

# ANNUAL REVIEW

EBA 2015

Driver  
for change  
Progress  
in snapshot



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## Message of HE Mr Pirkka Tapiola, Head of the EU Delegation in Moldova, Honorary President of EBA

The year 2015 was challenging for the Republic of Moldova. We all witnessed frequent governmental changes, a fluctuating exchange rate, and a highly volatile banking sector. Trust in governance hit an all time low. In the midst of this, the private sector had to cope managing shocks and ensuring safe and sustainable economic activity in the difficult circumstances.

Despite all this instability, the European Business Association (EBA) remained active in its lobbying and advocacy, participating actively in various B2G platforms such as Prime Minister's Economic Council, the Tax consultative committee, the Customs consultative committee, Ministry of Finance Tax Policy dialogue platforms and Ministry of Economy working groups. Thus, the EBA has been constantly promoting changes in legislation under the EU approximation agenda, managing more

than 30 initiatives in this regard. Let me just note some of the areas covered: developing tax policy, promoting important changes in the agricultural sector in the area of certification of fertilizers imported from the EU, setting up a sound waste management legislation by involving international expertise, promoting more transparent rules for meat processing companies through the de-monopolization of meat imports and ensuring high level of food safety rules, supporting the simplification of customs procedures, and pushing for more transparent rules for inspections and controls by law enforcement bodies etc. These are but a few examples of legal initiatives undertaken in the course of 2015. Their overall goal was to improve the Moldovan business climate.

The EBA developed an ambitious agenda of business support activities, ranging from practical training to the private sector to support access to EU markets, nearly fully opened through the Association Agreement and the Deep and Comprehensive Free Trade Agreement, to providing individual support to businesses in developing marketing tools for potential exporters, coaching them with relevant information and hands-on practical

training, and finding partners and supporting potential exporters at the negotiation stage. This business export coaching was mainly provided to Moldovan agricultural producers wanting or obliged to diversify their markets. Considering the existing constraints faced by Moldovan agricultural producers, the EBA developed all together 12 websites for potential exporters, enhanced their marketing potential through practical workshops and marketing materials, organized two matchmaking missions, which generated five new export opportunities. All in all more than 1400 entrepreneurs from all over the country benefited from DCFTA practical workshops, business support services and individual assistance.

Furthermore, the EBA increased its visibility by participating in international projects funded by EU, such as East Invest, OECD, the Swedish Government, USAID, World Bank, IFC, all of them targeted towards increasing exports and developing lobbying and advocacy capacities in the private sector.

I would like to wish EBA success and prosperity in building on the success achieved, thus accomplishing new goals on the path of European approximation.

## Message of Mrs Silvia Radu EBA President President, Gas Natural Fenosa

The year 2015, the 4th year since the foundation of EBA, has been another year of political turbulences in Moldova. The lack of political stability has negatively affected the economy of the country, and respectively kept the economic scenario on a restrained level of its development. On the national arena, no positive impulses could be noted, mainly as result of the political insecurity. For the same reasons, positive initiatives towards foreign direct investments could not be stimulated, with the automotive industry as the only exception.

Within this economic scenario, the European Business Association (EBA), has further increased its importance and relevance throughout the Moldovan business community, and it is covering a clearly defined role within the business environment. With its targeted and efficient lobby and advocacy work, EBA has supported its members in 2015 to keep their businesses running in a difficult economic environment; several issues could be solved

on harmonizing Moldovan legislation towards necessary EU/international and export oriented standardization and rules.

In 2015, EBA has further shown that it serves as a reliable partner for international organizations to execute relevant projects for supporting Moldovan companies through individual expertise, lobby and advocacy support, coaching sessions in various technical areas with a special focus on improved management skills and export related issues. Within those, projects have been carried out in cooperation with the EU Delegation, Swedish Government, World Bank, IFC, USAID, GIZ, East-Invest, to just name a few.

Beside the mentioned, EBA has prioritized on supporting companies in their efforts concerning exports, especially targeted to the EU. Respectively with the launch of "EBA ExportASSIST Service" a new initiative has been created to make export relevant knowledge available for all interested



Moldovan companies. Companies needing support in any of the export relevant areas, such as education and preparation on legislative issues, logistics, aspects of marketing, documentation for exports, practical issues etc., can approach EBA to get delivered the respective professional service and support.

With the achievements in 2015, EBA has established its role as reliable and important partner for the Moldovan and international business society.





**Silvia Radu**  
EBA President



**Thomas Moser**  
EBA Vicepresident  
Danube Logistics



**Ridha Tekaia**  
Mobiasbanca -  
Groupe Societe Generale



**Octavian Armasu**  
Sudzucker Moldova



**Catalin Giosan**  
PRO Digital



**Alexandru Gozun**  
PwC Moldova



**Juan Luis Martin Ortigosa**  
Banca Comercială Română Chisinău



**Wolfgang Lerke**  
Moldo - German Business  
Association



**Alexandru Turcan**  
Turcan Cazac Law Firm



**Michele D'Introno**  
METRO Cash &  
Carry Moldova



**George Teodorescu**  
Vernon | David

# EBA BOARD



# EBA MEMBERS



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## EBA Export ASSIST

### PROCESUL DE EXPORT DEVINE MAI SIMPLU CU **EBA MOLDOVA**

#### Suport oferit la export

EBA Export ASSIST este un serviciu din cadrul Asociației Businessului European din Moldova (EBA Moldova) recent creat. Serviciul are drept scop susținerea companiilor din Republica Moldova și valorificarea oportunităților existente oferite de DCFTA la exportul pe piața UE.



#### Ce poate oferi EBA Export ASSIST?

**EBA Export ASSIST oferă suportul necesar în următoarele domenii:**

- *Suport informațional la export (informații referitoare la regimuri comerciale, cote, taxe vamale, cerințele țării țintă, alte aspecte specifice);*
- *Informații despre pachetul de documente necesar pentru export;*
- *Instruire practică pentru a pregăti compania pentru export;*
- *Aspecte de Marketing și informație referitoare la intrarea pe piață;*
- *Oportunitățile pieței țintă și ajustarea produsului;*
- *Logistica necesară la procesul de export;*
- *Date statistice care vor ajuta compania să ia decizia corectă referitor la export;*

# MISSION

The EBA is one of the main business hub for Moldovan and foreign entities aimed at

- facilitating domestic and foreign trade;
- improving business climate through different communication platforms;
- bolstering foreign investments;
- promoting business activities between EU and the RM.

# VISION

To enable & drive the full establishment of European business practices and values in Moldova wishing to promote and contribute to the harmonization of Moldova economy to EU.



# EBA TEAM



**Mariana Rufa**  
Executive Director

Ensures the full executive and administrative authority for EBA, developing the EBA strategy, work plans and budgets, managing recruitment of member corporations, facilitating partnerships, projects, co-operations for the benefit of EBA and managing contact to EBA Sector Committees. Supports the team in lobby, service, project work and press & media work.



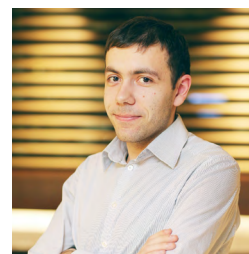
**Ecaterina Chirilenco**  
Lobby & Policy Officer

Develops and organises the lobby work for EBA, drafting position papers, representing EBA at meetings and organisations relevant for lobby and advocacy work, assisting the Executive Director in her efforts towards lobby issues and building up and keeping an active network with relevant stakeholders for lobby work. Supports project management of EBA projects and leads Sector Committees Meetings.



**Olesea Ghedrovici**  
Finance and Tax Advisor

Drafts sector briefs of Moldovan economy, advising EBA on financial matters, being responsible for all lobby related issues of tax policy and managing the Tax & Customs Committee of EBA.



**Ion Cebanu**  
Executive Assistant

Manages the daily office tasks in regard to organisation and administration, maintaining and updating communications vehicles such as website, newsletter, press releases, social media, etc. Manages projects in regard to reporting and organisation and ensures organisation of EBA events, trainings and seminars.



**Henrik Kuffner**  
Senior Advisor

Advises EBA on institutional, organisational matters and on internal structural issues. Builds up an international business network for the benefit of EBA. Ensures development of a service department for EBA, general support on marketing issues and all-over support on HR issues.



**LOBBY  
AND  
ADVOCACY**

**BUSINESS  
EMPOWER**

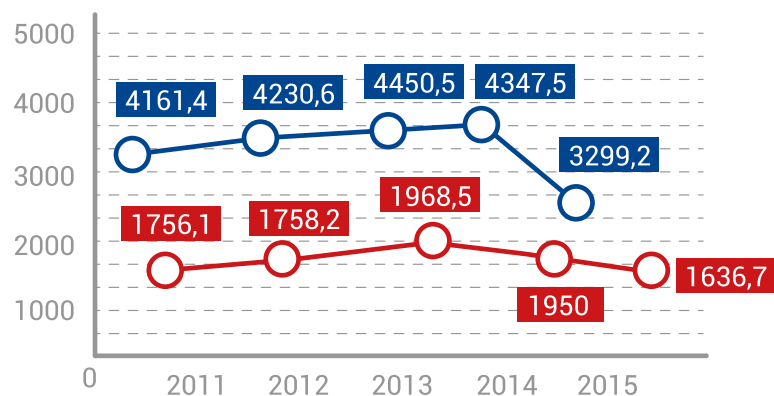
**BUSINESS  
SERVICES**



## INTRODUCTORY REMARKS

### Exports in Jan-Oct. 2011-2015

The structure of exports changed slightly. Exports to EU comprise a more significant part of total exports from Moldova in 2015 comparing to 2014. This fact is explained by trade restrictions imposed by Russian Federation and reorientation of Moldovan business to new EU markets. There is a good perspective for Moldovan exporters to increase their presence on the EU markets and, therefore, the structure of exports will also be different in future.

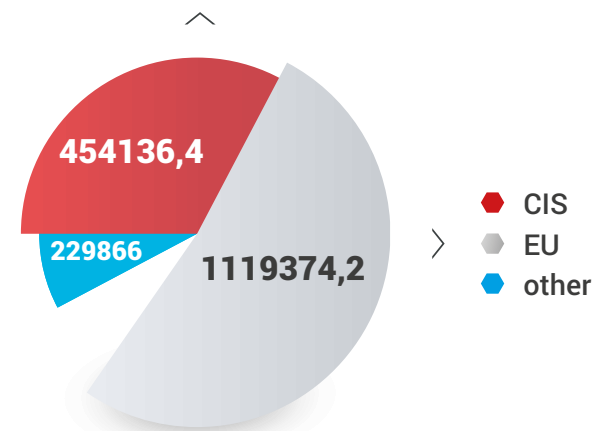


Source: National Bureau of Statistics

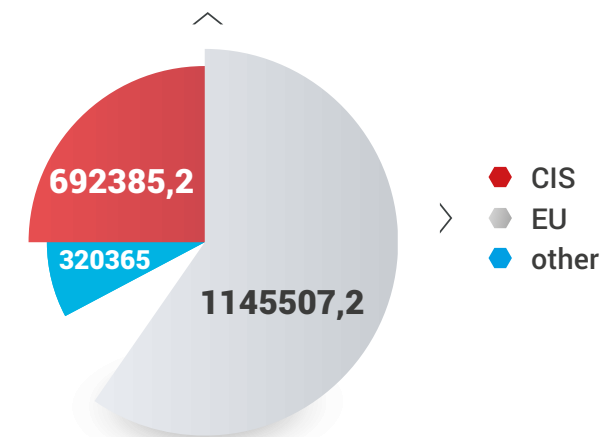
2015 was a very challenging year for the Moldovan business and economy. Problems in the banking sector, trade restrictions imposed by the Russian Federation and crisis in Ukraine have determined negative trends in almost all basic indicators of economic activity. Annual inflation rate consisted in 13,5%, being far from the NBM prognosis of 5%+/-1,5%. The Moldovan currency has depreciated significantly

(28,8% towards USD and 12% to EURO). In January-October 2015 comparing to the same period of 2014 the volume of exports decreased significantly: by 35% to CIS countries (223,7 mil. USD), by 0,3% to EU countries (2,9 mil. USD) and by 29,6% to other regions (86,7 mil USD). The level of imports also reduced by 519,6 mil. USD from EU countries, 340,6 mil. USD from CIS and 188,1 mil USD from other countries.

### Export to regions in 2015, thousands USD (NBS data)



### Export to regions in 2014, thousands USD (NBS data)



Gross average nominal salary in October 2015 was **4564,9 MDL**, registering an increase of **5,9 %** comparing to October 2014, however due to higher inflation rate the real salary was lower by **6,4%**.

The unemployment rate remained unchanged, according to the data of the National Bureau of Statistics.

# LOBBY AND ADVOCACY

EBA is engaged to serve effectively the interests of its members, aiming at delivering improved policy changes, through EBA developed Position Papers, activities of EBA Sector Committees and active participation in B2G Platforms.





## SECTOR COMMITTEES

### Environmental Committee

This year, the Environmental Committee reunited a large number of stakeholders. Besides business representatives – regular committee members, the meetings included the participation of international experts and high level officials, such as the Deputy Minister for Environment, Dorin Duscias. The activity of the committee focused on the major policy issues connected to the environment, which have the outmost impact on the operation of companies in terms of costs, additional compliance conditions and new targets to be achieved.

The areas touched upon included:

- **Efficient** system of waste management to fill in the gap between ensuring the financial sustainability of the subject and the duty of collection, transportation and preparation of different waste types



(household or industrial waste).

- **The** need to consider the existing waste management mechanisms successfully operating in other countries (Romania, Turkey etc.).
- **The** opportunity to explore waste as raw material for producing alternative sources of energy (renewables, biogas etc.).
- **To** prioritise the adoption of the draft Law on Waste, as it would serve all the stakeholders related to environment protection and create new possibilities for future investments.
- **To** consider the setting up of an association concerned with environmental issues that would be responsible for initiating and managing an ECO Fund, oriented at reducing harmful effects of waste.
- **To** consider the possibility to organise working visits to other countries, for companies in Moldova, in order to raise the awareness and provide best practices to the private sector on the operation of waste systems (collection, storage and processing) in other states.
- **The** Committee debated about the impact upon the business sector of the draft Law on Waste. EBA developed a position paper which included proposals and amendments to the Draft Law on Waste. This position paper has



been forwarded to the Parliament and discussed during a joint meeting of EBA and its members with the additional voice Standing Committee for public administration, regional development, environment and climate change.

- **The** Committee examined the preliminary Regulatory Impact Assessment to the draft Regulation on packaging and packaging waste. EBA presented its remarks during the working group meetings at the Ministry of Environment and the Ministry of Economy. EBA will continue to follow-up on the secondary legislation measures in the area of waste management as soon as the consultation phase of the draft Regulation on packaging and packaging waste will be launched.

## Tax & Customs Committee

The activity of the Tax & Customs Committee focused on constant monitoring of the fiscal and customs policy tendencies with the aim of framing relevant comments and proposals to be further addressed to the main decision-makers regulating the area, and to ensure a clear understanding about the impact of any policy change through active B2G dialogue.

- EBA gathered business representatives, financial managers, and chief accountants to explain the mechanism of implementing the new Tax Code provisions entered into force as of May 1st, 2015. Considering that under the general rule, these tax policy amendments should have been applied as of January 1st, 2015, EBA referred the matter on proper implementation of the new tax rates to the Ministry of Finance. As a result, the State Revenue Service in partnership with Ministry of



Finance organised a meeting on practical reporting mechanism envisioned for 2016, where companies had the occasion to discuss about further possible difficulties they could encounter in this regard.

- Key issues deriving from the tax policy approved for 2015 were addressed in a meeting with the head of the Parliamentary Committee for economy, budget and finance, Mr. Stefan Creangă. On this occasion, accountants and financial managers of EBA member companies forecasted the consequences of specific tax policy provisions and their related costs, such as the tax on advertising devices and the inconsistencies between the Law on advertising and the Tax Code when referring to this matter, as well as the possibility to allow the deduction on depreciation and expenses for maintenance, operation and repairs of the cars used by high management staff of the taxpayer and only for one motor vehicle per economic operator. Other issues touched upon referred to certain implications resulting from fiscal inspections that may appear in 2016 and how the conditions on annual reporting will affect the taxpayers.

- A review of transparent and effective models of fiscal reformation was presented by the former Minister of Finance of Georgia, Aleksis Aleksishvili (in office from June 2005 until September 2007,

Saakashvili Government). During his presentation, Mr. Aleksishvili talked about fiscal policy and administration reforms that were essential to Georgia's modernization and improvement in international rankings, such as Doing Business or Global Competitiveness Index. In particular, he touched upon issues referring to tax policy and administration, customs and revenue service reforms. Alongside EBA board and members, the Moldovan Minister of Finance, Mr. Anatol Arapu also attended the meeting.

- EBA and its members gathered in a joint meeting with the Minister of Finance to discuss about the content of the fiscal policy for 2016. Following these discussions EBA prepared a position paper comprising specific proposals sent to the relevant decision-makers at the level of Government – i.e. Ministry of Finance, Ministry of Economy, and in the Parliament – Standing Committee for economy, budget and finance.

## Food & Agriculture Committee

EBA contributed to abolishing the obstacles to trade with phytosanitary products and fertilizers coming from EU. A new Decision of the Government aiming to facilitate trade between Moldova and the EU has been passed. The GD 710/2015 amends the

Regulation on state certification and homologation of phytosanitary products and fertilizers used in agriculture and forestry, by simplifying the procedure of recognition and type-approval applied in relation to phytosanitary products and fertilizers already certified in one of the EU Member States or marked as „EC fertilizer”.



## Energy Committee

The main area covered by the EBA Energy Committee meetings this year, focused on the promotion the draft Law on renewable energy. EBA Members displayed their views concerning the main aspects related to the concept of the law as well as certain technical matters and provisions that need to be included in the law for the different sources of renewable energy such as wind, solar and biomass. The key issues discussed related to capacity limitation, net metering, certification requirements for the providers of solar equipment specifically and transparency of the tendering process. A position paper encompassing all comments and proposals has been later on developed by EBA.

## POSITION PAPERS

### Renewable Energy

**S**pecific proposals and comments were included in a position paper developed over the draft Law on Renewable Sources of Energy. Equally, EBA submitted an analysis with concrete recommendations on renewable energy promotion in Republic of Moldova.

#### Outcome / Status:

Approved by the Parliament.

### Meat Industry

**E**BA drafted a position paper focusing on liberalisation in the area of meat imports, increasing the surveillance of non-transparent meat processors not complying with the food safety regime, loosening of control measures in relation to credible operators and ensuring transparency and impartiality of ANSA in performing veterinary controls.

#### Outcome / Status:

Submitted and discusses with the Ministry of Economy, Prime Minister's Office and the EU Delegation to the RM.

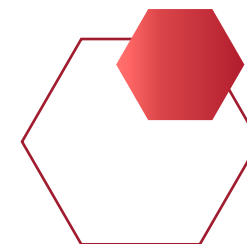


### Waste Management

**A** number of amendments aiming at improving the draft Law on Waste were integrated in a position paper developed by EBA, with contribution of experts in the area of environment. EBA's proposals and comments were submitted to the Parliament and discussed in a meeting with the Head of the Parliamentary Committee for Environment.

#### Outcome / Status:

Approved by the Government.



### Pharmaceuticals

**E**BA continuously participated in the development of a final draft of the Regulation on organisation and operation of the National Ethics Committee of Experts on clinical studies, for it to incorporate provisions corresponding to best international rules and practices applicable to the area of clinical research. In this respect, EBA submitted a position paper both to the Ministry of Health and Office of the Prime Minister, participated in several meetings of the working group and discussed the prospects of the policy draft in a joint meeting with the Minister of Health.

#### Outcome / Status:

Approved by the Government.

### Agriculture and Trade

**E**BA Moldova engaged actively in promoting the draft Regulation on certification and homologation of phytosanitary products and fertilizers used in agriculture and forestry. This measure shall impede the increase of prices for fertilizers and implicitly of the final price for agri-food products.

#### Outcome / Status:

Approved by the Government.



## B2G PLATFORMS

EBA has made use of several B2G platforms to address the major issue and constraints encountered in the most important sectors of the economy. The main goal consisted in tackling these problems systemically and come forward with solutions that would benefit the entire business community.

### Economic Council of the Prime Minister

Under the Economic Council of the Prime Minister, EBA engaged actively in a direct dialogue with the Government and pursued the delivery of explicit actions and measures on behalf of the decision-makers in order to ensure a stable business environment.

- Improving of the national reporting system through simplification of reporting conditions in order to reduce the administrative burden on business.

- Key recommendations on regulatory framework to make the Moldovan investment climate more attractive – ensuring the respect of transparency in policy and decision-making, improving the overall labour legislation framework, developing a mechanism for conflict mediation in business and engaging in regular and constant dialogues with all stakeholders to succeed in identifying the best solutions.

- Removal of potential barriers to trade that impede full DCFTA implementation – apply the unilateral recognition of EU certificates and standards, simplify the process of products homologation and certification (decreases minimum 50% of time and cost), ensure the implementation of the European Catalogue of seeds and fertilizers, take necessary measures to effectively simplify and decrease the number of customs clearance procedures, related documents and the time needed to obtain the necessary permissive acts for exports.



- Proposed anti-crisis measures – optimisation of public expenditure and banking sector recovery, support to local entrepreneurs in promotion of their products and penetration onto new markets.

- Tackling the tendency of abusive state inspections applied to entrepreneurs by ensuring the transparency of control procedures, performing legally compliant inspections and improving the regulatory framework on state inspections, including in terms of implementation, developed through regular consultations with the business sector.



### Tax Service Consultative Committee

EBA manages to push the amendment of an Order of the Tax Service on the application of VAT to provision of services for the transport of goods/freight transport services in the territory of Giurgiulesti International Free Port. In relation to the Decision of the Advisory Committee nr. 2/1 of 26.06.2014 on the application of VAT to provision of services for the transport of goods/freight transport services in the territory of Giurgiulesti International Free Port on the rest of the customs territory of

the Republic of Moldova, as well as in the customs territory of the Republic of Moldova on the territory of the Port, has been decided that the provisions of this Decision are not applicable to international transport services, including in the segment within the territory of the RM, even when this requires the use of different types and means of transportation. All Committee members accepted the arguments put forward by EBA.



### Ministry of Economy Working Group

The major issues relating to constraints of various nature faced by entrepreneurs were submitted to the Ministry of Economy and comprised in a common agenda which are further discussed in joint regular meetings

with the purpose of identifying relevant solutions. Areas covered – regulatory policy, tax and customs policy, trade policy and access to market, electronic communications and energy sector.

### EBA – European Commission Dialogue

High level officials from the European Commission, representatives of the Directorate-General for Trade and representatives of the Directorate-General for Taxation and Customs Union met the EBA member companies to engage in a policy review on a better DCFTA application and to put forward specific recommendation:

- **Speed** up the process of aligning to the EU legislation, due to a large number of EU Directives that need to be transposed into the national legislation in different sectors.
- **Coordinate** the framing and expertise of legislative drafts with relevant structures at the EU level.

- **Benefit** of and use the imposed quotas, in particular for the export of agri-food products.
- **Consolidate** the banking and insurance sectors in Moldova.
- **In** order to facilitate foreign trade, private sector representatives need to engage more actively in reporting any gaps concerning the legislation and/or the procedures.
- **The** relationship between business and tax and customs authorities needs to be improved, including by means of developing electronic services in these areas and through exchange of information and other types of assistance related to the implementation of the Association Agreement on fiscal and customs matters.

## PUBLICATIONS

### 1. Business Community Recommendations on Elimination of Constraints to Doing Business in Moldova

These guidelines target the regulatory policies, with the purpose of improving the investment climate in Republic of Moldova from a cross-sector perspective, in the area of tax and customs, transparency in policy and

decision-making, competition, labour and education, trade and access to markets, including conflict mediation in the business environment; as well as from a sector perspective analysis that touches upon the financial sector, health care, energy, agriculture and food safety and protection of the environment.

### 2. Trade Sector Briefs

This publication provides an overview of key trade sectors of the Moldovan economy: agriculture, financing, banking and insurance services, geographical indications, competition and state aid, and light industry. The analysis focuses on brief description of the current situation in each sector, including exports and imports figures, brief description of the EU market in that area, reference to the provisions of the Association Agreement/DCFTA regulating the area, opportunities and challenges, projection of future trade flows and trends, information on the available financial and technical support and recommendations on successful implementation of DCFTA related provisions for each sector.







# BUSINESS EMPOWER

## EBA EVENTS AND BUILDING NETWORKS

EBA builds bridges and networking  
For a better connection between business  
Aiming at creating new opportunities for development

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# EBA EMPOWER - SUPPORT TO MEMBERS THROUGH BUSINESS EMPOWERING AND NETWORKING

No	Date	Type of event	Title of event
EBA Empower through events			
1	21.01.15	Business Breakfast	Business Breakfast with Mrs Julia Otto, Head of the EBRD Office in Moldova
2	05.03.15	Working dinner	Meeting with Chief Negotiator on DCFTA, Mr Luc Pierre Devigne
3	31.03.15	Networking reception	EBA celebrates 3 years of activity, alongside with private and public sector
4	08.07.15	Civil Society Forum on DCFTA implementation	EBA Moldova participated at the Civil Society Forum co-organised by DG Trade and Ministry of Economy
5	22.09.15	Networking reception	"EBA Back to Work Networking Event"
6	21.10.15	Business Presentation	Co-organisation: "Business presentation of Black Sea Trade and Development Bank"
7	09.12.15	Business Breakfast	Business breakfast with EU Ambassador to the Republic of Moldova, HE Mr Pirkka Tapiola

No	Date	Type of event	Title of event
EBA Empower through business services			
1	02-04 02.15	Economic Mission GIZ	Economic mission to Romania, for a group of agricultural producers
2	17.11.15	Economic Mission (MACP project)	Economic mission to Romania for agrocooperatives
3	27.11.15	Presentation of EBA service	Launch of EBA ExportASSIST Service at ProExport Forum 2015

No	Date	Type of event	Title of event
EBA Empower through foreign outreach			
1	15.06.15	World Wide meeting	EBA participated in the 15th EBO World Wide reunion, DG Grow
2	23-26. 11.15	Eurasia Forum	EBA participates at Eurasia OECD week: "Better Institutions, Inter-connectedness and Inclusiveness for Competitiveness in Eurasia"
3	07-09 12.15	UNDP Confidence Measures Building Project	Sharing of EBA experience and other BSOs on business support services in the context of frozen conflicts



No	Date	Type of event	Title of event
EBA Empower through practical workshops			
1	23-27.02.15	Courses for young entrepreneurs	6th Winter School for Young Entrepreneurs
2	02-06.02.15	Round of Courses (DCFTA II project) EBA members and other beneficiaries	"International Contracting" Sorin Andrei
3	8.04.15	Training Course	"Basics of International Marketing" Henrik Kuffner
4	12.05.15	Workshop	"Presentation of German SES Program, Senior Expert Service"
5	27.05.15	Workshop	Co-organisation: "Existing challenges and opportunities at the export of meat products on the EU market."
6	24-25.09.15	Workshop (USAID, EEF and FHI 360 project)	"Financial and taxation implications related to the implementation of DCFTA" PWC team
7	12.10.15	Workshop (MACP project)	Agrocooperatives Management in Netherlands. Structure and relations with members

No	Date	Type of event	Title of event
EBA Empower through practical workshops			
8	20-21.10.15	Workshop (USAID, EEF and FHI 360 project)	"Access to the EU Market. Requirements of the EU" Uwe Konst
9	23.10.15	International DCFTA Conference	Co-organisation: „Making the most of DCFTA"
10	28.10.15	Workshop (MACP project)	"Strategies of sales and negotiate. How to negotiate with international supermarket chains and wholesalers" Dan Nutiu
11	26.11.15	Workshop (MACP project)	"Step to step administration of the webpage" East Wolves
12	08-10.12.15	Workshop (USAID, EEF and FHI 360 Project, MACP project)	"Basics of International Marketing" Henrik Kuffner
13	15.12.15	Conference	Co-organisation: "Improved Food Safety. Creating opportunities for business"
14	17.12.15	Conference (USAID, EEF and FHI 360 project)	"Practical Aspects in regards to the DCFTA – lessons to learn after a year of implementation of the agreement"
16	15-17.12.15	Workshop for policy-makers	Co-organisation: „Regulatory Impact Assessment" Roman Ladus

## EBA GENERAL MEETING AND ANNUAL EVENT 2015

On March 31st EBA has convoked all its members for the General Assembly Meeting which was focused on reporting the EBA Activity over 2014 and the planned activities for 2015 based on a demand driven agenda agreed with EBA Members. The Meeting was followed by the Annual Reception which was launched by the EBA Honorary President, HE Mr. Pirkka Tapiola, head of the EU Delegation in Chisinau. The event was attended by EBA members, EBA Projects beneficiaries including companies from Transnistria, guests from Romania, Ambassadors, representatives of public authorities, in this way gathering over 170 people.



## IDENTIFYING NEW OPPORTUNITIES OF FUNDING THROUGH EBRD

On January 21 more than 45 EBA members participated at a business breakfast with Mrs Julia Otto, Head of the EBRD Office in Moldova. Among the topics of discussion were the current situation of the banking system in the RM, the existing programs funded by EBRD, the overall EU support offered to the RM for private sector development, etc. Mrs Otto mentioned that in the context of the DCFTA implementation, there would be targeted support for bolstering exports and support the business environment development. Mrs Otto has also reiterated the support which is offered to the functioning of the Prime Minister Economic Council - a B2G platform aimed at promoting concrete reforms and eliminating barriers in doing business in Moldova.

## THE CHIEF NEGOCIATOR ON DCFTA BETWEEN RM AND EU, MR LUC PIERRE DEVIGNE MEETS WITH EBA MEMBERS

On 5th of March, 40 EBA member companies have participated at a working dinner with Mr Luc Pierre Devigne, DG Trade within the EU Commission, chief negotiator on DCFTA between the RM and the EU.

The EU official recommended to speed up the process of judicial reforms implementation and

align the national legislation to the EU Acquis. He reiterated that in 2015 it was planned to ensure the transposition of about 30 European directives in the national legislation, in different sectors. Republic of Moldova was suggested when coordinating the legislative background at project levels and expertise to resort to European structures.

Mr. Devigne urged Moldovan producers to benefit more from unused quotas, especially at the export of agri-food products from RM which, at the moment, considering the context of the imposed embargo by the Russian Federation, have not been exploited as expected.

Mr. Luc Devigne underlined the necessity of consolidating the banking-financial sector and insurance in RM in



the context of the last events on the currency market as well as the irregularities that took place on the insurance market in 2014.



## EBA IS OPENING NEW OPPORTUNITIES FOR GERMAN CONSULTANCY SERVICES - GERMAN SES PROGRAM (SENIOR EXPERTEN SERVICE)

On May 12th EBA has organized a business breakfast with the SES Representative in the Republic of Moldova, Mrs. Valentina Mutyluk, in order to give an overview of the opportunities and benefits, which the program offers to private companies in Moldova. The previous beneficiaries of the SES Program – Moldovan companies that successfully implemented this kind of assistance before, encouraged other potential beneficiaries to apply and bolster the company potential through sharing and acquiring the best international experience for the sector they

represent. Mrs. Valentina Mutyluk has presented the sectors for which the consultancy can be granted as well as the application process in this regard.

## EBA MOLDOVA PARTICIPATES AT THE 15TH EBO WORLD WIDE REUNION IN BRUSSELS DG GROW

This year the network grew to reach 27 members thus expanding to Africa, Latin America and Pacific Ocean (Ghana, Papua New Guinea and Paraguay).

Over the three days the EBO WWN representatives had the occasion to meet with a tt of DG officials representing DG Grow, DG Trade, DG Devco, EuroChambre, Business Europe and others.

The goal of the meetings was to provide an update of the upcoming activities planned by the EU Commission in the context of SMEs support and identify potential for the EBO WWN involvement to value and enhance this support for their members.

Mr Didier Herbert, Acting

Director DG GROW has reiterated in his message the important role the EBO WWN is playing to enhance the business support services and lobby activities in the EBO WWN members countries. He has listed the existing initiatives and activities supported by the DG Grow for the SMEs where the input of the Network is significant. Among these would be MILANO EXPO 2015, Business Internationalisation and EU Economic Diplomacy, EU Business Avenues initiatives, participation in regional initiatives like South Eastern Partnership, CELAC, Missions for Growth in the countries where they took or will take place, etc.



## EBA MOLDOVA PARTICIPATES AT THE CIVIL SOCIETY FORUM CO-ORGANISED BY DG TRADE AND MINISTRY OF ECONOMY

On 8th of July EBA Moldova participated at the Civil Society Forum co-organised by DG Trade and Ministry of Economy. The Forum pursued the identification of common solutions aiming the proper implementation of DCFTA provisions in trade and sustainable development, so that to have a positive impact on the business environment and on environment, labor market etc.

EBA Moldova, being one of the co-organiser of the Solid Waste Management

panel, presented the effort of EBA in the context of elaboration of legislation in the area of solid waste management, through the creation of a sectorial committee and of a position paper that will be discussed in details with Ministry of Environment as well as other decision makers. Representatives of Ministry of Environment, presented the draft law regarding the solid waste management as well as the preliminary framework for extended producer responsibility.

## EBA MEMBERS MET EU TRADE COMMISSIONER, CECILIA MALMSTROM TO DISCUSS DCFTA RELATED ISSUES FACED BY THE PRIVATE SECTOR

EBA Moldova co-participated in the organization of the International Conference „Making the most of DCFTA” that took place on 22nd and 23rd of October 2015 within the framework of the Visegrad Fund Project „Sharing Experience of Public-Private Dialogue in EU Integration Process for Moldova and Georgia”.

The conference aimed at bringing together the main stakeholders involved in the DCFTA implementation in Moldova. Mrs. Cecilia Malmstrom opened the sessions dedicated to issues faced by the business community on DCFTA implementation.

The European Official reiterated the need of reforms imple-

mentation, namely in areas that support an economy like banking sector, internationalization of businesses, by diversifying trade onto the Global and EU Markets, the need to ensure functional public institutions etc.

Such EBA members as Danube Logistics, Monicol, SunPrint and Zernof participated in the panels and delivered presentation. Equally, EBA Executive Director, Mariana Rufa talked about the role and the actions that EBA engaged with in order to enhance the public-private partnership in Moldova and facilitate the access to external markets for companies in Moldova.

## EBA PARTICIPATES AT EURASIA OECD WEEK

On November 23-26 EBA Moldova, represented by Mariana Rufa participated at Eurasia OECD week. This year the topic of the event was “Better Institutions, Interconnectedness and Inclusiveness for Competitiveness in Eurasia”.

In the context of the SMEs panel EBA Moldova has shared its experience on the support provided to the private sector under the DCFTA implementation. EBA has mentioned about the practical coaching delivered to the business community, exporters mainly, match-making events, the lobby and advocacy initiatives that have been designed and achieved a resolution under the DCFTA application. As a part of the SMEs policy index developed for 2015, EBA was one of the Business Support Organizations

that has inputted the data collection process.

The OECD provides a forum in which governments can work together to share experiences and seek solutions to common problems, in order to understand what drives economic, social and environmental change.



## EBA MOLDOVA SUPPORTS NEW BUSINESS FINANCING OPPORTUNITIES IN MOLDOVA

The Black Sea Trade and Development Bank (BSTDB) in cooperation with EBA Moldova and the Chamber of Commerce and Industry of Moldova organized a business presentation event on new opportunities for business financing in Moldova.

The aim of the event consisted in getting to know the BSTDB and discuss business proposals during B2B meetings and matching.

BSTDB comprises 11 member states bordering or neighboring the Black Sea, including Moldova. The main goal of the bank is to promote business opportunities and business development so as to foster the economic cooperation and development in the Black Sea region.

In Moldova, the BSTDB supported 16 financing projects amounting to a total of 65 million EUR, with a focus on the financial and the real sectors of the economy, especially in terms of SMEs and exports development.

## MOLDOVAN AGRO PRODUCERS NEED INTERNATIONAL CERTIFICATION IN ORDER TO BE MORE COMPETITIVE ON THE EU MARKET

Producers that own international certification are more credible for a potential partner from EU according to IFC and EBA – the co-organizers of an event taking place on December 15th focused on the benefits of international certification. International and local experts, including companies got together to speak and share experience on the advantages of international certification systems and implications.

Besides the very valuable and practical information, the private sector could learn from the first source of international retail chains, and already certified companies about quality management requirements and procedures that

producers and exporters need to comply with. Ana Maria Mihaescu mentioned about the IFC program supporting the private sector in the pre-assessment phase, while Mr. Michele D'Introno, General Manager of Metro Cash and Carry Moldova shared the experience of the company in the context of ISO certification. He also reiterated the need of ensuring the necessary quality in the case of producers with whom the retailers are working directly.

## EBA EXPORT ASSIST SERVICE PRESENTED AT THE PROEXPORT FORUM 2015

On November 26th and 27th, 2015, EBA Moldova participated at the ProExport Forum 2015 where the Moldovan exporters had the opportunity to learn more about the benefits of the recently launched service – EBA Export ASSIST. Ecaterina Chirilenco, EBA Lobby and Policy Expert mentioned in her presentation that the new EBA business support service is oriented at providing the necessary tools to enable the companies in Moldova to boost their

capacity of extending trade on foreign markets, especially on the EU market.

Throughout the two days of the forum EBA introduced its Export ASSIST Service during the Panel on Access to Information – Instruments of export promotion and development. Equally, EBA participated in the panel dealing with a case study on access to foreign markets.







### EU STANDS BEHIND MOLDOVAN BUSINESS DEVELOPMENT DESPITE POLITICAL TURMOIL

On December 9th, 2015 EBA Moldova members had the opportunity to get a direct insight on the most important issues affecting the Moldovan political and business environment from the EU Ambassador to the Republic of Moldova, Mr. Pirkka Tapiola.

The discussion focused on existing perspectives for business development in Moldova, with remarks on DCFTA implementation, export tendencies and the status of political and economic relations between Moldova and the EU. His Excellency stressed that despite unstable political circumstances, EU preserves a positive feeling about country's business and population, wishing for it to move forward. Equally, he pointed out that trade towards EU has increased which shows that Moldova is going into the right direction. Nonetheless, more investments coming

from the EU would contribute not only to improving the economic situation, but also at addressing the demographic issue in Moldova.

### PRACTICAL ASPECTS IN REGARDS TO THE DCFTA – LESSONS TO LEARN AFTER A YEAR OF IMPLEMENTATION OF THE AGREEMENT

Representatives of private sector and various organizations had the chance to participate at the conference with the title "Practical Aspects in regards to the DCFTA – lessons to learn after a year of implementation of the agreement", which took place on 17th of December 2015 in Chisinau.

The conference was organized in the context of the project "Informing the private sector about the Deep and Comprehensive Free Trade Agreement with the European Union market" implemented by EBA Moldova with the support offered by US Agency for International Development (USAID) through East Europe Foundation and FHI 360.

The goal of the conference was to inform the private sector and other related organizations in regards to the achievements in the context of the implementation of the Deep and Comprehensive Free Trade Agreement, as well as to offer a platform of communication between the state institutions that have a significant role in the context of facilitating and promoting the exports on one hand and

of the private sector on the other hand. In this regard, more than 60 economic agents and representatives of international organizations had the occasion to address questions in regards to exports, customs procedures, issuing of phytosanitary certificates, inspections made among the economic agents as well as policies undertaken by the Ministry of Economy concerning the increase of trade flows with EU, in the context of implementing the Deep and Comprehensive Free Trade Agreement. The conference was organized by the European Business Association in partnership with Ministry of Economy.







# EBA IN ACTION









# EBA SEMINARS, TRAININGS AND COACHING

On a needs based approach EBA is strengthening businesses capacities among its members to ensure a suitable growth and higher competitiveness bringing best international expertise

## EBA INCREASES MEMBER COMPANIES COMPETITIVENESS THROUGH IMPROVING INTERNATIONAL MARKETING SKILLS

In the context of DCFTA implementation and EU Market access for Moldovan products and services, EBA has presented a training course on “Basics of International Marketing”, lectured by Mr. Henrik Kuffner, an international consultant delegated to EBA Moldova under the GIZ-CIM Program. More than 40 professionals have participated at the training session, on 8th April. The course was delivered for the Marketing divisions staff of local or international companies operating in Moldova or those companies who are launching international trade transactions.



## BUSINESSMEN FROM REPUBLIC OF MOLDOVA HAVE BEEN INSTRUCTED BY EUROPEAN CONSULTANTS ON CONTRACTUAL ISSUES

EBA members as well as other economic entities from textile and processing industry have participated at a round of DCFTA Practical courses between 2<sup>nd</sup> 6<sup>th</sup> of March. The Romanian Consultant Sorin Andrei, ex-President of Banca Comercială Română Chisinau, was the one that came with recommendations and study cases about the requirements for international contracts. The courses took place in Gagauzia, Ungheni, Soroca, Balti and Chisinau. Mrs Sorin Andrei has used a soft application for contract development that can be easily adapted and applied in practice. He has presented all the financial instruments that might support export/import transactions.

The seminar took place under “DCFTA - Informing and consolidating the capacities of the economic agents” Project, implemented by the Chamber of Commerce and Industry and the European Business Association, financed by the Swedish Government and implemented through the International Finance Corporation.



## HOW TO INCREASE SALES AND IMPROVE NEGOTIATIONS TECHNIQUES IN THE CONTEXT OF ACCESSING EU MARKETS

“In order to be able to sell your goods on the EU market, it is indeed important to consider the rules of the game of the importer, know the peculiarities of the international retail chains or other specialized EU Importers and always consider the existing need or demand of the final consumer” believes Mr. Dan Nutiu, Director General of DAVRO SRL. The EU Expert who detains more than 25 years of practical experience, shared the best international practice on what the negotiations tricks are and provided a list of solutions for increasing sales on domestic and EU market. He also presented recommendations on the EU access rules, how the distributions chains are built and mapped and how the supervision and monitoring of the

sales is performed. Even if it's a long way to go, Moldovan producers have highly appreciated the course, as market diversification is the first condition securing sales and increasing profits.



## THE PRIVATE SECTOR REPRESENTATIVES FROM RM AWARE OF DCFTA AND FOREIGN TRADE ONTO THE EU MARKET

The Association Agreement between the Republic of Moldova and the European Union, applicable on a provisional basis as of 1 September 2014, includes a comprehensive program of the approximation of Moldovan legislation with the European Union standards. It refers, among others, to the gradual harmonization of the indirect taxes applicable in Moldova (including customs duties, value added tax and excise duties) with the current rules established within the European Union. In this context, on 24<sup>th</sup> and 25<sup>th</sup> September 2015, EBA organized trainings covering main tax implications derived from the Association Agreement. The trainings were financed by USAID through East Europe Foundation and FHI 360. The trainings were delivered with the great support of PwC Moldova professionals who succeeded to raise awareness of participants regarding the main tax matters derived from the Association Agreement and their regulatory implications:

- ◊ **Evolution** of the VAT system: immediate and consequent impact;
- ◊ **Harmonization** of the excise duties regime;
- ◊ **New** customs requirements: challenges and opportunities.

◊ In this regard, the main goal of the training was to ensure that the audience fully understands the provisions of the Association Agreement and the eventual benefits derived from such new regulations.



*The workshop was organized within the project implemented by EBA Moldova with the support offered by the United States Agency for International Development (USAID) through East Europe Foundation and FHI 360. This workshop is made possible by the generous support of the American people through the US Agency for International Development (USAID). The opinions expressed are those of the authors and do not necessarily reflect the views of USAID, the US government, FHI 360 and / or East Europe Foundation.*



## EBA IS SUPPORTING YOUNG ENTREPRENEURS ACTIVITIES

During 23-27<sup>th</sup> of February, EBA Moldova jointly with Academy of Economic Studies (ASEM) and the Center for Economic Development and Public Affairs (CDEAP) organized the 6<sup>th</sup> Winter School for Young Entrepreneurs.

As in every edition of the winter school, the primary goal is sharing the practical experience in areas like intercultural management, management of sales, international marketing, accounting aspects, tax system, customs procedures. The participants had the occasion to learn from international managers and practitioners issues related to management, international marketing, accounting, financial management, etc. More than 40 young entrepreneurs participated at the course.



## PROJECTS IMPLEMENTED BY EBA MOLDOVA OVER 2015



In order to strengthen the EBA members/non-members overall capacities in terms of institutional development and financial sustainability, EBA implemented a series of projects aimed at increasing professional capacities and harmonize business related legislation for a enabling the business environment and bolstering foreign trade.



## USAID FHI 360 UNDER THE COORDINATION OF EAST EUROPE FOUNDATION IMPLEMENTED BY EBA MOLDOVA:

### Raising awareness of the private sector on DCFTA and foreign trade with the EU Market

Duration of the project | Sept 2015  
Jan 2016

Beneficiaries: EBA Members, private sector

Goal: To support private sector through lobby and advocacy and business empower capacities in the context of DCFTA implementation



### ACTIVITIES PROVIDED UNDER THE PROJECT:

- Lobby and advocacy - support to the EBA Sector committees (Environment, Tax and Customs, Energy, Agriculture)
- 6 Thematic workshops on:
  - Access rules to EU Market – Delivered by Mr. Uwe Konst
  - International Marketing – delivered by GIZ, CIM Consultant, Mr. Henrik Kuffner, Germany
  - DCFTA Taxation issues – delivered by PriceWaterhouseCoopers
  - Transfer pricing issues under the Economic Integration of the RM to the EU - KPMG
- DCFTA Conference focused on the key issues faced by businesses in the context of DCFTA implementation (over 50 participants)





## WORLD BANK MAC-P PROJECT (MOLDOVA AGRICULTURE COMPETITIVENESS PROJECT) COMPONENT II SUPPORT IN ACCESSING EU MARKET FOR THE GROUPS OF PRODUCERS (COOPERATIVES) CREATED UNDER THE PROJECT

**Duration of the project** | Oct 2015  
April 2016

**Beneficiaries:** Groups of agro-producers/cooperatives created under the MAC-P Project

**Goal:** To increase marketing and trade capacities of the cooperatives to enable exports onto the EU Market

### ACTIVITIES DELIVERED UNDER THE PROJECT OVER 2015:

- 6 practical workshops for cooperatives (on Sales and negotiations, International Contracting, International Marketing, Customs Procedures, Access rules to EU Market, Cooperatives management)
- 12 individual profiles and leaflets developed
- 10 Website developed for 10 out of 25 participating cooperatives



## DCFTA RAISING AWARENESS PROJECT FUNDED BY SWEDISH GOVERNMENT THROUGH IFC, IMPLEMENTED BY EBA MOLDOVA AND CHAMBER OF TRADE AND INDUSTRY

**Duration of the project** | February 2015  
April 2015

**Beneficiaries:** Exporters of textile and apparels, food processors, agro-producers, plastic, spare parts and other industries.

**Goal:** To strengthen capacities of private sector through market access skills development and increase exports onto the EU Market; to strengthen lobby and advocacy skills within EBA in order to harmonize the national legislation and implement the best practices for simplifying trade and implement DCFTA in practical terms

### ACTIVITIES DELIVERED UNDER THE PROJECT OVER 2015:

1. Prepare, assist and train the exporters of textile and apparels, food processors, agro-producers, plastic, spare parts and other industries in such areas as:
  - DCFTA related issues and the concrete actions to be implemented over 2015 by the Ministry of Economy, Customs Service, ANSA, etc.
  - Negotiation techniques
  - International Contractual issues and financial matters
  - Marketing and promotion techniques
  - EU Market access issues and rules
  - Fito-sanitary requirements in the RM
  - Export related procedures
  - International certification
2. Enhancing the activity of lobby committees by collecting concrete issues the private sector is facing in the context of DCFTA implementation, draft position papers and address the relevant authorities to improve the legislation.
3. Matchmaking events organized to Romania (supermarket chains, retail chains, warehouses etc)



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