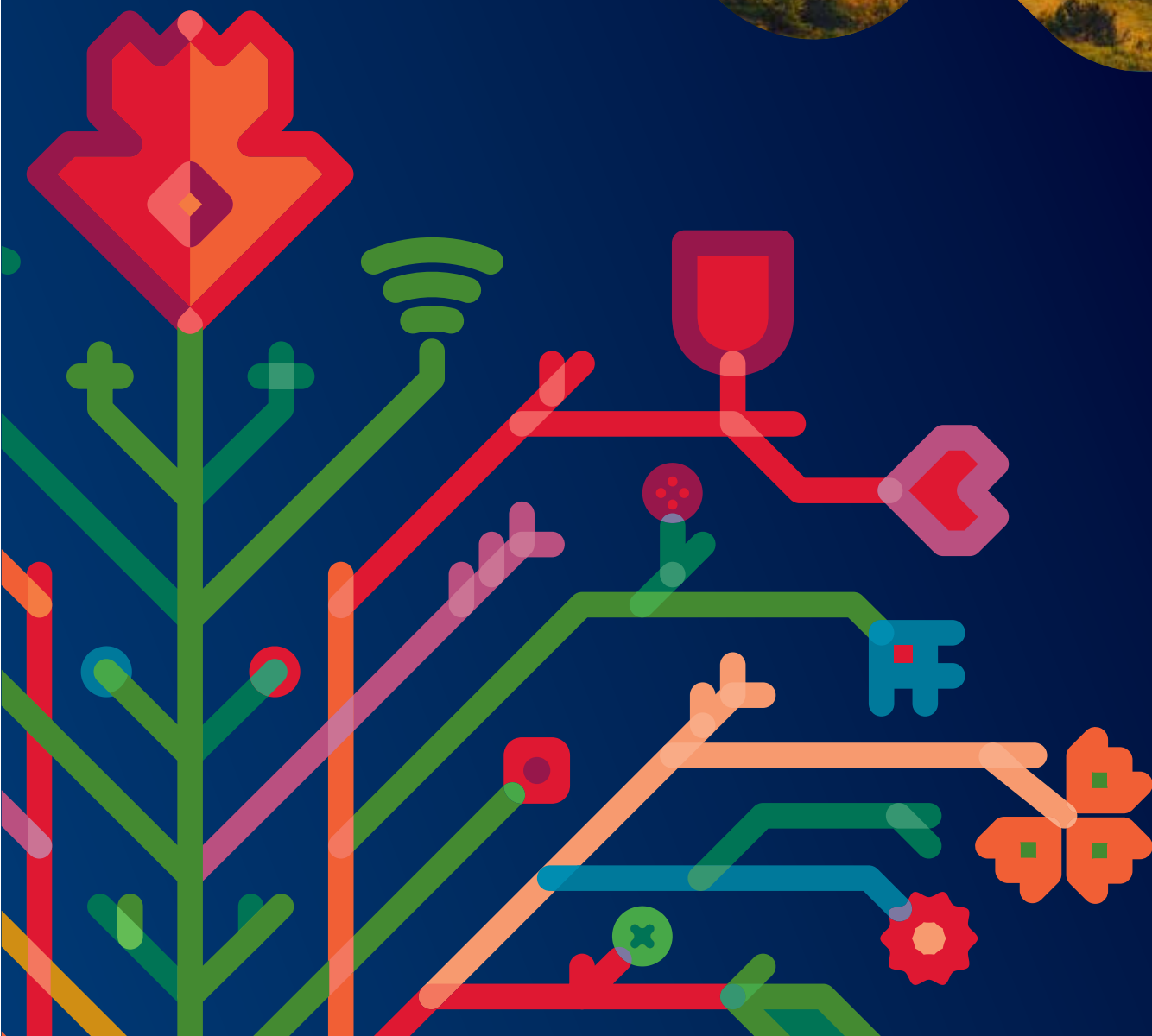


REPUBLIC OF MOLDOVA

Opportunities nearby



Key facts



Name
Republic of Moldova

EU candidate status
June 2022



Capital:
Chisinau ca. 673,000

Open EU accession negotiations
December 2023



Population:
2.51 million
January 1st, 2023

Employment rate, 2023
43.1%



Area:
33,847 km²

GDP per capita at PPP, 2023
\$6,830



Language:
Romanian
Other spoken languages:

GDP current prices, 2023, billion
\$17.05



Currency:
MDL: 1 EUR = 19.3 MDL
Average annual rate 2023

Inflation:
2023: 13,9%

REPUBLIC OF MOLDOVA



2024

7%

single tax for IT companies



Chisinau International Airport (RMO)



Visa-free-regime with over 100 countries



Over 50% of business services digitized, by the end of 2024 – 75%



2,000
EUR/month

monthly average wage in IT

500⁺
ha

for development across investment platforms nationwide



201
EUR/month
minimum wage



525
EUR/month
gross monthly average wage

Free Trade Agreements

DCFTA - Deep and Comprehensive Free Trade Area with the European Union;

CEFTA - Central European Free Trade Agreement (Albania, Bosnia and Herzegovina, Macedonia, Montenegro, Serbia, and UNMIK Kosovo);

EFTA - European Free Trade Association (Iceland, Liechtenstein, Norway, Switzerland);

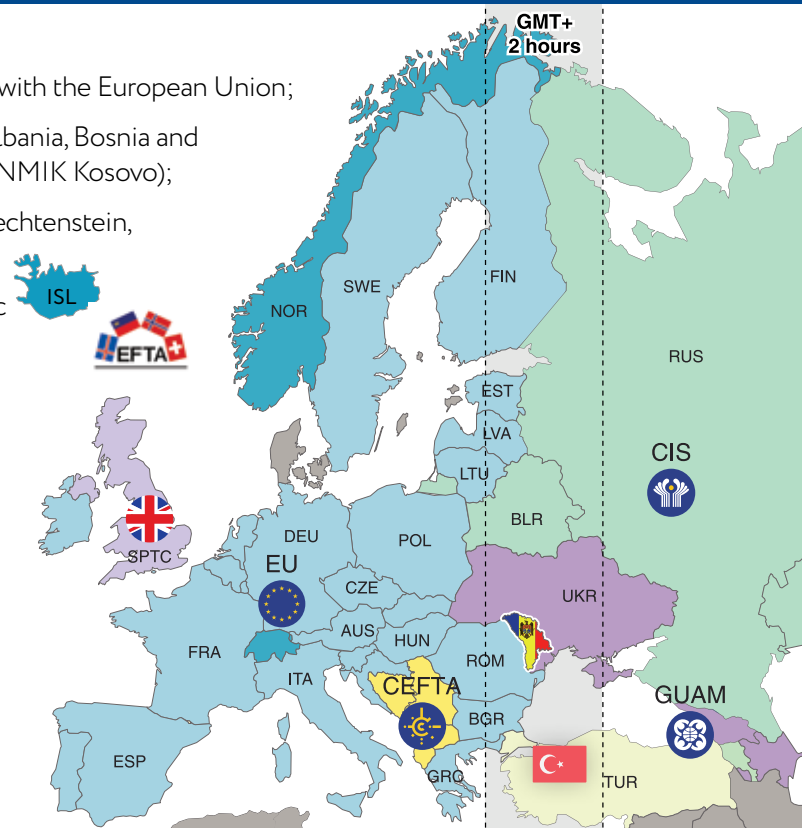
GUAM - Organization for Democracy and Economic Development (Georgia, Ukraine, Azerbaijan);

SPTC - Strategic Partnership, Trade and Cooperation Agreement between The United Kingdom of Great Britain and Northern Ireland and The Republic of Moldova UK;

FTA with Turkey;

FTA with CIS countries - Armenia, Azerbaijan, Tajikistan, Uzbekistan

One billion customers duty-free market



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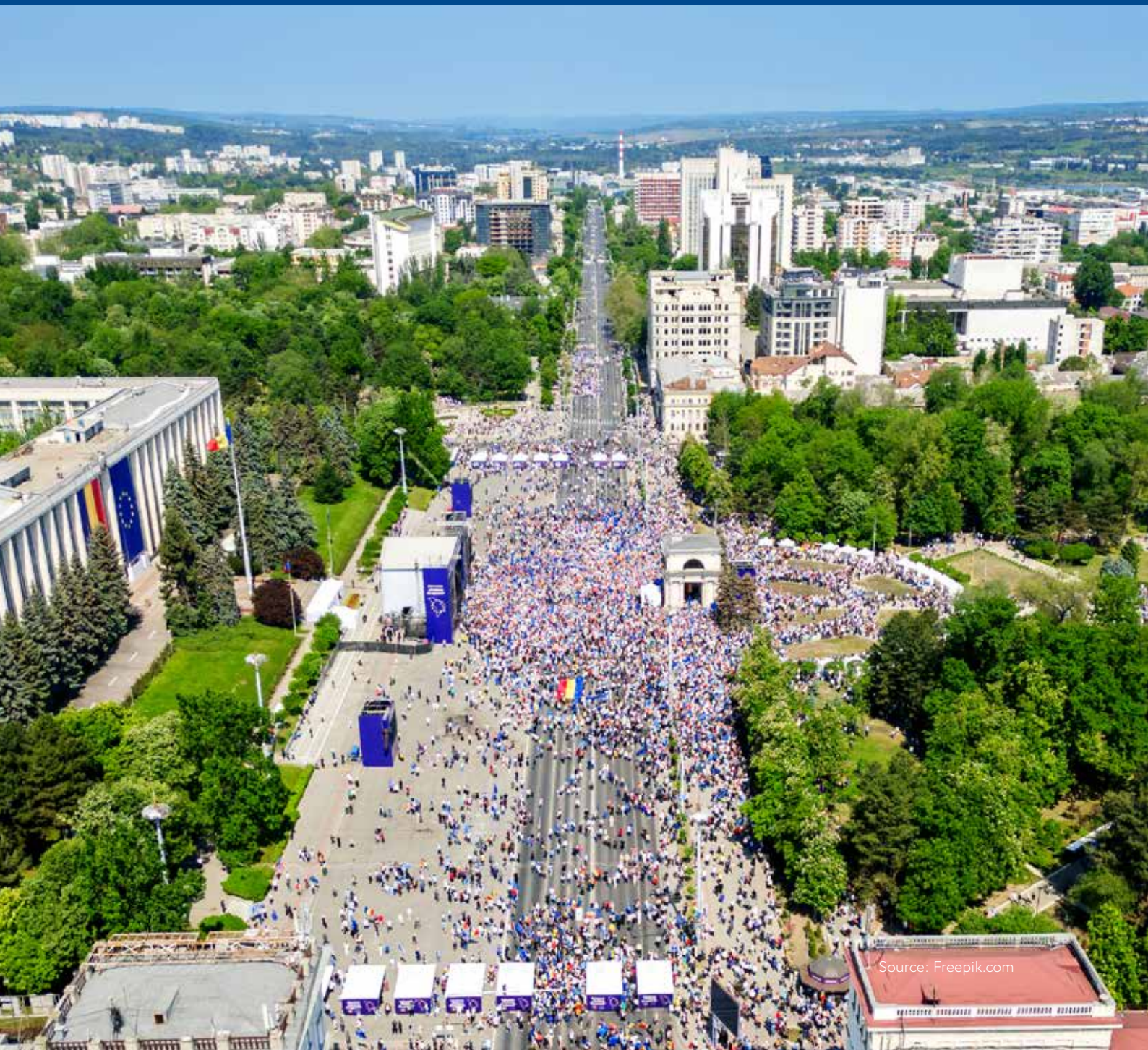
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Moldova has started EU Accession Negotiations as of December 2023

After being granted EU candidate status, Moldova has moved rapidly to fulfill all the necessary requirements for opening negotiations with the European Union.
Target date for obtaining status: 2030.

- Increased security for the business environment
- Access to additional financial resources from the EU
- Integration into the economic systems of the EU

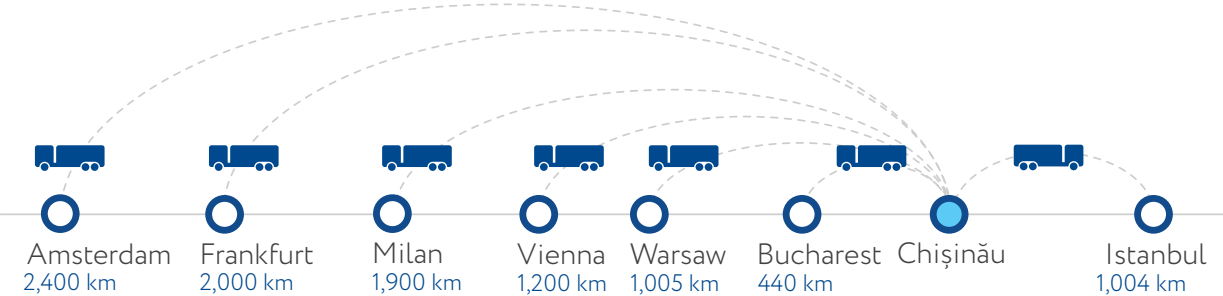


Why Moldova?

Moldova stands as a strategic gateway to the European market, offering unique opportunities to access both the Eurasian and European economic spaces. This is ideal for businesses aiming to enhance their operational efficiency, benefit from competitively priced skilled labor, and maintain proximity to key distribution and assembly hubs within Europe.

The country has already attracted significant investment and production activities from major international companies, such as Dräxlmaier AG, CrunchyRoll, Orange, Lear Corporation, Confezione Andrea, Südzucker AG, Lactalis-Alba, Kaufland, Metro, Whitec, Magnetec, Steinel Electronic, Lafarge, Globant, SE Bordnetze, Coroplast, and more. These companies leverage Moldova’s developed infrastructure and skilled workforce, often collaborating with local subcontractors for their operations.

In addition to railway and air travel, Moldova has access to the Danube River, which facilitates efficient logistics and trade links across Europe and to the Black Sea.



- The Giurgiuleşti International Free Port is situated at km 133.8 from the Black Sea, on the maritime section of the river Danube;
- Link to the Pan-European transport Corridor VII – the Danube from Passau (Germany) to the Black Sea (2300 km long);
- 138 km Railway network in Moldova (single track), with both wide and narrow track gauge; Direct connections to Ukraine and Romania (most important crossings at Ungheni (MD) – Iaşi (RO), Cantemir (MD) – Falciu (RO) and Giurgiuleşti (MD) – Galaţi (RO))

Top reasons to invest in Moldova



Trade Environment:
extensive liberalization for both EU and Eurasian markets



Logistics:
most major destinations reachable by truck in up to 48h



Free Economic Zones:
benefits: 3-6% corporate tax rates. Complete exemption from VAT and customs duties.



ICT:
Moldova ranks third among countries with cheap fixed broadband



Digitalisation:
over 54% of public services, top in the region



Workforce:
highly skilled, proficient in multiple languages (Ro, En, Ru).

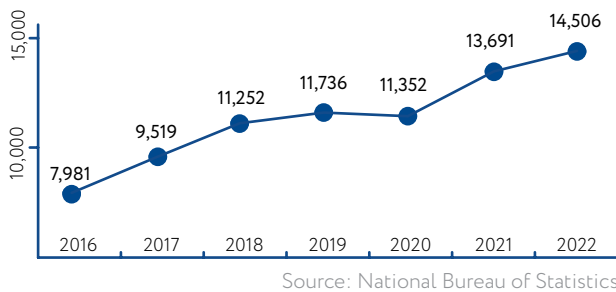
Economic overview

Moldova experienced a 5% economic contraction in 2022. Despite challenges, the ICT, manufacturing, and automotive industries emerged as significant contributors to the economy.

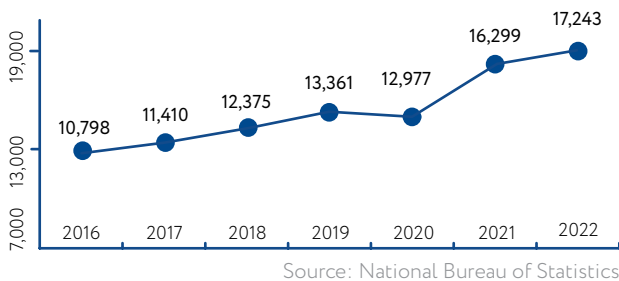
While traditional sectors like agriculture, real estate, and heavy industry have experienced a decrease in their share of GDP, sectors such as trade, transportation, storage, and IT have witnessed a marked increase. This shift underscores a strategic diversification of the economy and a move towards more technologically advanced industries.

From 2012 to 2022, gross fixed capital formation in Moldova grew at an impressive average annual rate of 4.9%, outpacing the private consumption growth rate of 2.6%. Moldova's economy has decreasing reliance on remittances and an increased utilization of domestic resources for growth.

GDP in current prices, thousand USD



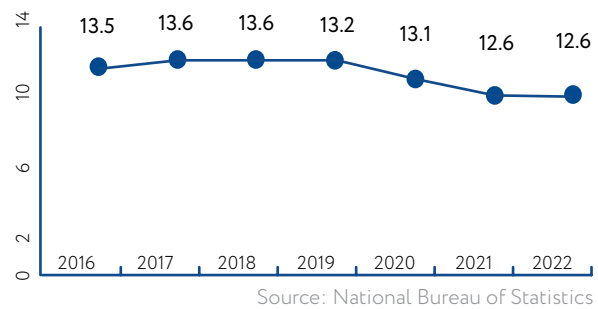
GDP per capita at PPP, USD



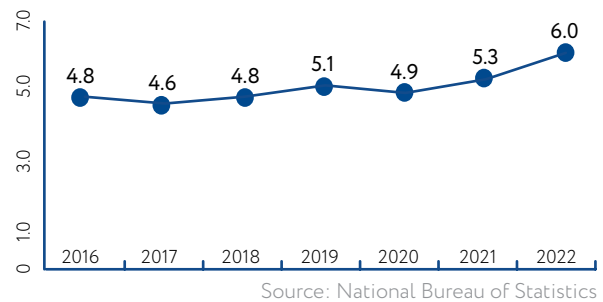
The country's export portfolio, particularly in the agricultural sector, along with key industries like automotive and textiles, has expanded, showing a diversification of trade and industrial

activities. The automotive industry has become a cornerstone of Moldova's economy, contributing approximately 13.5% to the total exports in 2022.

Share of industry in GDP, %

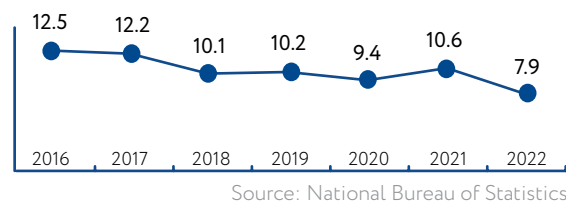


Share of ICT in GDP, %



Moldova's agricultural sector holds vast potential, producing large amounts of fresh and processed fruits and vegetables, walnuts, honey, meat, dairy products and poultry. Starting in 2023, seven categories of Moldovan products, including tomatoes, garlic, table grapes, apples, cherries, plums and grape juice, can be exported to the European market without restrictions. This doubled the amount of exports to the EU for grapes and prunes and a tenfold increase for apples and cherries.

Share of agriculture in GDP, %



Available workforce

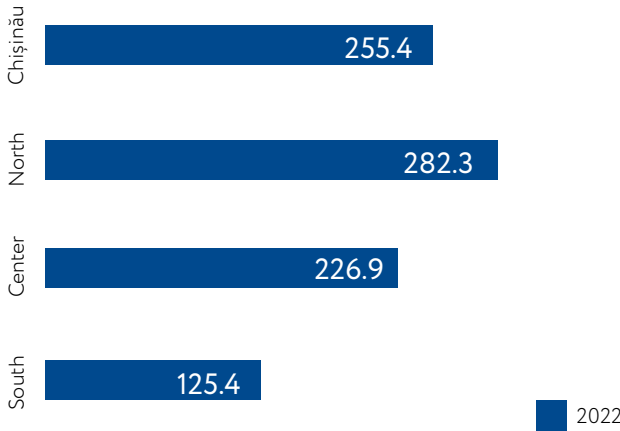
The Moldovan labor force is highly adaptable and eager to engage with international companies, showcasing a range of competencies and skills that are increasingly sought after in the global market. As of 2022, Moldova’s economically active population is around 890,000, indicative of a substantial and capable pool of potential employees.

The population is characterized by multilingualism, with an impressive 80% of the population fluent in multiple languages including English, French, German, in addition to Romanian and Russian, which are considered native.

A key strength of Moldova’s workforce is its strong educational foundation. The country’s educational system is comprehensive, with 90 vocational institutions, alongside 21 higher education establishments. Vocational education is aligned with the European qualifications framework.

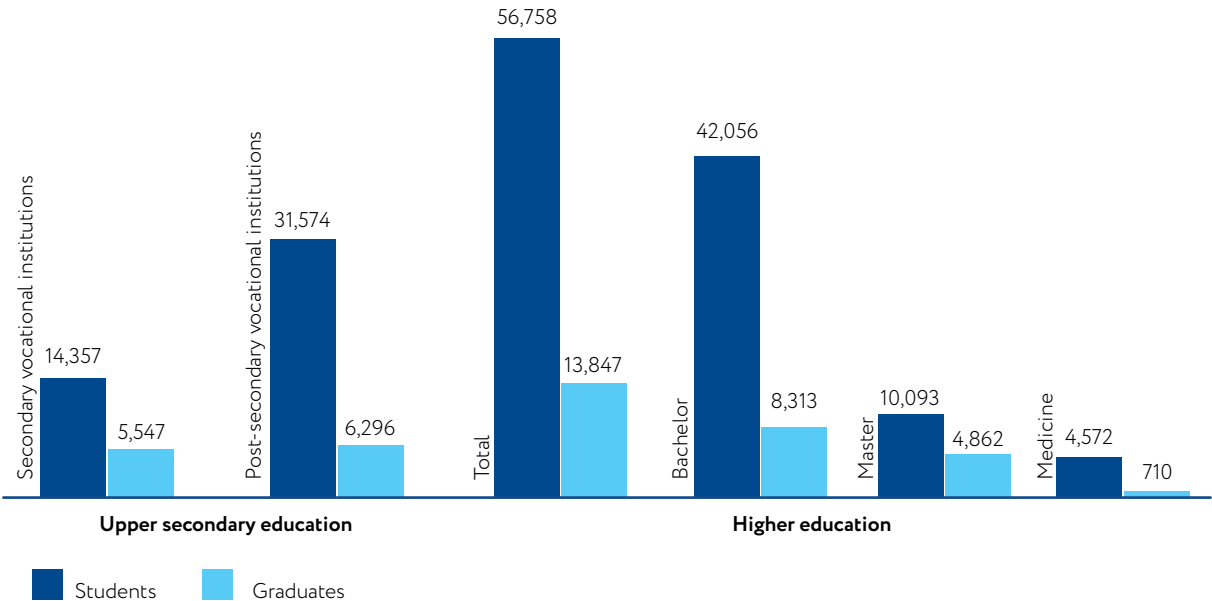
For investors, this translates to a reliable, skilled, and versatile labor force capable of contributing to business growth and innovation. Moldova’s workforce is a standout feature in the region, offering a compelling reason for investment consideration.

Active population across regions, 1,000 workers



Source: National Bureau of Statistics, Regional statistics

Enrolled students and graduates of the upper secondary and higher education institutions, 2022/2023

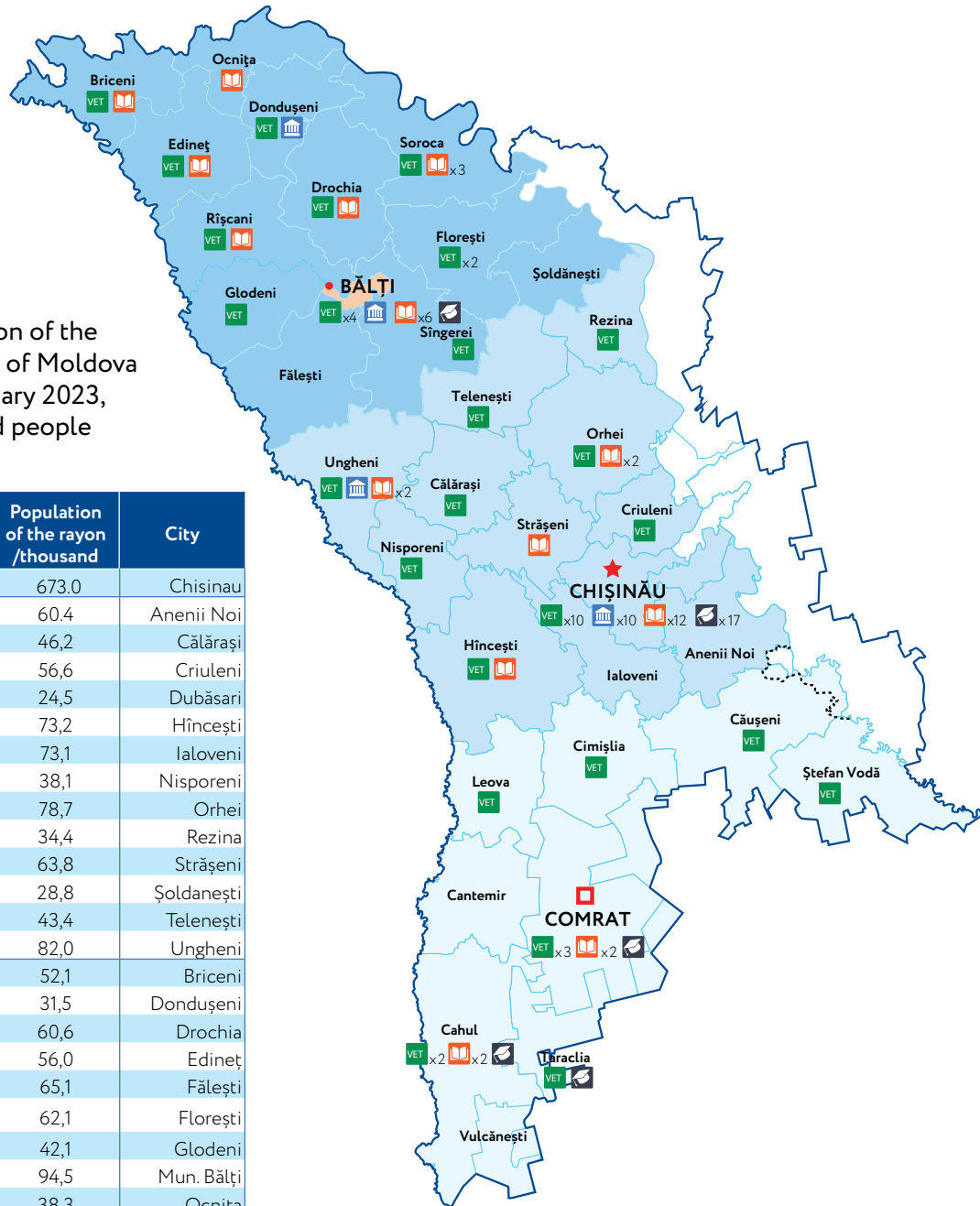


Source: National Bureau of Statistics

Educational institutions





Population of the Republic of Moldova on 1 January 2023, thousand people

Region	Population of the rayon /thousand	City
	673.0	Chisinau
Central Region 703,2	60.4	Anenii Noi
	46,2	Călărași
	56,6	Criuleni
	24,5	Dubăsari
	73,2	Hîncești
	73,1	Ialoveni
	38,1	Nisporeni
	78,7	Orhei
	34,4	Rezina
	63,8	Strășeni
	28,8	Șoldanești
	43,4	Telenești
	82,0	Ungheni
Northern Region 681,1	52,1	Briceni
	31,5	Dondușeni
	60,6	Drochia
	56,0	Edineț
	65,1	Fălești
	62,1	Florești
	42,1	Glodeni
	94,5	Mun. Bălți
	38,3	Ocnîța
	49,6	Rîșcani
	65,2	Sîngerei
	64,0	Soroca
	16,0	Basarabeasca
	Southern Region 455,5	78,6
35,6		Cantemir
63,9		Căușeni
32,6		Cimișlia
33,5		Leova
46,8		Ștefan Vodă
31,3		Taraclia
117,2	UTA Gagauzia	
2512,8	Total	



source: Ministry of Education and Research of the Republic of Moldova

LEGEND:

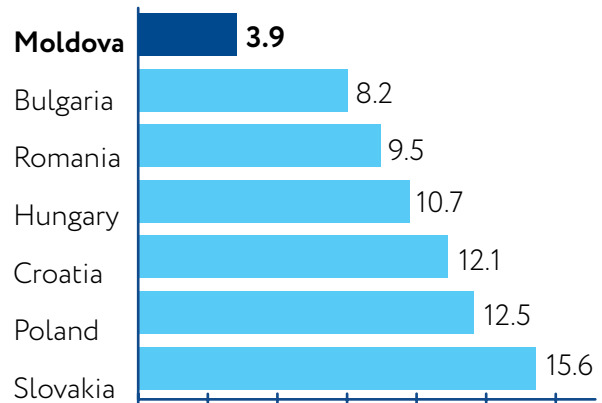
-  Secondary Vocational Institutions (vocational schools)
-  Centers of Excellence
-  Post secondary Vocational Institutions (colleges)
-  Higher Education Institutions (universities)

Operational costs

Moldova emerges as a highly cost-effective investment destination, offering some of the most competitive operational expenses in the region. The average hourly labor cost stands at 3.9 EUR, significantly lower than its European neighbors.

This financial advantage is extended across the spectrum of operational expenses, from affordable utility costs, such as electricity ranging from 0.10 EUR/kWh to 0.14 EUR/kWh and gas from 0.69 EUR/m³ to 0.84 EUR/m³, to reasonable rental rates for commercial spaces, suggesting a conducive environment for both startups and established businesses looking to maximize their investment.

Average hourly labor costs, 2022, EUR



Source: Eurostat, Statistics explained, 2020

Utility costs

Electricity

"Premier Energy"
 0,12 EUR/kWh - 0,4 kV
 0,10 EUR/kWh - 6,10 kV
 "FEE Nord"
 0,14 EUR/kWh - 0,4 kV
 0,10 EUR/kWh - 6,10 kV

Water

1,19 EUR/m³ - Balti
 0,99 EUR/m³ - Comrat
 2,53 EUR/m³ - Hincesti
 0,94 EUR/m³ - Ceadir-Lunga
 1,26 EUR/m³ - Calarasi
 1,77 EUR/m³ - Soroca

Sewerage

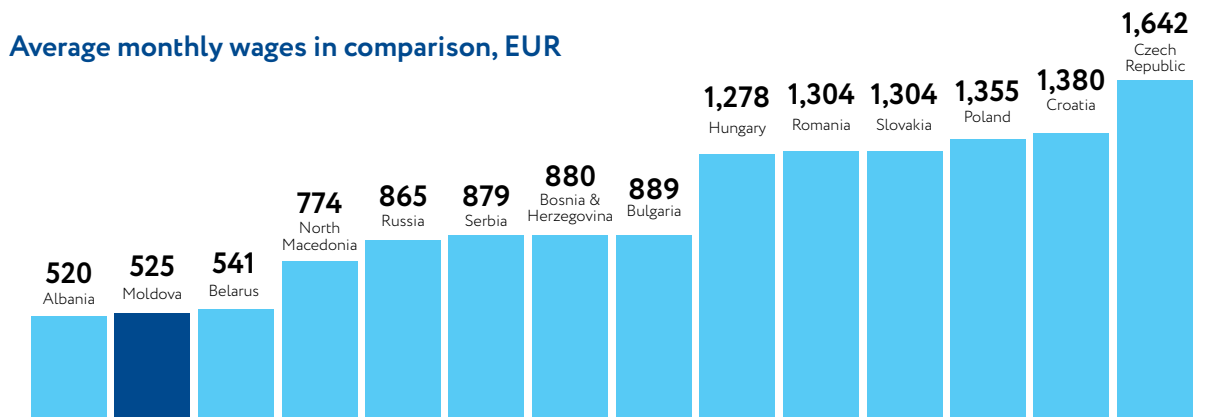
0,85 EUR/m³ - Balti
 0,75 EUR/m³ - Comrat
 1,18 EUR/m³ - Hincesti
 1,51 EUR/m³ - Ceadir-Lunga
 1,02 EUR/m³ - Calarasi
 0,62 EUR/m³ - Soroca

Gas

0,69 EUR/m³ - high pressure
 0,72 EUR/m³ - medium pressure
 0,84 EUR/m³ - low pressure

*National Agency for Energy
 latest approved data in 2023

Average monthly wages in comparison, EUR



Source: Trading Economics, Wages, 2021



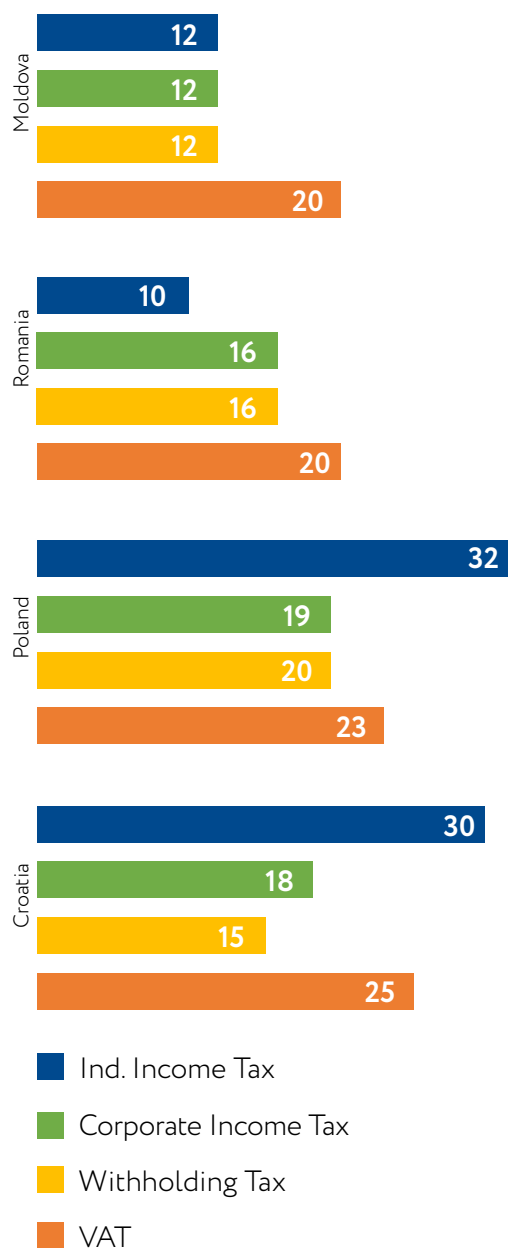
Production hall Fujikura Automotive, Chisinau
 (Source: Moldovan Government)

Taxes

There are 51 operational Tax Treaties for Avoidance of Double Taxation concluded by Moldova with other jurisdictions. Although Moldova is not a member of the Economic Cooperation and Development Organization (OECD), Moldova applies OECD rules in interpreting Double Taxation Treaties.

Type of Tax	Tax Rate
Personal Income tax	12%
Corporate Income tax (CIT)	0% for reinvested income; 7% agricultural income; 50% reduction for FEZ enterprises
Social Security	24% for employer
Health insurance	9% for employee
VAT	20% standard rate 8% for HORECA 6% for natural gases 8% i.e. pharmaceutical 0% international transportation
MITP Residents	7% single tax on turnover
Dividends	6% Resident /non-resident
Royalties	12% Resident /non-resident

Tax rates in comparison, %



Source: PWC, Worldwide Tax Summaries, 2023



Customs




Moldova has implemented the new Customs Code at the beginning of 2024. This evolution of the customs framework enhances the efficiency of trade operations and aligns Moldovan practices with those of EU Member States.

The nation’s customs regulations are designed to accommodate both definitive and temporary import regimes, structured around the globally recognized Harmonized Commodity Description and Coding System and compliant with the General Agreement on Tariffs and Trade (GATT). After joining EU’s DCFTA, Moldova has seen increased access to the EU’s consumer market and has broadened the scope for investment activities.

The status of Authorized Economic Operator (AEO), available online since 2023, is an accreditation that streamlines the process of

moving goods across borders, offering benefits such as faster customs clearance and fewer inspections, aimed at simplifying international trade logistics. Entities meeting the criteria specified in the Moldovan Customs Code are eligible to apply for one of three types of AEO certification, each with its own scope and benefits relating to customs procedures, security, and safety.

There are three types of AEO certificates:

-  **AEOC** – certificate for simplified custom procedures;
-  **AEOS** – certificate for security and safety
-  **AEOF** – certificate for simplified custom procedures, security and safety.

Trade portal

The Trade Information Portal at www.trade.gov.md serves as the central hub for official information on import, export, and transit procedures and necessary documentation in Moldova. Additionally, the Customs Service of Moldova offers a dedicated call center to assist businesses with guidance on navigating the country’s import/export processes.



Trade potential

As of 2022, the European Union is Moldova's primary trading partner, with Moldovan exports to the EU reaching a value of USD 2.53 billion (49,3% of total exports). The signing of the DCFTA proved to be a catalyst, doubling Moldova's export value to the EU since 2014. Leading export categories include machinery and electrical appliances, foodstuffs and beverages, cereals and oils, textiles, and furniture. Conversely, imports from the EU, predominantly mineral fuels, machinery, and chemicals, rose to EUR 4.36 billion, marking a 38.6% increase in 2022 alone.



Duty-free exports to: EU, CIS, Balkan States



Generalized System of Preferences: USA and Japan



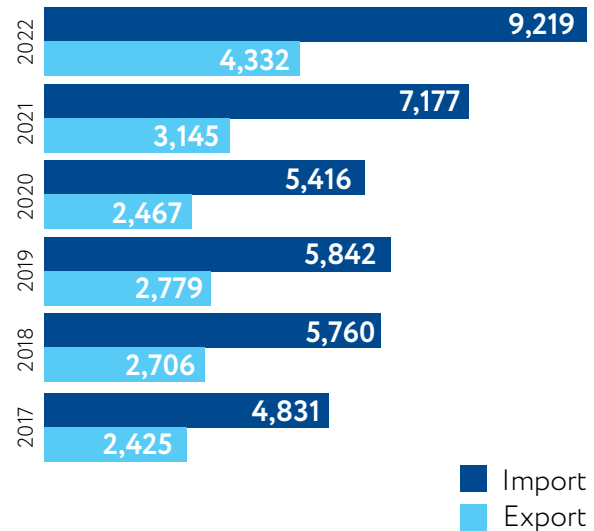
EFTA: Iceland, Liechtenstein, Norway, and Switzerland.

The International Trade Center's Export Potential Map indicates Moldova has an untapped export potential estimated at USD 2.0 billion. Moldova has great potential in export-driven manufacturing, particularly in sectors capable of producing complex goods like car seats and insulated electrical wire, as well as in ICT and specialized agricultural products.

Moldova's imports from the EU amounted in 2022 to €4.7 billion, an increase of about 23% from 2021. Key EU exports are machinery and appliances, and products of the chemical or related industry.

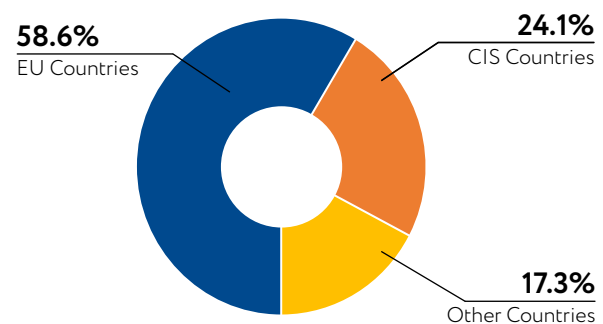
Moldova's exports to the EU increased by 14% from 2021-2022, from €1.83 billion in 2021 to €2.56 billion in 2022, showing growth after small decreases in the previous two years. The main EU imports from Moldova are mineral products, machinery and appliances.

Total volume of exports and imports, USD billion



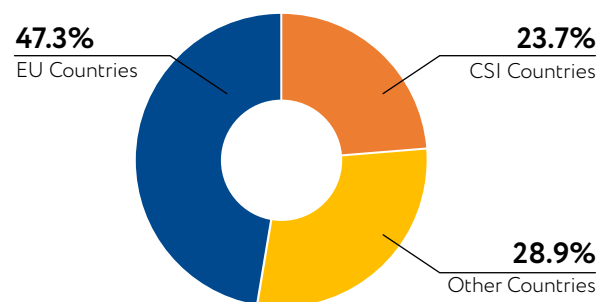
Source: National Bureau of Statistics, Foreign trade.

Exports by destination, 2022



Source: National Bureau of Statistics, Foreign trade

Imports by origin, 2022

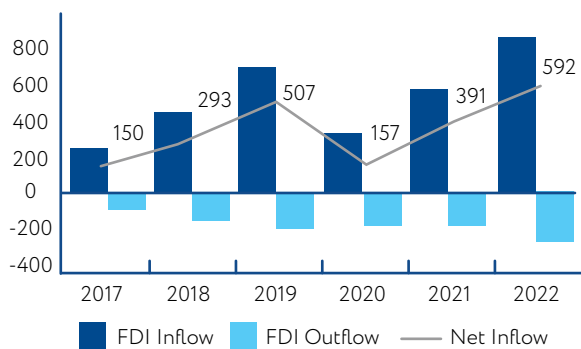


Source: National Bureau of Statistics, Foreign trade in 2020.

Foreign Direct Investment

In 2022, Moldova's investment climate reached new heights, evidenced by the highest volume of foreign direct investment (FDI) inflows and the highest net FDI inflow witnessed in the last decade. The FDI stock surged to USD 4926 million, a 15% increment compared to the year prior. This upswing was bolstered by a reinvestment of profits amounting to USD 867 million, or 54% of the total inflows.

FDI flow in the Moldovan economy

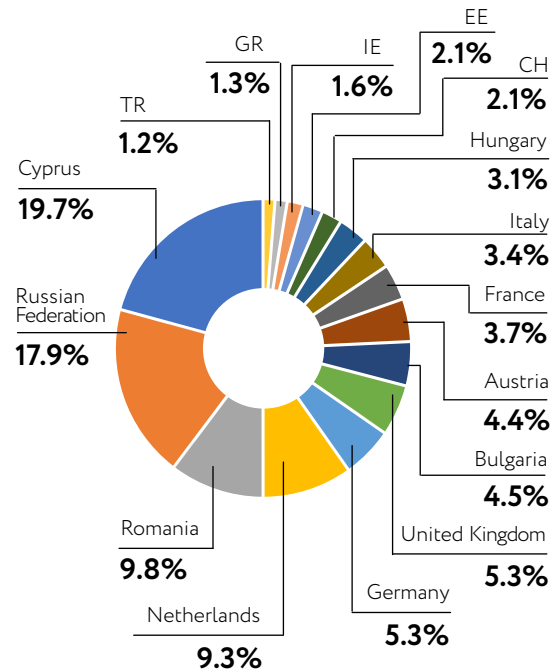


Source: National Bank of Moldova, International accounts

Investment is predominantly concentrated in finance, energy, manufacturing, trade, and ICT, indicating a strategic alignment of Moldova's developmental initiatives with areas poised for innovation and long-term returns.

The Law on Investment in Entrepreneurship establishes Moldova as a fair playing

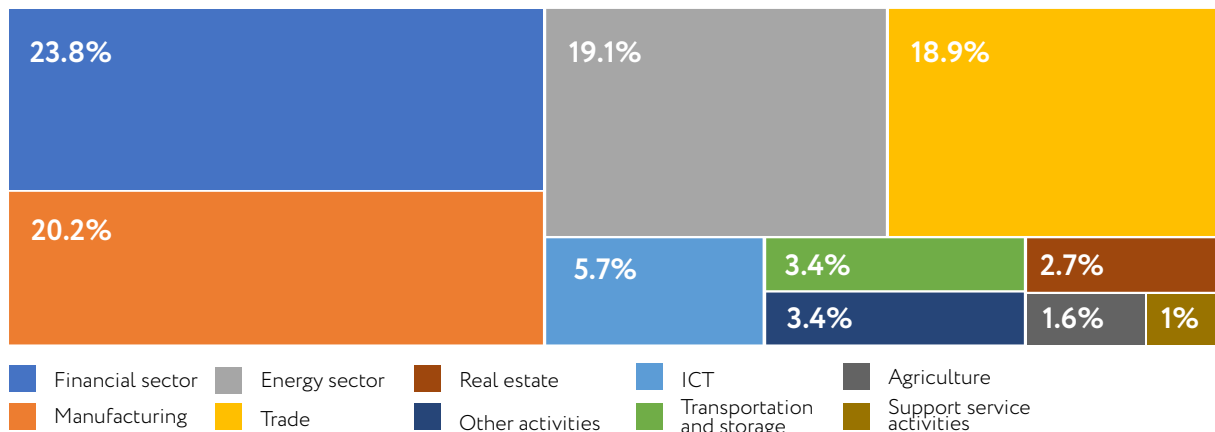
FDI in Moldova by investor's country, 2022



Source: National Bank of Moldova, Coordinated Direct Investment Survey by country

field, explicitly prohibiting discrimination against investors based on citizenship, domicile, or other status. The legislation mandates equitable conditions for all economic actors, ensuring that management, operation, and growth opportunities remain accessible to all.

FDI stock in sectoral distribution, 2022



Source: National Bank of Moldova, Coordinated Direct Investment Survey by Economic Activities, CAEM (NACE) (rev.2)

Strategic sector: agriculture

With its favorable climate and geographical conditions, rich soil resources, and biological diversity, agriculture remains the mainstay of Moldova's national economy, contributing around 12% to the country's GDP) and employing approximately 32% of the labor force (2022 data).

Moldova exported approximately €600 million worth of agricultural products to the EU in 2022, the main countries being: Romania, Russia, Ukraine and Belgium.

The most exported products from the Republic of Moldova are cereals (which accounted for 9% of total goods exports in 2022), seeds (9%), and fruits (6%). Here are some key aspects of Moldova's agriculture:



Key products

Moldova produces a variety of fruits, vegetables, grains, and livestock, including apples, plums, sweet and sour cherries, grapes, walnuts, and poultry, pork, and beef.

The country is known for its high-quality fruits and vegetables, which are exported to markets in the EU, Russia, and other countries.

Explore Moldova's agricultural potential and experience the flavors and products of this agricultural haven. With its focus on quality, sustainability, and innovation, Moldova is a country to watch in the world of agriculture.



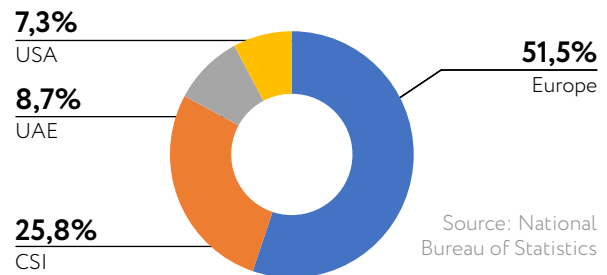
Wine production

Moldova is renowned for its high-quality wines, with a long history of viticulture and a range of wine styles.

The country has over 130 wineries and is one of the largest wine producers in Europe.

The biggest wine collection in the world with over 1.5 million bottles, recorded in the Guinness Book in 2005 belongs to Moldova.

Exports by destination, 2022



Organic and GMO-free products

Moldova offers organic and GMO-free agricultural products, including fruits, vegetables, grains, and livestock.

The country has a strong focus on sustainable agriculture, with an increasing number of farmers adopting organic practices.

The entire agricultural land covers 70% of Moldova's territory, the highest share in Europe.



Walnut cultivation

Moldova is one of the largest suppliers of walnuts to the EU, as only 7% of the world's territory is suitable for walnut cultivation.

The country's walnuts are known for their excellent quality and are in high demand in international markets.

Emerging sectors

Creative Industry

In recent years, the Republic of Moldova has experienced a remarkable growth in its creative industry, which includes film, music, design, and digital media. This flourishing sector has contributed significantly to both the cultural richness and economic development of the country. The industry has been supported by new development policies, funding from the government, and external donors, leading to the production of 30 fiction, documentary, and animated films, both short and full-length, in the last 7 years.

Currently, in this industry work over:



9,000
individuals



2,200
enterprises



2,500
freelance professionals

More than 1500 students are currently enrolled at the Technical University of Moldova and at the Academy of Music, Theatre and Fine Arts, studying various subjects such as design, architecture, music, and more.

Key sectors and achievements:



Film:

Moldova boasts a vibrant film industry, hosting international forums like Cinema Hora, which bring together global film industry representatives. Some notable international nominations include the films “Carbon” and “Tunete.”



Music:

Moldovan music represents a distinctive fusion of traditional and contemporary influences, spanning a diverse array of genres and styles. Each year, talented musicians participate in the Eurovision Song Contest, achieving notable success.



Design:

Moldovan designers are renowned for their creativity and innovation, with a strong emphasis on sustainable and ethical fashion. Their creations have gained recognition both locally and internationally. Moldovan artists are well known, with performances at local events like Moldova Fashion Days and international events in countries like Romania, France, and the United Arab Emirates.



Digital Media:

Moldova’s digital media sector encompasses video game development, animation, and digital art. A notable achievement in this sector is the first Moldovan animated film in virtual reality, “Aripi,” which won awards for Best Music, Best Soundtrack, and the Audience Award for Best Animation at prestigious international film and animation festivals like “Festival du Film Merveilleux et Imaginaire” in France and the “International Independent Film Awards” in the United States.

Pharmaceutical Industry

The pharmaceutical industry ranks among the top sectors in Eastern Europe, showcasing significant annual growth potential. Over the last five years, Moldova's pharmaceutical sector has experienced consistent development, currently playing a crucial role in the country's international exports.

From 2016 to 2020, pharmaceutical products constituted 11.25% of total exports, marking a remarkable 225% increase compared to the previous five years.

Founded in 2020, the Association of Pharmaceutical Manufacturers aims to create a platform for dialogue between local pharmaceutical producers and state authorities. Three key companies, contributing **80%** to the country's pharmaceutical production, specialize in distinct forms:

- 1. Farmaprim:** Specializing in the manufacture of semisolid pharmaceutical forms (suppositories, ovules, creams, gels)
- 2. Flumed Farm:** Specializing in the manufacture of liquid pharmaceutical forms (nasal and oral sprays, syrups, oils)
- 3. Balkan Pharmaceuticals:** Specializing in the manufacture of solid pharmaceutical forms (tablets, capsules, powders)

Currently, eight pharmaceutical manufacturing companies, certified according to Good Manufacturing Practice standards, operate in Moldova, ensuring their products meet international community standards and can be commercialized globally. These companies include Balkan Pharmaceuticals, Farmaprim, Eurofarmaco, and others.

Innovation and Quality:

Moldova's pharmaceutical industry stands out for innovation and quality. The eight companies certified according to Good Manufacturing Practice (GMP) standards ensure their products adhere to the highest international standards, reinforcing Moldova's reputation in the pharmaceutical field.

Results and Impact:

Pharmaceutical manufacturing complexes in Moldova produce approximately 30 million packages annually, primarily for export. The main sales markets for domestic medicines include:



Georgia



Ukraine



Armenia



Azerbaijan

Post-COVID-19, Moldovan products have garnered interest in European markets and countries such as:



Vietnam



Indonesia



Phillipines



Pakistan

Social Impact:

The pharmaceutical industry provides employment for over 700 people, with an average monthly salary of approximately 550 euros. This significantly contributes to the local economy and supports the community by generating income and providing employment.



Source: Freepik.com

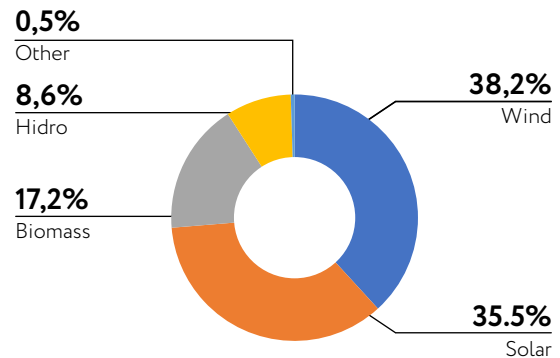
Renewable Energy

Moldova's renewable energy sector presents an exciting opportunity for investors looking to be a part of the country's green revolution. With substantial wind and solar potential, Moldova is transforming its energy landscape, driven by supportive policies, technological advancements, and increasing investment.

Key Developments

- First renewables auctions: 105 MW of wind and 60 MW of solar energy
- High-Level Energy Dialogue between EU and Moldova
- Significant growth in renewable energy capacity (145% increase from 2020 to 2022)

Renewable Energy Sources



Source: Invest Moldova Agency

Key Players:



- **Annual revenues:** Approximately **€280 million (2022)**

- **Number of employees: 200+**

Energocom is a major player in Moldova's energy sector, responsible for the wholesale supply and trade of electricity and natural gas. The company contributes significantly to the country's energy security and supports the development of renewable energy sources.



- **Annual revenues:** Approximately **€80 million (2022)**

- **Number of employees: 150+**

Premier Energy is a privately-owned energy company that operates in multiple countries across Southeastern Europe. In Moldova, the company is focused on modernizing and upgrading the country's electricity distribution infrastructure, with a particular emphasis on renewable energy integration.



- **Annual revenues:** Approximately **€100 million (2022)**

- **Number of employees: 500+**

Moldelectrica is a state-owned company responsible for the transmission of electricity in Moldova. The company plays a crucial role in ensuring the reliable and efficient transmission of electricity, including power generated from renewable sources.

Invest in Moldova's Renewable Energy Sector

- **Guaranteed Feed-in Tariffs (FiTs) for smaller projects**

Moldova offers guaranteed Feed-in Tariffs (FiTs) tailored for smaller renewable energy projects. The transparent competitive bidding procedure is in place for larger projects. The FiTs are meticulously calculated based on a weighted average cost of capital, ensuring a fair rate of return at 8.3%.

- **Fiscal Incentives for Renewable Energy Investments**

Investors in the generation of electricity from renewable sources benefit from attractive fiscal incentives. These incentives provide a boost to the financial viability of projects. Additionally, under power purchasing guarantees, investors are shielded against various commercial risks, fostering a secure investment environment.

- **Obligatory Purchase of Renewable Energy**

Solar-PV installations, wind turbines, biogas-fired power plants, and biomass power plants integrated into the electric network by eligible producers are subject to obligatory purchase by the central electricity supplier. This commitment ensures a reliable market for renewable energy producers, promoting the continued growth of the sector.



Digitalization

Moldova's digital transformation reached a milestone in September 2023 with the official endorsement of the country's Digital Transformation Strategy for 2023-2030.

Key objectives of the strategy include:

1 Digital Society

Promoting education, digital skills, digital entrepreneurship, and widespread digital service availability.

2 Competitive ICT Environment

Establishing universal broadband access, cutting-edge infrastructure, data reuse, investment attraction, and private sector partnerships.

3 Secure Cyberspace

Ensuring safety, protecting online rights and freedoms, securing infrastructure, fostering collaborative cyber protection, and enhancing cybersecurity awareness.

4 Invisible Digital State

Transitioning to a paperless, automated, data-driven public administration with sector-wide digitalisation and interoperability.

5 Digital Economy

Connecting data and services with the EU, supporting startups, nurturing the ICT industry, and enabling cross-border digital services.

6 Digital Moldova

Trusted International Partner: Aiming for a shared digital space with Romania, legal alignment with the EU, digital ID recognition, global digital leadership, and contributing to best practices.

In 2023, 70% of data requests were made online, indicating a shift towards digital services. Two out of three entrepreneurs prefer using online services, with only 30 percent of requests being made in person at counters. Out of 3.7 million requests for various services, 2.48 million were processed online, while 1.1 million were handled at counters.

Regarding digitalisation, 54% of all public services are now fully digitalised.

In February 2024, Moldova joined the EU Digital Europe Programme, adding up to another advancement with vast digitalisation prospects across various sectors. The programme boasts a budget of 7.5 billion euros for 2021-2027 period. This development enables Moldovan businesses, local governments, NGOs, and central institutions to access European funds dedicated to digital transformation, marking a key moment for its public administration and business environment.

Moldova Innovation Technology Park



EUROPE'S FIRST E-PARK

Moldova Innovation Technology Park (MITP), Europe's first e-Park, catalyzes innovation and growth in the IT, R&D, and Engineering sectors through strategic incentives.

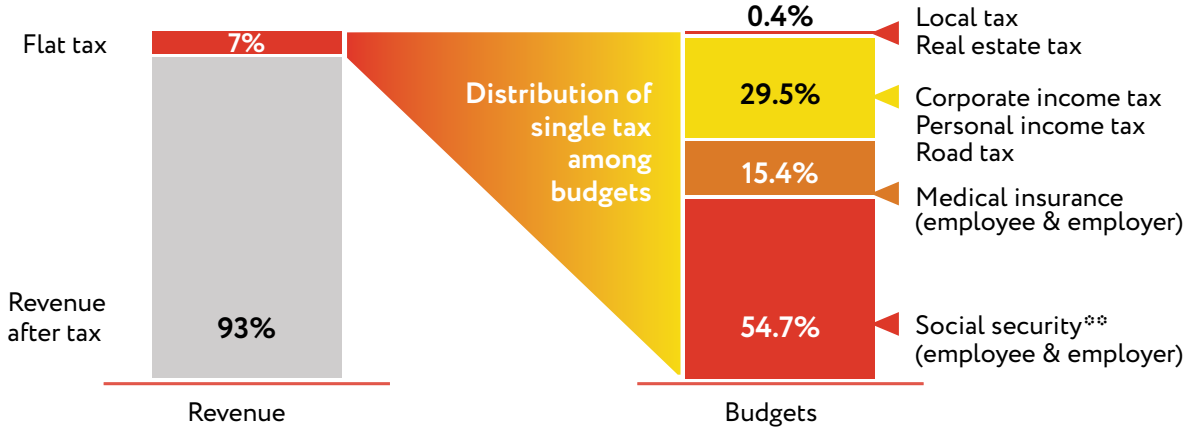
Unique Taxation: MITP residents benefit from a flat tax rate of 7% on turnover, which encompasses and simplifies multiple tax categories, including corporate income, personal income, social security, medical insurance, local, real estate, and road taxes.

Simplified Processes: Compliance with tax obligations is simplified to a monthly declaration of income, with no need to aggregate data over the year. An annual audit by a Moldovan-accredited firm ensures compliance, while minimizing the administrative burden on companies.

Extended Guarantees: MITP offers a state-backed guarantee on the tax and legal regime, securing the preferential treatment outlined upon activity inception. The government's approval of extending MITP's operational term from 10 to 20 years, effective until 2037, alongside the extension of the state guarantee until 2035, ensures long-term stability and growth potential for the sector.

Ease of Business: The Virtuality provision allows MITP residents to operate throughout Moldova without a mandatory physical presence within the park premises, granting operational flexibility and reducing overhead costs.

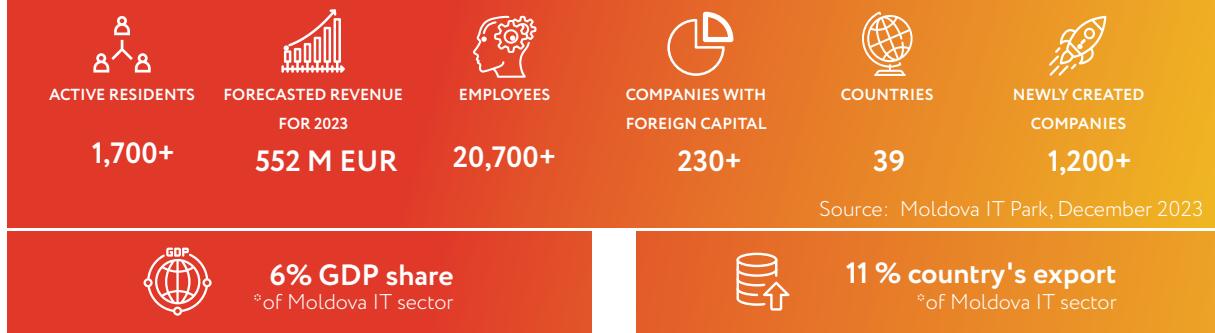
IT Visa: The MITP framework facilitates a simplified visa process for IT specialists and managers, granting up to four years of residency with options for extension, encouraging the attraction of top global talent to Moldova's tech sector.



At the same time, the Law on IT Parks and the Tax Code stipulate the minimum amount of the single tax to be paid by Park's residents, which is: 30% of the average monthly salary in the economy, forecasted for the year of the tax period of the tax concerned per employee (who worked during the tax period for at least one day on the basis of an individual employment contract).

The status of the MITP resident may be obtained by any legal or natural person who is registered in the Republic of Moldova as subject of the entrepreneurial activity and who carries out or intends to carry out as main business activity one or more types of business activities indicated in Article 8 of IT Park's Law. The main business activity should be the one that generates 70% or more of the revenue from sales.

MITP IN NUMBERS



What Activities Are Eligible for IT Park Residents?



Custom software development, specifically client-oriented software (62.01)*;



Data processing, web page management and related activities (63.11)*;



Editing activities related to other software products (58.29)*;



IT consulting services (62.02)*;



Other information technology service activities (62.09)*;



Management activities (management and operation) of computing means (62.03)*;



Other research and experimental development on natural sciences and engineering (72.19)*;



Research and experimental development on biotechnology (72.11)*;



Other educational activities with a focus on computer training (85.59)*;



Specialised design activities that employ high-performance computers (74.10)*;



Editing of computer games (58.21)*;



Web portal activities (63.12)*;



Call center operations (82.20)*, with a focus on export-oriented services;



Manufacturing of electronic components restricted to microprocessors and integrated circuits. (26.11)*;



Motion picture, video and television programme post-production activities (59.12)*, exclusively for the computer games industry, limited to the following services:



Other labor supply services (78.30)*, provided exclusively for international markets;

- digital color correction and rewrapping services (59.12.13);
- sound editing and design services (59.12.17);
- sound recording and music publishing activities (59.20)*, exclusively for the computer game industry, limited to original sound recordings (59.20.13).



Post - production stage of production of movies, video and television programs (52.12)*, based on the use of high – quality specialized computer equipment, limited to:

- services for creating video effects (59.12.14);
- services in the field of animation (59.12.15)

*According to the Classification of Activities in the Moldovan Economy (CAEM Rev 2 and CSPM 2)

Investment Incentives

Free Economic Zones

Free Economic Zones (FEZ) in Moldova serve as strategic platforms for export-oriented manufacturing entities seeking advantages from a beneficial customs and tax framework. The country hosts six FEZs strategically positioned either in proximity to national borders or within major urban centers, offering preferential operational conditions coupled with dedicated administrative support aimed at customer satisfaction.

Industrial Parks

Industrial Parks (IP) are specifically designated areas dedicated to fostering industrial production, service provision, and advancement in applied research and technological development. Moldova has developed ten Industrial Parks, aiming to stimulate industrial growth within its borders.

Incentives in Free Economic Zone (FEZ)

0% CIT for a period 3 (5) years when investing at least 1 (5) million USD

0% VAT no Excise and Customs duties


10 YEARS State guarantee on legislation changes

24/7 Customs office on site


 Road and utilities infrastructure


 EU border green lane (AEO)

 Dual vocational system


 Ongoing professional support by FEZ Administration

 0.15 - 3.5 euro/m² land sales price


 EUR/USD payments among FEZ residents


 Minimal state inspection and control regime

Incentives in Industrial Parks

 Free re-zoning of agricultural into industrial land;

 Normative (below market) prices for the purchased land;

 Reduced rental price for state land;

 Free connection to existing infrastructure in the park;

 Minimal state inspection and control regime.

Giurgiulești International Free Port Incentives:



Freedom to engage in any lawful activity within the port.



Reduced CIT rate of 3% for activities within the port, valid for 10 years from obtaining residency.



Subsequent CIT rate of 6% until 2030.



Exemption from customs duties.



VAT and excise exemptions on shipments to and within the free port.



Tax and customs regime guarantee until 2030, starting from the inception of activity.



Multifunctional Industrial Platforms:

Spanning approximately 300 hectares, these platforms serve as industrial hubs. They facilitate a thriving network of supply chains and production lines, integrating Moldova more deeply into the global market.

To assist potential investors in navigating these opportunities, the government provides a comprehensive interactive map detailing 50 potential locations for investment, demonstrating transparency and ease of access to vital information.

For a closer look at these opportunities, visit <https://www.iplatforms.gov.md/en>.



General Incentives:

Moldova offers deductions from taxable income for business expenses, including transportation costs at an affordable €3.75 per day per employee, and for professional training of employees.

Investment Incentives:

Small and medium enterprises (SMEs) benefit from a 0% tax on reinvested income. For larger enterprises, a deduction of up to 50% of the cost of a fixed asset in its first year of use.

Manufacturing Sector Incentives:

- Defer VAT and customs duties on imported raw materials for 180 days.
- Exemption from VAT and customs duties for goods introduced as equity capital.

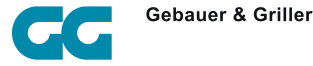
Agricultural Sector Incentives:

- VAT exemption on the import of tractors and agricultural equipment.
- Access to a broad range of agricultural subsidies.

Industrial Platforms



Succesful investors



Testimonials



“ Ungheni and its free economic zone, where Lear Corporation Moldova is placed since 2010, confirmed itself as a well performing and competitive plant. The geographical position (30 km from EU border), the proximity to the European customer base and suppliers, as well as the dedicated labor force are the right ingredients for a success story. We see potential for further expansion of our business in Ungheni.”

“SEBN aims to implement a long term project in Moldova, which confirms that the country is attractive for the automotive industry with available workforce, necessary infrastructure for its development and openness to foreign investment. Through early engagement and strong collaboration with the Parliament, Government and local authorities, it was created a Free Economic Zone in Orhei, which provides favorable conditions for a successful activity.”



“ The DRÄXLMAIER Group is a reliable partner to the automobile industry and one of the technological leaders in the premium segment. We started our business in Moldova in 2007 and since then have continuously expanded operations. This country proved to have great potential for the development of our projects. DRÄXLMAIER made a huge investment in Moldova and built a second plant in 2011 within the Free Economic Zone in “Balti”, with full support by local and central authorities. The inventor of the customer-specific wiring harness, the DRÄXLMAIER Group stands for pioneering innovations in conventional and alternative drive systems, as well as in electrical and electronic components. Great extension of plant 2 in Balti in 2017 for new DRÄXLMAIER projects in Moldova proved an outstanding investment in the region. In 2018 we have successfully expanded our design & engineering activities in Interiors in Chisinau Product Development Office in Technical University campus, as well as built a new plant and started production of wiring harnesses in Cahul. At DRÄXLMAIER, employees participate in international projects of producing customer-specific wiring harnesses and developing components and interior parts for the Premium automotive industry. DRÄXLMAIER is a pioneer in the field of apprenticeship. In 2014 the company launched the Dual Education System and after one year the first graduates have been hired. Implementing this system and continuously training our staff, the company can guarantee a consistently high quality of the education level. DRÄXLMAIER is a responsible partner of the region and supports various projects that help developing it, continuously supporting social, education, sports and culture projects of the region.”



“ The international growth of G&G requires a good choice of regions for our plants. We look for availability of motivated staff, safety and good cooperation with authorities. All of these factors made Moldova to a strong match. We are very satisfied with the conditions in Balti and are happy to increase our foot print soon.”



“ Orange holds the #1 mobile network in Moldova and provides unique experiences and quality services to more than 2.6 million customers. Orange enjoys an indisputable leadership position in the country’s Telco market, being the choice for large companies, small and medium-sized businesses for digitization services and ICT solutions and provides them with the most innovative solutions and a unique end-to-end experience, so that each customer gets a positive impact in its business and become more competitive. Together with the IT hub, Orange Systems, we have the ambition to develop the IT field under the brand of creativity, quality, and competitiveness, by creating our own software products and local centers of excellence.”

“ We have built our organization around a simple philosophy: We focus on helping people to be successful. We are the employer of choice for the best and brightest engineers in all our delivery centers. Our commitment towards our current and future employees consists not only in developing their technical skills, but in offering them the right environment to follow their passion, celebrate their stories and recognize their contribution to the growth and shaping of our organization.



As one of the leading companies on the local IT market, Endava demonstrates a long standing commitment to community growth and a strong partnership with local universities, investing in educational programs and initiatives that strengthen tech communities.”



“ Republic of Moldova is fitting in our strategy, is on the edge of the EU, only 1 hour time difference with our HQ in Belgium and a culture which is close to ours. Furthermore, the level of the Universities and the advantage of the IT Park fiscal system allows us to hire competent people with an interesting fiscal incentive.”

“ At Crunchyroll, a growing IT company on the Moldovan market, we strive to provide the best Employees experience by bringing latest trends and innovations straight from Silicon Valley. It's about healthy and inspiring working environment, continuous personal development and fulfilling career aspirations.”

Crunchyroll is a great company, and this happened thanks to all our employees that accepted with no regrets to take the long journey. We have built this company together, and their contributions, talent, commitment, and passion is what has made our success possible. Our people, our community, our products, and our capabilities helps us to become the company we are today”



“ We are a German supermarket chain with stores open in 8 countries, as of 2021. In our work we aim to give our customers the new shopping experience, based on the highest European standards. To do so we rely on three main pillars in all of our work: performance, dynamism and fairness. Moldova is a promising country with great people and high potential for development”

“ Steinel has been present in the Republic of Moldova since 2007 with a production unit. More than 15 years have passed, during which, year after year, our factory has continuously progressed. We started with the production of components for Steinel products, and today the brand “Made in the Republic of Moldova” is found on many Steinel products sold all over the world.

The investment in infrastructure, in technology, but especially in people, has been welcome. This is proven by the complexity of the products made in Chisinau and the commitment of the local team. Thank you Steinel Moldova, thank you Republic of Moldova!

Dankeschön Moldau!”





“ We, AROBS Software, are proud to be part of AROBS Group, the most significant technology company listed on the Bucharest Stock Exchange. We specialize in software engineering for the latest automotive technologies, including electric and autonomous cars, and projects for IoT and Life Sciences. Our team has established strong partnerships with the academic environment, providing students with ongoing internship opportunities, inspiring them to become highly skilled professionals. We also value being part of ACEM and growing together the Moldavian tech ecosystem. Our plans are to continue to expand here as we find well-grounded specialists whose passion for innovation comes together with the desire to shape the world through technology.”

“ MAGNETEC Moldavia – Confident in the future!

Considering the expected strong growth in our business sectors, especially in the areas of E-mobility and renewable energy, we ventured into Moldova for the first time in February 2019 to explore a new location for our assembly activities

Our expectations for the motivated and highly qualified people in the country were exceeded. With active support from the Moldavian Investment Agency, GIZ Moldova, and the FEZ administration, we were able to commence production in April 2020. In 2023, we can look back positively on our development and confidently look towards the future of MAGNETEC Moldavia.

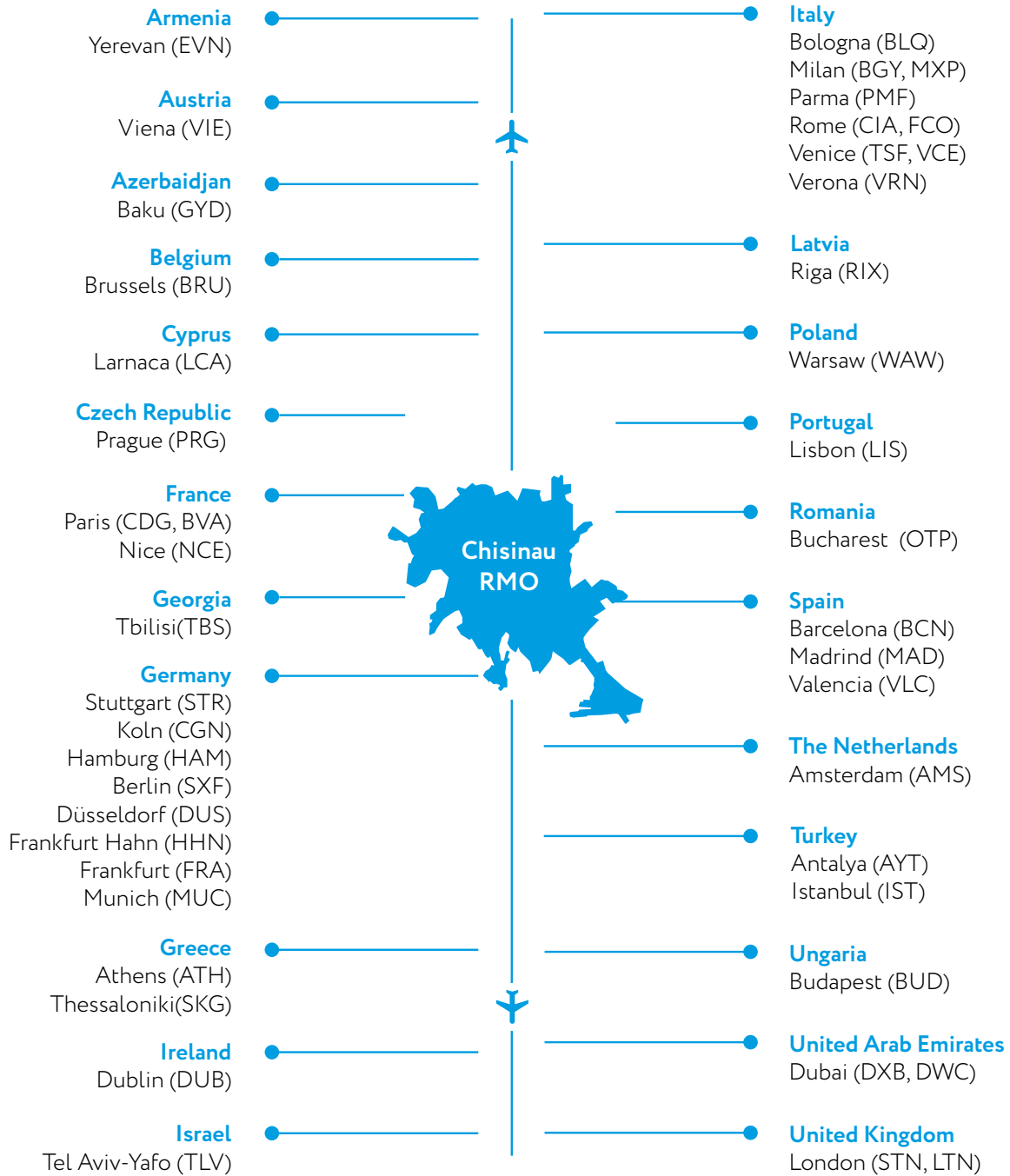
Exciting developments are on the horizon as we introduce our state-of-the-art Global Competence Center of Product Validation in Bălți, Moldova where product tests will be done as a service for our global production plants from Hungary, China, and Vietnam. Equipped with two large temperature chambers - one for temperature shock tests, simulating rapid transitions between hot and cold environments, and one for long-term humidity and temperature tests - our facility is designed to push the boundaries of technology.

In expanding our influence, we are preparing to collaborate with the Technical University of Moldova in Chisinau, supported by the German Agency for International Cooperation (GIZ). Our recent meeting with Rector Prof. Viorel Bostan, alongside our MAGNETEC partners, emphasizes our dedication to fostering meaningful relationships in our pursuit of groundbreaking advancements.

MAGNETEC continues its growth trajectory and warmly welcomes all suppliers, cooperation partners, employees, and customers who wish to accompany us on this journey.



Direct Flights from Chisinau Airport



Source: www.flightconnections.com



THE ONE-STOP SHOP FOR ALL YOUR INVESTMENT QUESTIONS

Invest Moldova Agency is a public institution under the Prime Minister's Office, serving as primary source of information and assistance for investors and exporters in Moldova.

ASSISTANCE & INFORMATION



Provide

- Information on the investment climate
- Sector-specific information
- Consulting on suitable locations – FEZ, IP (Invest Moldova database)
- Information on relevant tax, legal and administrative issues



Assist

- Scoping missions (agenda, logistics, follow up)
- Investment incentive application
- Information on business providers - HR, Legal, Consulting, etc.



Connect

With relevant partners:

- Embassies
- Government authorities
- Business associations
- Existing investors

INVESTMENT ATTRACTION & PROMOTION ACTIVITIES



- G2B and B2B Missions abroad



- International events - promotion of the investment climate of the Republic of Moldova



- Moldova Business Week

AFTERCARE



Assistance with permits, and regulatory compliance.



Provide strategic, operational and administrative assistance.



Supporting business growth, Mergers and Acquisitions.



Fostering the process of finding suitable industrial sites and commercial properties.



Connecting investors with universities and relevant institutions.



Organizing informative events and conferences for foreign investors.



Stimulating a fruitful collaboration between private sector and Industrial Parks.



CONTACT US:

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www.invest.gov.md



Invest Moldova Agency is the prime source of information and assistance for potential investors.

We offer customized services to guide you through every step of the investment decision process and provide ongoing support for existing investors looking to expand their operations.

Our team consists of permanent investment attraction experts, sector-specific consultants, and regional officers. Together, we leverage our collective experience to furnish you with pertinent information and establish connections with both businesses and government entities, empowering your decision-making process.

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