large-scale technology investments contribute significantly to total FDI values, they tend to be highly concentrated and generate limited spillover effects, highlighting the need for policies that promote local value creation and skills development.

Infrastructure investment remains weak

Infrastructure investment remained weak in 2025. International projects declined by 10%, mainly due to a slowdown in renewable energy investment and regulatory uncertainties.

At the same time, domestic investors have partially offset this decline, although this trend may lead to widening investment gaps, particularly in economies dependent on external financing.

FDI outlook remains uncertain

The outlook for global FDI remains uncertain. While flows could increase moderately in 2026, underlying investment dynamics remain constrained.

Key risks include geopolitical tensions, policy uncertainty and increasing global economic fragmentation.

Without coordinated policy responses, global investment is likely to remain uneven and concentrated, limiting its contribution to sustainable economic growth.

1.2 FDI in the Economy of the Republic of Moldova

FDI flows are entering a phase of stabilization at a moderate level

FDI net flows in the Republic of Moldova indicate a trend towards stabilization in recent years, following a prolonged period of volatility characteristic of the past decade.

EUR 409 million

the net incurrence of liabilities in the form of FDI in 2025, a level close to that of 2024 (EUR 424 million)¹ and above 2023 (EUR 334 million).

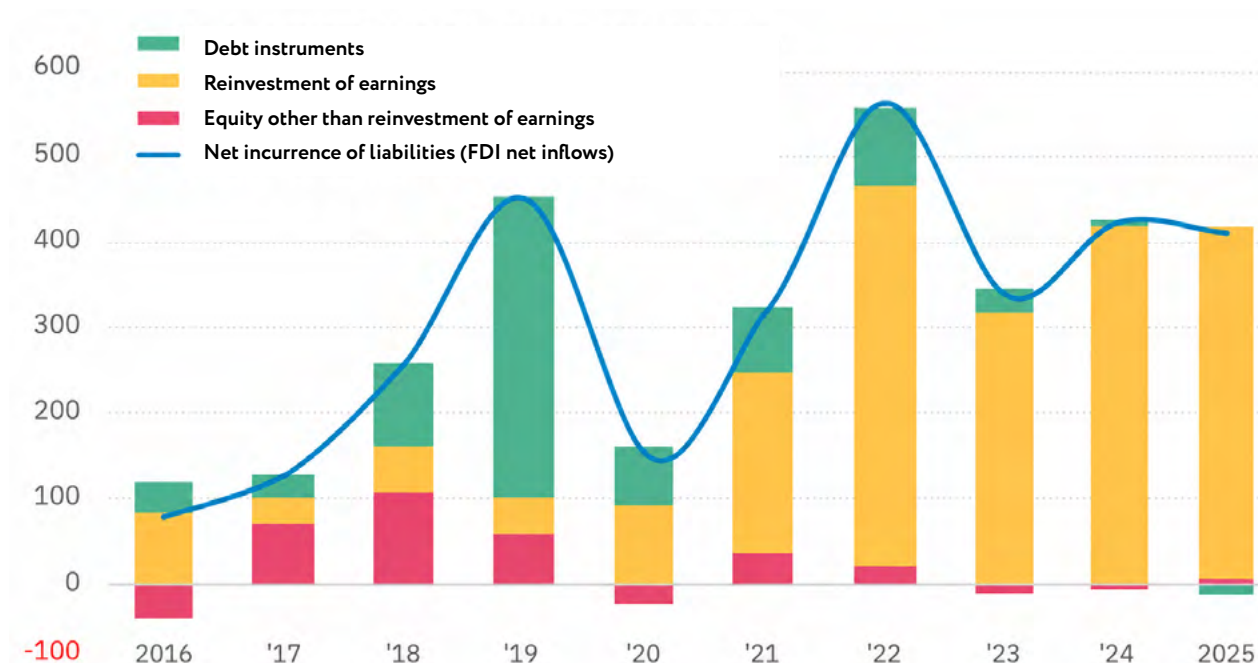
This evolution confirms the consolidation of investment flows after the peak recorded in 2022 (EUR 554 million) and suggests a transition towards a more balanced phase, characterized by consistent values, albeit below the peak levels observed in previous years.

From a longer-term perspective, current dynamics contrast with earlier periods marked by pronounced fluctuations – from the lows in 2016 to the accelerated growth in 2019 and the post-pandemic rebound in 2021–2022. Developments over the past three years indicate a relative maturation of FDI flows, although they remain sensitive to regional and geopolitical conditions.

¹ The FDI indicators presented in EUR are calculated through the conversion of data initially expressed in USD, using the official NBM methodology and the corresponding USD/EUR exchange rate for the reference period. In 2025, the appreciation of the EUR against the USD influenced the values expressed in euro, which may generate differences in the year-on-year dynamics of the indicators depending on the presentation currency. Thus, FDI inflows expressed in EUR indicate a slight decrease compared to the previous year, while in USD they remained relatively stable, increasing from approximately USD 458 million in 2024 to around USD 460 million in 2025. These differences are mainly driven by currency conversion effects and do not reflect significant changes in the underlying dynamics of investment flows.

FIGURE 2

Direct investments: net incurrence of liabilities, by instruments (annually) (mil. EUR)



Source: NBM, International Accounts of the Republic of Moldova

Reinvested earnings dominate the structure of FDI flows

In 2025, FDI flows (EUR 409 million) were predominantly generated by reinvested earnings, while new capital inflows and intra-group financing made limited contributions.

- **Reinvested earnings – the dominant pillar of FDI**

Reinvested earnings reached EUR 414 million, remaining at a high and stable level compared to 2024 (EUR 416 million). This remains the primary driver of FDI growth, reflecting the solid performance of foreign-owned companies and their focus on consolidating existing operations.

- **Equity participation – limited and volatile contribution**

Equity participation recorded a net negative value of EUR -11 million, confirming a contraction in new capital inflows. Gross

inflows (EUR 65 million) were exceeded by withdrawals (EUR 75 million), indicating increased investor caution regarding new project development.

- **Debt instruments – marginal and declining role**

Debt instruments contributed modestly at EUR 6 million, following two consecutive negative years. Although gross loans of EUR 161 million were recorded, they were largely offset by repayments (EUR 155 million), confirming the secondary role of intragroup financing.

The FDI model is shifting: from expansion to consolidation

Data for the period 2016–2025 highlight a structural shift in Moldova’s investment model.

Currently, FDI is characterized by:

- The dominance of reinvested earnings;
- Limited new capital inflows;
- A marginal role of debt financing.

This evolution reflects a transition from an expansion-driven investment model to one focused on the consolidation of existing investments.

The period 2023–2025 reveals a dual dynamic:

- On the one hand, FDI flows remain stable and relatively high, supported by the performance of existing companies;
- On the other hand, new capital inflows remain limited, indicating a moderate pace in attracting new investment projects, including Greenfield investments.

Overall, FDI has entered a phase of stabilization, largely supported by existing investors, confirming the resilience of the investment base while also pointing to a

structural vulnerability related to attracting new capital.

FDI stock continues to grow despite valuation effects

As of 31 December 2025, the FDI stock reached EUR 5,373 million, increasing by approximately 2.6% compared to 2024 (EUR 5,235 million). This growth was supported by net inflows (+EUR 409 million), but partly offset by valuation effects:

Price changes **EUR -27 million**

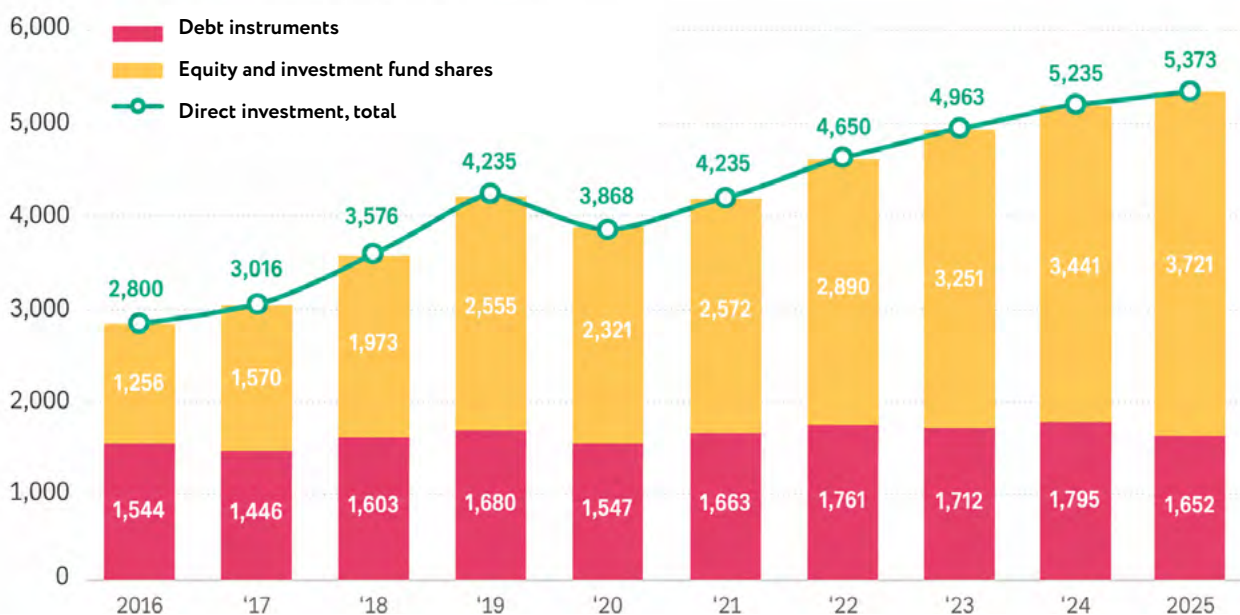
Exchange rate effects: **EUR -220 million**

Other adjustments: **EUR -23 million**

This dynamic highlights that the evolution of the FDI stock is influenced not only by investment flows, but also by external factors, particularly exchange rate fluctuations.

FIGURE 3

Inward FDI stocks (direct investment liabilities), at the end of the year (mil. EUR)



Source: NBM, International Accounts of the Republic of Moldova

Equity capital dominates the structure of FDI

From a structural perspective, equity participation remains the dominant component of FDI stock, reaching approximately EUR 3,721 million in 2025 (around 69% of total), compared to EUR 1,652 million for debt instruments (approximately 31%).

This structure reflects a clear orientation towards equity financing and reinvested earnings, alongside a gradual reduction in the role of intragroup debt.

Intragroup debt remains diversified but secondary

Within debt instruments, the structure remains heterogeneous, comprising several forms of intragroup financing:

EUR 879 million

loans from direct investors

EUR 303 million

trade credits and advances

EUR 470 million

other liabilities to direct investors

While intragroup loans remain the main component of debt financing, the structure is diversified, reflecting various financial support mechanisms used by multinational groups.

Overall, debt instruments maintain a relatively modest share compared to equity, re-

inforcing the structural trend towards equity-based financing and reinvested earnings.

FDI stock reflects a stable investment base, influenced by external factors

The evolution of FDI stock in 2025 confirms a solid investment position, supported by consistent net inflows and the dominant role of equity capital.

At the same time, the significant influence of valuation effects – particularly exchange rate fluctuations – highlights an important characteristic of FDI statistics: stock variations reflect not only corporate investment decisions but also external dynamics beyond actual capital flows.

Overall, FDI stock indicates a stable investment base with moderate growth. Despite valuation adjustments limiting growth in 2025, the investment fundamentals remain solid, supported by the performance of existing companies and reinvested earnings.

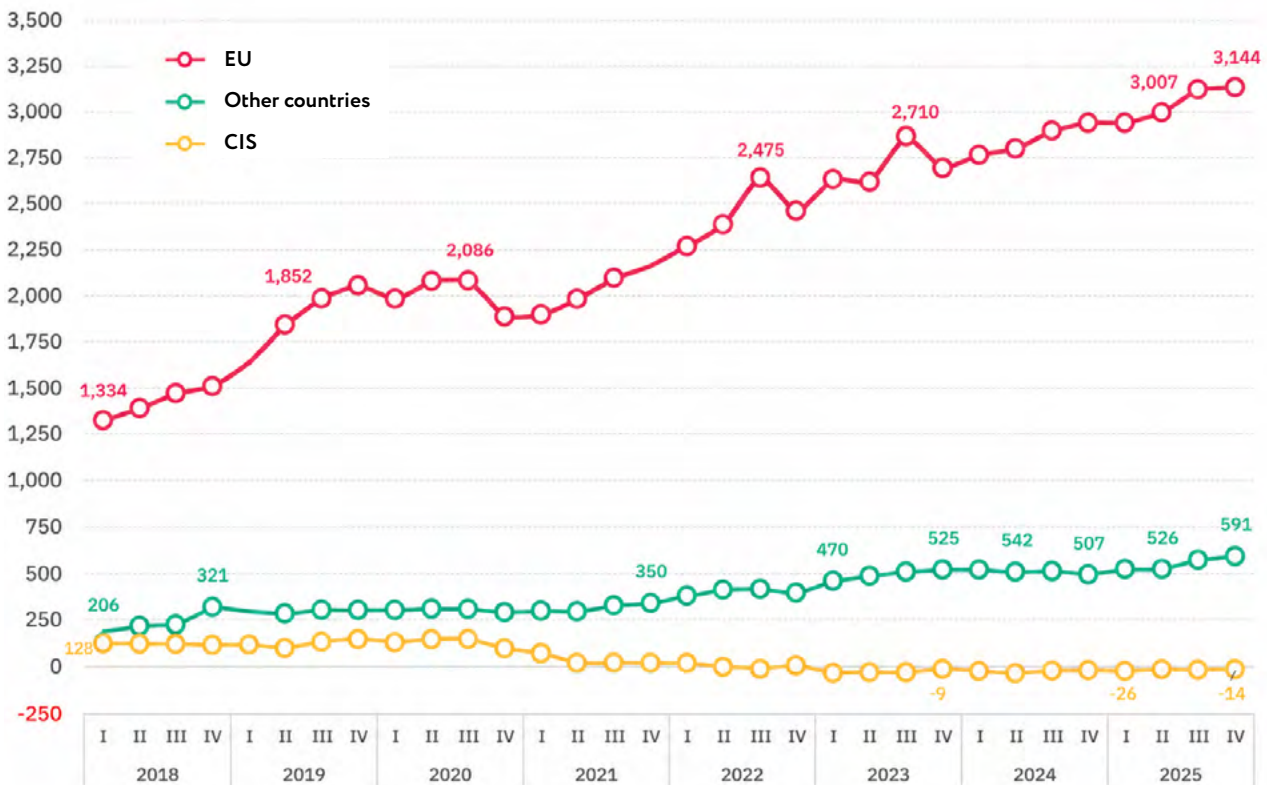
Future consolidation will depend on the economy's ability to attract new investments, complement existing ones, and maintain a stable and predictable investment climate.

European capital dominates the geographical structure of FDI

The geographical distribution of foreign direct investments in the Republic of Moldova highlight a strong structural orientation towards the European Union, a trend that has progressively strengthened in recent years, supported by the sustained growth of European capital in the economy.

FIGURE 4

Position of direct investments – equity, by geographic region, at the end of period (mil. EUR)



Source: NBM, International Accounts of the Republic of Moldova and authors' calculations

At the end of 2025, investments originating from the European Union reached approximately EUR 3,144 million, increasing from EUR 2,958 million in 2024 and EUR 2,710 million in 2023. **The EUR 3 billion threshold was exceeded for the first time in the second quarter of 2025 and remained above this level through the end of the year**, confirming the consolidation of the dominant position of European capital in the Moldovan economy.

This evolution is part of a broader upward trend, with EU investments increasing from approximately EUR 1.5 billion in 2018 to over EUR 3.1 billion in 2025, reflecting a significant and sustained expansion of European capital presence in the domestic market.

Investments originating from other (non-EU) countries reached approximately **EUR 591 million in 2025, up from EUR 507 million in 2024 and EUR 525 million in 2023**, indicating gradual but still limited diversification of capital sources. Over the longer term, this category has shown a moderately increasing trend, from levels of around EUR 300 million in previous years.

In contrast, investments from CIS countries have experienced a continuous decline, shifting from positive values in earlier periods into negative territory in recent years.

EUR -14 million

net position in 2025

EUR -24 million

net position in 2024

EUR -9 million

net position in 2023

confirming a trend of withdrawal or negative revaluation of capital originating from this region.

Overall, recent developments indicate that FDI stock dynamics are driven primarily by European capital, while the contribution of other regions remains limited, and the CIS region has a negative impact on the overall investment position.

The geographical structure of FDI thus confirms an increasingly strong economic alignment of the Republic of Moldova with the European Union, both in terms of capital origin and integration into regional value chains. At the same time, this concentration highlights the importance of diversifying investment sources in order to ensure a more balanced and resilient investment base in the long term.

FDI is concentrated in a small number of European countries

The structure of FDI by country of origin reveals a relatively high concentration of capital around a limited group of European countries, which dominate investments in the Republic of Moldova.

Based on an aggregated analysis of equity capital, including both non-financial sectors

and the banking sector, the main investor countries in 2025 are Cyprus, the Netherlands and Romania, followed by Bulgaria and the United Kingdom. These five economies account for approximately 56% of total equity capital, according to estimates based on available data, highlighting a significant degree of concentration in foreign direct investments.

This structure reflects the central role of a limited number of European economies, encompassing both financial centres used as investment platforms and direct investors active in productive sectors.

Non-financial investments are dominated by a few key countries

Outside the financial sector, investments are concentrated around a relatively small group of key countries.

Cyprus



EUR 663 million

Romania



EUR 381 million

Netherlands



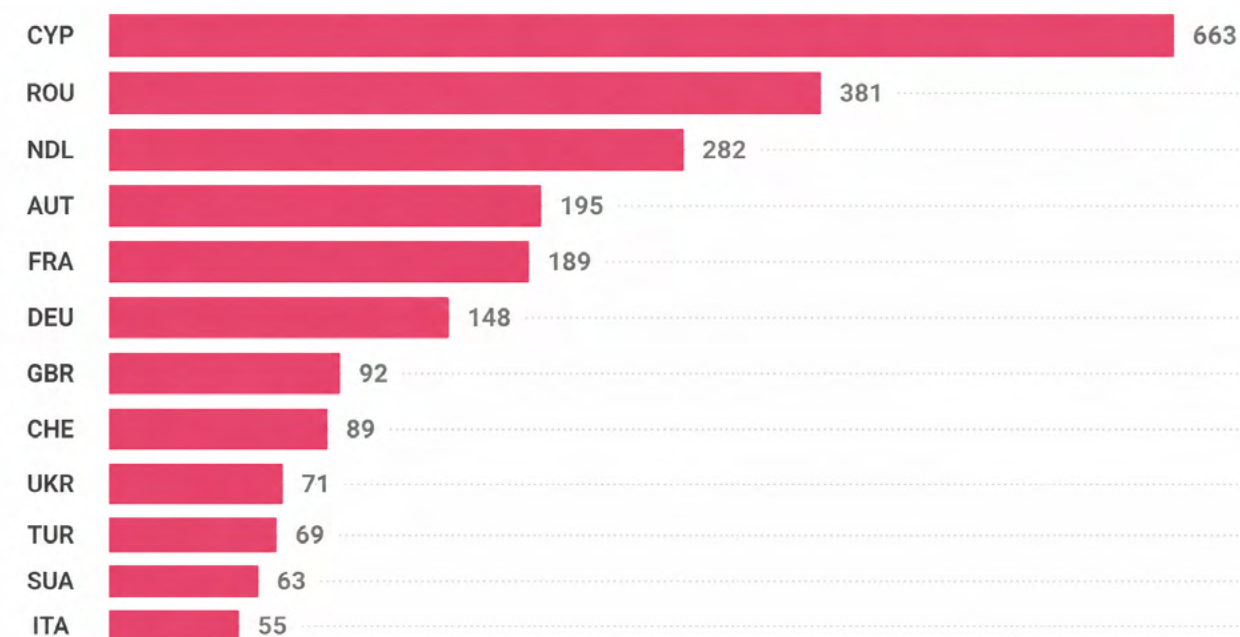
EUR 282 million

Further investments originate from developed economies such as **Austria, France and Germany**, with values ranging between approximately **EUR 150–200 million**, reflecting a well-established presence in sectors such as industry, trade and services.

A second tier of investors includes countries such as the **United Kingdom, Switzerland, Ukraine, Turkey, the United States and Italy**, indicating a moderate diversification of the investment base, albeit with relatively small shares in the total.

FIGURE 5

Direct investment position, accumulated equity capital as of 31 December 2025, by main countries – other sectors (EUR mil.)



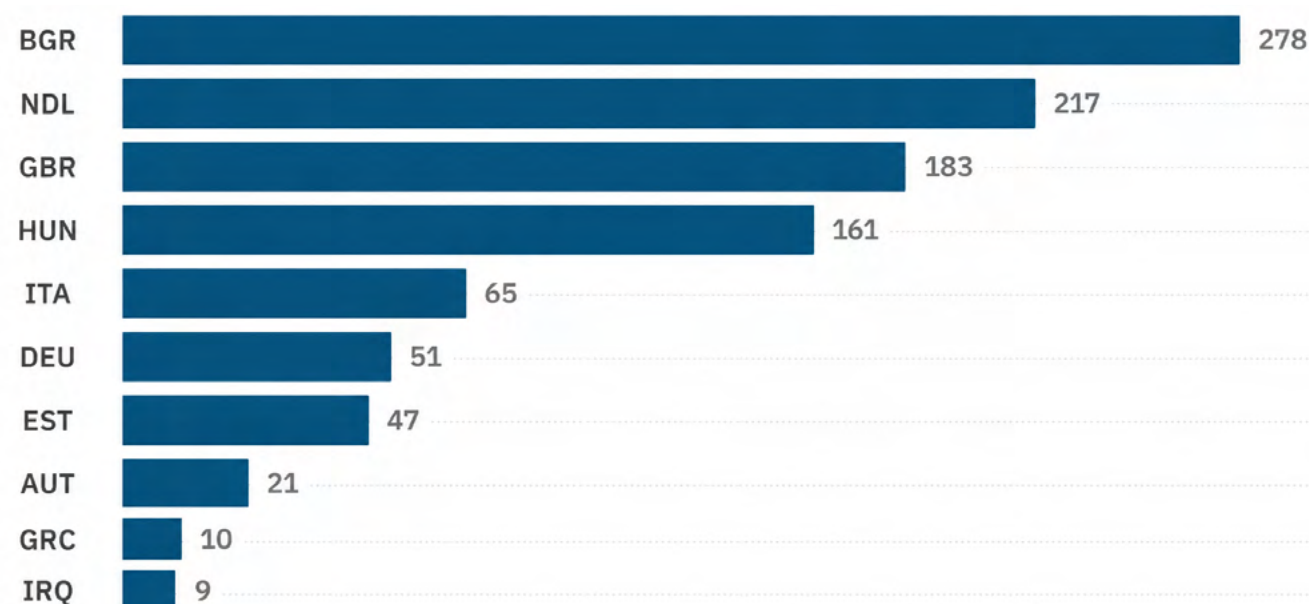
The banking sector is controlled by a limited number of European groups

The structure of investments in the banking sector is distinct, being dominated by a small number of **European countries**. In 2025, the main origins of capital are **Bulgaria (EUR 278**

million), the Netherlands (EUR 217 million), the United Kingdom (EUR 183 million) and **Hungary (EUR 161 million)**, reflecting the structure of banking groups operating in the Republic of Moldova.

FIGURE 6

Direct investment position, accumulated equity capital as of 31 December 2025, by main countries – deposit-taking corporations sector (EUR mil.)



Source: NBM, International Accounts of the Republic of Moldova

This distribution is typical for the financial sector, where investments are concentrated in a limited number of major institutions and reflect their affiliation with international banking groups.

The overall structure of FDI by country-of-origin highlights concentration and the role of investment platforms

The structure of FDI by country of origin reveals two key characteristics of foreign direct investments in the Republic of Moldova.

First, investments are concentrated in a relatively limited number of countries, notably Cyprus, the Netherlands and Romania, which dominate both non-financial sectors and the overall capital structure.

Second, the presence of economies such as Cyprus and the Netherlands reflects their use as investment platforms and financial centres, suggesting that the ultimate economic origin of capital may be more diversified than indicated by the formal country distribution.

Overall, the distribution of FDI by country-of-origin points to a stable investment base, but one characterized by pronounced geographical concentration, dominated by European capital. While this structure ensures investment continuity, it also highlights the importance of diversifying capital sources to reduce risks associated with geographical concentration.

The concentration of more than half of total investment capital in just a few European countries confirms the strong anchoring of the Republic of Moldova within the European investment space. At the same time, it underscores the need for proactive policies aimed at diversifying investment sources and broadening the investor base, to strengthen resilience and support long-term

growth potential.

FDI is concentrated in services and commercial sectors

The sectoral structure of foreign direct investments highlight a pronounced concentration in a limited number of dominant sectors, which define the investment profile of the Republic of Moldova.

In 2025, accumulated equity capital is primarily concentrated in:



33%

financial and insurance activities



27%

trade



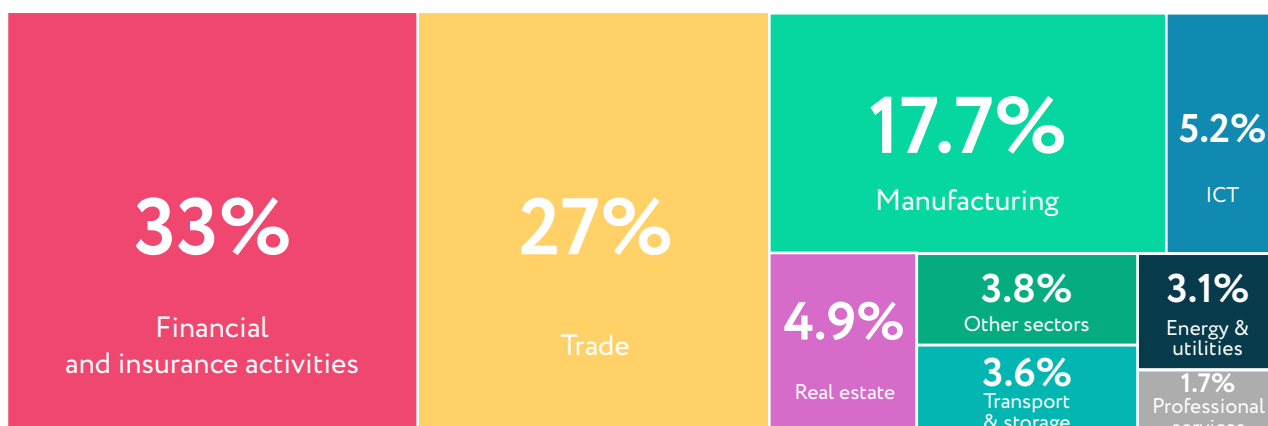
17.7%

manufacturing

Together, these three sectors account for approximately **78% of total FDI**, indicating a relatively concentrated investment structure.

FIGURE 7

Direct investment in domestic economy, equity as of 31-Dec 2025, by industry (percentages)



Source: NBM, International Accounts of the Republic of Moldova and authors' calculations

A second group of sectors, with smaller shares, includes **ICT (5.2%)**, **real estate activities (4.9%)**, **transport and storage (3.6%)**, and **energy and utilities (3.1%)**, which contribute to the diversification of the economy but play a more limited role in the overall investment structure. Other activities, including professional services (1.7%) and other sectors (3.8%), complete the investment profile.

The sectoral structure reflects a predominant orientation towards services and commercial activities, alongside a relevant presence of manufacturing as the main productive and export-oriented sector.

The high share of financial and insurance activities reflects not only the presence of financial institutions, but also the inclusion of entities involved in investment structuring and management, suggesting that part of the capital recorded in this sector is indirectly associated with activities in other areas of the economy.

The sectoral distribution of FDI highlights a combination of:

- Intermediation and distribution sectors (financial services, trade); and

- Productive sectors (manufacturing).

This configuration indicates an economy in which investments are directed both towards supporting consumption and trade flows, and towards activities generating exports and value added.

At the same time, the relatively modest share of sectors such as ICT, energy and professional services highlights a significant, yet still underutilized, potential, particularly in high value-added activities.

FDI structure indicates stability, but also the need for diversification

Overall, the sectoral distribution of FDI reveals an investment structure polarized around a few dominant sectors, primarily services and commercial activities, complemented by a relevant industrial base.

While this configuration provides short-term stability, it underscores the need for policies aimed at diversifying investments and strengthening productive and high value-added sectors, in order to support sustainable growth and long-term economic convergence.

CHAPTER 2

Impact of FDI on the economy of the Republic of Moldova

Foreign direct investments represent a key driver of economic development, contributing to capital accumulation, the transfer of know-how, and the integration of the economy into international value chains.

The analysis of the impact of FDI on the economy of the Republic of Moldova is conducted through a set of relevant indicators, reflecting both the scale of investments and their intensity relative to the economy and population.

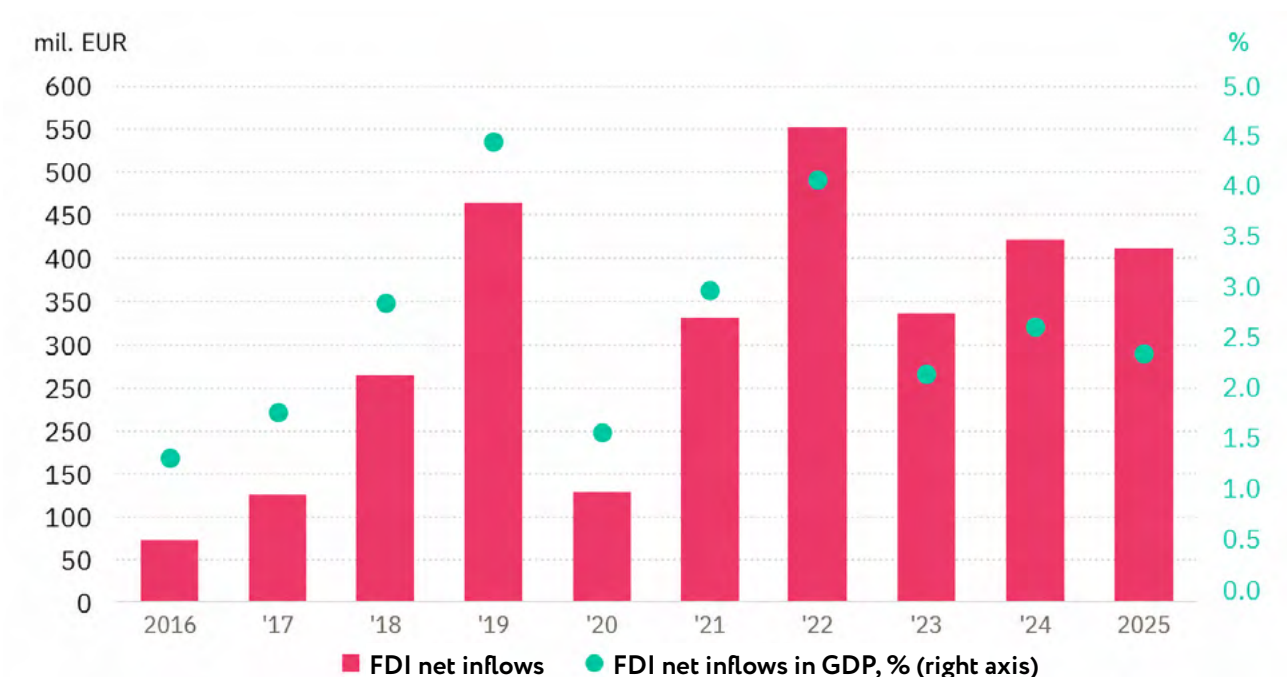
2.1 Share of FDI flows in GDP

FDI flows indicate a stabilization of new investments at a moderate level

FDI flows as a share of gross domestic product (GDP) provides an indication of the intensity of new investments in the economy.

In 2025, FDI flows accounted for approximately 2.3% of GDP, slightly down from 2.52% in 2024, but above the level recorded in 2023 (2.16%), confirming a trend of stabilization of investment inflows in recent years.

FIGURE 8
Share of FDI flows in GDP, 2016–2025



Source: NBM data, International Accounts of the Republic of Moldova; authors' calculations

Over the longer term, the indicator has shown a volatile evolution, with low levels in 2016–2017 (1.1%–1.6%), followed by significant increases in 2019 (4.43%) and 2022 (4.02%), reflecting years with more substantial investment inflows.

During 2023–2025, the share of FDI flows in GDP stabilized within the range of approximately 2%–2.5%, indicating a moderate and relatively predictable level of investment, below peak years but with reduced volatility. This evolution suggests the existence of a stable investment base, supporting a more sustainable and predictable dynamic of capital inflows.

At the same time, the moderate level of the indicator indicates that the economy is not currently in a phase of accelerated investment expansion, highlighting the presence of growth potential, particularly through attracting large-scale investment projects.

Unlocking this potential depends on the ability to attract investments in competitive, export-oriented and high value-added sectors, capable of accelerating FDI flows and supporting long-term economic convergence.

2.2 Share of FDI stock in GDP

The role of FDI in the economy is adjusting in the context of a more dynamic GDP growth

FDI stock as a share of GDP reflects the degree of investment integration of the economy and the importance of accumulated external capital.

In 2025, FDI stock accounted for approximately 29.8% of GDP, down from 31.1% in 2024 and 32.1% in 2023, continuing a moderate adjustment from around 40.4% in 2019.

Over the longer term, the indicator remained relatively high during 2016–2019 (35%–40%), after which it entered a gradual downward trend, falling below 30% in 2025.

This evolution primarily reflects a more dynamic growth of the economy compared to the accumulation of foreign investment.

From this perspective, the trend indicates a more balanced economic structure, in which domestic capital is gaining relatively greater importance.

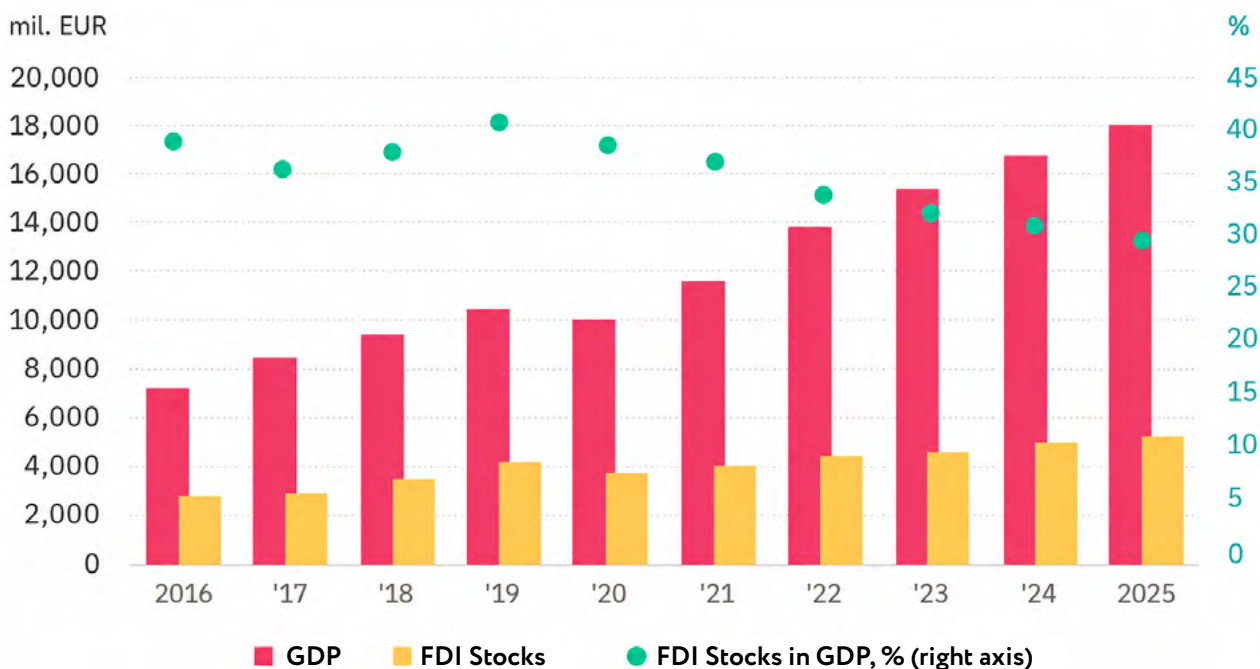
At the same time, the adjustment in the share of FDI in GDP can be interpreted as a sign of maturation of the existing investment base, without indicating a decline in investment in absolute terms.

However, the slower growth of FDI stock relative to GDP suggests the existence of room to strengthen investment integration, particularly through attracting new capital.

Maintaining an adequate level of this indicator depends on the ability of the economy to attract new investments complementary to existing ones, supporting growth dynamics and long-term development opportunities.

FIGURE 9

Share of FDI stock in GDP, 2016–2025



Source: NBM data, International Accounts of the Republic of Moldova; authors' calculations

2.3 FDI flows per capita

Investment intensity remains stable, with growth potential

FDI flows per capita reflect the intensity of investment relative to the population and provide insight into their distribution across the economy.

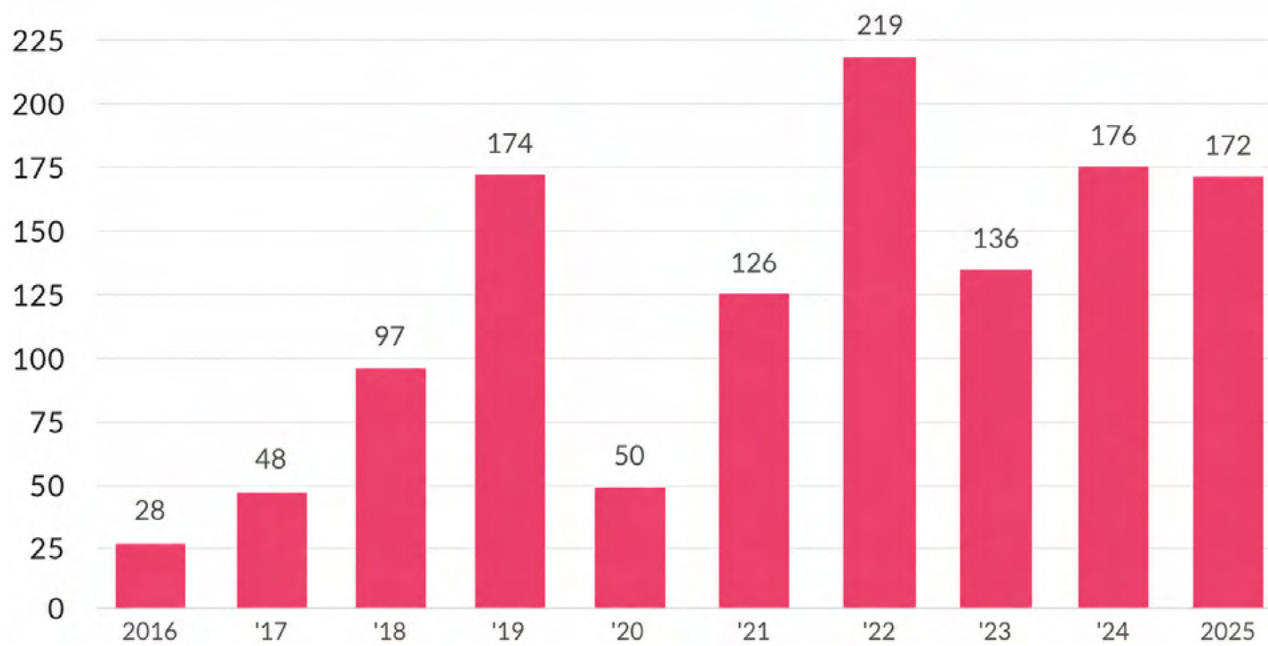
In 2025, FDI flows per capita amounted to approximately EUR 172 per inhabitant², slightly down from EUR 176 in 2024, but above the level recorded in 2023 (EUR 136), indicating a stabilization of investment dynamics.

Over the longer term, the indicator has been volatile, with low values in 2016–2017 (EUR 28–48), followed by significant increases in 2019 (EUR 174) and 2022 (EUR 219), reflecting episodic investment surges.

In recent years, the indicator has stabilized within a range of approximately EUR 130–180 per capita, indicating a moderate and relatively predictable level of investment intensity.

² Data on the average annual population (thousand persons) for 2025 will be published by the NBS in June 2026. In the absence of these data, per capita calculations for 2025 were based on the usually resident population at the beginning of the year.

FIGURE 10
FDI flows per capita, 2016–2025



Source: NBM data, International Accounts of the Republic of Moldova; authors' calculations

The current level of the indicator reflects a stable intensity of FDI flows relative to the population, in the context of reduced volatility compared to previous periods. Although values have not returned to peak levels, recent dynamics suggest the existence of a functional and predictable investment base, with growth potential.

At the same time, the episodic nature of investment projects continues to influence

the evolution of the indicator, highlighting opportunities for growth in the context of attracting large-scale investment projects.

Strengthening this indicator can be supported by developing a diversified portfolio of investment projects and by enhancing the attractiveness of the economy for international investors, particularly in competitive and export-oriented sectors.

2.4 FDI stock per capita

Accumulated foreign capital per capita continues to grow

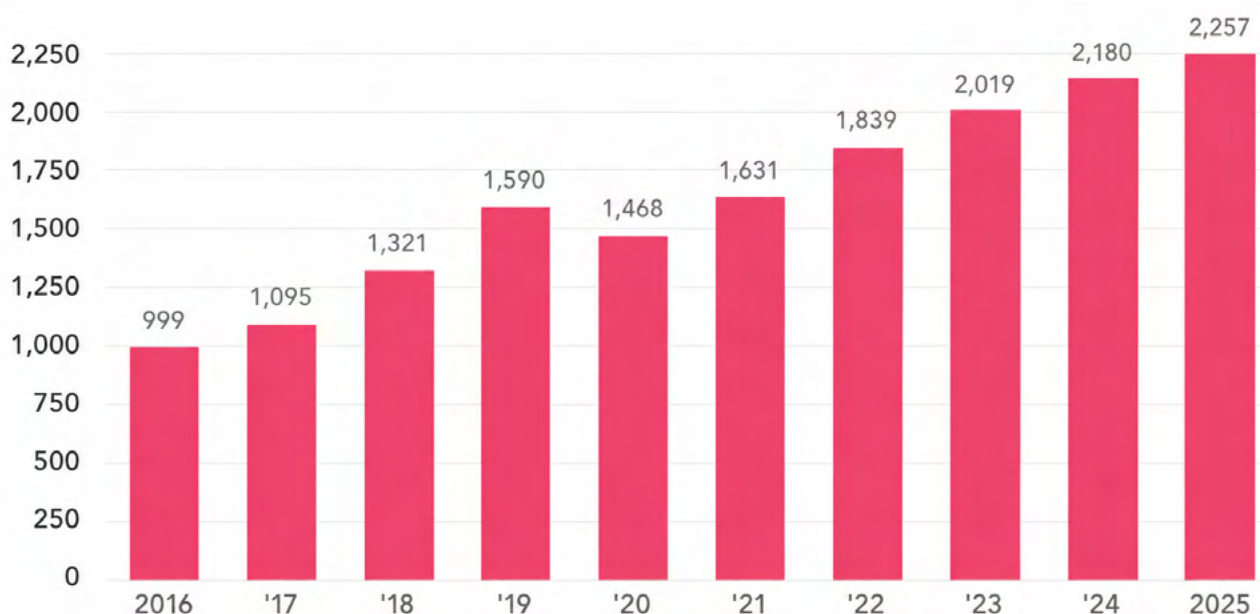
FDI stock per capita reflects the accumulation of foreign capital relative to the population and the intensity of investment in the economy.

In 2025, this indicator reached approximately EUR 2,257 per inhabitant, up from EUR

2,180 in 2024 and EUR 2,019 in 2023, confirming a sustained upward trend.

Compared to 2016 (EUR 999), the 2025 level reflects a more than twofold increase in the intensity of foreign capital, highlighting the progressive consolidation of the investment base.

FIGURE 11
FDI stock per capita, 2016–2025



Source: NBM data, International Accounts of the Republic of Moldova; authors' calculations

This evolution reflects both the continued accumulation of foreign investment and the impact of demographic dynamics, particularly population decline, which increases per capita values.

Therefore, the positive trend should be interpreted in a broader context, as it does not solely reflect an increase in investment volumes.

At the same time, the current level indicates an intensification of foreign capital in the economy, creating favorable conditions for development.

Maximizing the benefits of this capital requires directing investments toward productive, innovative and high value-added sectors, capable of generating multiplier effects and supporting sustainable economic growth.

2.5 Share of FDI in gross fixed capital formation

FDI becomes a complementary source in a more balanced investment model

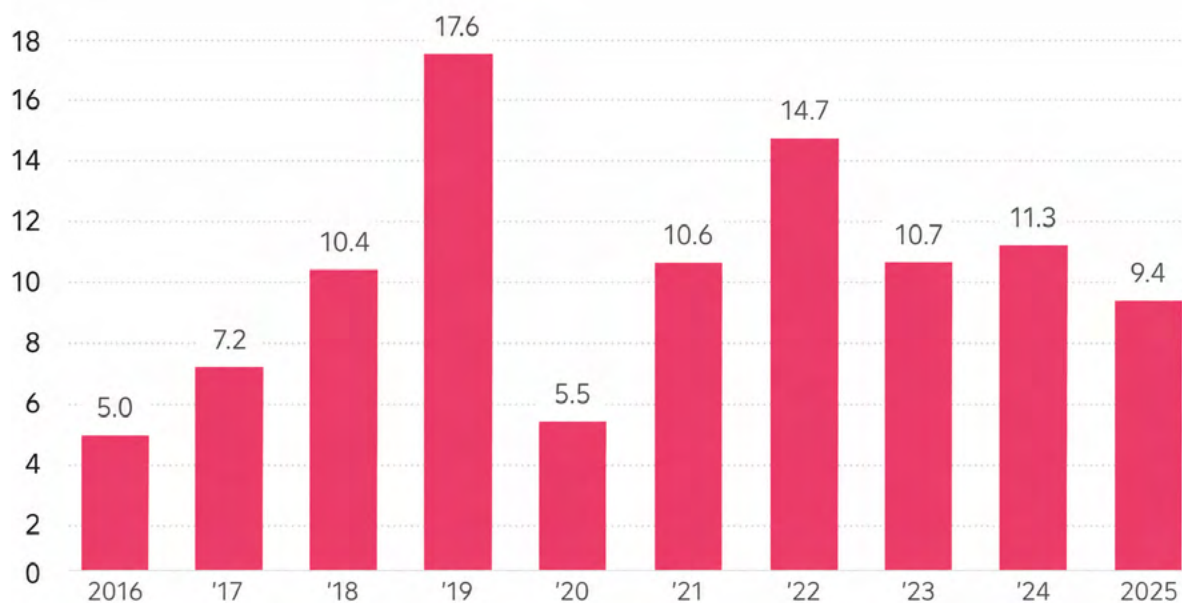
The share of FDI in gross fixed capital formation (GFCF) indicates the contribution of external capital to total investment and its role in developing productive capacity.

In 2025, FDI accounted for approximately 9.4% of GFCF, down from 11.3% in 2024 and

10.7% in 2023. This reflects a relative decline in the contribution of FDI, in the context of a record level of total investment (EUR 4.36 billion).

Over the longer term, the indicator reached higher levels in 2019 (17.6%) and 2022 (14.7%), before stabilizing in the range of approximately 9%–11% in recent years.

FIGURE 12
Share of FDI in gross fixed capital formation, 2016–2025



Source: NBM data, International Accounts of the Republic of Moldova; authors' calculations

The decline in the share of FDI in total investment primarily reflects the stronger growth of domestic investment, indicating a diversification of financing sources and an increased capacity of the economy to generate domestic investment resources.

In this context, FDI is no longer the primary driver of investment, but continues to play an important and complementary role, particularly in supporting economic modernization processes. This dynamic suggests a transition towards a more balanced investment model, in which domestic and foreign capital jointly contribute to economic development.

Maximizing the impact of FDI depends on their orientation towards productive, technology-intensive, and export-oriented projects, capable of complementing domestic investment and enhancing the long-term competitiveness of the economy.

FDI: an essential pillar in a more balanced investment model

The combined analysis of indicators highlights a gradual evolution in the role of FDI

in the Moldovan economy, towards a more balanced investment model in which domestic and foreign capital contribute complementarily.

The declining share of FDI in GDP and GFCF reflects stronger domestic investment and economic growth, without diminishing the importance of foreign capital. At the same time, stable flows and increasing per capita indicators confirm the strength of the investment base.

This dynamic suggests an economy undergoing investment maturation, where FDI remains essential, but within a more balanced structure.

At the same time, the moderate level of flows and their stabilization below peak levels indicate significant untapped potential, particularly through attracting new investment projects.

Maximizing the impact of FDI depends not only on volume, but also on quality and sectoral orientation, with a focus on productive, innovative and export-oriented activities capable of supporting long-term economic convergence.



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