



Investing in Moldova Experiences and Impressions



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About us:

- Vernon | David (formerly David & Associates) is an American owned, Bucharest-based law firm providing full-service legal advice to a wide array of domestic and international clients ranging from start-ups to large multinational companies and foreign governments. Currently, we have offices in Bucharest and Chisinau, Republic of Moldova.
- Since its establishment in 2001, Vernon | David has grown rapidly to become a highly specialised law firm consisting of 5 partners, 18 associates and other professional staff.



About us: Moldova

- Although active in Moldova since 2001, Vernon | David opened a full-fledged office in Chisinau in 2008.
- Our Chisinau-based team of American and Moldovan attorneys works closely with our Bucharest office in advising clients on a range of investment-related matters, including financings, mergers and acquisitions, real estate issues, labour matters, IP, environmental regulations and general commercial transactions.
- As of late 2011, we represent over 30 clients, virtually all of whom are foreign investors from the EU, CIS and USA.



Attractiveness of Moldova for foreign investors:

- Lower average wages and multilingual workforce
- Attractive corporate tax rate (0% in 2011, expected 12% in 2012)
- Extensive network of double taxation treaties
- Moldova is the only CIS country with autonomous trade agreements with the EU and FTAs with CIS countries
- International port access
- Investor protection strengthened by Bilateral Investment Treaties and access to ICSID arbitration

Some residual challenges for doing business

- Incomplete, over-regulating or conflicting legislation
- Need for reform of the courts and dispute resolution process
- Institutional inertia at lower bureaucratic levels
- Political instability and infighting affecting the impartiality and professionalism of ministries and fostering paralysis when it comes to major decisions affecting foreign investment
- Deficiencies in the educational system requires extensive training of new graduates