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Investment alternatives.md



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some solutions on how to invest.md

- ◆ Privatization of state assets
- ◆ Public private partnership
- ◆ Direct investments
- ◆ Capital market

regulatory investment framework

◆ Sound regulation

Law on investments in entrepreneurial activity, Law on administration and privatization of state property, Law on public-private partnership, Law on concessions, Law on joint-stock companies, Law on limited liability companies, Law on Civil Code, Law on state control, Law on basic principles regulating entrepreneurial activity, Law on licensing, Law on regulation through authorization, Law on establishment of a one stop shop for the deployment of entrepreneurial activity, Law on internal trade, Competition Law, Fiscal Code, Law on free economic zones, Insolvency Law, Labor Code

◆ General investment regulation principles

Investors are entitled to invest in any field of entrepreneurial activity on the territory of Moldova, State ensures the regime of protection of all investments regardless of their forms, Investments in Moldova shall not be discriminated, State provides fair and equal conditions for the investors, Investors have full access to Moldovan regulations, Public authorities shall observe investors' rights, Investments shall not be expropriated or subject to any other similar measures, Investor shall enjoy the guarantee against losses as a result of its rights' violation, also as a result of government

◆ New regulatory investment framework

- ◆ Capital Market Law (September 2013)
- ◆ Secondary capital market legislation

does CAPITAL MARKET exist?

- ◆ USD 110.5 million issuances of shares in 2011
- ◆ USD 157.3 million - total amount of shares traded over 2011
- ◆ 64 market operators
- ◆ 13 listed and 969 non-listed companies at SE
- ◆ 681 JSCs publicly disclosure information

new capital market law

- ◆ **transposes 11 specialized EU directives**
 - ◆ MiFID, Market Abuse, Takeover Bids, Investor Compensation Scheme, Settlement Finality, Admission to Stock-exchange Listing, Prospectus to be Published, Transparency of Information about Issuers of Securities, Capital Adequacy, UCITS
- ◆ **brings into compliance legal notions and regulation with international practice**
- ◆ **allows cross-trading and cross-listing**
- ◆ **permits EU investment firms to provide service**

comparative view: current & new rules

from

to

❖ regulation of anything

❖ regulation of 1. public offers,
2. regulated markets,
3. investment services for
retail investors

❖ full supervision and control

❖ 2 level of prudential control

❖ no regulatory exceptions

❖ exceptions for professional
clients and qualified investors

comparative view: current & new rules

from

to

- ❖ all JSCs are treated as public
- ❖ complex registration of issuance of securities
- ❖ all JSCs shall be listed

- ❖ banks, funds, insurers, listed companies
- ❖ simplified registration procedures for non-public JSCs
- ❖ only JSCs complying with specific requirements can be listed

comparative view: current & new rules

from

to

❖ authorization for trading

❖ excluded; takeover bids
(control of more than 50%)
shall be authorized

❖ concentration rule

❖ best execution principle

❖ sell-out

❖ squeeze-out (90%)

opportunities and benefits

from

to

- | | |
|--|---|
| ❖ securities | ❖ all types of financial instruments |
| ❖ mass-privatization intermediation | ❖ classic investment banking and UCITS |
| ❖ limits in provision of investments service | ❖ an investment firm can provide all types of investment services |
| ❖ other trading restrictions | ❖ margin trading, repos |

new requirements for investment firms

- ❖ capital adequacy = up to EUR 300.000 (in 2023)
- ❖ requirements for managers and shareholders with qualifying holdings
- ❖ investor compensation scheme
- ❖ organizational requirements
- ❖ conflict of interests
- ❖ conduct of business rules



Thank you!

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