

# MOLDOVA

Your next destination  
for investments

**Why Moldova?**

# KEY FACTS



Name:

**Republic of Moldova**



Capital:

**Chişinău ca. 814,000**



Population:

**3.55 million** (January 1st, 2019)



Area:

**33,847 km<sup>2</sup>**

Language:

 **Romanian** (Official)

Other spoken languages:



Currency MDL:

**1 EUR = 20 MDL** (October, 2020)

**EMPLOYMENT  
RATE**  
2019

**40.1%**

**INFLATION  
RATE**  
2019

**4.23%**

**GDP per capita**

**\$ 4.563**

# THE REPUBLIC OF MOLDOVA- YOUR BRIDGE TO WEST AND EAST

## FREE TRADE AGREEMENTS WITH:

- European Union – Moldova Association Agreement (DCFTA) – 2014
- Community of Independent States (CIS) (2012)
- Turkey (2017)
- CEFTA countries (2007)
- GUAM countries (2002)
- Member of the World Trade Organization (WTO) – 2001
- Agreements on mutual promotion and protection of investments (34 countries)

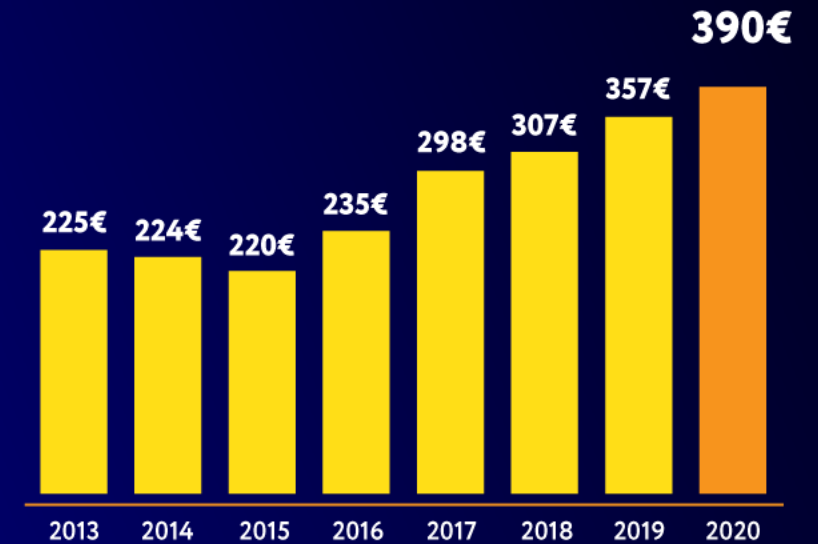


Launched negotiations with China  
Consultations with EFTA member states & Egypt



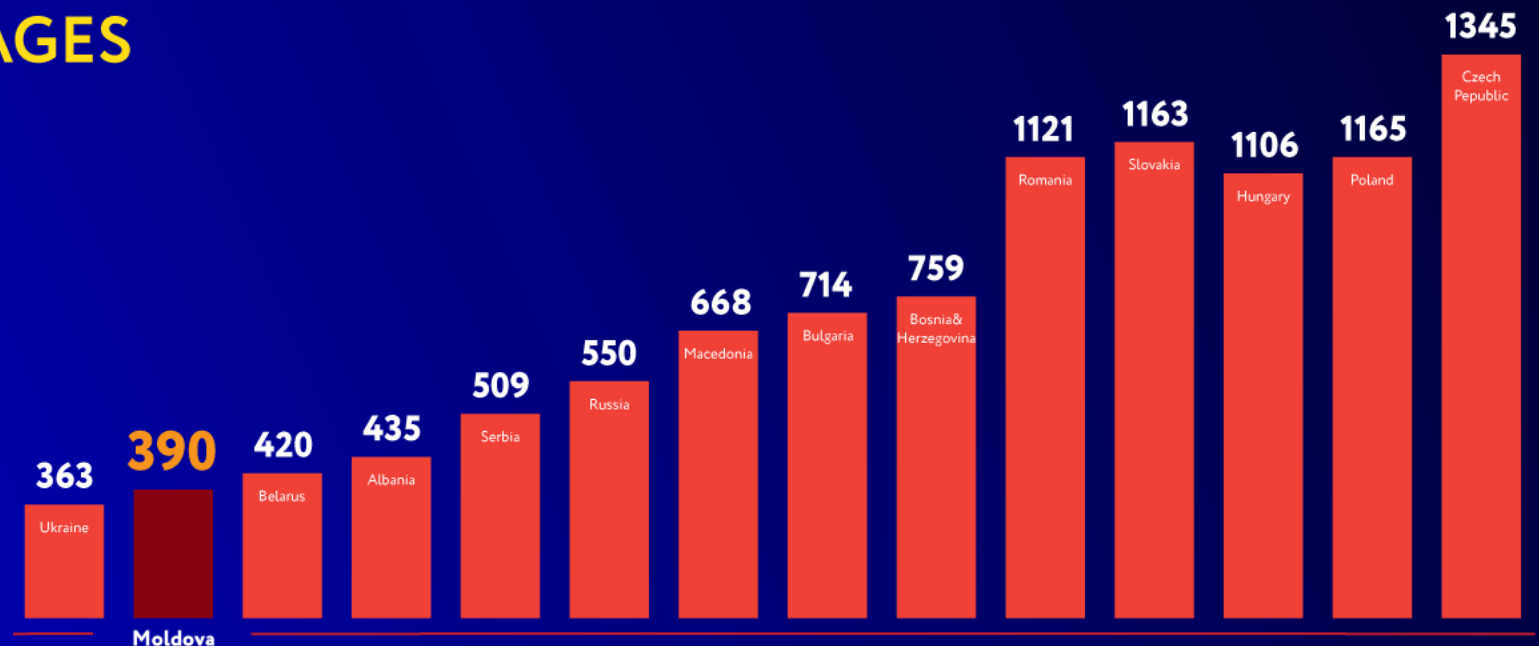
# EVOLUTION OF THE AVERAGE GROSS SALARY IN THE ECONOMY

Source: National Bureau of Statistics, 2020



## AVERAGE MONTHLY WAGES IN COMPARISON

Source: Trading Economics, Wages, 2020



# RENTAL PRICE



2-4 EUR/m<sup>2</sup>  
0.8-2 EUR/m<sup>2</sup>  
in FEZs

Moldova



3.5-4.5 EUR/m<sup>2</sup>

Romania



4-5 EUR/m<sup>2</sup>

Serbia

Consumer Prices ( incl. rent)  
in Chişinău are:

21% - lower than in Budapest

17% - lower than in Bucharest

17% - lower than in Krakow

## UTILITY COSTS, 2020

### ELECTRICITY

“Premier Energy”

0.09 EUR/kWh - 0.4 kV  
0.07 EUR/kWh - 6.10 kV

“FEE Nord”

0.01 EUR/kWh - 0.4 kV  
0.08 EUR/kWh - 6.10 kV

### WATER

1.8 EUR/m<sup>3</sup> - Ceadîr-Lunga

1.62 EUR/m<sup>3</sup> - Călăraşi

1.72 EUR/m<sup>3</sup> - Soroca

### SEWERAGE

1.12 EUR/m<sup>3</sup> - Ceadîr-Lunga

1.33 EUR/m<sup>3</sup> - Călăraşi

1.13 EUR/m<sup>3</sup> - Soroca

### GAZ

0.19 EUR/m<sup>3</sup> - high pressure

0.2 EUR/m<sup>3</sup> - medium pressure

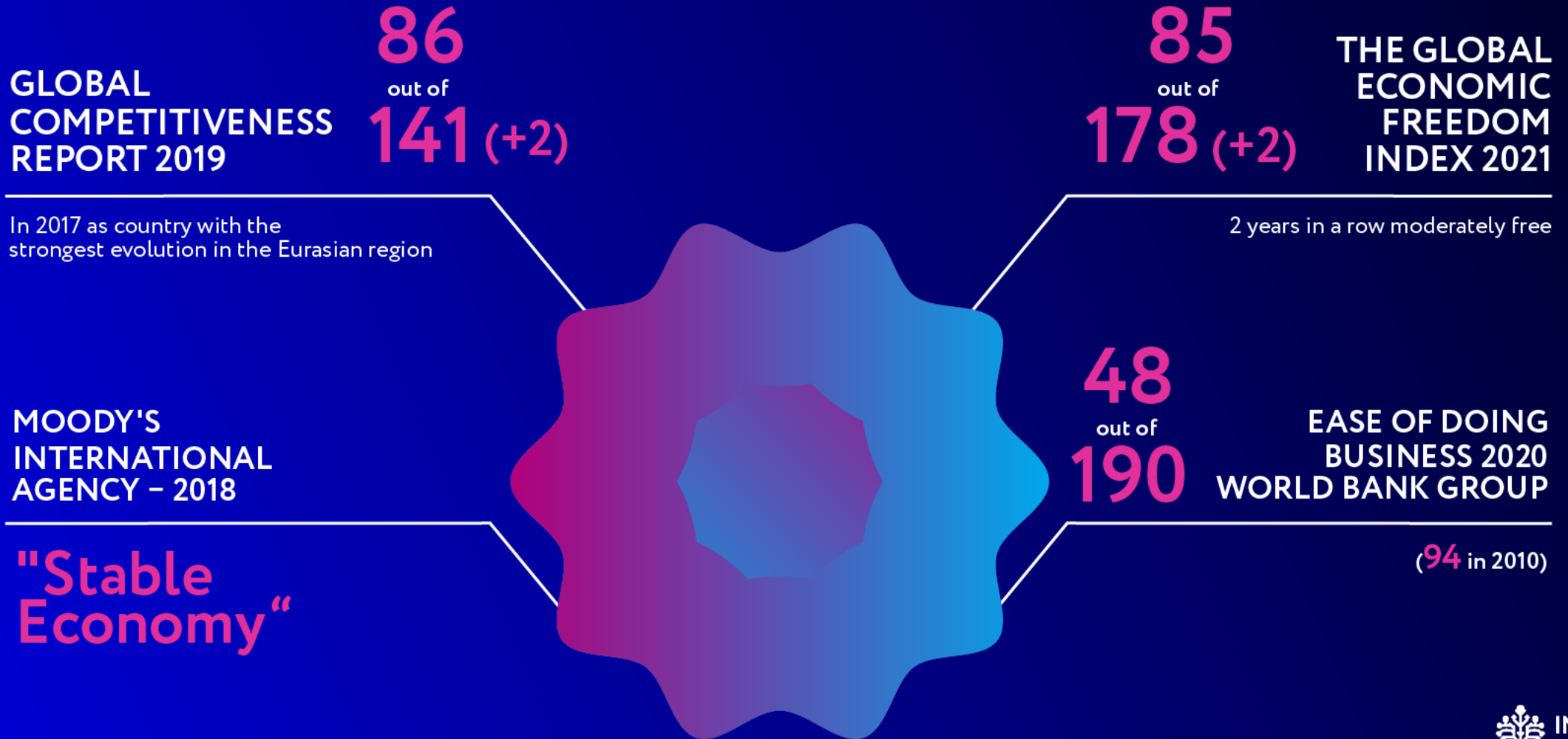
0.22 EUR/m<sup>3</sup> - low pressure

Water and sewerage is subject of change, depending on the region.

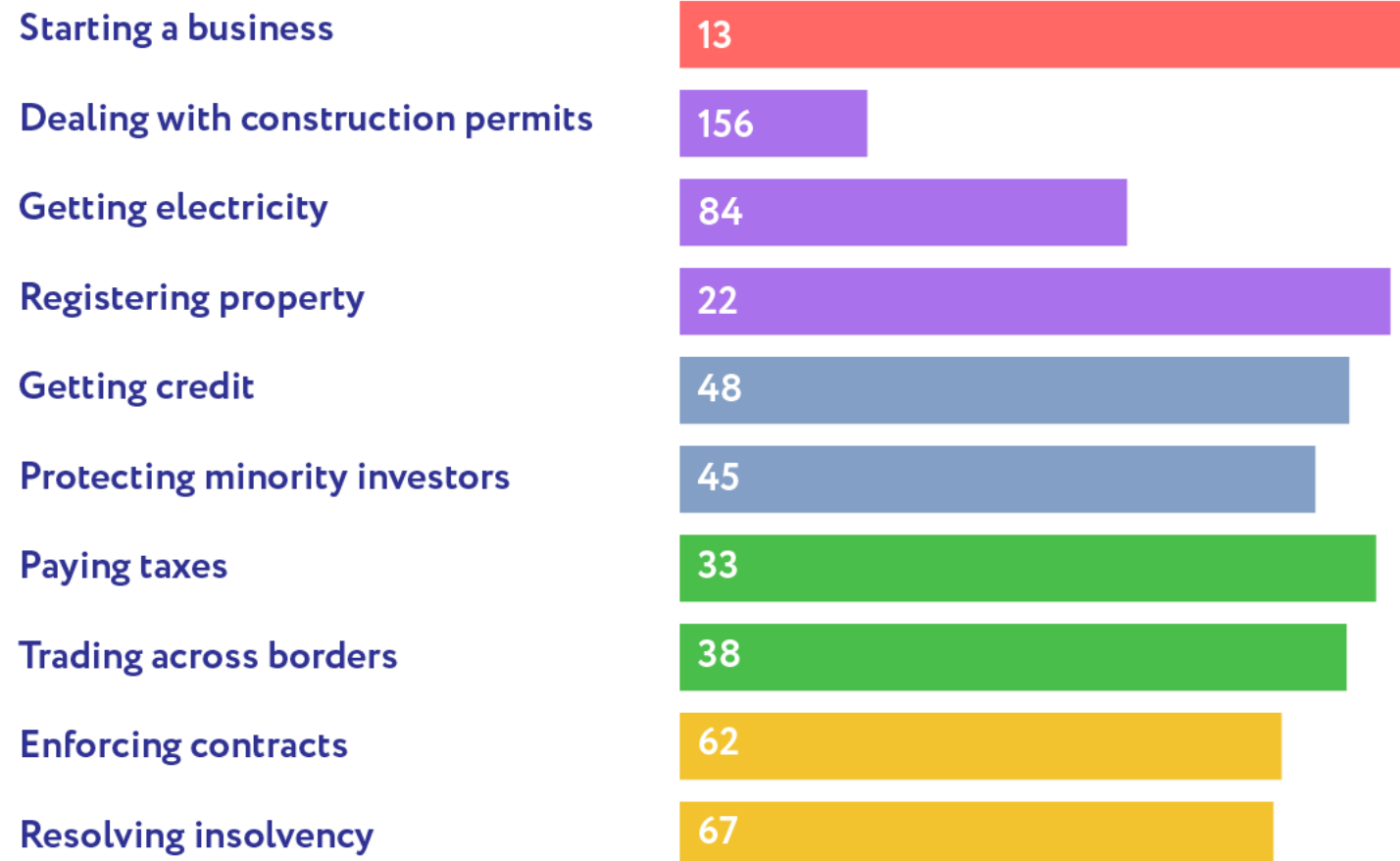
Source: [www.numbeo.com](http://www.numbeo.com)



# MOLDOVA- INTERNATIONAL RAITINGS



# EASE OF DOING BUSINESS- 2020



The Republic of Moldova  
is ranked

**48**  
out of  
**190**

**1** day and **3** procedures

only to register a business  
in Moldova

exceeding:  
Hungary, Romania, Italy, Greece



# MOLDOVAN TRADE STRUCTURE

## EXPORTS 2020

Total volume of Moldovan Exports  
2,485 mln. USD

**-10.58%**



**European  
Union**

1,658 mln. USD  
(66,73%)  
**-6.9%**

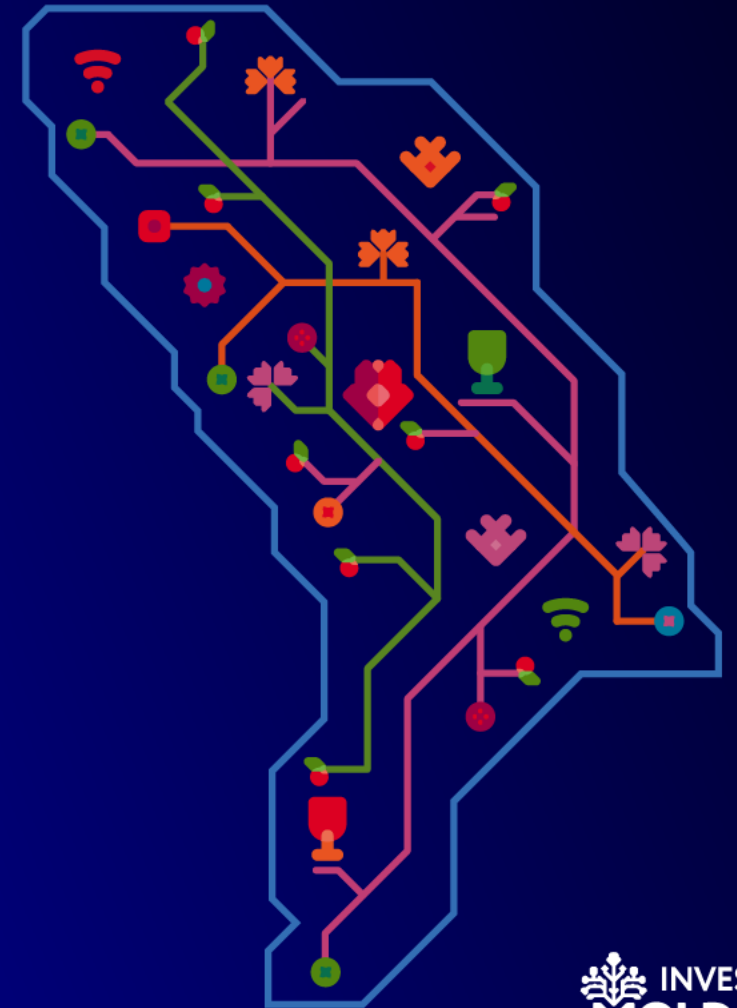
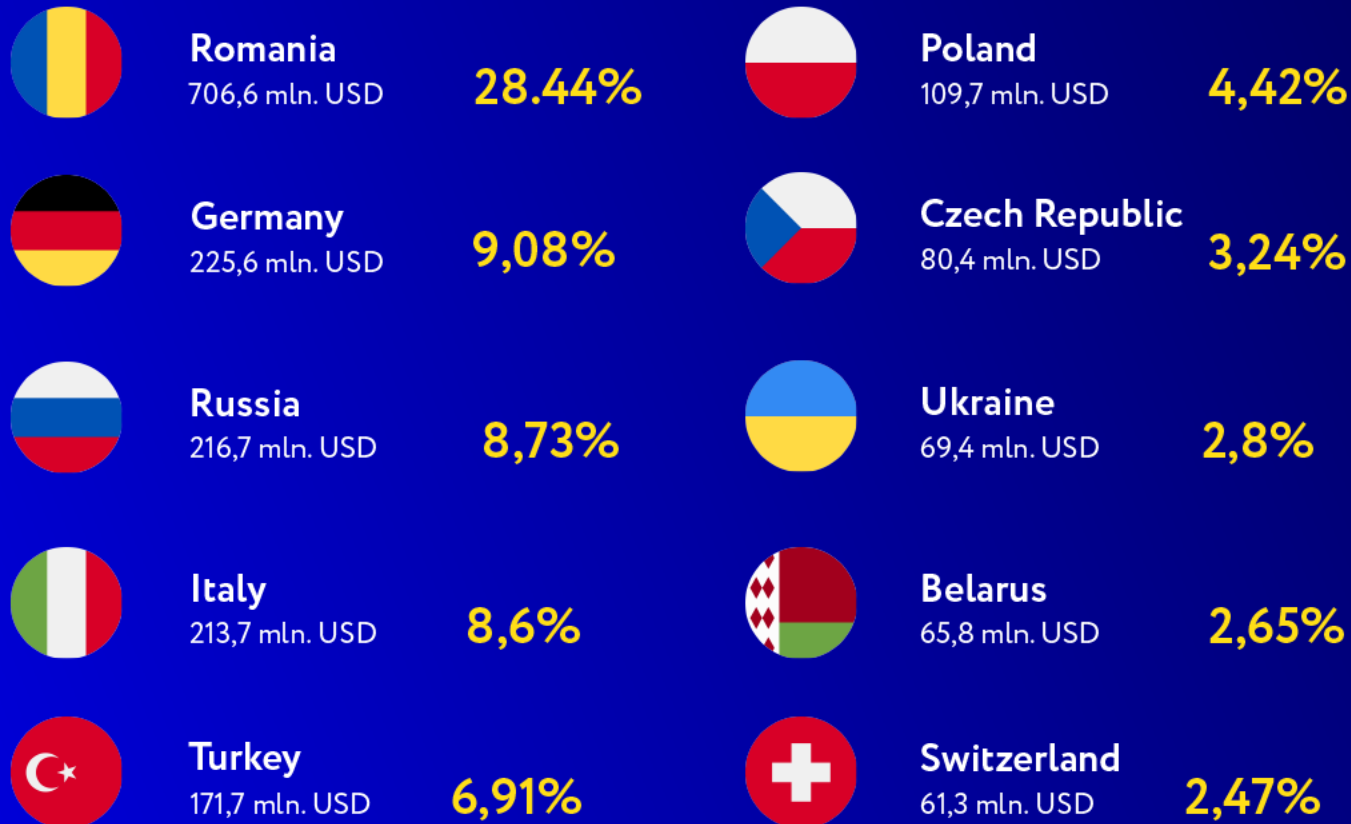


**Commonwealth  
of Independent States**

376.9 mln. USD  
(15,17%)  
**-13.35%**

# MOLDOVAN TRADE STRUCTURE

## EXPORTS 2020



# MOLDOVAN TRADE STRUCTURE

## IMPORTS 2020

Total volume of Moldovan Imports  
**5,415.7 mln. USD**

**-7.3%**



**European  
Union**

**2,470 mln. USD  
(45.62%)  
-12.7%**



**Commonwealth  
of Independent States**

**1,317.6 mln. USD  
(24.33%)  
-7%**

**Other  
countries**

**30.05%**

# MOLDOVAN TRADE STRUCTURE

## IMPORTS 2020



**China**

645 mln. USD

**11,9%**



**Romania**

631.5 mln. USD

**11,7%**



**Russia**

603.1 mln. USD

**11,1%**



**Ukraine**

527.5 mln. USD

**9,7%**



**Germany**

452.2 mln. USD

**8,4%**



**Turkey**

388.2 mln. USD

**7,2%**



**Italy**

346.8 mln. USD

**6,4%**



**Poland**

217.1 mln. USD

**4,0%**



**France**

121.2 mln. USD

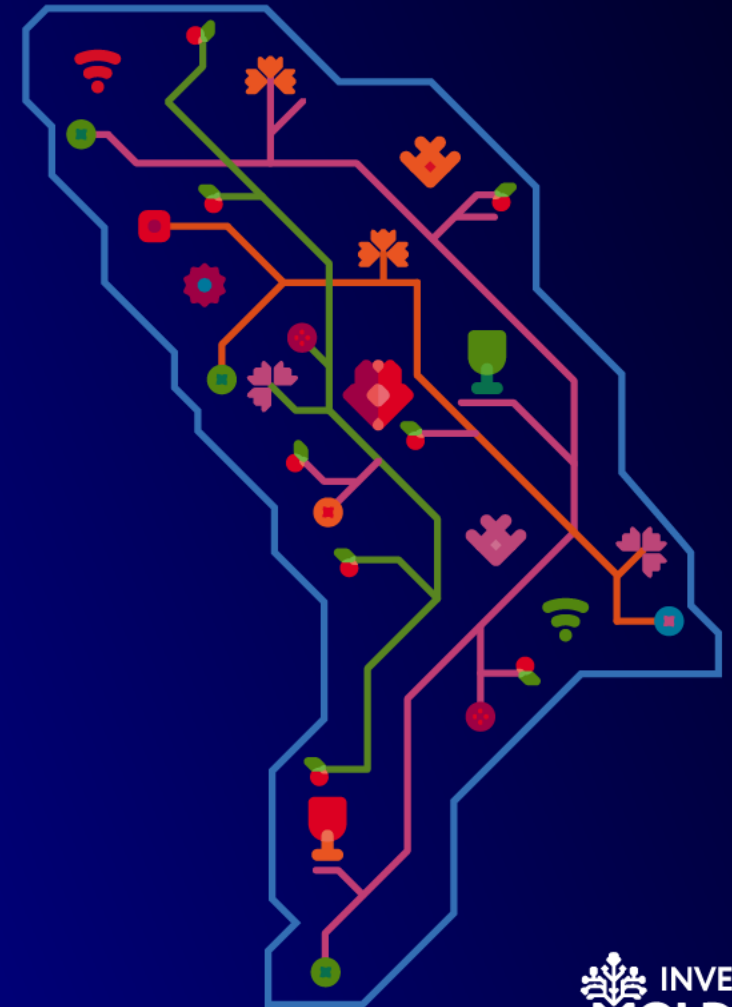
**2,2%**



**Belarus**

113.9 mln. USD

**2,1%**



# FOREIGN DIRECT INVESTMENTS 2019

Direct investments  
in the form of shares  
and accumulated shares



European Union  
countries

■ 81,7%

CIS  
countries

■ 6%

Other  
countries

■ 12,3%



**FDI net inflows 2019**

**\$ 501.61 million** (+225% more compared to 2017)

**New investments** in Moldovan enterprises

**\$ 434.66 million** (61% more compared to 2018)

**Reinvestment of profits** by foreign investors  
in Moldovan subsidiary companies

**\$ 50.97 million** (25% decrease from 2018 )

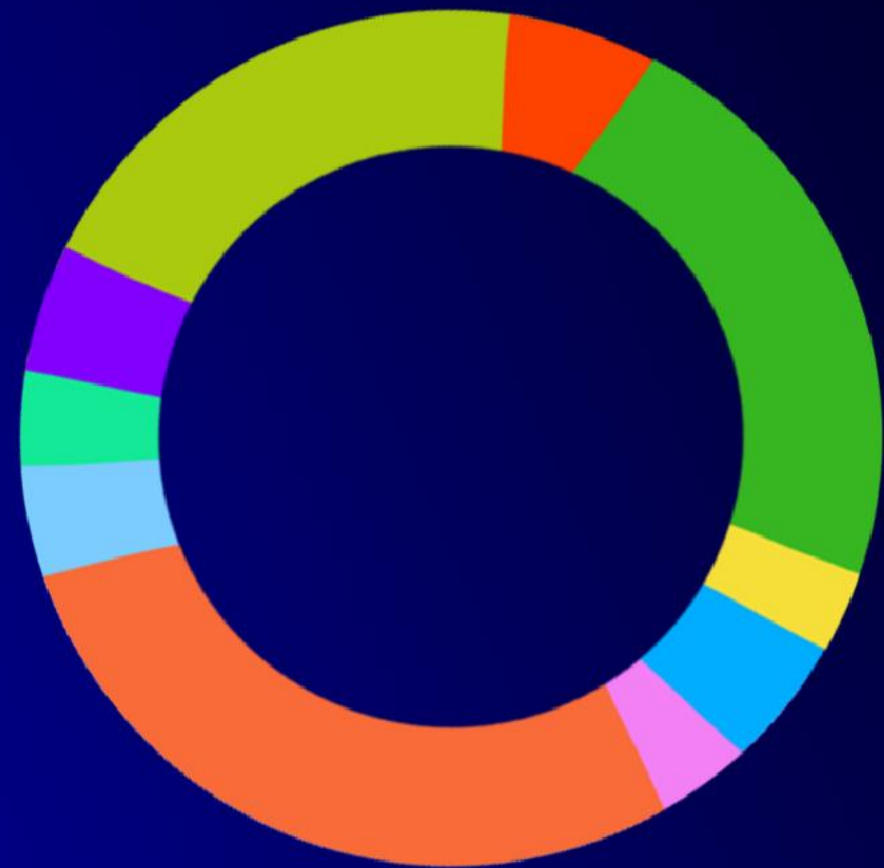
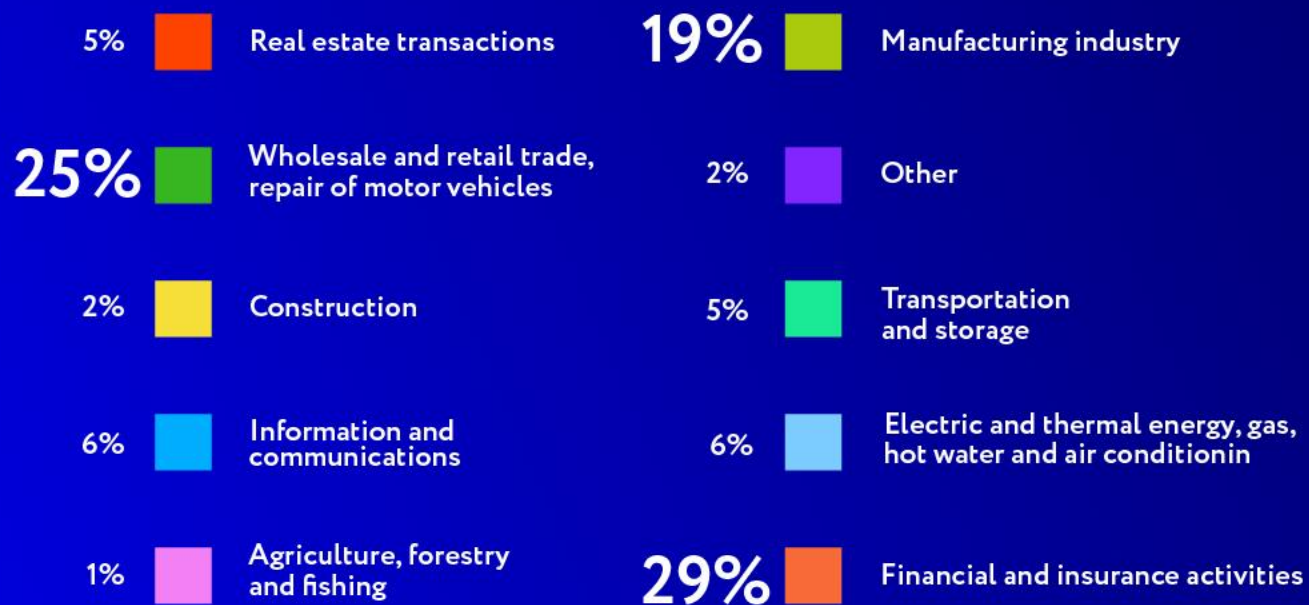
**Net foreign capital inflows** in the form  
of FDI in the Republic of Moldova

**1.1%** in relation to GDP



# FOREIGN DIRECT INVESTMENTS OVERVIEW 2019

Foreign Direct Investments  
by TOP group of goods - 2019 (stock)



Source: National Bank of Moldova



# FOREIGN DIRECT INVESTMENTS OVERVIEW 2019

Foreign Direct Investments by TOP group of countries

(Direct investments in domestic economy stock - equite,  
by main countries (US\$ million))



Source: BNM



# INVESTMENT FRIENDLY FISCAL SYSTEM

## Corporate Income Tax

 **Moldova**  
12%

 Romania  
16%

 Ukraine  
18%

 Russia  
20%

 Slovakia  
21% (in 2020)

 Italy  
24% (in 2020)

## Value Added Tax

 Romania  
19%

 **Moldova**  
20%

 Russia  
20%

 Ukraine  
20%

 Slovakia  
20%

 Italy  
22%

## Social Insurance Contributions

 Ukraine  
22%

 **Moldova**  
24%

 Romania  
25%

 Italy  
30%

 Russia  
30%

 Slovakia  
35.2%

# REFORMS IN ENTREPRENEURSHIP

## REGULATORY REFORM

- Reduced number of permissive documents from **400** to **151**
- Launch of One-Stop Shop (July 2018)
- **131** documents online

## FINANCIAL REPORTING REFORM

- Replacing **5** existing reports with one consolidated version
- Unique reporting platform with one authority

## REFORM OF THE STATE CONTROL

- Advisory role for the first **3** years
- **13** institutions with control functions
- Digitalization of Control Processes

# FREE ECONOMIC ZONES

7 FEZ / 34 subzones



## INCENTIVES

**3 and 5**

years income tax exemption if investing 1 and 5 million USD

**0**

VAT + excise duties

**10**

years state warranty in case of change of legislation

**6%**

corporate income tax instead of 12%



# THE NATIONAL STRATEGY FOR INVESTMENT AND EXPORT PROMOTION 2016 - 2020

Agrifood

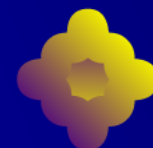
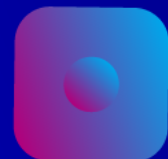
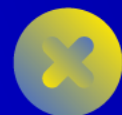
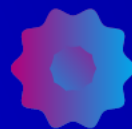
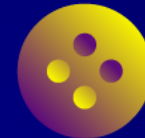
Automotive  
& Electronics

ICT  
& BPO

TAFL

Tourism

Infrastructure





# INFORMATION AND COMMUNICATIONS TECHNOLOGY SECTOR

Third sector of the national economy with a fastest growth rate: **+40-50%** third year in a row, **~7%** of GDP (incl. 3% for IT)

Dedicated policies applied  
(**Strategic framework**, **Law on IT Parks** and **on IT Visa**)

Highly qualified & multilingual human resource  
(over **30k** employed ICT professionals)

**Global top 5** by the accessibility of Gigabit Internet  
(after Singapore, South Korea, Malta and Monaco)

**98%** - points of presence of fiber optic backbone network (PoP)

**98%** - coverage of mobile communications networks (4G)

**IT Services and products** – one of the main chapters of exports  
(surpassed wine exports second year in a row)



# MOLDOVA IT PARK

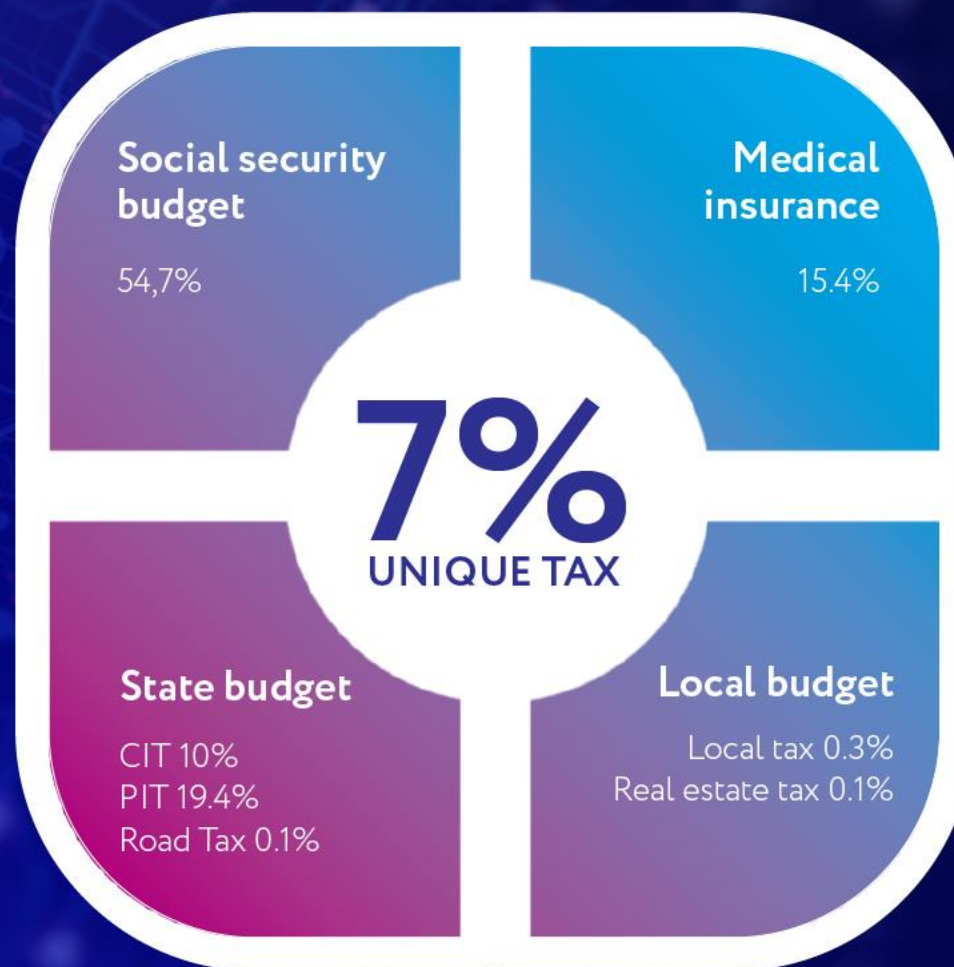
Flat tax system for the residents of the Moldova IT Park at 7% of the sales income, incorporating:

Social security  
(employee & employer)

PIT  
Personal Income Tax

CIT  
Corporate Income Tax

Road Tax



Medical insurance  
(employee & employer)

Local Tax

Real Estate Tax

# MOLDOVA IT PARK

[www.moldovaitpark.md](http://www.moldovaitpark.md)



660

residents  
in first 2,5 years of activity

329

of them - new created  
companies

Over

145

of them - foreign companies,  
originating from 34 countries

11 400+

employed IT professionals



**BEST ECOSYSTEM PRACTICE  
BY INTERNATIONAL TECHNOLOGY UNION**

(2019)



**INVEST  
MOLDOVA**



# AGRICULTURE AND FOOD PROCESSING SECTOR

12%

Share of agricultural production in GDP

25%

Growth from 2015 to 2018

45%

of total exports

exports in

70+

countries (85% trade - EU & CIS)

8%

VAT (standard VAT rate -20%)



Viticulture and Wine



Fruits and Vegetables

more than  
**40%**  
of exports

POTENTIAL  
IN ORGANIC  
FARMING





# WINE INDUSTRY 2019

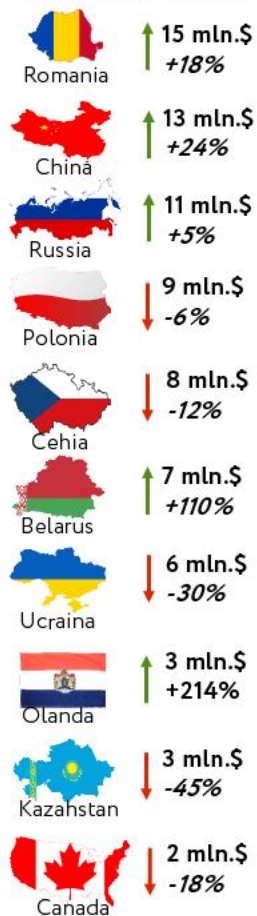


WINE OF  
MOLDOVA

A LEGEND ALIVE

## VALUE mln.\$

2019: EXW-bottled



# 1st

position in agri-food  
export (15%)

# 7%

Moldova's total export

# 2%

of the GDP

# 20th

wine producer  
in the world (2019)

# 3%

of the territory  
of the country

# 7%

agricultural surfaces

# #1

in the world  
with the highest  
density  
of vineyards

# #6

in Europe  
by vines surface

# 199

wineries

# 980

enterprises &  
6 institutions  
of Education working  
for Wine and  
Oenotourism,  
Research  
and Technology

# every 4th

active Moldovan  
involved  
in the wine  
sector  
(52 000 viticulturists)

GUINNESS BOOK – Milestii Mici  
largest winecellar by number of bottles  
(over 1.5 million bottles)

Cricova  
- underground wine city,  
over 70 km galleries

National Wine Day  
(18 editions)

INVEST  
MOLDOVA



# TEXTILE, APPAREL, FOOTWEAR AND LEATHER INDUSTRY

16%

of the country's total export  
volume & 5% of GDP (2018)

over

95%

is exported  
(mainly to the EU countries)

recording

10%

export growth each  
year since 2015

- Orders Fast Fashion - executed on average within 2 weeks
- Most major destinations EU and CIS can be reached within 2 truck days
- Burberry, Moncler, Nike, Armani, Max Mara, Zara – Made in Moldova
- Over 100 Moldovan Fashion Brands emerged with 26% domestic growth



Apparel



Accessories



Textile



Footwear



Leather



Carpets



# AUTOMOTIVE AND MACHINE BUILDING SECTOR

**15.2%**

of GDP - Industry contribution (2018)

**11%**

growth exports - registered 437 mln euro (2018)

**20.9%**

share of total country export

**19000**

people employed

## Success Stories

● Draexlmaier Automotive (wiring harnesses) 4th plant in 2018, having R&D Center in Chişinău

● Gebauer & Griller (cables) 2nd plant in 2017

● Fujikura Automotive (wiring harnesses) 2nd plant in 2018



Cable assemblies and wiring harnesses



Carpets & rugs



Electronics components and systems



Foams & felts



Rubber Components



Injections & molded parts



Fastening systems (seatbelts)



Car seat covers, trim



# WHY MOLDOVA?



## Strategic

geographical location



## Multilingual

population and affordable labour force



## Competitive

operational costs



## Advanced

IT infrastructure at competitive costs



## Digital

in Public services (E-Government and E-Raporting, E-Documents, One-stop-shop)



## Special

Government Incentives - Law on IT Parks, FEZ and Industrial parks



## Attractive

fiscal system

# INVESTORS COMING FROM 60 COUNTRIES

over 10 000 foreign / joint companies



# GROW IN MOLDOVA

a promise &  
an invitation



[www.invest.gov.md](http://www.invest.gov.md)