

IVth Edition
2010

Business Review

A publication of the American Chamber of Commerce in Moldova

fighting for your business

Focus on Members

Moldcell: Internal
Communication Tools

Member Spotlight:
Purcari Winery

Superbrands:
Orhei-Vit

Business Review

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The Media Program in Moldova (MPM) supports the development of a network of regional independent television stations – Association of Broadcasters “Reteaua AICI” that provides citizens with a sustainable source of objective local news and information and ensures the distribution of local and regional news across Moldova.

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AmCham General Sponsors 2010

AmCham Moldova would like to thank AmCham General Sponsors 2010 for the provided support. The support and possibilities they gave to AmCham Moldova were more than just financial and we want to share the great positive impact that their contributions had on our ability to serve our members, advance our projects, and realize our goals.



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AmCham Tax & Legal Committee Review



AmCham Tax & Legal Committee held its meeting on December, 8.

Primary topics for discussions consisted in:

1. *The study on the status of the Treaty for the avoidance of double taxation and preventing tax evasion between Moldova and USA ("DTT MD – USA"), further to official correspondence with the Ministry of Finance.*
2. *Summarizing 2010 Committee activities*
3. *Planning Committee activities for the next year*

Further to the meeting, Committee members agreed to progress with and develop various activities in the tax and customs legal framework. For more information on the meeting outcome, please visit Tax & Legal Committee website.

AmCham Tax & Legal Committee held a presentation of Binding Tax Ruling concept to senior officials of Ministry of Finance and Main Tax Inspectorate.

The presentation took place in the Ministry of Finance premise on Wednesday, December 15, and was attended by deputy minister of finance, deputy chiefs of Main Tax Inspectorate, leading specialists of both authorities, etc. AmCham on its part was represented by its staff and consulting companies that helped the Committee in performing the study on Binding Tax Ruling (BTR) regional practice.

Primary topic for discussions consisted in analysis of BTR concept, its advantages and possibilities of implementation in Moldovan tax practice. For this purpose, AmCham came with a power point presentation and a set of specific documents from a study of BTR regional practice in 22 European countries.

The meeting was of high interest to representatives of the authorities, led to many discussions on the procedure of BTR implementation and its administration.

Finally, given that some questions remain open (e.g. the body responsible for BTR issuance, its competence, administration process, etc.) there should be performed additional analysis of other countries' practice. For this reason, the Ministry of Finance will organize telephone conferences with tax bodies in other countries that apply BTR (e.g. Romania). AmCham on its turn will provide its full support.

Since BTR concept is of strategic importance for Moldovan tax practice, discussions in this respect will continue. AmCham at this stage is glad to conclude that tax authorities appreciated Committee efforts and are likely to continue the dialogue to identify the most appropriate BTR practice for Moldova.



If you would like to be part of the Committee or require any information related to its activity, please contact Serghei Toncu, Project Manager, at 211 781 or sergheitoncu@amcham.md

Short memo:

Binding Tax Ruling is an administrative act issued by the state public entity that specifies the interpretation/ application of tax law in specific cases. Once issued, BTR becomes mandatory for the taxpayer and bodies with tax administration responsibilities.

AmChamMoldova donated medicines to the children from Oncology Hospital

On December 16th, AmCham CSR Committee has visited children from Oncology Hospital within AmCham social project "Life without Leukemia". The collection campaign, designed to attract funds for children with leukemia, had been started by AmCham with a Charity Lottery organized within the 4th of July Celebration. Money raised from tickets sale, as well as additional donations provided by project's sponsors, was donated to this special project. Children with leukemia have to spend most of the time in the halls of the Oncology Hospital. The treatment and medications are very expensive and, taking into consideration that the state covers only a part of the necessary budget, every time there is a risk that these children will remain without the so needed medication. AmCham succeeded to collect 20 000 MDL within the project. Thus, it was possible to buy some medicines for these ill children.

AmCham Moldova takes the opportunity to thank **Moldcell** and **Red Union Fenosa** who joined the campaign and made more children happy!



American Chamber of Commerce in Moldova continues the tradition of offering Cheerful Winter Holidays to children in orphanages

This year, American Chamber of Commerce in Moldova (AmCham Moldova) in cooperation with DHL Moldova delivered gifts to the children from the Orphanage School in Ciniseuti village, Rezina region.

AmCham Moldova offered to those 130 children of the Ciniseuti Orphanage School many gifts, such as toys, books, clothes, sweets, sport & other school equipment.

„Business community is one of the main pillars on which values of a society are based. AmCham Moldova wants to promote and implement in long run the spirit of solidarity and kindness in the Moldovan society. Applying these values, we, as a community, and as individuals, will benefit from a better society”, stated Mila Malairau, Executive Director of AmCham.

Among the companies taking part in the AmCham's charitable act are the followings: **British American Tobacco, Coca-Cola, Deloitte, DHL Moldova, East-Europe Foundation, IREX, Moldcell, RED Union Fenosa, Rompetrol, Turcan&Turcan Law Firm.**

Becoming already a tradition, the Christmas Collection Project has been launched by AmCham Moldova in collaboration with DHL Moldova four years ago, enjoying a high degree of receptivity from its members.



Members of American Chamber of Commerce in Moldova offer home supplies to flooding victims

American Chamber of Commerce in Moldova successfully closed the fundraising campaign to assist victims of the flooding which affected Moldova this summer. Totally, AmCham members contributed with almost 140 000 MDL.

The sum gathered within the campaign made it possible to assist 15 affected families from Cotul Morii and Sarateni villages. AmCham Moldova donated to each of these families a set of home suppliers including a fridge, a washing machine, a gas stove, a fan ventilator, a microwave oven and a carpet. Among the beneficiaries were families with many children and old persons.

"AmCham Moldova expresses its gratitude to the companies that didn't stay indifferent towards the flooding victims. In this period of winter holidays, it is great to offer people a ray of hope for a brighter future. We are glad that through AmCham's campaign, families from Cotul Morii and Sarateni villages will have a real Merry Christmas and a Happy New Year", John Maxemchuk, President of AmCham, said.

The biggest contributions came from **JTI Foundation**- as a result of **"JT International Luxembourg S.A." Representative Office in Moldova** support , which donated 120 000 MDL and **"S&T Mold"** that contributed with 20 000 MDL.

The fundraising campaign was initiated in August 2010, when AmCham members donated to the flooding victims the most critical goods, such as foodstuffs, personal hygiene items, clothing, and household items. Among the companies that joined the first phase of the initiative are *Horizon Capital Advisors, Mary Kay, Moldcell, Banca Comerciala Romana Chisinau, Chamber of Commerce and Industry of the Republic of Moldova, Moldova Agroindbank, PricewaterhouseCoopers, Prime Capital, RED Union Fenosa, S & T Mold, Sun Communications and Turcan & Turcan Law Firm.*

During the campaign, the AmCham administration and members of the CSR Committee worked directly with the mayor and aid groups in the hardest hit localities to identify the families that have lost their homes.



Member Discount Program: New offers

AMERICAN COUNCILS[®] FOR INTERNATIONAL EDUCATION
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New Offer: American Councils

AmCham is glad to inform you about the latest offer from American Councils which is providing Language lessons from 1-6 times per week, on site or in one of their five new classrooms; from VIP (one-2-one) to groups up to 12 (average 6-7 participants). There are specialized curricula available (such as Legal, Banking, Medical, Hospitality, etc.) and integrated Skype lessons for field staff are also available.

American Council is offering to AmCham members 10% discount on Open Enrollment and 15% discount on corporate rates.

Contact Info: david@americancouncils.md
Web: www.americancouncils.md



Can Moldova speak the international language of business and tourism?

American Councils is a U.S. non-profit in Moldova since 1992. Over the last 18 years, they have sent more than 1,500 Moldovans to the states on various academic and professional exchanges. Many of these alumni have returned with a competitive advantage allowing them to work for international companies and organizations. According to them, one of the biggest advantages of such programs is stronger fluency in English.

Consequently, in 1996 American Councils opened the American Language Center with two motives. One was to give those alumni who specialized in foreign language teaching an opportunity to "raise the bar", and second, to offset some of the administrative costs of sending all those Moldovans on exchange programs to the U.S.

Today's clients of the American Language Center include local embassies, Moldovan ministries, multi-nationals and international projects. Lessons take place on site or in one of American Councils five new classrooms. Corporate services have included one-2-one (VIP), specialized groups (such as Finance, Legal, Hospitality, etc.), Skype distance learning or intensives (meeting up to 6x per week).

*For a free staff assessment or demo lesson,
please contact American Councils' Country Director, David Jesse (david@americancouncils.md) or call (373 22) 225860.
Every new client helps American Councils take one step closer to sustainability.*

AmCham Moldova in dialogue with Natalia BELICOVA, Employee Services Division head at MOLDCELL S.A.



1. What criteria do you consider of key importance when selecting employees for Moldcell?

It is always a combination of knowledge, experience, potential and ambition to learn new things fast and with high quality, personal characteristics, commitment to the job and future success both of individual and the company,

orientation to certain goals and success, desire to develop and grow as well as work in the team.

- the corporate magazine „Revista Moldcell”;
- special events (the events dedicated to the launch of new products/services/ campaigns and communication of a certain message);
- teambuilding activities organized at the level of units, departments, divisions;
- brainstorming activities that can be initiated by any company employee who may invite any persons to such sessions, regardless of their position, in order to elaborate together a prospective product, project or idea;
- meetings held upon necessity; cross functional meetings, recognition meetings, etc
- Moldcell „Info Day” – annual information day;
- general orientation program (in which all company employees take part in order to get to know the internal activity, basic processes and procedures, corporate culture, etc.);
- networking events attended by the representatives of the sister companies from different countries aimed at experience exchange, information and creation of a general strategy at the group level.

2. Did any changes in human resources the economic crisis have brought?

Internally, our company was not really damaged. However, we had to revise some figures in the budget and allocate them according to the strategic priorities of the company. In terms of human resources, in my opinion, employees in Moldcell always had a feeling of job security and stability. Besides the level of loyalty is very high in the company, which is reflected on the company staff turnover rate. It was always below the average level for the Telco companies. So during economically turbulent and unstable times, people would most likely refrain from searching for a new job and leaving a company. However, our main challenge from the point of view of human capital retention is still the same: emigration. Like in our company, this social phenomenon affects the entire Moldovan labor market and to some extent causes difficulties for our recruitment process. These days it is quite problematic for us to find good specialists for certain positions. Besides, it takes a couple of months.

These channels allow the company employees to remain aware and updated about all the activities, news in the field, realizations and experiences gained on various markets of the world, contributing to the expansion of business horizons and professional development of the employees.

Also all our employees have a free access to TeliaSonera internal portal, where we learn news about all companies in TeliaSonera group.

One of the most efficient communication channels remains face-to-face contact, that's why meetings and events attended by the managers and employees, as well as networking events, ensure the establishment of a personalized internal communication which implies a number of responsibilities and commitment of the persons, the fact which, in its turn, contributes to the improvement of each person's individual activity and that of the company in general.

3. What are the main internal communication tools of Moldcell?

In our company we work intensively to ensure proper flow of information to all company employees. Several communication channels are used for internal communication, that is:

- e-mail;
- my.MOLDCELL Intranet portal – the unique source of all company related information (including company policies and procedures, news, events, interviews etc) with free access for all employees;

4. Do the employees have the chance to communicate their ideas to the management?

We use multiple tools for this purpose as well, namely:

- Face-To-Face Employee –Manager Meetings
- “Your Idea Matters” - This is a communication tool by means of which the employees can send an innovative idea to the General Manager. The best ideas are selected and their generators are awarded.
- Suggestion Box - The company encourages employees who have suggestions that they do not want to share orally or in person to write them down in the suggestion box placed on my.MOLDCELL portal. The information about the sender is

not disclosed, but the idea is forwarded to the related decision-making manager, who replies to the suggestion also by means of suggestion box. This is done in order to assure the two-way communication.

- Performance Appraisal Meetings, during which a manager and his/her subordinate have an open dialogue about employee's performance. Besides an employee has a chance to share any idea related to business or private issues.
- Internal Customer Satisfaction Survey – this survey serves multiple purposes, including the communication of any feedback, concerns, ideas of employees to the company management.

Recently our General Manager introduced another tool for his personal communication with employees – informal meetings with departments “Tea with General Manager”. The first meeting that was run in a pleasant informal atmosphere proved to be very successful. It allowed our employees to learn new things about GM's personality, ask any questions related to business, discuss prospective and many other issues.

5. To be successful, companies need to keep & motivate talented employees, but also give them new challenges for the future with a certain measure of security. How do you motivate employees?

Motivation means different things for each employee. In our case it is a combination of financial and non-financial methods. Financial motivation is ensured through regular salary revision and bonus payment. These actions are directly linked with the company and individual performance. Each year we allocate certain resources for staff development through different training programs, conferences, workshops. The technological platforms used in Moldcell allow our employees to use the advanced and

modern equipment and software. Being a part of a large international company, Moldcell has a possibility to send its employees for experience exchange to other TeliaSonera companies. This practice is valued by those who would like to expand their knowledge, individual capacity and skills, learn other working methods and different cultures. Another motivation for our employees is the participation in TeliaSonera wide projects that increases the responsibility levels, allows to gain new experience and knowledge, thus, to grow professionally. Another important thing is that in our company we ensure adequate social package as well as the office premises and facilities that correspond to the international level and make the working environment convenient, pleasant and attractive. Strong corporate culture, structured business processes maintained in the organization also play important role in the overall motivation of each employee. We are proud of what we have achieved by this moment. All things mentioned above make Moldcell one of the best companies to work for in the Republic of Moldova!

6. What does it mean for employees to be part of Moldcell team?

For me personally it is always a challenge. In terms of knowledge and experience, it is a permanent growth and improvement. Moldcell team is a group of young, dynamic professionals whose efforts are guided by common goals and ambitions. I am also proud that our company is one of the organizations widely known for its active social position. We always try to add value in everything we do by supporting different initiatives in different areas of life. And finally, to me, being part of Moldcell team always meant a great POSSIBILITY to grow personally and meet people that today make an important part of my life!

Thank you!



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AmCham in dialogue with Svetlana Gorsha, HR and Administrative Specialist, Mary Kay Moldova



1. In spite of having the same name, the work and position of the HR Department within each company differs. What is the past, present and future of HR in a company?

Being HR and Administrative specialist at Mary Kay is a very interesting and special position. My work isn't the same every week and even every day. From HR part, I deal with different global programs for employees (professional development, leadership programs, some contests for employees) and from Administrative part, I deal with benefits, supplies, postage, etc. Working for Company only for 2.5 years, I can surely say that Mary Kay is a very special company, which truly enriches women lives. Its unique philosophy and Golden Rule Service helps not only at work, but in a real life too. Mary Kay present, past and future is based on its strong philosophy, Golden Rule Service and people of course.

2. What type of people do you work with are most effectively?

Of course I don't choose whom shall I work with. I collaborate with all employees in the Company with pleasure. But most effective work is with those who give and receive effective feedback, are opened to discuss different ideas and friendly opened to any collaboration for the Company needs.

3. Can you tell us a little about HQ versus local offices? What is the relation between them?

We are very lucky to have Dallas Team as a support in our daily work. They are always supporting and helping us in all global projects, global programs or in any other issues. I can surely say, that we are working in collaboration and cooperation with Dallas Team.

4. An area which is always considered when cutting costs, together with investment in

marketing, is education or trainings. So what is the situation with expenditures on education at Mary Kay?

At Mary Kay everyone always has possibility to develop and to grow. Our colleagues are offered different possibilities and opportunities such as external trainings, internal trainings, Dallas Trainings. Everyone has equal rights to participate in Mentoring program, which is global for all Mary Kay subsidiaries. We all like trainings and every year they all are different and more interesting. In period of crisis we of course reduced the number of external trainings, but we have 2 local trainers from our Company, who can lead trainings not only for Sales Force but for employees too. Internal trainings became more popular in the Company and are welcome by all employees.

5. What is the most important within a company in order to insure business success?

The success of the company is measured with high professional employees, who are thinking out of the box and who are very motivated with their work. Everyone needs a special motivation and individual recognition. If you have almost all what I mentioned- you can consider yourself a lucky employee who contributes to the success of the company.

6. As it is the New Year coming, what would you like to wish to our readers?

As we all know from our childhood, New Year is a special holiday when our dreams come true. I would like to wish to everyone to believe in miracles, because miracles happen, don't be afraid to wish, to set high goals and to achieve them. Often people create gaps for themselves and think about simple things being impossible. As I learned at Mary Kay, don't be afraid to do something new, don't hesitate and don't be afraid to set high goals. But to dream is not enough. We should work hard to have little. Try to spend all your free time with your family, children and friends.

"Christmas is a time of joy, a time for love and cheer, a time for making memories, to last throughout the year".

My thanks to Mary Kay for taking the time out of its busy schedule to be interviewed by Business Review.

Member Spotlight: Purcari Winery



Victor Bostan,
President

1. What are you doing to ensure you grow and develop as a leader?

Management of a company and a big number of people require a great effort and at the same time huge capacity. First of all, a good leader must work more, 24 of 24, always be available and open for communication, and not the least disciplined. I look at things open minded, I have an extensive client-oriented vision and encourage others to do the same thing, I take some calculated risks, and of course I'm able to do certain things that only add value to the company not the opposite.

2. What's the newest, freshest approach you are bringing to your company?

If we talk in terms of innovation and progress then I would say certainly Purcari Company is always open to something new. We try to modernize annually, Purcari and Bostavan factories, to be aware of proposed innovative methods for impeccable quality. Traditionally, on 19th February, Purcari VIP Wine club members will be meeting, where will be presented Negru de Purcari 2008, Rosu de Purcari 2008, Alb de Purcari 2009, Rara Neagra 2010, Rose de Purcari 2010.

3. Where have synergies proven to be most effective in terms of sales: in the domestic market? export? what have your results been?

In our case, evidence of effective synergy has been the work with Moldovan Wine Guild, an association of Moldovan wine makers which promote the image of RM on the international arena and help to export wine production. A second case is integration of Vinaria Bostavan, Vinaria Purcari and Vinaria Bardar in one Holding - Bostavan Wineries. Internal and external sales department instead of one brand propose three, that helps the company work with clients. Also great importance is reduced costs on the sale for these three brands.

4. What do you consider to be the biggest challenges now for Purcari or for Moldovan wines in general?

The biggest challenge was political conflict between Moldova and Russia which led to the temporary ban for the import of Moldovan wine in Russia, the largest importing country for Moldovan wines. Wine exports to Russia were resumed in October 2007. If before the embargo Moldova exported to Russia 80% of wine, after then the export ban was only 40%, which resulted in total losses for wine industry of approximately \$ 150 million. Just after canceling Russian embargo, wine producers are facing global economic crisis. Winemakers have been forced to reduce production, to low exports because of weak demand on the export market. For Purcari Company financial support came from the International Finance Corporation; due to it Purcari Company succeed to export and to maintain the existent markets.

5. Where do you see the future of Moldovan wine heading?

I think that first of all - the future of Moldovan wine is in our country, in Moldova, where wine consumption comes from generation to generation. Unfortunately the culture of wine consumption has decreased compared with last century. People consume more beer and vodka that are very dangerous for health.

I think the government should get involved and help to develop a program for the wine industry, which is very important for Moldova, it has to lower taxes for winemakers. For importers and producers of vodka and beer have to raise them and to limit free access to these drinks.

Moldovan Government should also facilitate and create conditions for winemakers to increase sales and stimulate wine producers to promote wine on the local market.

Among export markets Our company is focused on the coming two years on the East - Japan, China and South Korea.

6. Which Purcari wines would you recommend to someone contemplating purchasing them for the very first time? And what foods would you pair with them?

For a potential buyer first of all I would recommend Negru de Purcari, super-premium wine, which has a unique history, and which was served by famous personalities like Queen Victoria and Russian Emperor Nicholas the Second. It is strongly recommend serving the wine with special dishes - like wild boar, deer or bear. To savor the flavor of this wine, it must be open with 30 minutes prior to consumption. Also I recommend as an aperitif and during hot months, wine Rose and Sauvignon. Chardonnay de Purcari I recommend for delicious food fish. Pinot Noir should be accompanied with meat dishes, preferably quail, pheasant, and turkey. Cabernet and Merlot should be served with beef and pork skewers, grilled chops. In the final taste cheese plate, accompanied by Rosu de Purcari. Whatever will be your preferences, don't forget about the benefit that brings wine to your health.

My thanks to Purcari for taking the time to be interviewed by Business Review.

Deloitte's Energy Predictions 2011 report focuses on sustainability in challenging conditions

Deloitte's Global Energy & Resources Group published its **Energy Predictions 2011 report**, the second year it has published its predictions for the year ahead. The report is based on in-depth interviews with clients, industry analysts, and senior energy practitioners from Deloitte member firms around the world.

Even as the global economic downturn begins to ease, the energy sector is still likely to experience challenging conditions entering 2011. Serving as a global and unified measure of economic recovery, the price of oil and the strength and sustainability of the recovery will impact the ways in which all forms of energy are produced and consumed.

"Energy plays a pivotal role in driving the global economy," says Peter Bommel, Deloitte Touche Tohmatsu Limited Global Energy & Resources Industry Leader. "Anticipating the course of the energy and resources sector over the next twelve months is not easy, but Deloitte's Energy Predictions Report aims to stimulate debate, inform of possible industry directions, and help identify opportunities and potential courses of action."

Emerging markets break out as the fastest-growing area for M&A

- M&A activity in the energy industry appears to be occurring in waves, with the oil and gas companies from emerging markets leading the way. A second wave of M&A is now occurring that involves state-owned companies from Russia, South Korea, Brazil, and Malaysia. The third wave, which is only now beginning to take shape, involves national oil companies from India and the CIS region.
- Moving forward, a company's post-merger integration skills will be paramount, particularly in emerging markets where complex financings, cultural differences, and uncertain regulatory environments often impede the realization of anticipated synergies.
- China's growing partnerships with resource-rich nations will likely provide an economic boost to the republic as well as to the global economy in the years ahead. These partnerships will

have a positive effect on energy markets as well as on infrastructure and industry.

Prospects for renewables are looking up as solar goes mainstream

- In 2011 and beyond, solar technologies will increasingly trickle down from industrial users to be embraced by residential consumers and small businesses.

The water-energy nexus grows in importance

- Sustainability considerations are not only becoming key inputs for business decisions, but also decisive factors affecting competition worldwide.

E&P operations advance by technological leaps and bounds

- The recent series of environmental, health, and safety incidents in the oil and gas industry will likely result in greater governmental oversight of all types of energy production.
- The boom in unconventional natural gas is a game-changing event that is likely to continue in the short-term. However, its impact may not be as loud or as long as first anticipated, due to the increase in environmental activism based on government investigations into the hazards of hydraulic fracturing.

Electric cars give auto markets a jolt

- Consumers have always had plenty of options concerning the look and feel of their cars and trucks, but they will soon have just as many choices concerning what powers them.
- Hybrid electric vehicles will likely remain popular, but plug-in electric hybrids and pure electric vehicles are also likely to proliferate based on consumer demand.

To read the full report, visit www.deloitte.com/energypredictions2011.



Retrospective CSR activities undertaken by BCR Chisinau



This year BCR Chisinau stood out as an active partner of the local community. One of the factors that contributed to the latter represents the ERSTE group membership. The ERSTE

Foundation is the legal successor of the First Austrian Savings Bank. "ERSTE oesterreichische Spar-Casse," with a tradition for over 190 years is the major shareholder of the ERSTE Group. Its two missions dates back to ancient times: the ERSTE Foundation ensures the future of the ERSTE Group as an independent company and reinvests its profits in activities for public welfare. The ERSTE Foundation, one of the largest institutions and a unique type of the European Foundation, active in Central and South-East of Europe where, together with its partners, implements various public welfare oriented projects. The Foundation is distinguished by the fact that "it holds ERSTE bank and not vice-versa/not the other way around".

If we were to take a retrospective of the activities held by BCR Chisinau SA during the year 2010, a remarkable fact would be that for BCR Chisinau, education represents a long term investment. BCR Chisinau has been involved alongside Caritas Moldova in supporting the children from the Bender Children House, about 40 kids having the wonderful opportunity to receive candy during the Winter Holidays.

Along other activities that supported the children includes them taking into tutelage the 0 kindergarten group from the flood affected Nemteni village. BCR is committed to ensure that these children receive good studies during the secondary school cycle.

BCR is trying to bring its contribution in educating the youth of today, who represent the bright future of this country. Thus, they contributed to the arrangements of the Austrian- BCR Aula in ULIM.

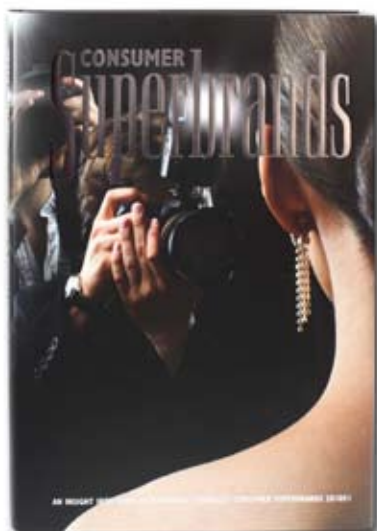
BCR Chisinau is an active promoter of culture. In order to support European values, it has been involved with the Romanian Embassy in organizing the European Day which took place on the 15th of May 2010 in the Great National Assembly/Piata Marii Adunari Nationale. The same day at the BCR office, a public debate had taken place, held by Professor - Petre Guran, director of the Romanian Cultural Institute in Chisinau, with participation of representatives from the academic and business environment.

As a bank with a European Vocation, BCR Chisinau was involved in the organizational process of the FLOW Festival, organized for the very first time in Chisinau at the initiative of the Federal Ministry of Foreign and European Affairs. The purpose of this event was to create a network between artists and scientists whom will help contribute in bringing closer the two countries from the Danube basin.

BCR Chisinau also represents the interface between clients, potential investors and partners. Active participation in events such as: Vienna Economic Forum, U.S. Business Mission, the Seminar organized by Larive Romania in order to contact Dutch funds, Seminar entitled - "Banking and Financial Solutions dedicated to small and medium business enterprises", are evidence of the BCR Chisinau commitment to provide solutions that contribute to the prosperity and achievement of our clients' and partners' goals.

Superbrands®

Two brands from the Republic of Moldova entered the first book CONSUMER SUPERBRANDS in Romania



On December 16 2010, there was launched the first book Consumer Superbrands for Romania, on the occasion of the fourth edition of Superbrands Romania Program. The Republic of Moldova was also represented in the book by two local brands.

The first book Consumer Superbrands for Romania includes success stories of the 34 brands present on the Romanian market, international and local brands, with strong reputation and fame, which were rewarded with Super-

brands trophies for their excellent contribution to Romania's image. In premiere, the list of those 300 brands validated as Superbrands is published in the First Book Consumer Superbrands for Romania.

In the section dedicated to the brands from the neighbouring markets, with potential for the future development of the discipline of branding, there were included also two reputable brands in the Republic of Moldova: Naturalis and Vita.

«Superbrands programs reinforce the reputation of the international brands in each market they operate, and put, at the same time, the local authentic brands in the constellation of the world biggest brands. For the Moldovan brands, Superbrands program is a wide open gate for their entering into the gallery of the admired and respected brands in the world,» said Catalina Stan, CEO and president of the strategic communications agency BDR Associates, which administers the Superbrands program in Romania.

The brands „Naturalis” and „Vita” are found in the book together with the famous international and Romanian brands, as: Academia Cațavencu, Avon, Ballantine's, Băneasa Shopping City, BCR, BMW, CHIVAS, Coca-Cola, Cosmote, DHL, Germanos, Google, HBO, Heineken, Help Net, Humana, JW Marriott Bucharest Grand Hotel, LaDorna, Lindab, Milli, Milupa Milumil, Mobil 1, Napolact, Orange, Orbit, Philips, Radio România, Radio ZU, Raiffeisen Bank, Rompetrol, Samsung, Spor, Vel Pitar, Western Union, Whirlpool.

The first book Consumer Superbrands for Romania, distributed through the Superbrands office network in over 80 countries on all continents, constitutes, due to the strong brands which entered into the program, an exceptional tool for promoting the Romanian market potential, and an image-bearer for Romania.

About Superbrands:

The organisation promotes all over the world the discipline of branding and pays tribute to exceptional brands through some specialized programmes: Business Superbrands, Consumer Superbrands, Luxury Superbrands, Cool Brands, Sports Brands, etc. Superbrands Organization operates in over 80 countries of the world, proactively fostering, for over 15 years, the development of the local markets through specialized programs and by publishing Superbrands volumes, specialized on categories. Entered in Romania in 2005, through the agency for strategic communication and public relations BDR Associates, the organization develops programs devoted to the Romanian market and to the local discipline of branding. The first programs developed so far, which include two editions of Business Superbrands (2007 and 2008), offered more than 130 models of success achieved by branding and communication.

For further information on Consumer Superbrands programme, please enter: <http://www.superbrands.com/ro>.



Released as one of Orhei-Vit's top brands, tasty, health-giving and affordable, Naturalis juices and nectars are produced from natural products without artificial additives and preservatives and are recommended for 1+ year old children.

Market

Naturalis is marketed by Orhei-Vit, a company established in 1945. Orhei-Vit is focused on juice and baby food production with sales to 25 countries in 2009. Its five major driving brands are VITA, VITA BABY, VITA PREMIUM, NATURALIS and GUSTOS, and there are more than 200 items in its "basket". It is market leader in its home country, with a market share of over 30% in the juices category and over 50% in baby food.

In the beginning of the 2000s, on the Moldovan juice and nectars market, the competition started to become very intense. In order to be more competitive, Orhei-Vit decided to launch a new brand on the medium-high segment. Therefore, at the end of the 2004, Naturalis was launched on the Moldovan market. With a strong marketing strategy and continuous monitoring of the consumer's needs and thoughts, Naturalis managed to stay on a top position in the juices market. At the same time, in 2005, Naturalis was launched on the Romanian market and was successful in the juice and nectars market, being one of the most popular juice brands in the medium-high segment.

Achievements

Today, Naturalis is one of the strongest local brands on the Moldovan market of regional juices and nectars. For the last three years, Naturalis has been a "best selling" brand on both the Moldovan and Romanian juices and nectars market.

The quality of Orhei-Vit's products is acknowledged at international level, several awards were gained at prestigious Food & Drinks forums in Barcelona and Paris. According to the results of an international audit, JSC Orhei - Vit was awarded a certificate that confirms the application and further

development of a quality management system in accordance with the standard requirements of ISO-9001 and HACCP.

Product

Naturalis are juices and nectars that are produced from carefully selected local and exotic fruits and vegetables and are packed in coloured Tetra Pak of 1 litre and 2 litres. The packages have plastic caps (1L) and twist-off caps (2L) for convenience.

The Naturalis range of products has more than ten flavours, including local and exotic fruit and vegetables juices.

One of the latest flavours launched in the Naturalis range line is Multifruit. Naturalis Multifruit with pulp contains the most useful and tasty exotic fruits: banana, mango, pineapple, orange, as well as apricot and apple. This fruity mix will refresh the consumer; fill him with energy and vitamins and will also strengthen health, which is very important in winter time.

Thanks to a special processing and packing

technology, juices and nectars keep the flavour of fresh fruits that are rich in vitamins, glucose, fructose and health-giving minerals.

Recent Developments

The juice and nectar department has been equipped with the most high-productive equipment of well-known companies such as BUCHER, UNIPEKTIN, Tetra Pak, FBR-ELPO and many others.



1994

Orhei-Vit is privatized.

2001

The filling line TBA8-1000 is installed with the productivity of 6,000 Tetra Pak packages per hour.

2004

Naturalis brand is launched on the Moldovan market.

2005 - 2009

The company continues its development, several new flavours of Naturalis are launched, which help the company gain a bigger market share. Moreover, Orhei-Vit extends its operations on different markets: Romania, Baltic States,

Kazakhstan, Russia, Belorussia, etc. Naturalis is packed in 2L Tetra Pak packages.

2010

Naturalis in a new package is launched on the market – in Tetra Pak 200 ml. With this package it is closer to needs of children.

Promotion

As Naturalis is one of the most popular brands in the natural juices segment, it benefits from an intensive marketing promotion. When Naturalis was first launched on the market, it had an outstanding BTL promotional campaign that targeted every store, offering different prizes to consumers.

After gaining visibility for the consumer, the next step Naturalis took was to further develop its image through an efficient ATL campaign which made Naturalis even more popular on the market. In the first half of 2010, Naturalis had a significant growth in sales and achieved to gain about 30% market share of Moldovan juices and nectars market.



Brand Values

The basic motto of the factory Orhei-Vit is to ensure a constant high quality of all manufactured production.

The combination of high-quality ecologically clean raw materials and modern technologies of well-known world producers created products that are rich in vitamins and minerals that are very important for vital activity of human body. The goal of the company is to satisfy the needs and expectations of consumers while producing natural products of high quality.



orhei-vit.com

Things you didn't know about Naturalis

- › To provide the factory with qualitative raw materials, fruit and vegetables are grown on 420 hectares arable factory-owned soil.
- › Naturalis is one of most popular juice and nectar brands in the Republic of Moldova and achieved success in Romania starting with 2005 when it entered this market.
- › The modern infrastructure of the company was established in the early 1980s, when the second production line was put into operation and the aseptic department of juice storage was created.



VITA, which in Latin means "Life", is a leading regional brand in the food processing industry owned by Orhei-Vit company in Moldova. Under VITA brand, along the time, eleven assortments of jam, nectars and natural juices have been launched, all recognized at a national and international level. Orhei-Vit started in 1945 and during the last ten years it has been selling its products to over 25 countries including Romania, Germany, US, Canada, Ukraine, Kazakhstan, Belarus and others.

Market

VITA brand was launched in 1994 as a local brand for consumers in Moldova. At the moment Vita includes a wide variety of high quality juices and baby food "VITA Baby" with a market share of over 50% in Moldova. The excellent variety of flavours and packages is very attractive for both small shops and large retail chains. For more than ten years, VITA juice has gone through a few changes in order to be more attractive and meet the needs of millions of customers. Rebranding VITA Baby, one of VITA's niche products, brought the brand a market share of 30%.

making it the leader in baby fruit puree segment. VITA brand is not only a local brand, it's an international one, known for more than ten years in all the countries it is being sold - Romania, Russia, Kazakhstan, Belarus, etc. Orhei-Vit

discovered the growing Romanian market in 1997 when it came with its brand VITA and developed its strong quality acknowledgment among the consumers.

Achievements

VITA juice and nectars had a long history and, all these years, they got a lot of awards at different levels. The last ones are:

In 2008, TM VITA Baby was awarded the Grand Prix as the Best Trade mark in the Excellence category. In 2009, VITA was



1994	2001	2006	2007	
VITA brand is launched on the market.	VITA juices start being produced in Tetra Pak package, an innovative package at this time.	Major rebranding of VITA is made after new processing equipment is installed to produce juices in a new package. Therefore, VITA becomes more attractive and appreciated by consumers.	The rebranding campaign proves to be very successful, as only eight months later, VITA Baby's market share increases with 8%.	The company decides to rebrand VITA Baby in order to face the new competitors such as Nestlé, Hipp or Heinz. From a brand positioned as a low-priced one, VITA Baby manages to become one that could be easily compared to competitors in the medium-priced segment.

awarded the Golden Medal for Best Trade Mark. But the most important award for VITA is that its customers like it, buy it and recommend it.

Product

VITA juices and nectars are produced exclusively from high quality natural products, without artificial additives and preservatives, and are recommended for 2+ year old children and adults.

The series includes not only traditional apple, peach, cherry and tomato juices but also exotic fruit juices, such as orange, pine-apple and multi-fruit juices. The line of VITA juices has more than fifteen flavours.

Thanks to a special processing and packing technology, juices and nectars keep the flavour of fresh fruit that are rich in vitamins, glucose, fructose and benefic minerals.

VITA juices and nectars are packed in 1-litre and 2-litre Tetra Paks. The Tetra Paks have plastic caps (1L) and twist-off caps (2L). Also VITA has a package which is made especially for HoReCa – glass bottles of 0,250L and 1L.

Recent Developments

In order to develop the products portfolio and satisfy consumer preferences, new flavours were added to the 1L Tetra-Pak packaging. A banana – strawberry nectar was added to the VITA brands in January; a pomegranate nectar in July and, in October 2010, a black currant nectar. These new flavours were favourably received by the consumers and brought Orhei-Vit a 20% increase of sales. The same year, VITA and VITA Baby products started being exported to Russia but also to several markets in Africa, where VITA products soon became much appreciated.

Furthermore, 2010 brought an increase of sales on markets like Romania, Kazakhstan, Belorussia, Baltic countries, etc, over passing a standstill caused by the economic crisis.

Promotion

VITA is constantly involved in CSR activities. In the fall of 2010, it launched a campaign in order to inform those that practiced fitness about the proprieties of the pomegranate juice. After a series of investigations, the company decided it was time for a change - both identity and content had to go through a face-lift. In order to correlate these two aspects, Orhei-Vit positioned the brand as one that was "created to delight senses" which is a strong promise for the consumers that VITA will ensure not only the products' aspect but also their quality. The brand's new identity came along with an important change of the logo and packaging. Therefore, designers wanted to make the brand visible and attractive on shops' shelves, and make sure they had all the necessary elements to strengthen the competitive advantage. The new design was applied on eleven selections of VITA nectars, and the visual platform was extended to other countries that imported the VITA brand. VITA Baby went through a serious rebranding process. "With VITA Baby meal becomes a game for children!" was the promise VITA made in accordance with its new positioning on the market. Furthermore, the packaging was designed in such a manner that it would reflect the product's freshness.

Brand Values

VITA stands for trust, natural products and health. Through its educational campaigns and its constant care for quality, the brand continues to be the most trusted one in the Republic of Moldova.



The combination of high-quality, ecologically clean raw materials and modern technologies of well-known world producers, created products that are rich in vitamins and minerals that are very important for the vital activity of the human body.

orhei-vit.com

Things you didn't know about VITA

- > The company opened immediately after World War II.
- > The Orhei-Vit plant is situated in the most ecological area of Moldova.
- > VITA brand together with VITA Baby are the most popular brands in juice and baby food market segments.
- > Every country or region has its own taste preferences. For example, in Moldova, the most popular juices are apple and orange, whereas in Lithuania the most popular are plum and cherry nectars.
- > To provide the factory with qualitative raw materials, fruit and vegetables are grown on 420 hectares of arable factory-owned soil.
- > In 2010, the company granted US\$ 16,800 worth of products for victims of the floods.



New excise stamps – from New Year

New excise stamps will be implemented in Moldova starting from 2011. The respective decision was adopted at a recent meeting of the National Tax Inspectorate (NTI) with participation of representatives of the Alcohol Producers' Association.

Stamps will have more security elements for impeding attempts of falsification. It will also allow improving the monitoring of alcohol movement and selling. According to market participants, there are now circulating 2.6 excise stamps of the old type, where 100 of them are not used. The NTI advises distributors and wholesale depots to accept goods with old excise stamps only till December 31, 2010.

Average import price of petrol in Moldova in January-September 2010 increased against the same period of 2009 by 27,5%, totaling to \$747,4 per 1 ton

The growth of prices for oil products was caused also by devaluation of the national currency versus the US Dollar by 13,2% and 50%-increase of excises for petrol and solar oil, resulting in the growth of prices for petrol by more than 8% and for diesel fuel – by 3%.

In the accounting period the retail prices for petrol changed 7 times, for diesel fuel – 5 times and for liquefied gas – 2 times. Till June the selling prices for petrol changed every month, after what they remained stable till the end of the IIIrd quarter. The highest level of prices for petrol was registered in April (AI 95 – 14,4 lei/liter), for diesel fuel – in June (12,60 lei/liter). Prices for liquefied gas increased in February from 6,45 up to 6,9 lei/liter, and in September – from 6,9 up to 7,4 lei/liter.



Money transfer amount to Moldova exceeds \$895.13 million by October

The amount of money transfers executed by Moldovan gastarbeiters [Moldovan citizens-guest workers in other countries] from abroad via banks exceeded US\$895.13 million during first 9 months of 2010 and went up about US\$50 million during the year.

According to data of the National Bank of Moldova, the transfer inflow was US\$132.4 million – the record-breaking index from the beginning of the year.

Over half transfers (53.9%) were transferred in the US dollar currency, 35.2% - in euros, 1.9% - in Russian rubles.

National Bank of Moldova forecasts growth of inflation to 7,8% instead of 8,2%

According to the NBM President Dorin Dragutanu, the growth was caused by the increase of prices for foodstuffs and fuel this year. In 2011 the annual inflation will be lower by 0,2 pp and at the end of the year will reach 7,3%, and in 2012 – 4,6%, as forecasted. The NBM forecasts that the growth in 2010 will amount to 5%, instead of 3,4%, as it was reported before; in 2011 – 3,4%, instead of 3,3%; and in 2012 – 3,6%. This GDP growth results from the reforms in the field of monetary policy, facilitation of trade procedures and enhancement of economic situation of the major foreign partners of Moldova – the EU and Russia.

Total Investments in Development of the International Free Airport of Marculesti for the whole period of its activity amounted to \$5.24 million

According to data of the Ministry of Economy, investments in the airport for nine months of this year totaled \$1.14 million. \$4.84 million investments or 92.4% of the total amount were made by the first resident and general investor of the International Free Airport of Marculesti – the state enterprise of the same name responsible for consolidation of the infrastructure and creation of conditions for residents' normal activity. Particularly, investments in major funds totaled \$4.34 million, in the airport infrastructure development – \$0.5 million.

Population incomes and expenditures in quarter III 2010

National Bureau of Statistics informs that in quarter III 2010, monthly disposable incomes of population summed up in average per person 1337,3 lei, which is with 12,0% more than in the similar period of 2009.

Monthly population expenditures in quarter III 2010 in average per person constituted 1462,9 lei, which is 12,5% more than in 2009.

Living subsistence in quarter III 2010

National Bureau of Statistics communicates that in quarter III 2010 living subsistence constituted in average per person 1305,1 lei, which is with 20,2% more than in the corresponding period of 2009 and with 5,8% less than in the quarter II 2010.

Gross Domestic Product in January-September 2010

National Bureau of Statistics informs that in January-September 2010, Gross Domestic Product summed up 52214 million lei, current market prices, and has increased - in real terms - with 6,5% compared with January-September 2009.

Granting of free annual subscriptions for the use of e-declaration and other e-services

On November 4, in the context of implementing e-government in Moldova, the Main State Tax Inspectorate (MSTI) and SE Fiscservinform, in collaboration with USAID | BIZTAR and AmCham, handed free annual subscriptions for the use of electronic tax reporting services.

The pursued objective of this session was to motivate large taxpayers to use electronic services, thus improving tax administration both at the level of taxpayer and MSTI. Particularly, e-declaration will lower the number of tax declarations to be processed by MSTI, in parallel offering the companies in simpler, quicker and more harmonious way to submit tax declarations without staying in long lines at the tax inspectorate office.

We are glad that 9 of 10 companies which benefit of free annual subscriptions were proposed by AmCham. The final list is the following:

- British American Tobacco Moldova
- Efes Vitanta Moldova Brewery
- Floare Carpet
- Mary Kay Moldova
- Moldova Agroindbank
- Orhei-Vit
- Petrom Moldova
- PricewaterhouseCoopers Audit
- Prime Capital
- Sudzucker Moldova

Besides the electronic submission of tax declarations, companies will get the access to a wide range of additional electronic services, such as quick declaration, advanced access to information about taxpayers, the balance of tax payments and other services.

During the meeting, Mr. Gheorghe Cojocari, Deputy Chief of MSTI and Mr. Vitalie Cocean, head of Fiscservinform have also mentioned their particular plans in launching new electronic services and future amendments in the Tax Code that will facilitate tax declaration process.

AmCham in its turn thanked the participants for productive collaboration and ensured them to provide reliable feedback on how to improve electronic tax services.

More details on electronic tax services at www.servicii.fisc.md



Training “ISO 26000 - Step by Step guidance to improve your CSR Practices”

Organized by the American Chamber of Commerce in Moldova the CSR training program held on the 15th of November 2010 and conducted by Maryna Saprykina (CEO, Centre for CSR Development, Ukraine) has proven that in order to develop a healthy and socially responsible business, involvement and improvement is required. Improvement in ways of doing business and setting corporate values, involvement in the society as a whole.

The training presented the background, importance and requirements of implementing ISO 26000 in the economic environment of each organization and the benefits it brings to the latter. Conducted in a pleasant atmosphere Ms Saprykina made sure everyone is involved in the training. Matters concerning each representative were carefully analyzed and discussed so that all questions were answered along the way.

After a short coffee break the training really started to heat up, as each participant was given a case study. The case was necessary in order to comprehend a very important aspect of the training - Stakeholders. Each team had to come up with their own opinions on the term and argument the importance of it for the companies. From that point and on Ms Maryna described the steps for improving CSR, the core subjects and issues of SR (social responsibilities) and how it can be mainstreamed on all levels of an organization.

The training finished on a positive note, and feedbacks from all participants were taken into account, each one of them leaving with new ideas, impressions and ways to contribute to their own companies and organizations.

Partner of the Event:





Training on Development Opportunities for Mid Career Women Professionals

A Training on Development Opportunities for Mid Career Women Professionals was organized by the American Resource Center in partnership with AmCham Moldova. The training was delivered on October 4.

The Speaker of the Training was Ms. Hedy Ratner. Hedy is founder and Co-President of the Women's Business Development Center, the largest, oldest—since 1986—and most comprehensive women's business assistance center in the U.S.

We would like to thank all participants for their interaction & commitment.



Christmas Cocktail Reception

On December 15, 2010 AmCham Moldova held its Christmas Cocktail Reception for its members, partners and friends in a nice cozy atmosphere at Vintage Lounge & Art Cafe. Over 60 people joined AmCham that evening to say good-bye to the year 2010 and celebrate the coming 2011. The festive atmosphere of the evening was complemented by the live jazz music and dainty banquet. The tasty wine was kindly offered by **Chateau Vartely**.

AmCham team used the occasion to thank all members for their commitment and continuous support.







2011



Happy New Year!