



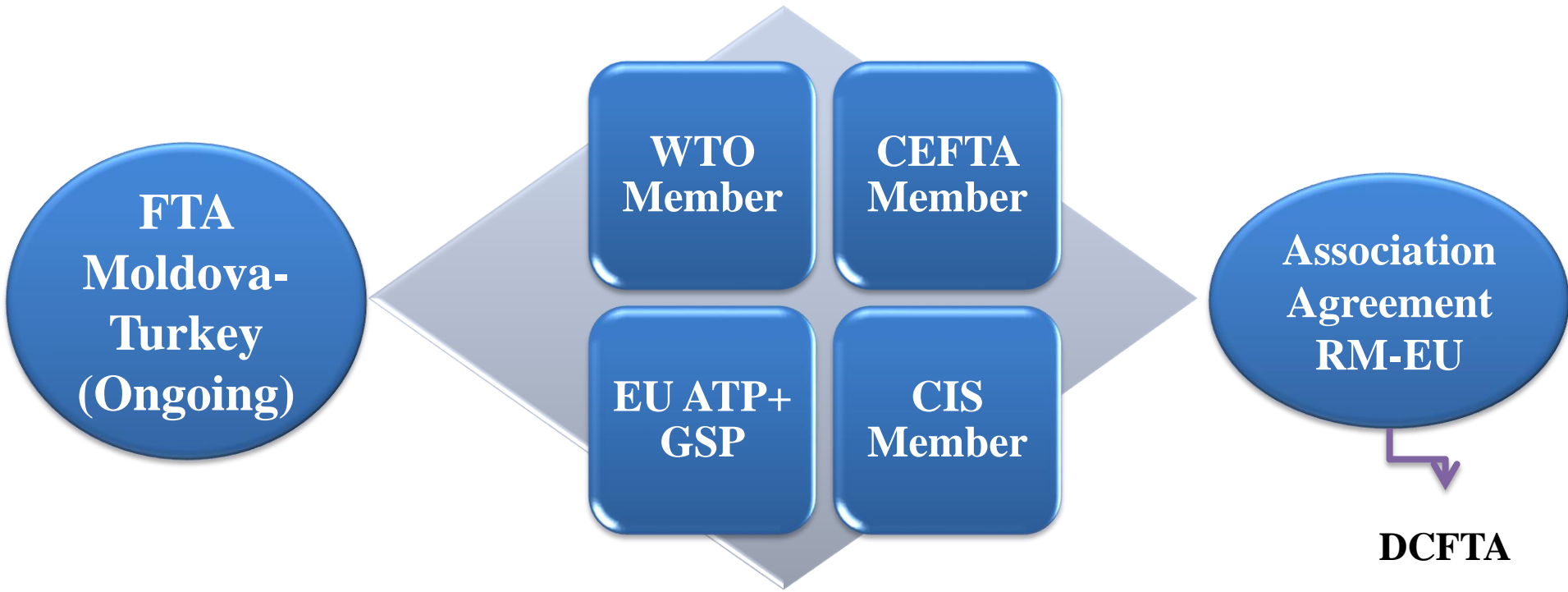
Regional Economic Integration of the Republic of Moldova: Opportunities and Challenges

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Moldova,
Chişinău 2015

Republic of Moldova: geo - economic favorable position

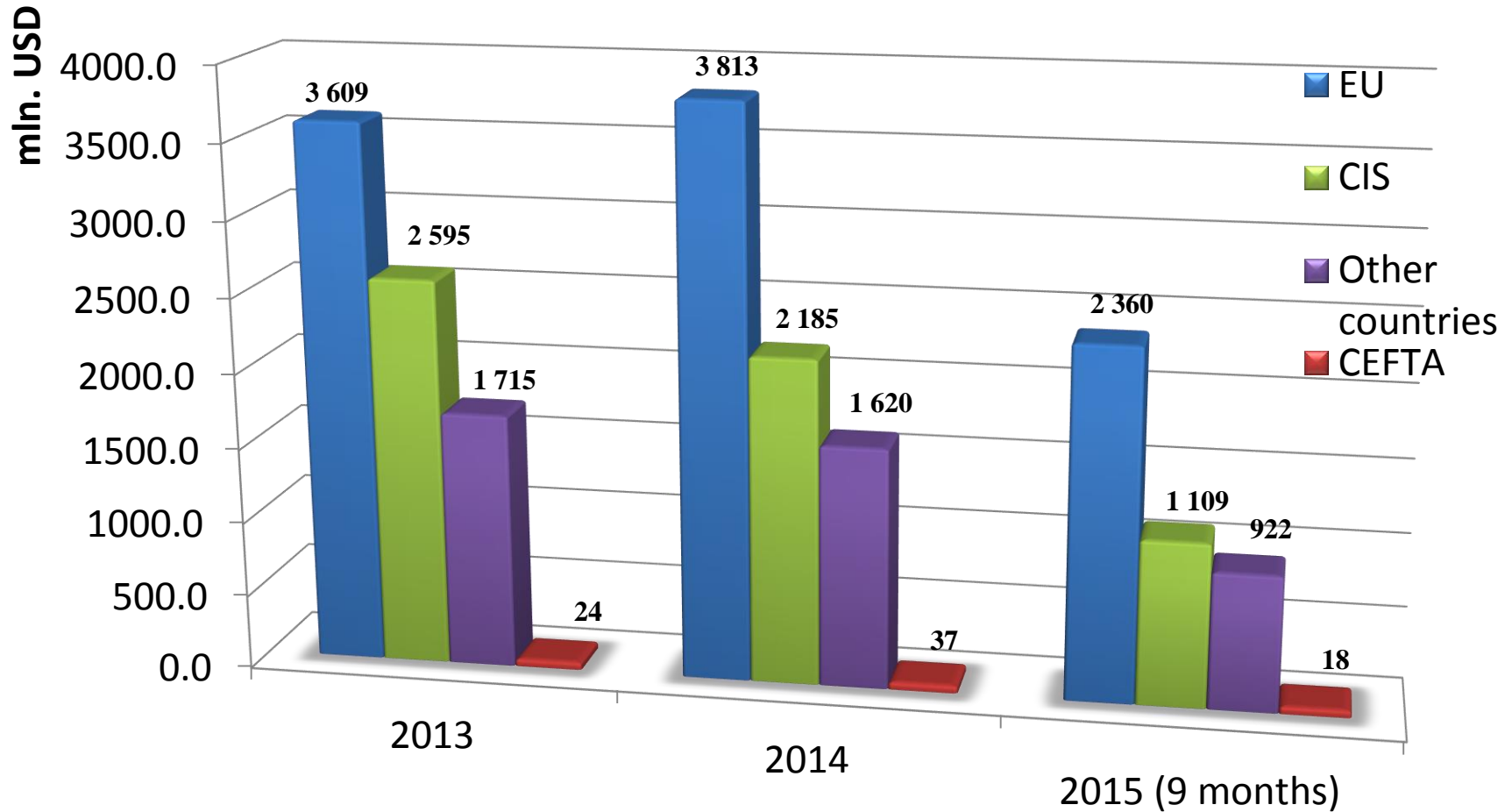


Regional Integration Efforts of RM

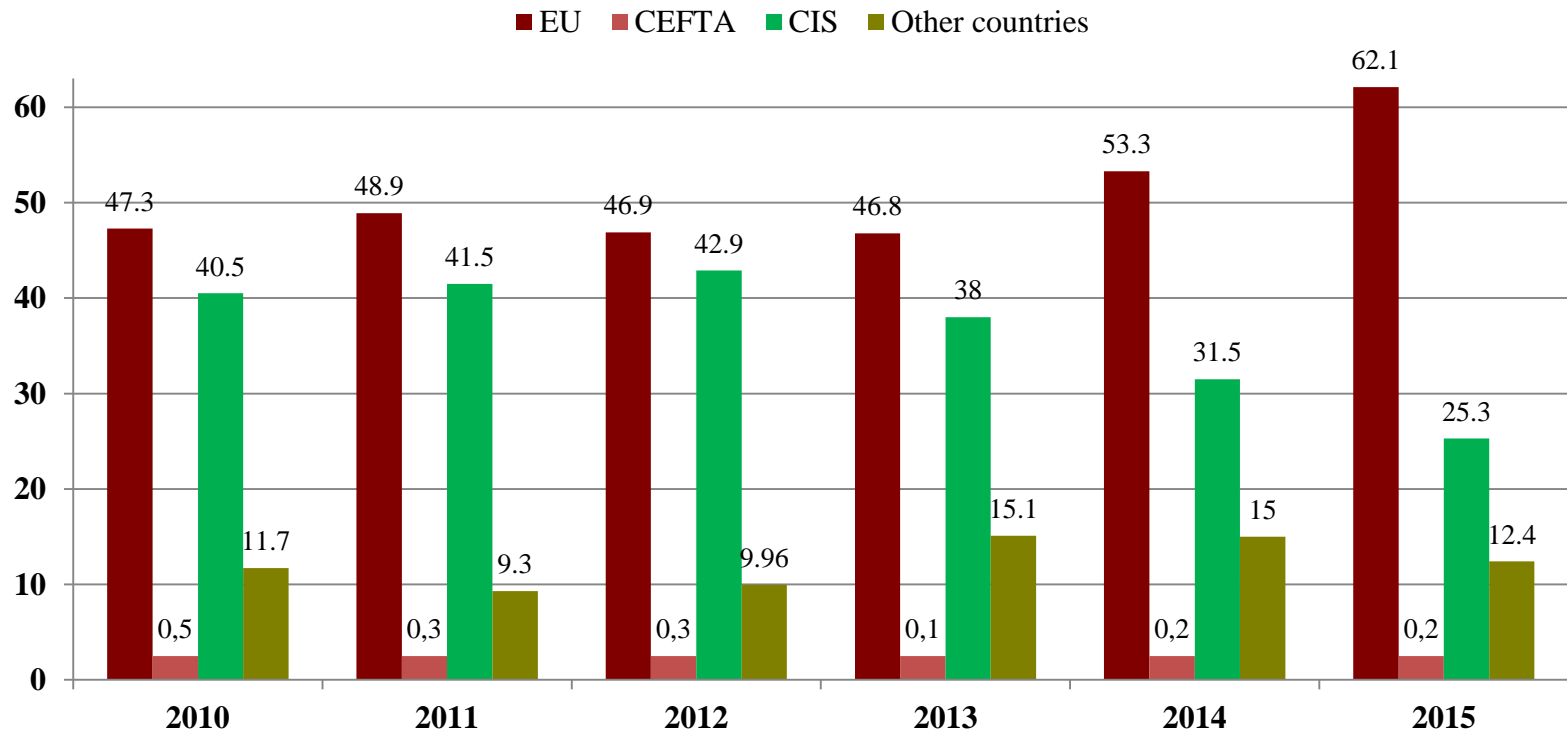


FTA's provide access to markets in 44 countries with 809 million consumers

Trade flows of the Republic of Moldova with the main trading blocks (EU-CEFTA-CIS)



Export share of the main trading blocks (EU-CEFTA-CIS) %



Regional integration in the context of the implementation of the Association Agreement and DCFTA

European integration remains a key priority, which marks the entire set of policies promoted by the Republic of Moldova.

We are aware that the political, economic and social modernization of the country can only be achieved as a result of the implementation of all commitments and obligations undertaken by the Republic of Moldova in the process of European integration.



Results of the implementation of the RM commitments under the Association Agreement and DCFTA

Technical barriers to trade, standardization, metrology, accreditation and conformity assessment:

- **It was approved a series of Governments decisions on market surveillance, general safety of products, technical regulations fields;**
- **A total of 10500 European standards were adopted so far as national ones ;**
- **Was consolidated and enhanced the cooperation with the EU institutions in the field of standardization, accreditation and conformity assessment.**

Sanitary and phytosanitary issues:

- **Have been transposed a series of important European Directives referring to measures necessary for protection of health and life of humans, animals or plants.**

Results of the implementation of the RM commitments under the Association Agreement and DCFTA

Customs and Trade Facilitation:

- ✓ 2014 - Implementation of the *Authorised Economic Operator (AEO)* with green lines for AEOs at all border crossing points;
- ✓ 2015 - *89 companies* successfully registered as AEOs;
- ✓ 1st July 2015 - Launching of the pilot project of the recognition of the *AEO* at the ost *Leuseni – Albita*;
- ✓ Currently, the Customs Service implements a quality management system certified according to *ISO 9001:2008*.
- ✓ May 2015 -The *PanEuroMediterranean* Convention on preferential rules of origin *was adopted* (Law nr.111, 28 May 2015);

Market access for goods:

- ✓ 1st January 2015 - came into force *the Combined Nomenclature of Goods*, based on the EU classification (HS2012);
- ✓ The implementation of “ASYCUDA WORLD”



Results of the implementation of the commitments under the Association Agreement and DCFTA

Intellectual Property Rights:

At the date of signing of the EU-Moldova Association Agreement, the Republic of Moldova's IP legislation was to a large extent harmonized with the EU one. Moreover, the Republic of Moldova is party to all international treaties and agreement on IP issues the parties committed to accede to and its legislation was brought in line with the respective standards.

Competition:

In 2015, the main efforts in the competition sector were directed to strengthen the State Aid legislative and normative base mainly by the creation of a viable informational system and approving 10 different Regulations on State Aid for various key economic sectors.

Information society:

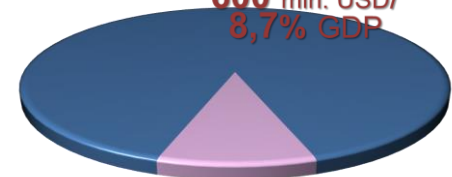
Important progress in legal approximation related to the **electronic signature and electronic document; Single National Emergency Call 112**; the Program on the transition from analogue terrestrial television to digital terrestrial and information technology industry parks.



98%
3G coverage

GDP
5.3 bill. USD
4G

600 mln. USD/
8,7% GDP

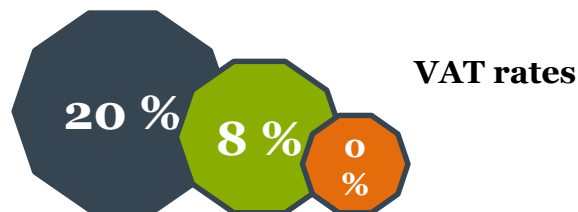


Moldova's comparative advantages

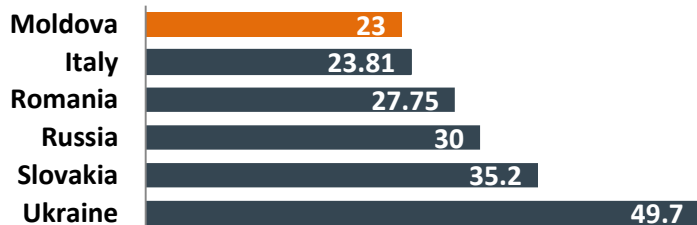
Corporate income tax (CIT)



Value added tax – standard rate



Social insurance contributions



	Employer	Employee
Personal income tax		7%, 18%*
Social insurance contributions	23%	6%**
Health insurance contributions	3.5%	3.5%
Total	26.5%	27.5%

Investment opportunities in Moldova

There are numerous investment opportunities

■ Agriculture & Food Processing

- Fertile soil for corn, fruits & vegetables;
- Free access on EU market w/o custom duties & tariff quotas for most products;

■ Wine

- Great potential for the wine industry;
- Ideal conditions: climate, latitudes 46-48° (France & northern Italy), slopes;

■ Banking

- Banking system has been mostly privatized and streamlined, but still offers opportunities;

■ ICT

- ICT products export;
- Well trained work force;
- Taxes incentives for IT companies;

■ Energy

- Upgrade power-generating facilities;
- Develop alternative energy sources;

■ Transport

- Roads rehabilitation and maintenance;
- Public transport;

■ Utilities infrastructure

- Construct/modernize water and sewerage systems;
- Waste management;

■ Business infrastructure

- Free Economic Zones;
- Industrial parks;
- Business and Innovation Incubator;

**Government support
programs to boost equity
investments**

Privatization

**Public-Private
Partnership**

Benefits of Investing in Moldova

- Geo economical advantageous position
- Benefits from public-private partnership
- Equal rights for all investors
- International collaboration benefits
- Free Economic Zones incentives
- Industrial Parks opportunities
- Fiscal facilities (Exemption from tax payments (VAT and customs duties) of imported raw material used for the production with export destination (deferred payment for 180 days))

Free Economic Zones

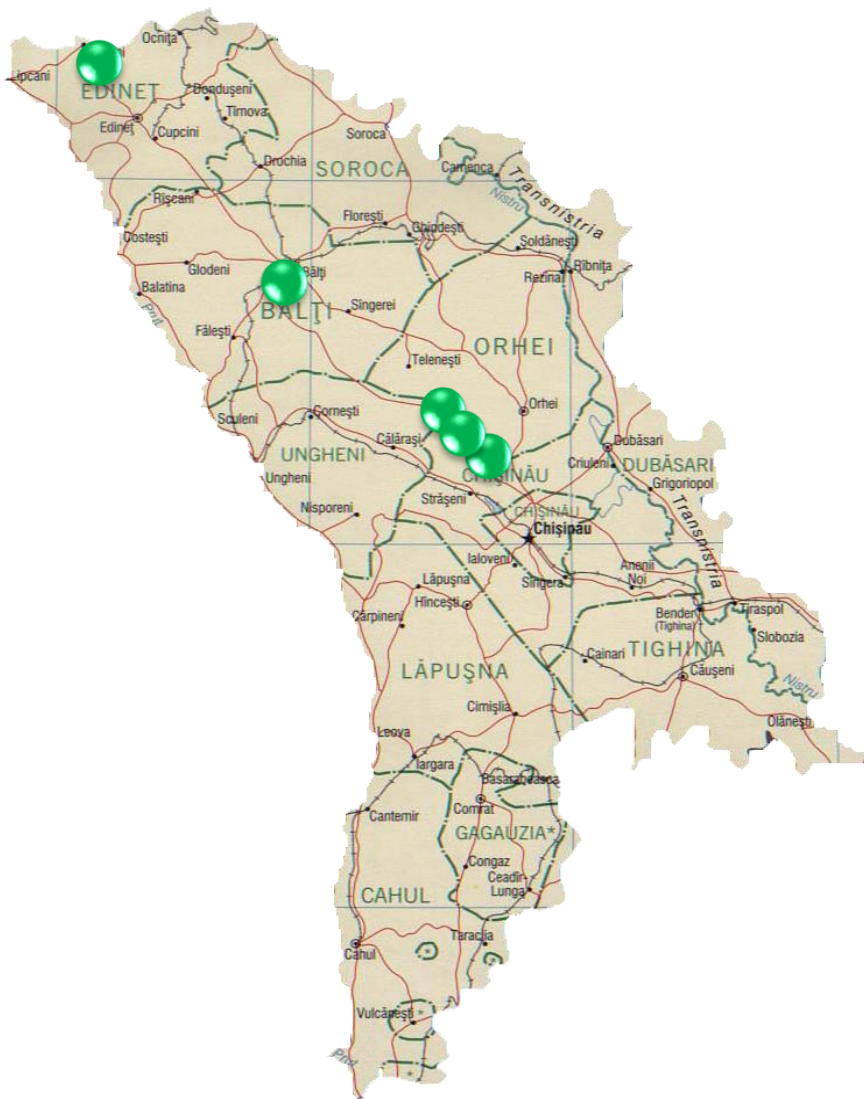
50% of national corporate income tax

3 and 5 years income tax exemption if investing 1 and 5 million USD

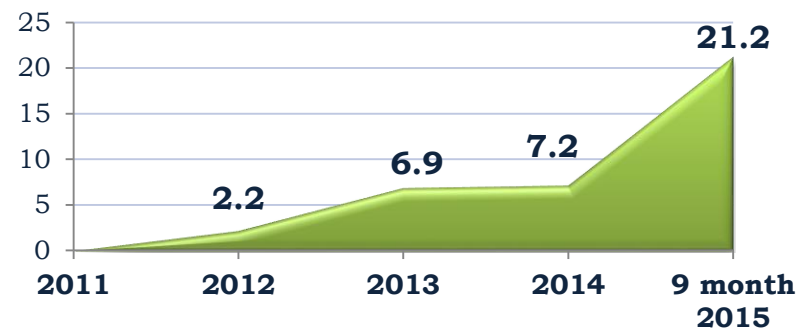
VAT and excise duties exemption



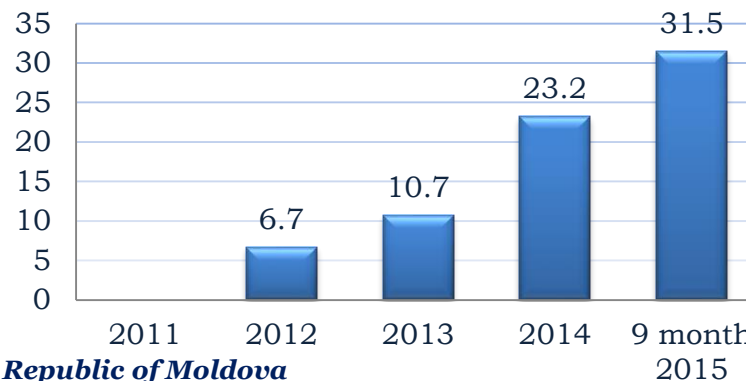
Industrial Parks (4th year of development)



Volume of investments, mil. USD



Income from sales, mil. USD





Thank you !

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