

LEGAL ALERT

JULY 2024





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LEGAL MONITORING REPORT – JULY 2024

This legislative monitoring report focuses on the following areas:

- Legal Amendments to Streamline the Industrial Parks;
- Completing the Law on Public Procurement;
- Revised Regulations for Producing and Marketing Vegetable Seeds and Planting Materials;
- Subsidy Policy in Agriculture and Rural Environment;
- Enhancing Local Entrepreneurs Access to External Capital Markets;
- Improved Support Measures for Free Economic Zone („FEZ”) Residents.

Additionally, the document provides information on the:

- Provisional Import License for Cereal and Oilseed Crops;
- Launching Cutting-Edge Energy Regulatory Testing Environments;
- Approval of Regulations for Measuring Undenatured Ethyl Alcohol Used in Pharmaceuticals;
- Amend Provisions on Facilitating Food Donation;
- Amendments on the Organization and Conduct of Gambling Games.

Commercial and Corporate

LAW

LEGAL AMENDMENTS TO STREAMLINE THE INDUSTRIAL PARKS

Significant updates are set to boost the efficiency of industrial parks in the Republic of Moldova. Key changes include:

- Transferring assets from the state's private domain to legal entities to help establish new industrial parks;
- Updating criteria for park residents to ensure better alignment with current needs.
- Extending the industrial park title duration to 30 years;
- Introducing new incentives, such as tax and fee exemptions, for managing companies and residents. These benefits are contingent on meeting specific investment and infrastructure usage requirements.

LAW

COMPLETING THE LAW ON PUBLIC PROCUREMENT

The amendments enhance the law by providing that, for public procurement agreements or tenders funded by international organization or financial institution at over 50%, the parties involved shall decide the procurement procedures to be followed.

LAW

REVISED REGULATIONS FOR PRODUCING AND MARKETING VEGETABLE SEEDS AND PLANTING MATERIALS

The Law updates national laws to match EU standards, providing clearer guidelines for certification and marketing of seeds. It introduces new rules for monitoring and quality control, including:

- Key control points in production process;
- Detailed seed testing requirements at accredited labs;
- Adherence to new international seed quality standards.

Additionally, it defines conditions for using seed varieties in food and feed, while removing outdated provisions. These changes will take effect six months after publication.

DRAFT LAW

SUBSIDY POLICY IN AGRICULTURE AND RURAL ENVIRONMENT

The amendments include revised definitions and eligibility criteria for grants, streamlined grant award processes, and adjusted grant amounts and durations. The focus is on modernizing rural infrastructure, boost agritourism and wine tourism, and introducing new training requirements. Amendments shall take effect within one month, with some provisions applying after six months.



DRAFT LAW

ENHANCING LOCAL ENTREPRENEURS ACCESS TO EXTERNAL CAPITAL MARKETS

The draft law makes major improvements to help local entrepreneurs access external capital markets. Important updates include:

- Introducing the "Single Central Depository" concept;
- Clarifying definitions for banking entities and shareholder structures;
- Revising procedures for general shareholder meetings including new notification and reporting requirements to the National Bank of Moldova.

LAW

IMPROVED SUPPORT MEASURES FOR FREE ECONOMIC ZONE („FEZ”) RESIDENTS

The amendments enhance the law by providing that, for public procurement agreements or tenders funded by international organization or financial institution at over 50%, the parties involved shall decide the procurement procedures to be followed.

Tax and Customs

LAW

PROVISIONAL IMPORT LICENSE FOR CEREAL AND OILSEED CROPS

Until 31 December 2024, the import of wheat, maize and sunflower seeds requires a license issued by the Ministry of Agriculture and Food Industry. There are exceptions for certain products intended for sowing. The Law outlines the application and issuance procedures for import licenses. Also, the regulation period can be extended by up to 12 months through licensing, based on the Ministry of Agriculture's recommendation.

Energetics

DRAFT LAW

LAUNCHING CUTTING-EDGE ENERGY REGULATORY TESTING ENVIRONMENTS

The draft law establishes a legal framework for creating innovative testing environments in the energy sector, where new technologies and business models can be trialled with temporary regulatory exemptions. It outlines criteria for innovative projects, the Government's obligation to approve necessary regulations, and the creation of the Commission for Innovative Testing Environments. Public authorities shall oversee and assess these projects to foster innovation while ensuring consumer protection.



Consumer Law

LAW

APPROVAL OF REGULATIONS FOR MEASURING UNDENATURED ETHYL ALCOHOL USED IN PHARMACEUTICALS

The main changes include new procedures for submitting and reviewing requests to determine the quantity of undenatured ethyl alcohol, as well as updated documentation requirements for applicants. Additionally, the responsibilities of the Directorate of Medicines and Medical Devices Policies are clarified. The Government shall approve an annual list of users and quantities of undenatured ethyl alcohol, with the possibility of urgent modifications if needed. The order also ensures compliance with excise legislation and data protection.

Other Amendments

LAW

AMEND PROVISIONS ON FACILITATING FOOD DONATION

The legislative amendments facilitate the process for food donations by offering tax deductions for related expenses, and exempting donations from certain taxes, as long as they comply with government regulations. The law clarifies food safety responsibilities for operators and beneficiaries, and allows donations if the food has damaged packaging or labelling errors.

LAW

AMENDMENTS ON THE ORGANIZATION AND CONDUCT OF GAMBLING GAMES

The draft law allows low-risk gambling organizers to advertise between 22:00-07:00 and in periodicals, provided they include warnings about potential risks. It also permits lottery ads within commercial units and results on the National Lottery of Moldova's website. These measures relax advertising restrictions, stimulate sports and social investments, and address unauthorized gambling offers, with penalties for violations and updates to relevant codes.

