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INTERNATIONAL ECONOMIC INTEGRATION AS A FACTOR OF ECONOMIC DEVELOPMENT

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Abstract. *Various aspects of the international division of labor are studied in the article; essence, premises and objectives of integration, forms, stages of development and role of this process in the economic growth of the Republic of Moldova. A general characteristic of the main integrationist country groupings (NAFTA, CELAC, MERCOSUR, APEC, G7, G20, BRICS, SCO, CIS, UVEA, GUAM, etc.) is presented; the role of the European Union (EU) as an advantageous form of countries' economic integration; Moldova's relations with the EU; Moldova's cooperation with the main international and regional economic and financial bodies (IMF, IBRD, WTO, EBRD, BERI, etc.), the country participation in the development of regional and cross-border cooperation.*

Keywords. *The essence, forms and stages of economic integration; specialization and international and regional economic cooperation; the EU's role in the global economy; integration of the Republic of Moldova into international and regional economic and financial structures, the impact of this process on the economic growth and development of the country.*

Introduction

International economic integration is a special form of economic relations between different countries of the world, which developed in the twentieth century, after the Second World War. This process can be considered as a qualitatively more advanced method of cooperation, based on the institutionalization of Member States' activities in the field of economic cooperation. This process involves the creation by two or more countries of a common economic space that ensures: *the development of reciprocal exchanges; economic interdependence and the interpenetration of national economies*. The concept of *"international economic integration*" can be defined as an objective, conscious and consistent process of convergence, mutual adaptation and growth of national economic systems. This process covers several economic categories and is used at both macroeconomic and microeconomic levels, *the purpose of which is to increase the volume of goods and services*. International economic integration is driven by many factors, which are based on: the *creation of conditions that stimulate economic exchanges between countries; modern scientific and technological progress,* *which requires more and more financial resources; the limited capacities of national markets; and increased competition in* the world market.

Deepening the International Division of Labor (IDL). An important feature of our time is the strengthening of the interdependence of the economies of different countries, the development of international processes at the macro and micro level, the intensive transition of countries from a closed national economy to a free one open to the whole world. This process is due to the development and deepening of the IDL, which is the main element of world economic integration, being the result of the specialization of the countries of the world in the production and sale of economic goods for exchange on the world market. According to I. Ignat and S. Pralea, the IDL expresses the relations that are established between national economies in terms of the distribution of economic activities among them and shows their place in the world economy [8, p. 48].

Specialization and cooperation as stages of economic integration. International economic specialization is one of the premises and pillars for the formation and development of the world economy. As a result of many centuries of evolution in the world of the IDL system, different types of specialization are distinguished: intrasectoral; intersectoral; intra-company; organological and technological. Each of them takes place in different forms, from one country to another. The need dictated by IDL is also *international industrial cooperation.* Each country develops its own concept of economic growth. Economic cooperation is understood as cooperation in various forms between two or more countries, including: *international trade; cooperation in production (in the form of joint ventures, transnational companies, etc.); international investment; scientific and technical cooperation; energy; tourism; financial relations and external credits; migration of labor resources; international transport; provision of services* , etc. Cooperation and integration into the world economy are intensive ways of development that allow local businesses to gain access to advanced technologies [12, p. 235].

Trends and prospects for the development of the world economy. In the world economy, countries are compared in several areas, the most important of which *is their* *participation in the creation of the world gross product, their share in the world market for goods and services, the world capital market, the level of gross domestic product per capita*, etc. according to IMF estimates, it amounted to about **$174.5 trillion worldwide**. The top **10 countries** by this indicator in 2025 included: the United States (**30.51** trillion); China (US$19.23 trillion); *Germany* (**4.74** trillion); India (**4.19** trillion); Japan (**4.18** trillion); *Great Britain* ($3.84 trillion); *France* ($**3.21** trillion). *Italy* (**2.42** trillion); *Canada* ($**2.23** trillion) and Brazil **($**2.12 trillion) (see *Figure 1).*

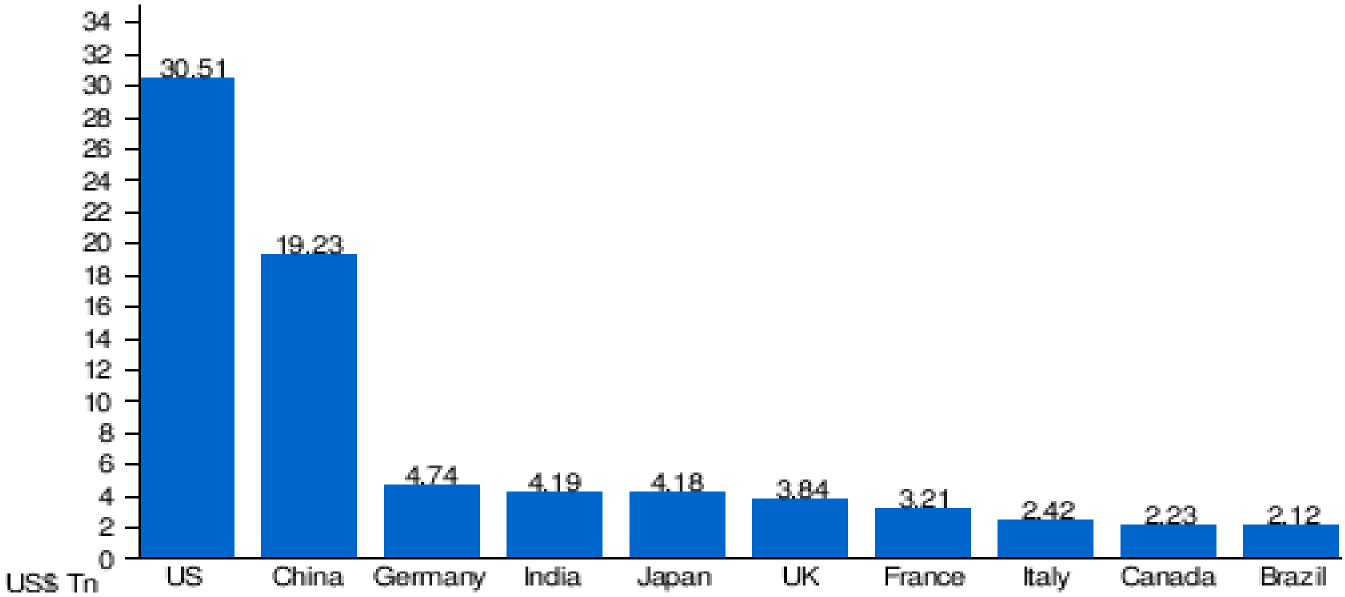

Figure 1. Largest economies in the world by GDP (nominal) in 2025 according to International Monetary Fund estimates[n 1][1]

According to IMF estimates, the countries with the highest nominal GDP include: the Russian Federation (about 2.1 trillion dollars); Spain ($1.8 trillion); South Korea (about $1.8 trillion); Australia ($1.77 trillion); Mexico ($1.69 trillion); Tuercia ($1.44 trillion); Indonesia (about $1.43 trillion); Niderland (1.27 trillion); Saudi Arabia (1.08 trillion); Poland ($0.98 trillion); Sweden (0.95 trillion; Taivans (0.80 trillion); Belgium (0.68 trillion); Argentina (trillions); Sweden (0.62 trillion); (Ireland (about 0.60 trillion); Israel (0.58 trillion)¸ Singapore (0.56 trillion); United Arab Emirates (about 0.55 trillion); Tailand (about 0.55 trillion); Austria ($0.53 trillion); Norway ($0.50 trillion), etc. [20]. As we can see, the economies of the world are radically different, each state pursues its own policy. From the above, it can be understood that the economic development of the state depends not so much on the availability of certain resources in the country, but on a truly competent administrative management. As an example, we can cite Japan, a country completely destroyed during World War II, which, without serious resources and even territory, is now one of the world leaders in economic development. It is noted that in the next ten years, China will be ahead of the United States, and the competition between these powerful states will be a great test of strength for the whole world.

Global Problems of the Modern World Economy [11, p. 42-46]. Global problems are serious problems that affect the entire planet or most of it. They do not respect national borders and require international cooperation to solve them. These issues cover a wide range of areas, from the environment to the economy, health and safety at work. **The main global issues** include the following: *environment, demography, peace and disarmament, food, energy and raw materials, human health, use of the oceans, the problem of space exploration, etc.* Each of the global issues has a certain content. But they are all closely related to each other. Recently, the center of gravity of global issues has shifted to the countries [1] of the developing world. The food problem has become the most catastrophic in these countries. The situation of most developing countries has turned into a serious human and global problem. The main way to solve it is to achieve radical socio-economic transformations in all spheres of life and activity of these countries. in the development of scientific and technological progress, international cooperation.

Foreign debts are also one of the main problems that most countries face, and it has become terrifying. Even the most developed and richest countries have huge foreign debts. Below is a ranking of the countries with the highest sovereign debts (expressed as a percentage of GDP), made by the International Monetary Fund [21]: **Japan –** 262.5% of GDP; **Venezuela** – 240.5%; **Greece** – 199.4%; **Sudan** – 182%; **Eritrea** – 176.3%; **Singapore** – 159.9%; **Italy** – 150.9%; **Cape Verde** – 142.3%; **Barbados** – 135.4%; **Bhutan** – 132.4%; **Bahrain** – 128.5%; **USA** – 128.1%; **Portugal** – 127.4%; **Suriname** – 125.7%; **Maldives** – 124.8% etc. Romania's external debt is

45%, Ukraine's – 81%. China has practically no external debts (13.5%), the same as Russia (13.7%) in terms of GDP [11, p. 46].

The historical period in which we live, influenced by phenomena such as globalization or regionalization, by new means of communication such as the Internet or social relations such as Facebook or Twitter, by political and social changes that have taken place or will take place within states, by mutations or transformations in international organizations, etc., as well as by the interconnections and interdependencies between all of the above, will also cause changes in the world economy [10, p. 11-12]. According to experts in this field, against the background of increasing dependence on certain resources, many of which are limited and close in terms of depletion over time, economic activity will be reoriented to other spheres, such as space, the world, thus entering a new stage - interplanetary. On the other hand, the world economy will face numerous imbalances, crises and a high degree of instability, especially in areas facing political, economic and social problems. According to Matthew Burrows, the world is going through difficult times. He compares today's situation with other turning points in history, such as 1789, 1815, 1919, 1945 or 1989, when political, social and economic systems collapsed. Either we take responsibility and direct the changes in the right direction, or they will fall on us... [2, p. 13]. Global experience provides us with many examples, including that sustainable economic development can be ensured as a result of promoting economic policies based on scientific decision-making. **Deepening the process of economic integration between states**.

In recent decades, the deepening of the process of economic integration between states has played a special role in the development of the world economy. According to I. Ignat and S. Pralea, from an economic point of view*, integration is a process by which two or more national markets of unit size, considered insufficient, previously separated, are combined into a single market (common market) of more efficient dimensions.* In order to achieve this objective with minimal social costs, it is necessary to implement a series of measures to adjust the national structures that integration entails. Usually, this requires a longer transition period [8, p. 223]. V. Bardan notes that an important reason for integration is the political factor: the desire of states to gain greater authority and political weight in the world community through integration, thus quickly solving their economic problems on this basis [3, p. 15].

At the international level, different types of economic integration have been formulated, which represent certain stages of the economic integration process in its evolution [11, pp. 50-52]: preferential trade agreement; free trade area; customs union; economic cooperation area; common market; economic and monetary union; general economic integration; political and social integration (e.g. European Union). In particular, economic integration between states is regional in nature. *Regionalization* implies that nation-states develop increasingly pronounced interdependent relationships of varying degrees of complexity.

Characteristics of some groupings of countries of international and regional integration [see: 11, pp. 53-66]. Currently, there are more than 20 international integration economic associations in the world, which include the main regions and continents of the globe. The North American Free Trade Agreement (**NAFTA),** established in 1991 by the United States, Canada and Mexico, covers a market of 375 million consumers and an area of 21.3 million km², with the prospect of expansion in the south of the American continent. The fields of activity are: trade in material goods and services; direct investments – liberalized; Other provisions concern: competition rules, intellectual property, temporary residence of businessmen, certain aspects of environmental protection, etc.

Other groups of countries are also active in the Americas, such as the *Community of Latin American and Caribbean States* (**CELAC),** a regional bloc made up of Latin American and Caribbean states, created on February 23, 2010. It includes 33 sovereign states representing about 600 million people. The United States and Canada are not part of the bloc. In South America, there is an international organization **MERCOSUR,** founded in 1991 by Argentina, Brazil, Uruguay, Paraguay and Venezuela. Bolivia, Chile, Columbia. Ecuador and Peru have the status of associate members. The general objectives of MERCOSUR are*: to increase efficiency and productivity by opening markets and accelerating economic development; to improve* *the prospects for more efficient use of available resources; to preserve the environment; to improve communications; to harmonize and coordinate macroeconomic policies and to complement the various sectors.*

Cooperation between countries with access to the Pacific Ocean is actively developing. *The Asia-Pacific Economic Cooperation* (**APEC)** is a forum of a group of 21 countries, representing about 60% of the global economy, where issues of regional economy, cooperation, trade and investment are discussed. In Central Asia, the Shanghai Cooperation Organization (SCO) is also active**,** as an international organization established on June 15, 2001 by the leaders of China, Russia, Kazakhstan, Tajikistan, Kyrgyzstan and Uzbekistan, which were later joined by India and Pakistan (in 2017), Iran (in 2022) and Belarus (in 2024). The total territory of the SCO countries is more than 35 million km², which is 65% of the territory of Eurasia, and the total population of these countries is about 3.5 billion people, which is half of the world's population. The main tasks of the SCO are to strengthen stability and security in a broad space uniting Member States, to fight terrorism, separatism, extremism, drug trafficking, and to develop economic, energy, scientific and cultural cooperation [15].

In Africa, there is *the African Economic Community***,** which is composed of all African countries and consists of regional blocs, also known as its pillars: *the Economic Community of West African States, the Economic Community of West African States (ECOWAS), the East African Community, the Economic Community of Central African States, the South African Development Community (SADC), and the Intergovernmental Body on Climate Change. development***,** an economic bloc encompassing the Horn of Africa; *the Community of Sahel-Saharan States,* one of the largest economic organizations in Africa; the bloc of countries of Eastern *and Southern Africa* (with the acronym COMESA); *The Arab Maghreb Union,* which covers northwest Africa.

A special role in the development of the world economy and international economic relations is played by the group of industrialized countries (**G7**) and the group of developing countries (**G20**) [11, p. 57-59]. **The G7 is** an international forum of the governments of economically, technologically and militarily developed countries: _Canada, _France, Germany,_Italy,_ Japan, the United Kingdom and the United States of America. Between 1997 and 2014, the G7 was known as **the G8**, consisting of the G7 countries plus Russia. March 2, 2014, due to the invasion of Ukraine, Russia was excluded from this group until it changed course. Since 2014, the G8 group has included seven states and the EU.

The Group of 20 countries **(G20** or **G20+)** is a bloc of developing countries founded on August 20, 2003. The group was formed at the Fifth Ministerial Conference of the World Trade Organization, which took place in Cancún, Mexico, from 10 to 14 September 2003. The G-20 covers 60% of the world's population, 70% of farmers, and 26% of global agricultural exports. Currently, the group includes 23 countries: Argentina, Bolivia, Brazil, Chile, China, Cuba, Ecuador, Egypt, Guatemala, India, Indonesia, Mexico, Nigeria, Pakistan, Paraguay, Peru, Philippines, South Africa, Tanzania, Thailand, Uruguay, Venezuela, Zimbabwe. On September 9-10, 2023 in India, the eighteenth meeting of the heads of state of the Group of Twenty (G20) was held in India, which was not attended by Russian President Vladimir Putin and Chinese President Xi Jinping. During the summit, agreements were reached on climate and biofuels, etc.

The grouping of countries is BRIC [11, pp. 59-64], developing countries: Brazil, Russia,_ India, and China, which are identified as growing economic powers. Since June 2006, South Africa (**BRICS) has been included in this organization.** The following countries are also invited to join this organization: Egypt, Iran, the United Arab Emirates, Saudi Arabia and Ethiopia, then the number of members can increase to ten. Basically, bilateral relations between the BRICS countries are built on the principles of non-interference, equality and mutual benefit. In addition to summits, meetings are held at the level of foreign ministers, finance ministers and others. The economies of these countries are developing at a high pace. The list of countries interested in joining the club is long, over 23 countries, including Saudi Arabia, Indonesia, Iran, Argentina, and Ethiopia, etc.

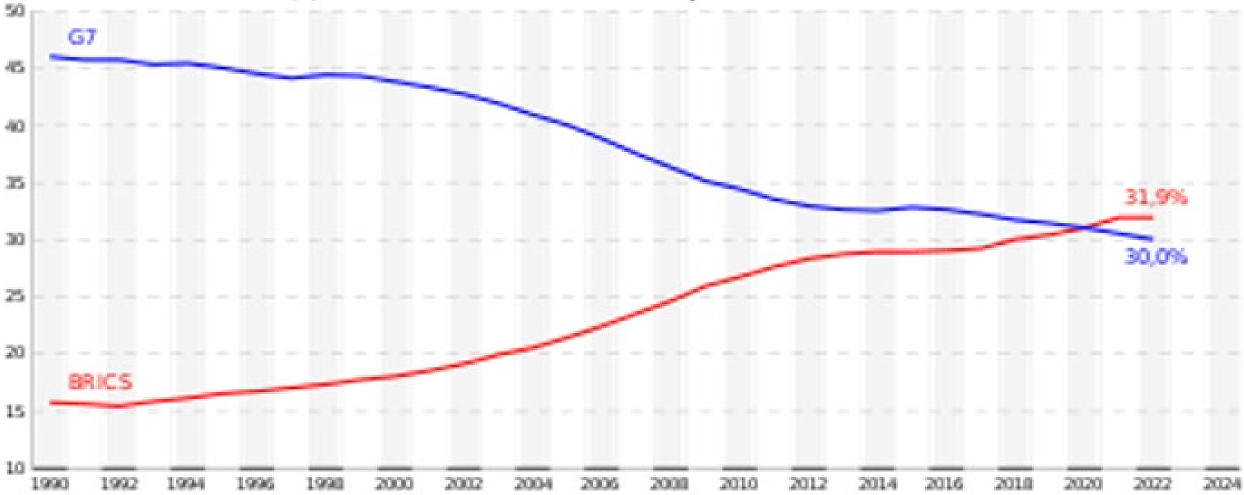

Figure 2. Share of GDP of the G7 and BRICS countries in the world economy [11, p. 60].

The Commonwealth of Independent States was formed on December 8, 1991 following the signing of the Treaty on the Establishment of the Commonwealth of Independent States (CIS) by the Presidents of the Republic of Belarus, the Russian Federation and Ukraine. On December 21, 1991, in Almaty, the presidents of the republics: Azerbaijan, Armenia, Belarus, Kazakhstan, Kyrgyzstan, Moldova, the Russian Federation, Tajikistan, Turkmenistan, Uzbekistan and Ukraine, signed **the Declaration on the establishment of the CIS.** *The tasks of the CIS are:* cooperation in the political, economic, environmental, humanitarian, cultural and other fields; comprehensive and balanced economic and social development of member countries within a common economic space, interstate cooperation and integration; ensuring human rights and fundamental freedoms, etc. In the first years after its creation, activities in the CIS were carried out relatively normally, but after Russia's intervention in Georgia in 2008, the creation of the autonomous republics of Abkhazia and South Ossetia, the annexation of Crimea in 2014, the creation of the Donbas and Lugansk republics and their admission to the Russian Federation, Russia's military intervention in Ukraine in February 2022 and other negative moments, the CIS's activities were blocked. largely replaced *by the Eurasian Customs Union*.

The Eurasian Customs Union (EAEU) [11, p. 64-66], consisting of Russia, Kazakhstan, Belarus, etc., within which customs duties on reciprocal trade were eliminated and a single system of taxation of imports was introduced. On January 1, 2010, the Common Tariff entered into force, and on July 1, 2010 – the Customs Code of the Customs Union" and, possibly, the Eurasian Economic Union (EAEU). This is more of a political project than an economic one. The Russian leadership has repeatedly called on its eastern partners to join the customs union at the expense of the Deep and Comprehensive Free Trade Area (DCFTA) with the EU. This "invitation" was accompanied by both positive and negative reasons, such as low energy prices, threats of higher tariffs or trade barriers, etc. Moldova has chosen the path of EU integration, while developing mutually beneficial bilateral relations with any country, including Russia.

It is well known that the Russian Federation is a country rich in natural resources. It ranks first in the world in terms of gas resources (32%), coal and forest resources (23%), iron ore (about 28%), aluminum, nitrogen fertilizers, fish resources, drinking water, salt, and more. At the same time, *Russia ranks 67th in the world in terms of living standards, 70th in terms of the use of advanced information and communication technologies, 72nd in terms of public expenditure per capita, 97th, in terms of per capita income, being in 127th place in terms of public health, 134th in terms of life expectancy of men, 159th in terms of citizens' rights and freedoms, 175th in terms of people's physical safety; it ranks 182nd – in terms of mortality, etc., out of 207 countries analyzed by UNESCO* [11, p.165-166]. These are the results of the policies promoted by the Russian leadership. Everyone should know this in order to draw objective and correct conclusions.

Institutional Foundations of International Economic Integration [11, p. 66-81]. International economic integration is achieved through international institutions and organizations: *financially*, through **the IMF and IBRD**, etc.; in *the commercial sphere*, through **GATT/WTO.** At the same time, we are witnessing the emergence of many other economic integration structures with different objectives, especially at regional level, which play an important role in the development of international economic integration processes.

For example, the main objectives of **the International Monetary Fund (IMF)** are: *to promote international monetary cooperation; to promote the balanced* *development and growth of international trade; to create a multilateral system of settlements between member countries, etc.* The World Bank, **an institution made up of five other international financial institutions,** is actively involved in the development of the international economic integration process: the International Bank *for Reconstruction and Development (IBRD), the International Finance Corporation (IFC), the International Development Association (IDA); the Multilateral Investment Guarantee Agency (MIGA); International Centre for Settlement of Investment Disputes (ICSID).* Each institution has a role to play in combating poverty and improving the living conditions of the population in developing countries. It currently has 190 member countries, including the Republic of Moldova (as of August 12, 1992).

A particularly important role in the development of international economic relations is played **by the World Trade Organization (WTO),** which oversees a large number of agreements that determine the "rules of trade" between member states. The WTO was established in 1995 as a successor to ***the General Agreement on Tariffs and Trade*** **(GATT)** and works to reduce and eliminate international trade barriers, fulfilling two main functions: it is a negotiating forum for discussing new and existing trade rules and as a dispute agreement body. All WTO members are encouraged to grant each other most-favoured-nation status, so (with few exceptions) trade concessions offered by a WTO member to a country should be offered to all WTO members. At the same time, there is also criticism of the WTO for favoring developed countries and transnational companies more, becoming the main target of anti-globalization protests. The WTO should be actively involved in the process of countering the trade "war" in countries, promoted by the current US administration.

Many other international organizations have a positive impact on deepening the process of international economic integration, such as: *the United Nations Industrial Development Organization (UNIDO); Food and Agriculture Organization of the United Nations (FAO); (United Nations Development Programme (UNDP); International Development Association (IDA); United States Agency for International Development (USAID); The International Tourism Organization (IOM), the Organization for Economic Co-operation and Development (OECD),* the European

Bank *for Reconstruction and Development (EBRD), the European Investment Bank (EIB) and many other international organizations in various fields of activity.*

The role of transnational corporations (TNCs) in the integration process [11, p. 75-78]. Today, transnational corporations occupy a leading position in the world economy, having a greater power even than some developed countries. 247 Wall St., LLC is ranked among the most profitable companies in the world annually. In 2015, this title was taken over by Apple Inc., which made a profit of 39.5 billion. **$,** with a turnover of 182.8 billion.**$**., thus surpassing Exxon Mobil, which had a profit of $33.6 billion. **$** (turnover 369.4 billion.**$**). In third place Co.Ltd Samsung Electronics, with a profit of 21.4 billion. **$**. It is followed by Berkshire Hathaway Inc. ($20.2 billion). **$**). Chevron Corporation ($19.3 billion). **$**), Toyota Motor Corporation ($19.2 billion. **$**), PetroChina Co. Ltd (19.2 billion. **$**), China Mobile Limited (17.6 billion). **$**), Wal-Mart Stores Inc. ($16.8 billion). **$**), Jonson & Jonson ($16.3 billion). **$**) [6, pp. 33-34]. Of the 500 largest transnational companies in terms of revenue, 161 are based in the EU.

The European Union is an advanced form of economic integration [11, p. 82-153]. The *EU* is a political and economic union made up of 27 Member States, mainly located in Europe. It has an area of 4,233,262 km2 and an estimated population of about 447 million people. The EU has developed a single internal market through a standardised system of laws that apply in all Member States. the adoption of legislation in the field of justice and home affairs, as well as the maintenance of a common policy in the field of trade, agriculture, fisheries and regional development. Passport control has been eliminated for travel within the Schengen area . The monetary union was created in 1999, entered into force in 2002 and consists of 19 EU Member States that use the euro. In the following years, the Community expanded with the accession of the new Member States, in several stages: in 1973 it was joined: Denmark, Ireland and the United Kingdom, in 1981 – Greece, in 1986 – Portugal and Spain, in 1995 – Austria, Sweden and Finland, in 2004 it was joined: Hungary, Poland, Czech Republic, Slovakia, Slovenia, Estonia, Lithuania, Cyprus, Malta, in 2007 – Romania and

Bulgaria, in 2013 – Croatia. In January 2020, the United Kingdom left the Union following a referendum in June 2016. The **EU currently** includes 27 countries.

Many countries have expressed their desire to join the EU (Turkey, Macedonia, Serbia, Albania, Bosnia and Herzegovina**). On** 15 December 2023, the EU decided to start accession negotiations between Ukraine and Moldova, and Georgia was granted the status of a candidate country for EU membership. Thus, the process of EU enlargement is developing. There are four countries that are members of the European Free Trade Association (EFTA) but are not members of the EU but are partially engaged in EU economic policy and regulation: Iceland, Liechtenstein, Norway and Switzerland. The EU also maintains relations with the European microstates of Andorra, Monaco, San Marino and the Vatican, which use a single currency and cooperate in some areas.

Accession criteria. The following convergence criteria have been established **for countries using the single currency*, the euro, and for candidate countries for its implementation***: the inflation rate must not exceed 1.5% of the average recorded in the top 3 countries with the best indicators; the long-term interest rate must not exceed by more than 2% the level of the first three with the lowest inflation; the budget deficit should not exceed 3% of GDP; external debt should not exceed 60% of GDP. For countries joining the EU (such as Ukraine, the Republic of Moldova, etc.), the ***following conditions are set***: stability of democratic institutions and the rule of law, respect for human rights, including the rights of ethnic minorities; existence and functioning of a market economy; ability to cope with pressures market forces within the Union; the ability to assume the obligations imposed on the EU member; including commitment to the objectives of the political, economic, monetary and legal union. These conditions are supported by convergence criteria when assessing a study registered by a specific country for EU membership.

The advantages of integration are: the free movement of people (workers) who have the opportunity to work in any EU Member State; the free movement of goods - the export of goods to EU countries without customs duties; the free movement of capital and services; the possibility for citizens to carry out financing projects in order to receive significant amounts from the EU in order to support their businesses; the benefits of belonging to a large family of the country and the security of the country; that this membership provides; the opportunity to participate in the world's largest single market, with all the opportunities associated with growth and job creation; the irreversible consolidation of the economic and political reforms undertaken since 1989; facilitating access to the Structural Funds for the development of less prosperous regions of the Union.

The mere fact that since 1957 until now, only one country out of 28 that has joined this project has asked to leave the Union, despite the restrictions imposed by the Community's rules and standards, is of great importance, which proves the longevity of this concept. If we look only at the situation in Ireland, Greece, Spain and Portugal, where, at the time of accession, the average GDP per capita was around 50% of the EU average, then one can easily see the huge economic leap that these countries have made since joining the Union. At the time of Romania's and Bulgaria's accession, the GDP of these countries was 38% and 35% of the average GDP at EU level, respectively. This prospect is encouraging for the countries of Central and Eastern Europe that have joined or are in the process of joining the EU. But EU membership does not automatically mean integration into the Union. Integration is a much more complex and time-consuming process [3, p. 26].

Disadvantages of integration. Many believe that joining the EU will lead to the loss of sovereignty and national identity, or fear that the country will become more vulnerable to competition in the European single market. In general, the disadvantages of integration are related to the costs that will be borne by both the state and citizens. These are both public expenses, which will be covered from the state budget, and private expenses, which will be borne by economic agents, and individual expenses, which will be paid for various reforms. that migration will increase and that it will be more difficult to move to CIS countries.

For example, in Romania, too, many feared that in the first five years after accession, the country would have to spend more than €25 billion to meet EU standards. Yes, each member state of the Union participates in the formation of the corresponding budget and European funds (in different proportions, which are 10, 15 or 20%, some countries 1, 2, 3% or even less than 0.5%, but at the same time they receive much larger financial amounts from European funds for the implementation of economic development programs. In Hungary, for example, almost all public construction projects are financed by EU funds. In Greece it is the same. Or another example: Romania contributed about 39.3 billion lei to the EU budget in three years (2022, 2023, 2024). At the same time, in the 15 years since accession, the country has received financial resources worth about **70 billion euros (***euros, not lei***)** from European funds for the implementation of various projects [11, p.99]. explained by scientists and those working in this field – some of them have already been mentioned above, but in practice EU membership has not affected the country.

It should be noted that when economic policy is conducted in the EU, respect for democratic principles is ensured in the activities of the European institutions. The **EU** has proven and is proving that it is the most viable integration organisation, the most advanced form of integration. In its work, the EU relies on special institutions: the *Council of the European Union, the European Parliament, which I consider to be too large in number (7****20*** *MEPs,* elected in 2024), the *European Council of Ministers, the European Commission, the Court of Justice of the European Communities (ECJ), the Court of Auditors, the European Central Bank,* etc. There are also a number of EU subsidiary bodies active in a specific area. Each of the institutions carries out its activities on the basis of the treaties adopted by the member countries. In the author's opinion, EU decision-making bodies must take concrete measures to make the work of the administrative apparatus more efficient and reduce costs for this purpose.

The role of some EU institutions of an economic and financial nature. EU Government. Traditionally, budget revenues include: a share of taxes on imports of goods into the EU (up to 25%); VAT revenues (but not more than 50% of the GNI of the member country); income from payroll tax for employees working in various EU organisations, etc. Each Member State participates in the formation of the EU budget with a share of around 1.3% of gross national income (calculated in 2018 prices), and each country's share of total EU budget revenue is different [11, p. 11. It should be noted that of the total expenditure foreseen in the EU budget for the period 2014-2020 amounting **to €1082** billion, **32.5%** was allocated to the financing of cohesion policy (**€351.8** billion).**€**) and **67.5% to finance** other policies: agriculture, research, foreign policy, etc. (€**730.2** billion). The EU's long-term budget for **2021-2027**, together with the Next Generation Recovery Instrument (NGEU), supports the recovery from the COVID-19 pandemic and the EU's long-term priorities in various areas, provides for funding of **€2.02 trillion** (in current prices) [18]. More than half of EU funding is provided through 5 European Structural and Investment Funds: *the European Regional Development Fund (ERDF); European Social Fund (ESF); Cohesion Fund (CF); European Agricultural Fund for Rural Development (EAFRD) and European Maritime and Fisheries Fund (EMFF)*. During an economic and financial crisis or pandemic, special funds are created.

Common policy of the European Union: general conclusions [11, p. 102-132]. The EU's economic policy is characterised by a better process of cooperation between Member States in terms of procedures for harmonizing interests, reaching consensus, developing and applying new forms of economic behaviour, etc. As an advanced form of understanding, the EU demonstrates that institutional harmonisation is becoming insufficiently effective, which necessitates the transfer of decision-making powers from national level to the level of the EU institutions. At Community level, common policies have emerged, developed and become more complex in response to the growing interdependence between Member States' economies for a number of reasons: mitigating the negative externalities resulting from the free functioning of the market mechanism; establishing the rules for the functioning of the market by removing obstacles of any kind to the free movement of factors; goods and services [3, p. 8-11; 4, p. 7-11].

The European Union occupies a crucial place in the development of the world economy and international economic relations. With 7.3% of the world's population, the EU is the world's third-largest economy in nominal terms and purchasing power parity (PPP). For example, in 2024, the EU's nominal GDP is estimated at US$19.34 trillion [16]. In addition, all 27 EU countries have a very high Human Development

Index , according to the United Nations Development Programmetag. The EU accounts for more than 14% of global trade in goods and services. The EU, China and the United States are the three most important global players in international trade. In 2012, the EU was awarded **the Nobel Peace Prize**. Through its foreign and security policy, the EU plays an important role in international relations and defence. The Union has permanent diplomatic missions around the world and is represented at the UN, WTO, G7 and G20.

The EU is working hard to overcome the economic crises caused by the *COVID-19* pandemic and to create conditions conducive to the development of a more competitive economy with a higher level of employment. To this end, the EU, together with the Member States, has developed and implements certain strategies. For example, in recent years, **the Europe 2020 strategy** has been successfully implemented [11, pp. 132-135]. *smarter*, through more effective investment in education, research and innovation; *sustainable* – by transitioning to a low-carbon economy; and *inclusive* – by focusing on job creation and poverty reductiontag. Another example would be **the Sustainable Europe Strategy for Europe 2030**, in which the UN Sustainable Development Goals (SDGs) are a benchmark, a policy document that identifies the key elements for the transition to sustainable development [17]. The objectives of the strategy have been endorsed at the highest political level of the EU, providing a basis for future policies and activities. The EU institutions and Member States, including regional and local authorities, will work more closely together to ensure good coordination and set targets to be achieved by 2030.

Below are some indicators of economic and social development in the member countries of the European Union and their role in the world economy [14].

GDP (nominal): 2024	▲ $19,34 trillion dollars;
GDP (PPP): 2024	▲ $26,64 trillion dollars;
GDP per capita:2024	▲ $43,300(nominal); ▲ $59,050 (PPC);
Export	8.705 trillion dollars (2021);
Import	8.037 trillion dollars (2021);
Inflation (CPI))	7.5% (March 2022);
Average salary	€2.792 per month (2021);

Total FDI	€5.2 Trillion $ (in appearance, 2012);
Gross external debt	$13.05 Trillion $ (31 December 2014);
Total foreign investment	▲ –€2,557.4 Billion; 17,5% GDP (2015);
Economic Assistance (Donations)	ODA, $87.64 Billion.

Cooperation of the Republic of Moldova with economic and financial institutions [11, p. 154-184]. Aware of the realities of the system of international economic relations, after the proclamation of independence, the Republic of Moldova focused its efforts on promoting an active foreign economic policy. Since 1992, the Republic of Moldova has become a member of the most authoritative international financial and economic bodies. This marked the beginning of the country's self-assertion on the international arena, allowed it to obtain profitable state loans and credits, etc. Cooperation with the most important actors in the field of international monetary and financial management *(IMF, WB, WTO, EBRD, EIB,* etc.) It is of particular interest to any country, as they are called upon to accelerate the process of harmonisation of international economic cooperation and the implementation of consensus at regional level, having the opportunity to contribute in a timely manner to the correct dissemination of global objectives on a macroeconomic scale. In this context, the Republic of Moldova promotes active cooperation with the main international and regional economic and financial bodies.

Relations of the Republic of Moldova with the IMF [11, p. 155-158]. The International Monetary Fund is an international organization whose purpose is to promote international monetary cooperation, promote the balanced expansion and growth of international trade, as well as promote currency stability. The Republic of Moldova became a member of the IMF on August 12, 1992, benefiting from the financial assistance of this organization to support various economic programs and policies of national authorities, as well as technical assistance in a number of sectors, including monetary policy/central bank organization, monetary reporting system, banking supervision, etc. Since 1992, the relations of the Republic of Moldova have also carried out a good partnership activity with **the World Bank (WB) group.** The World Bank advocates for better governance and transparency, supporting important reforms, investing in roads, energy, agriculture, schools, health facilities, thus contributing to improving the living standards of citizens. During this period, in total, more than 1.5 billion dollars have been allocated for over 70 operations in Moldova, over the years a number of projects have been implemented, significant progress in various fields, but the speed of reforms could be higher. **The World Bank's current program for Moldova** includes **12 projects** with a total commitment of **US$650 million**. Areas of support include regulatory reform and business development, modernization of public services, tax administration, cadastral registration, education, roads, health, agriculture, water, sanitation, and energy. Moldova for the period 2023-2027, supporting the Government's efforts to transition to a new economic model well aligned with *the priorities of the National Development Plan of the Republic of Moldova "European Moldova 2030"* [11, p. 158-162].

Relations of the Republic of Moldova with the WTO [11, p.163-173]. The purpose of joining the World Trade Organization was to accelerate the process of integration into the world economy, which would allow the creation of a democratic society with a market economy. On July 26, 2001, after 7 years of negotiations in the GATT and WTO, the country became a full member of the WTO. The impact of accession was extremely important from both an economic and social point of view. Accession to the WTO, together with the European integration process, has become a catalyst for economic transformation and reforms in the country, significantly increasing trade in goods through reduced tariffs, minimal trade barriers and predictable regulations. The trade structure has also improved due to the policy of export diversification, both in terms of partners and types of products. Accession to the international trading system within the WTO has also contributed to the economic and resident development of the country. In recent decades, the geographical orientation of the country's foreign trade has changed significantly, becoming predominantly EU-oriented. At the same time, there is an alarming situation in this area, for many years imports have significantly exceeded exports of goods and services (Table 1).

Table 1. Foreign trade of the Republic of Moldova in recent years.

Year	EXPORT ($ million)	Uniunea Europeană	CSI	Other countries	IMPORT ($million)	Uniunea Europeană	CSI	Other countries
2000	▲471.5	35,05%	**58,56%**	6,39%	▲776.4	**53,22%**	33,46%	13,32%
2010	▲1.541.5	**47,29%**	40,48%	12,23%	▲3.855.3	**44,20%**	32,60%	23,20%
2015	▼1.966.8	**61,90%**	25,03%	13,07%	▲3.986.8	**49,01%**	25,53%	25,46%
2020	▲2.467.1	**66,5%**	15,2%	18,3%	▲5.416.8	**45,3%**	24,1%	30,6%
2023	▲4.048.6	**65,4%**	22,2%	12,4%	▲8.673.7	**48,3%**	18,6%	33,1%

Source: Author's Ela based on NBS data from the Republic of Moldova.

Relations of the Republic of Moldova with the EBRD [11, p.173-175]. The European Bank for Reconstruction and Development is an international organization whose purpose is to support the economic development of the countries of Central and Eastern Europe, the Southern and Eastern Mediterranean and Central Asia, as well as to disseminate the principles of a market economy, to encourage private initiative and entrepreneurship. The Republic of Moldova became a member of the EBRD on 5 May 1992. is €30.01 million. During this period, the republic has received and continues to receive financial support from the EBRD. Since joining the Republic of Moldova, 163 projects have been implemented, with a total investment of over 2 million euros. The EBRD will provide financial support for the modernisation of rail infrastructure by providing a loan of €23 million in two instalments over a period of 15 years.

Cooperation between the Republic of Moldova and the EIB. The European Investment Bank is interested in developing cooperation relations with the Government of the Republic of Moldova [11, p. 176-179]. In recent years, the Republic of Moldova intends to focus on infrastructure development projects, and in this regard, the role of the EIB is important in implementing these objectives of the government. Currently, *10 EIB projects* are being implemented in the Republic of Moldova, with a budget of over *€423 million.*For example, *EIB Global will invest €41.2 million in the rehabilitation of Moldova's railway infrastructure.* It should be noted that since the start of its activities in Moldova in 2007, the EIB has allocated **more than €1.19 billion to 33 projects**, supporting EU policy objectives in the following sectors: transport, energy, small and medium-sized enterprises, agriculture, municipal infrastructure [11, p. 176-179].

In the Republic of Moldova, a number of projects are also implemented with the financial support of other international and regional economic and financial organizations, such as: the United Nations Development Programme (**UNDP),** with which it works in almost 179 countries and territories; The Food and Agriculture Organization of the United Nations (**FAO),** which in recent years has provided support and assistance to Moldova through **15 projects** worth **about 2 million dollars and in 5 other regional projects**, our country was also a beneficiary; **USAID** (United States Agency for International Development), which contributes to the consolidation of the Republic of Moldova as a competitive and democratic European country, contributing to the country's economic growth.

Republic of Moldova in regional and cross-border cooperation [11, p.186-200]**.** In the country's foreign policy, regional cooperation is an additional dimension of the European integration agenda as an integral part of economic diplomacy. The Republic of Moldova, being at the crossroads of several regional structures, has actively participated in a number of international organizations and initiatives in recent years – the Council of Europe, the United Nations Economic Commission for Europe, the Eastern Partnership with the EU, the Black Sea Economic Cooperation Organization, regional cooperation with South-Eastern European countries, cross-border cooperation, etc. The Black Sea region is a subject of priority interest, in the long term, in the country's foreign policy. In 2007-2013*, a total* of 40 joint projects *with partners from the Republic of Moldova* were financed within the BSEC. Another example of regional cooperation is the interaction of the GUAM countries **(**Georgia, Ukraine, Azerbaijan and the Republic of Moldova). Initially, there were five states (including Uzbekistan) with the name GUUAM. However, in reality, the work of this regional structure leaves much to be desired. At the same time, it should be noted that from the very beginning the Russian authorities and experts had a negative attitude towards GUAM, seeing in it a threat to their interests, very much wanting to maintain political control in the region through very specific methods. *cross-border cooperation structures within the Euroregion with* Romania and Ukraine.

Moldova – candidate for EU accession; EU accession procedure has begun. With the implementation of the Association Agreement, the liberalization of the visa regime and the gradual integration into the EU internal market, the Republic of Moldova is effectively integrated into the European political and economic space. On 28 November 1994, the Partnership and Cooperation Agreement (PCA) was signed. The next step was the adoption of the European Neighbourhood Policy Action Plan, adopted in February 2005. replaced by the Association Agenda agreed on the basis of the Association Agreement between the Republic of Moldova and the EU.

It is worth noting that, due to the political instability in the republic, at certain stages these cooperation relations were not maintained at the appropriate level. With the election of Mrs. ***Maia Sandu*** as president of the country in 2022, everything changed radically. European integration remains the main and irreversible objective of the internal and external agenda of the Republic of Moldova. In recent years, a number of important events have taken place in support of the European pathway. On May 21, 2023, the Grand National Assembly was held in Chisinau with the participation of tens of thousands of people, at which the resolution on the European integration of the Republic of Moldova – "**European Moldova**" – was presented; On June 1, 2023, the Republic of Moldova hosted the European Political Community Summit, attended by about 50 leaders from Europe, where the topics of European security, cooperation and energy issues were discussed.

In 2014, the Republic of Moldova, together with all EU member states, signed the Association Agreement, on June 23, 2022, the European Council granted the country the status of candidate country, and on December 15, 2023, the EU decided to start accession negotiations with the Republic of Moldova, and Ukraine decided to hold a referendum to objectively establish the citizens' wishes regarding the country's integration process into the European Union.

Summaries and conclusions

International economic integration is a special form in international economic relations. The process of international economic integration can be considered as a qualitatively superior method of economic cooperation between countries, which is carried out in different forms on the basis of certain agreements. This usually requires a transition period to make the necessary adjustments between partner countries. Currently, there are more than 20 international integration economic associations in the world, which include the main regions and continents of the globe (NAFTA, CELAC, MERCOSUR, APEC, G7, G20, EU, BRICS, SCO, CIS, UVEA, GUAM, etc.). *The EU considers itself the most advanced form of integration, being* a political and economic union of 27 member states. A special role in the development of the international economic integration process is played by the economic and financial bodies of the United Nations (IMF, IBRD, WTO, etc.), transnational companies and various other international and regional organizations.

In 2014, the Republic of Moldova, together with all EU member states, signed the Association Agreement, on 23 June 2022, the European Council granted the country the status of candidate country, and on 15 December 2023, the EU decided to start accession negotiations with Moldova and Ukraine. In October 2024, a referendum was held in the republic, where the majority of the population voted in favor of Moldova's integration into the EU. The main task is to successfully conduct these negotiations, in order to ensure the implementation of the tasks set to promote the necessary reforms in our country. It is necessary to strengthen the country's society in order to successfully secure its path to EU membership. Deepening the country's integration into international and regional economic structures and, first of all, its integration into the EU is aimed at economic development and improving the living standards of the population.

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