



Moldova Business News



AIM_Moldova



fseamoldova

This activity is supported by
Center for International Private Enterprise



www.sme.md



Clause 8: Fair Labor Practices

We recognize that informal labor arrangements are common in Moldova and that Moldovan labor law is complex and ill-suited for a modern economy leading to uneven application of the regulation in force. Given these realities, we commit to...

- ✓ Legally employing all company staff with legal salaries and full benefits.
- ✓ Legally hiring independent contractors when possible while recognizing that Moldova has no functional labor law to accommodate such workers.
- ✓ Creating and enforcing an equal opportunity and nondiscrimination policy for our companies. These policies should ensure that there are fair hiring practices and a safe working environment with no discrimination based on gender, age, sexual orientation, racial or ethnic origin, religion or belief, or disability.
- ✓ The creation of a safe working environment with international best practices considered for health and safety norms, especially when Moldovan law provides little or inadequate guidance. When possible we will go above and beyond the outdated and insufficient requirements handed down from Soviet law.

A vertical flag of Romania, featuring three horizontal stripes of blue, yellow, and red, with the national coat of arms in the center. The flag is positioned on the left side of the slide, partially overlapping the white content area.

Clause 7: Community Citizenship

We recognize that companies have a social responsibility to their communities, nation and the planet. Furthermore, we recognize that it is possible to “do well by doing good” and that having a positive impact on our communities outside of business can contribute to the credit of the company in ways big and small. Therefore we commit too...

- ✔ Striving to be caring and responsible members of our community both in our business model and strategy and outside of business operations.
- ✔ Playing a constructive role in solving community problems and recognizing that as business leaders we can play a larger role than individual people.
- ✔ Prioritizing energy efficiency and environmental impact in our company’s operations and planning.

A woman with glasses is looking at a laptop screen. In the foreground, there is a bronze statue of Lady Justice, holding scales and a sword. The background is a blurred office setting.

Clause 6: Spirit of the Law

We recognize that the Moldovan regulatory system contains multitudes of “gaps” whereby normal, ethical business practices are simply not accounted for in the law. We further recognize that Moldova’s legal system leaves little room for innovation or new products without first passing an explicit law or regulatory structure. In the absence of law or regulation we recognize a “Spirit of the Law” founded in international norms and ethical business practices. Given this reality we commit to...

- ✓ Running our companies in maximum compliance with Moldovan law, recognizing that operating under the conditions of legislative gaps is a reality for many companies.
- ✓ Embracing innovation and new products in spite of gaps in legislation and speaking out, either as a company, or through a business association, to encourage the government to close relevant gaps and allow full compliance.

A background image showing several hands of different skin tones assembling colorful plastic gears (yellow, green, red, blue) on a dark grey surface. The gears are of various sizes and are being interlocked. The image is partially obscured by a white text box on the right.

Clause 5: Selecting Partners with Integrity

We recognize that the systemic corruption challenges create a competitive disadvantage for ethical and compliant companies in some sectors. Further, some companies are created explicitly to take advantage of systemic flaws or corrupt arrangements. Given this we commit to...

- ❌ Avoiding using “fixers” in the form of individuals or companies who assist in expediting or circumventing regulation or a bureaucratic process in exchange for a fee.
- ✅ Favoring other ethical companies, including signatories to this code of ethics, when building supplier or client relationships.



Clause 4: Conflicts of Interest

We recognize that Moldova is a small country and that the communities in which we operate are also small and deeply interconnected. We acknowledge the risks of conflict of interest and “cumătrism” and therefore commit to...

- ✗ Avoiding and declaring to relevant authorities any conflicts of interest in public procurement or business relations with state entities.
- ✗ Not leveraging personal relationships inappropriately in order to gain any competitive advantage or financial gain.

A close-up photograph of a hand holding an Ace of Hearts playing card. The card is white with a red heart symbol and the letter 'A' in the top left corner. The hand is positioned on the left side of the frame, with the thumb and index finger gripping the top edge of the card. The background is dark and out of focus.

Clause 3: Unloyal Competition

We recognize that a key problem in the Moldovan Economy is unloyal competition driven by corruption, poor enforcement of law and regulation and the existence of sectoral monopolies or monopsonies. Given this reality we commit to...

- ✓ Elevating a spirit of competition in our industries and recognizing that competition drives growth and business development for all.
- ✗ Elevating a spirit of competition in our industries and recognizing that competition drives growth and business development for all.
- ✓ Paying only official salaries without “payments in envelopes” or other market distorting labor practices.
- ✗ Not engaging in price-fixing or anti-competitive coordination with other companies.
- ✓ Calling out price fixing or anti-competitive coordination by competitors and raising these problems to the competent authorities directly, through business associations, or other means.
- ✓ Respecting competitors’ intellectual property and not engaging in corporate espionage or efforts to use current or former employees of competitor companies to gain privileged information.



Clause 2: Taxes

We recognize that a fair and equitable tax system is the cornerstone of a strong economy, good infrastructure and community development. We commit to...

- ✓ Fully complying with tax law, recognizing a fiduciary responsibility to avoid paying unnecessary taxes while committing never to engage in tax evasion.
- ✓ Approaching “gray areas” in tax and spending legislation in good faith and community spirit, finding acceptable workarounds to practical problems without engaging in tax evasion.
- ✓ Resisting situations where “gray area” workarounds lead to a slippery slope of non-compliance.



Clause 1: Bribery, Facilitation Payments and Extortion

We recognize that Bribery, Facilitation Payments and Extortion are major challenges facing small businesses and commit to...

- ✗ Never paying bribes to influence contracts or gain market advantage
- ✗ Avoiding making facilitation payments, either in the form of cash, gifts, or contracts with related parties to the fullest extent possible in our localities.
- ✓ Resisting extortion attempts by state officials to the fullest possible extent and reporting illegal actions by state officials to law enforcement, a business association or relevant ombudsman if it is safe to do so.



Code of Ethics



Preamble

We, Small Businesses operating in the Republic of Moldova, recognize the importance of running an ethical business that supports fair competition and the betterment of the communities in which we operate. We declare this code of ethics and agree that our companies will be bound by its clauses....

- ✔ **Recognizing** that running an ethical company is good for business and supports the community in a virtuous cycle.
- ✔ **Recognizing** that ethical operations positively impact a company's relationship with the state, their partner companies, their workers, their clients and the community at large.
- ✔ **Recognizing** that ethical business is a 2 way street, and that no company can be fully compliant with this code or their own values when there are systematic violations of rights in the form of corruption and extortion in the economy. It is the duty of companies to hold themselves to the highest possible standard within a flawed economy. And it is the duty of the State to respect the rights of companies as outlined in the Small Business Bill of Rights.
- ✔ **Affirming** our belief that running an ethical company is a key contribution to the economic development of our communities, and that the future of Moldovan relies on a fair, corruption free, European economy.



Moldova Small Business Code of Ethics



Conclusion

We recognize that informal labor arrangements are common in Moldova and that Moldovan labor law is complex and ill-suited for a modern economy leading to uneven application of the regulation in force. Given these realities, we commit to...

- ✓ Implementing and promoting these commitments within our company via internal processes and training to relevant staff.
- ✓ Prioritizing other small businesses who share our values when selecting partners in our business process.

Signed,
