

Rödl & Partner

Developing solutions

REPUBLIC OF MOLDOVA



Developing solutions

”There are great challenges ahead for the small landlocked country of Moldova, surrounded by Romania and Ukraine. The investment-friendly climate, free trade zones and the signing of an Association Agreement with the EU will serve to attract investors. Together with you we develop business concepts to ensure a sustainable and successful local market entry and position. Comprehensively and from a single source.“

Rödl & Partner

Rödl & Partner in Moldova

The Republic of Moldova is on the upswing. After gaining its sovereignty, this country has been consequently moving towards free market economy under the influence of international agencies.

Its economy is characterized with continuous growth. In Doing Business Ranking 2019, the Republic of Moldova ranks 47 out of 190 countries. A corporate income tax rate of 12 percent and low location costs make Moldova an attractive and competitive state in Europe.

In 2014 Moldova signed with the EU the Association Agreement, which became fully effective on 1 July 2016. International markets opened for Moldovan products after signing of that Agreement. It has been agreed within the framework of that Agreement to establish a Deep and Comprehensive Free Trade Area (DCFTA). This free trade area and phased-in harmonization of Moldovan laws and regulations with those of the EU will enable Moldova to establish closer links with the local market of the EU. Furthermore, investors can enjoy enormous advantages from making use of any of the seven existing free trade zones and two areas with a similar status. A location within any of these entitles to considerable tax exemptions, such as income tax exemption by 25 to 100 percent, full exemption from VAT on imports as well as substantial customs duty reliefs for goods imported for procession and for exports of finished products.

In particular, the agribusiness sector and IT and communications technologies are a major source of opportunity. The number of businesses operating in these segments more than doubled during the last decade. Business process outsourcing (incl. supply of automotive components) should also be pointed out as a major driver in this context – directly owing to the high level of training of the local labour and low labour costs in Moldova. IT parks have been a strong trend in recent years. Companies located in the "Moldova IT

Park“ have been granted substantial tax incentives. Among other things, they are subject to a simplified taxation system with a single uniform tax of 7 percent on sales revenue. More than 400 IT companies - mostly investors with foreign capital - have already benefited from these advantages.

In the long-term perspective, economic growth depends on being able to successfully combat corruption, to reduce red tape and to solve the conflict in Transdnistria. The Republic of Moldova is in urgent need of improving the civil infrastructure; at the same time that will create even better opportunities for German businesses and contribute to making this country an interesting location – first of all, for businesses operating in wage-intensive industries.

Rödl & Partner recognised this trend early and, since 2006, has been offering from its Chisinau Office auditing, legal and tax advisory, accounting and business process outsourcing services (in particular handling of labour-intensive business processes in finance and accounting).

Our professionals speak German, Romanian, Russian and English. Our advisory services are targeted primarily at medium-sized European companies investing in Moldova, for example, into joint ventures and company acquisitions, to support them during establishment of local presence or cross-border trade. Our in-depth knowledge of specific features and business practices inherent to this country can become a decisive contribution to the sustainable success of our clients.

Our services

Our office in Chişinău offers the following services:

LEGAL ADVISORY

- Corporate law
- Joint Ventures
- M&A (mergers and acquisitions)
- Due Diligence
- Mergers, spinoffs, reorganizations / transformations
- Establishment of subsidiaries, representative and branch offices
- Trade, commercial and customs law
- Franchising
- Public-Private Partnerships (PPP)
- Concessions
- Concession agreements and state procurements
- Intellectual property protection: Patents, trademarks, copyright, know-how and licenses
- Special economic zones, investment contracts
- Strategic industries, foreign investment law
- Competition and anti-trust law
- Labour and migration law
- Employee secondments
- Litigation and arbitration procedure law
- Criminal law on companies
- Liquidation proceedings and insolvency law
- Securities and capital market law, IPO
- Real estate and construction law, production settlements (Greenfield/Brownfield), environmental legislation
- Mortgages and right of lien

TAX LAW

Tax optimization / International tax law

- Tax focused project management
- Tax structuring / optimized company and concern structuring
- International real estate funds
- Tax Due Diligence
- Tax advice on M&A transactions
- Corporate transformation related tax law

Ongoing tax consulting

- Real property acquisition related tax advice
- Financing related tax advice
- Taxation of permanent establishments
- Support during tax audits
- Tax administrative procedure and tax litigation law
- Transfer pricing
- Tax advice in connection with taxation of non-profit organizations

AUDIT

- Obligatory and initiative audit with respect to annual reports of business companies partnerships in accordance with Moldovan and German standards as well as with IFRS / IAS and US GAAP
- Statutory and voluntary special audits
- Financial Due Diligence
- Business valuations
- Audits of IT systems
- Support during implementation of new accounting systems
- Transition to international accounting standards (IFRS and US GAAP)

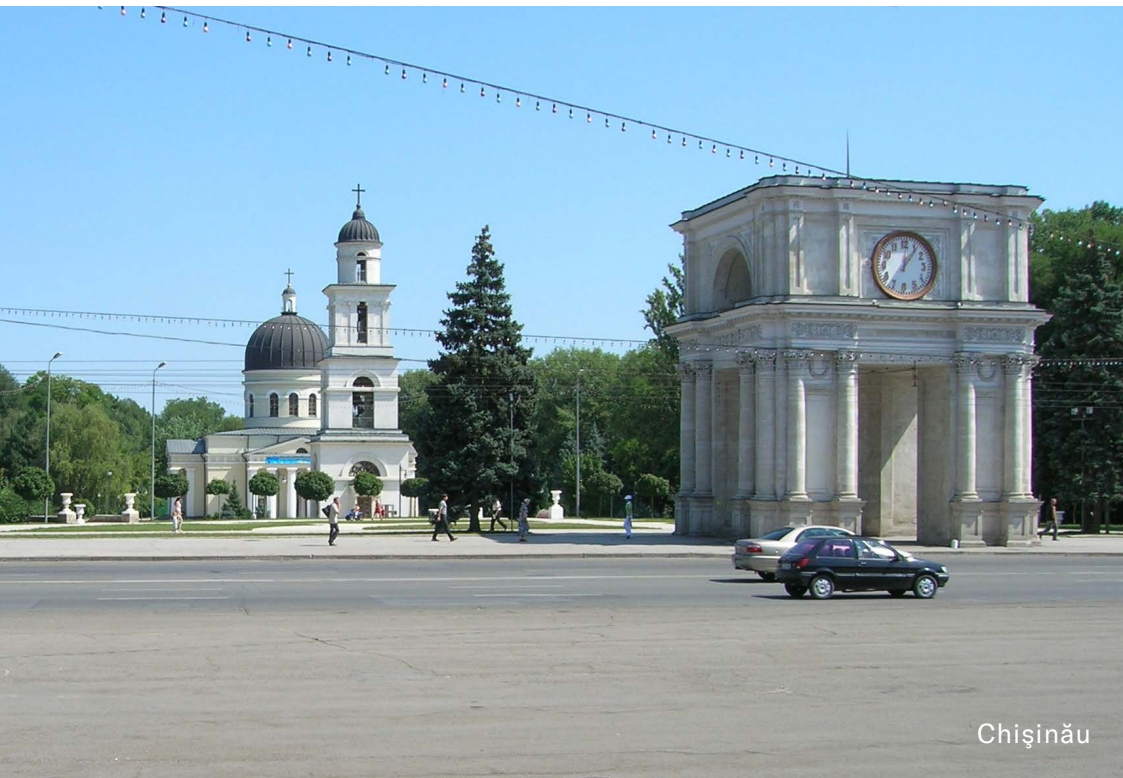
BUSINESS PROCESS OUTSOURCING

Outsourced accounting

- Ongoing financial accounting: Accounts and financial statements according to local GAAP, Reporting, payment transactions, document management
- Payroll accounting: HR management, tax returns and social security reports, monitoring of personnel qualification and talent audit
- Preparing annual financial statements in accordance with International Accounting Standards (IAS)
- Special-purpose balance sheet, interim balance sheet, consolidated financial statements

Internal accounting

- Controlling and Management Information Systems
- Ongoing internal reporting, outsourcing of the internal auditing function
- Budget planning and control, financial analyses



About us

As attorneys, tax advisers, management and IT consultants and auditors, we are present in 111 own locations in 50 countries. Worldwide, our clients trust our 4,900 colleagues.

The history of Rödl & Partner goes back to its foundation as a solo practice in 1977 in Nuremberg. Our aspiration to be on hand wherever our internationally-active clients are led to the establishment of our first, own offices, commencing with Central and Eastern Europe in 1989. Alongside market entry in Asia in 1994, the opening of offices in further strategic locations followed, in Western and Northern Europe in 1998, USA in 2000, South America in 2005 and Africa in 2008.

Our success has always been based on the success of our German clients: Rödl & Partner is always there where its clients see the potential for their business engagement. Rather than create an artificial network of franchises or affiliates, we have chosen to set up our own offices and rely on close, multidisciplinary and cross-border collaboration among our colleagues. As a result, Rödl & Partner stands for international expertise from a single source.

Our conviction is driven by our entrepreneurial spirit that we share with many, but especially German family-owned companies. They appreciate personal service and value an advisor they see eye to eye with.

Our 'one face to the client' approach sets us apart from the rest. Our clients have a designated contact person who ensures that the complete range of Rödl & Partner services is optimally employed to the client's benefit. The 'caretaker' is always close at hand; they identify the client's needs and points to be resolved. The 'caretaker' is naturally also the main contact person in critical situations.

We also stand out through our corporate philosophy and client care, which is based on mutual trust and long-term orientation. We rely on renowned specialists who think in an interdisciplinary manner, since the needs and projects of our clients cannot be separated into individual professional disciplines. Our one-stop-shop concept is based on a balance of expertise across the individual service lines, combining them seamlessly in multidisciplinary teams.

WHAT SETS US APART

Rödl & Partner is not a collection of accountants, auditors, attorneys, management and tax consultants working in parallel. We work together, closely interlinked across all service lines. We think from a market perspective, from a client's perspective, where a project team possesses all the capabilities to be successful and to realise the client's goals.

Our interdisciplinary approach is not unique, nor is our global reach or our particularly strong presence among family businesses. It is the combination that cannot be found anywhere else – a firm that is devoted to comprehensively supporting German businesses, wherever in the world they might be.

Your contacts

IN MOLDOVA

● CHIȘINĂU

Str. București 67
2012 Chișinău

IURIE BORȘCI
University Degrees
(Economy, Engineering),
Branch Manager

T +373 22 2456 91
iurie.borsci@roedl.com

IN GERMANY

● NUREMBERG

Äußere Sulzbacher Straße 100
90491 Nuremberg

PROF. DR. PETER BÖMELBURG
Certified Public Auditor (Germany),
Certified Public Tax Consultant
(Germany), Managing Partner

T +49 911 9193 2100
peter.boemelburg@roedl.com

KLAUS KESSLER
Attorney at Law
Partner

T +49 89 9298 80 710
klaus.kessler@roedl.com



Visit us!

www.roedl.com/moldova