



Investment Route to



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Vienna Economic Talks
Chisinau, 25 June 2010

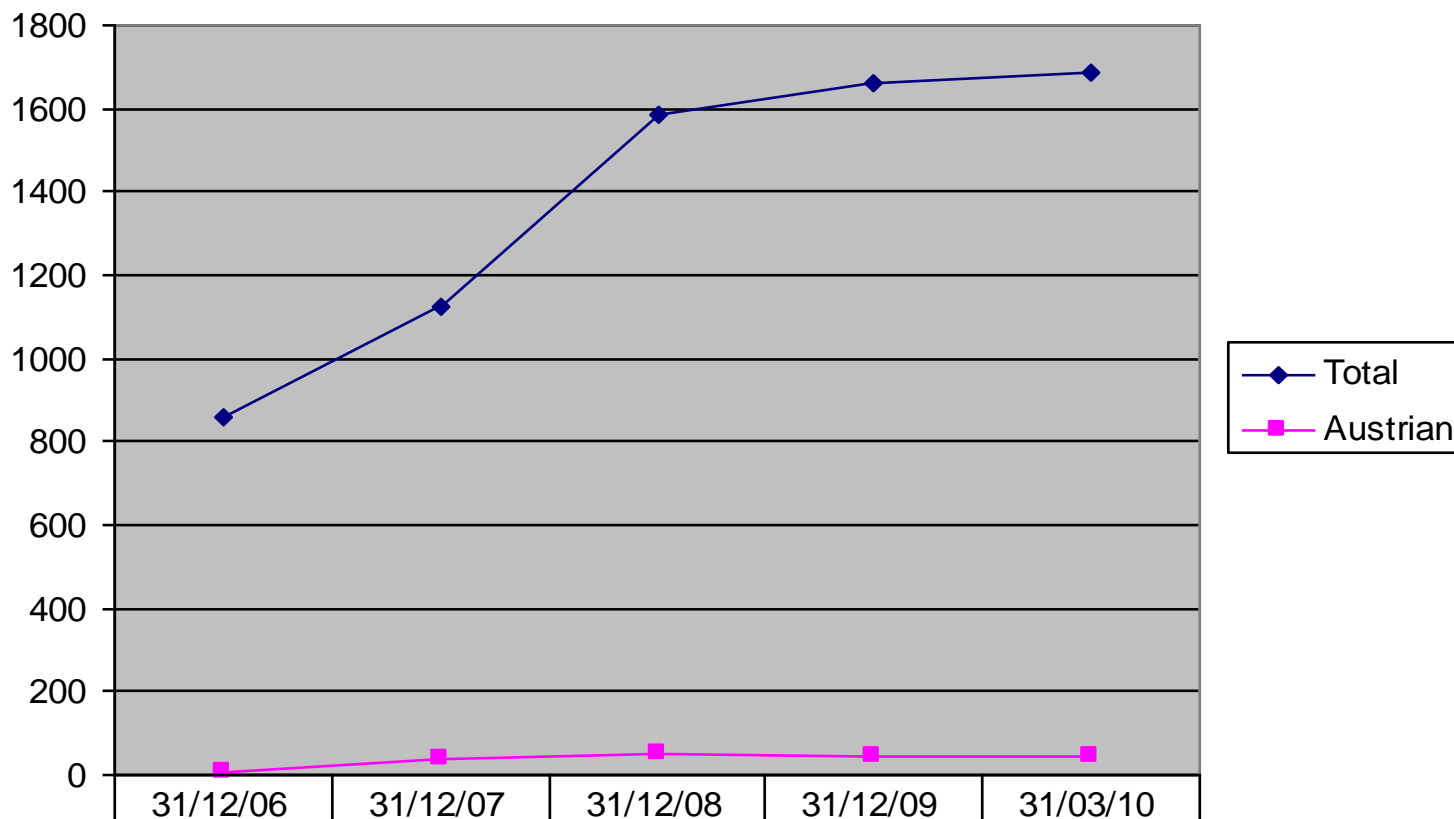
Statistics:

As of 31 December 2009:

FDI in the registered capital of Moldovan companies:

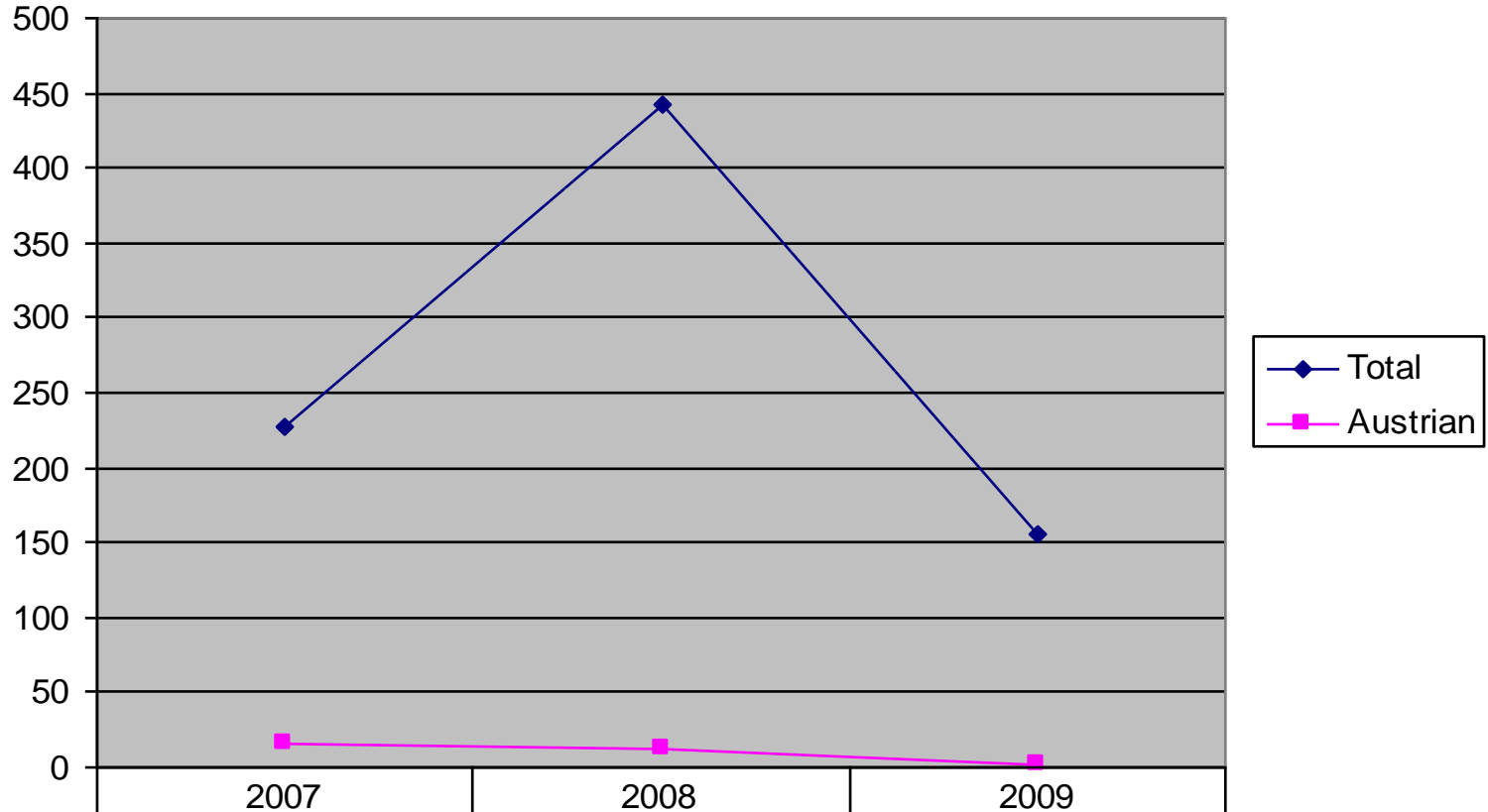
- ✓ Total: app. USD 1,660,590,000
- ✓ From Austria: USD 46,780,000 (i.e. 3%)

FDI Stocks in Registered Capital (mln. USD)



◆ Total	856.08	1,125.60	1,586.66	1,660.59	1,687.76
■ Austrian	7.63	35.2	48.99	46.78	47.09

FDI Flux into Registered Capital (mln. USD)



◆ Total	227.38	441.7	155.06
■ Austrian	16.36	11.9	1.39

Legal Attractiveness:

- ✓ liberalized market: most part of goods and services;
- ✓ relatively quick and inexpensive start-up. Ltd company registration: 1 business day / up to EUR 100;
- ✓ laws mostly compatible with EU law (EC - Moldova Partnership and Cooperation Agreement of 28 November 1994);
- ✓ transparent registries: trade, real estate, pledges etc.

Legal Downsides:

- ✓ overregulation, e.g. in construction area;
- ✓ burdensome labour laws (managers, foreigners, terms of severance);
- ✓ inefficient law enforcement system;
- ✓ restriction on ownership to agricultural land.

Taxation & Customs Regime:

- + 0% corporate income tax;
- + Moldovan – Austrian double taxation treaty (29 April 2004);
- + Free zones (Ungheni, Balt, etc.), Gagauz taxation regime (exemption from VAT and local taxes – up to 5 years);
- + Autonomous trade preferences for Moldova (EC 55/2008).
- Complicated tax system and administration.

Investment Protection:

- ✓ Law on Investment in Business Activity (no.81-XV/18.03.2004);
- ✓ Moldovan-Austrian Investment Promotion and Protection Treaty (5 June 2001): broad definition of 'investment' and 'investor'; fair and equitable treatment of investments; protection against expropriation in a broad sense; adequate dispute settlement clause;
- ✓ Moldovan-Austrian Bilateral External Economic Relations Treaty (18 March 1993).

schönherr

