Moldovan PM has meeting with representatives of construction companies



The development of the construction sector, the unblocking of real estate projects, the use of unused state-owned land and buildings, the simplification of permitting procedures and improving housing affordability have been the main topics discussed at a meeting between Prime Minister Vasile Tofan and representatives of construction companies from Moldova.

The PM emphasized the importance of the construction sector for economic growth, job creation and the development of local communities. Prime Minister Vasile Tofan noted that it was necessary to accelerate investments and identify solutions, in order to increase the housing supply, including affordable housing for young people and middle-income families. “We have a great deal of work to do to restart construction,” said Prime Minister Vasile Tofan. He emphasized that the government wanted more investment projects to be completed and more effective cooperation between public authorities and the business community.

One of the main issues raised by entrepreneurs concerns the blockage of real estate projects, due to delays in approving Zonal Urban Plans (PUZ) and issuing permits. Companies’ representatives reported cases in which investments worth hundreds of millions of lei had remained blocked for more years, particularly in the Chisinau municipality. They called for clearer procedures, compliance with legal deadlines and more effective cooperation between central and local public authorities.

In the context, Prime Minister Vasile Tofan emphasized the importance of unblocking investment projects in the Chisinau municipality and reiterated the government’s openness to constructive cooperation with the capital’s administration, regardless of political views, in order to identify solutions that would facilitate the development of the constructions sector.

Another topic discussed was the use of land and buildings owned by the state that are currently not being used efficiently. The PM noted that expanding investors’ access to such assets was one of the government’s priorities. In this regard, the cabinet is seeking to organize transparent and competitive privatization processes that would generate revenues for the state and help restore public trust.

During the discussions, companies also drew attention to the difficulties encountered in developing projects in the historic center of Chisinau, including approval procedures and restrictions applied in areas protecting monuments. The prime minister confirmed that reviewing the regulatory framework for the protection of historical monuments and the operation of the National Council of Historical Monuments was on the government’s agenda, so that a balance can be found between protecting cultural heritage and urban development.

The sector’s representatives also called for a review of the 0.5-per cent contribution applied to construction investments, citing the additional costs incurred by companies. The prime minister said that the government would examine the possibility of changing the application mechanism, given that the administrative and financial burden must be proportionate to the benefits generated.

As for the regulation and oversight in construction, the PM said that the draft legislation concerning oversight powers in the sector was undergoing further analysis, in order to ensure a balance between combating illegal construction and avoiding disproportionate interventions in authorized projects.

Access to infrastructure networks was another important topic of the meeting. Developers pointed to the high costs of expanding electricity, heating, water, and sewage networks, as well as difficulties related to transferring infrastructure built with private funds to distribution operators. They also called for the simplification of procedures for getting urban planning certificates for utility connections. The prime minister supported holding a discussion with the participation of representatives of construction companies, the National Energy Regulatory Agency, utility operators and the municipal administration, in order to examine issues related to the development of and connection to infrastructure networks.

The participants in the meeting also addressed access to financing and lending conditions, the development of public-private partnerships for real estate projects and the development of public spaces, the use of local construction material resources, the labor shortage and the need to reduce undeclared work in the sector.

At the end of the meeting, Prime Minister Vasile Tofan said that the proposals put forward by companies’ representatives would be analyzed and expressed his willingness to organize further topic-related discussions with the participation of the responsible institutions, in order to identify solutions to the issues raised.

