



MINISTRY OF ECONOMY AND INFRASTRUCTURE

# IT ECOSYSTEM DEVELOPMENT IN THE REPUBLIC OF MOLDOVA

[www.mei.gov.md](http://www.mei.gov.md)





# MOLDOVAN GOVERNMENT POLICIES FOR A FAVORABLE IT ECOSYSTEM DEVELOPMENT

*IT industry is in the top of Moldovan Government priorities, it is the fastest growing industry, offers highest salaries, employs youth and creative people, and digitally transforms the entire society*



1

National Strategy «Digital Moldova – 2020»

2

IT industry & digital innovation development Strategy

3

Tax incentives for employees of the IT companies

4

Virtual IT park legislation and fiscal incentives

5

IT Visa for foreigners

6

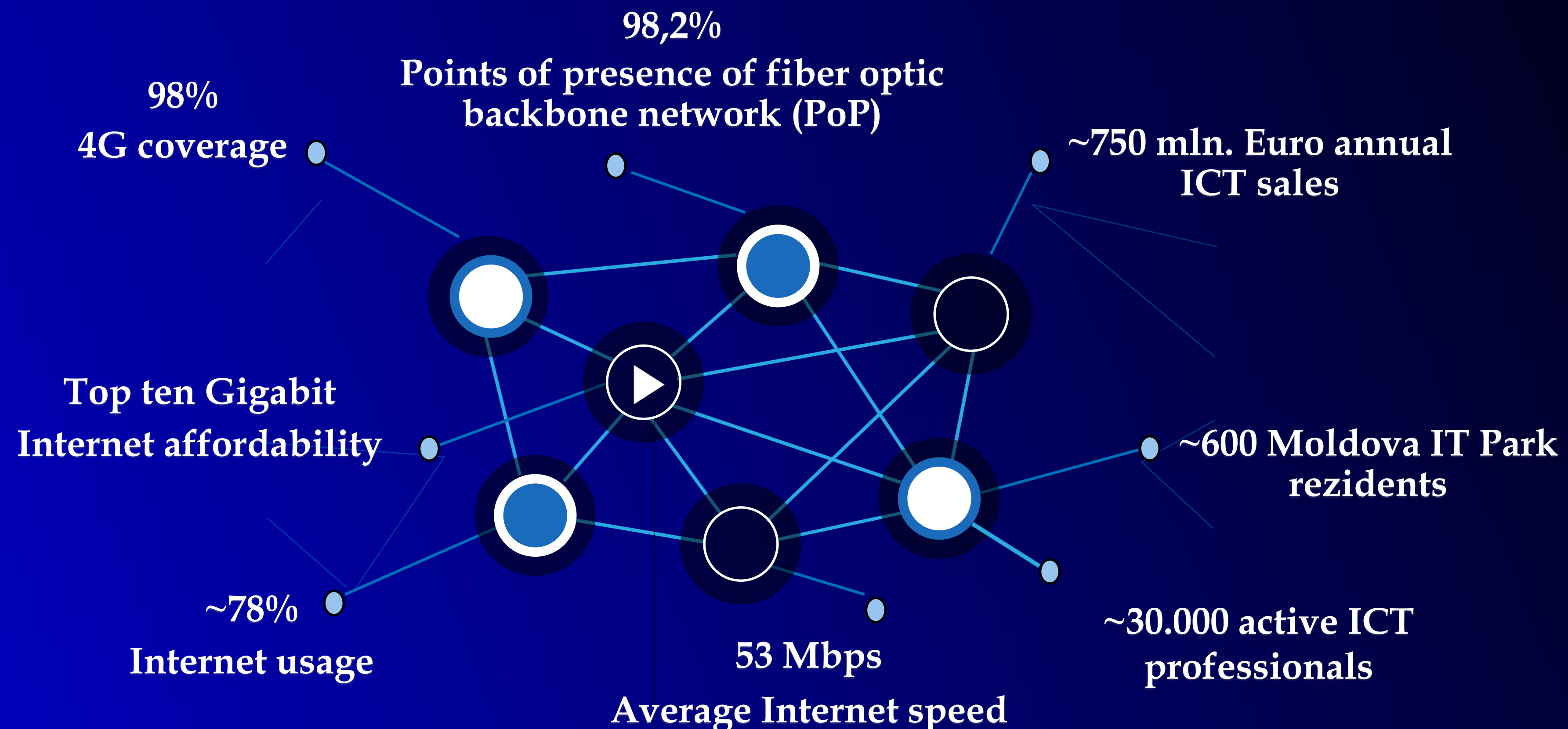
IT educational programs and alternative curricula





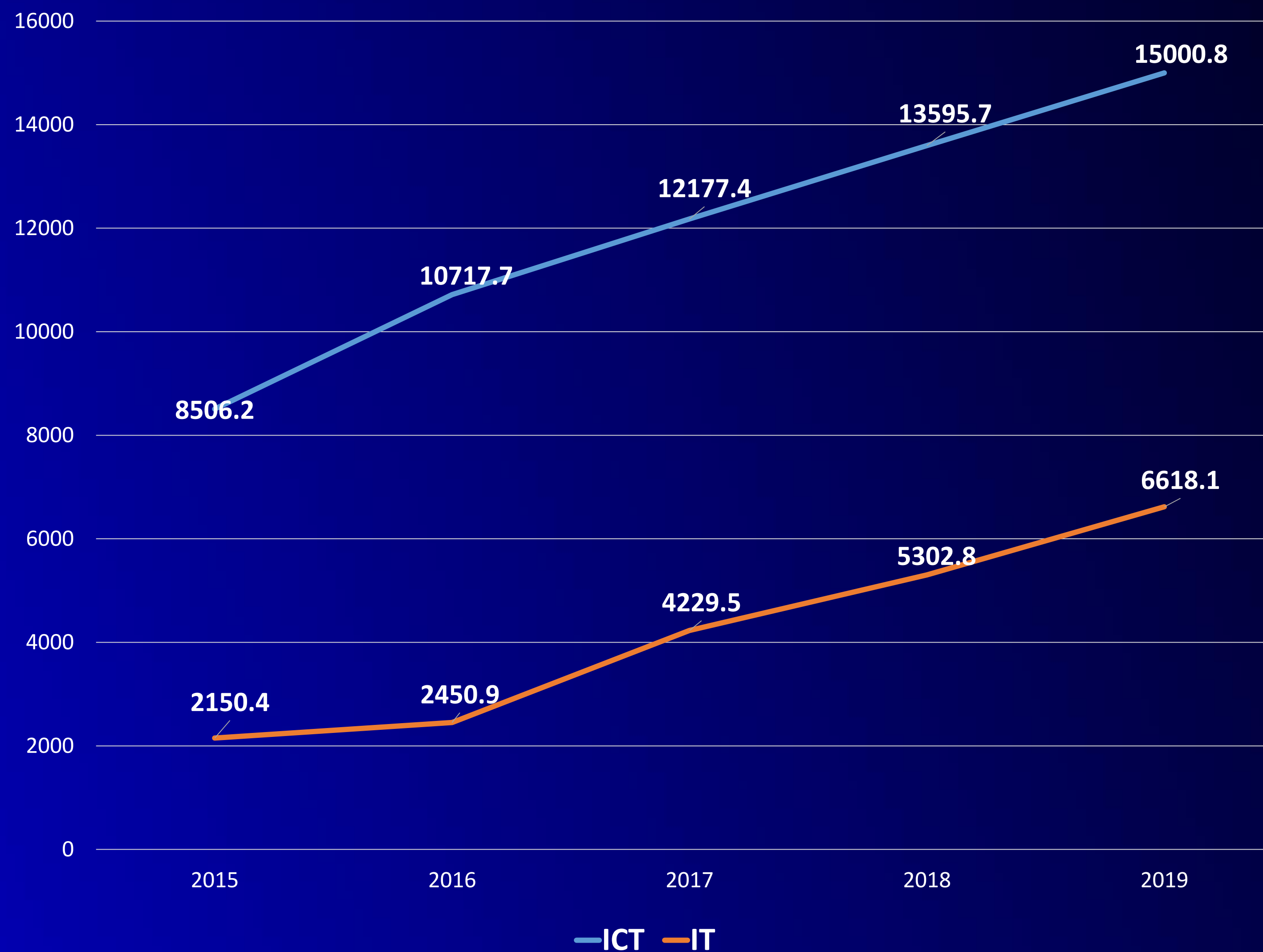
## MOLDOVA ICT ECOSYSTEM QUICK FACTS

- ✓ *Advanced infrastructure and broadband penetration*
- ✓ *Skilled ICT professionals*
- ✓ *Strong Governmental support and dedicated policies*



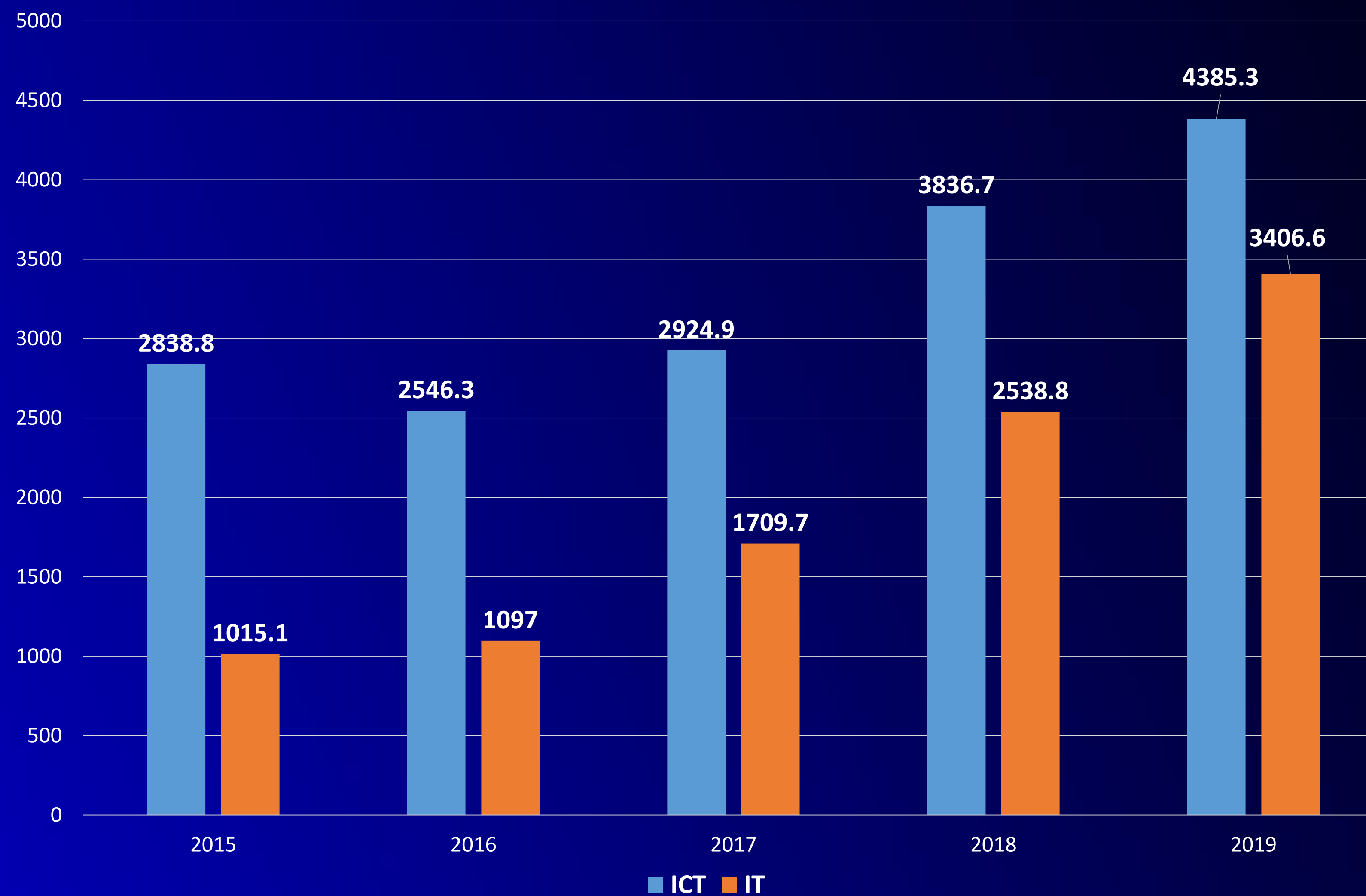


## ICT SECTOR SALES EVOLUTION (MLN. MDL)



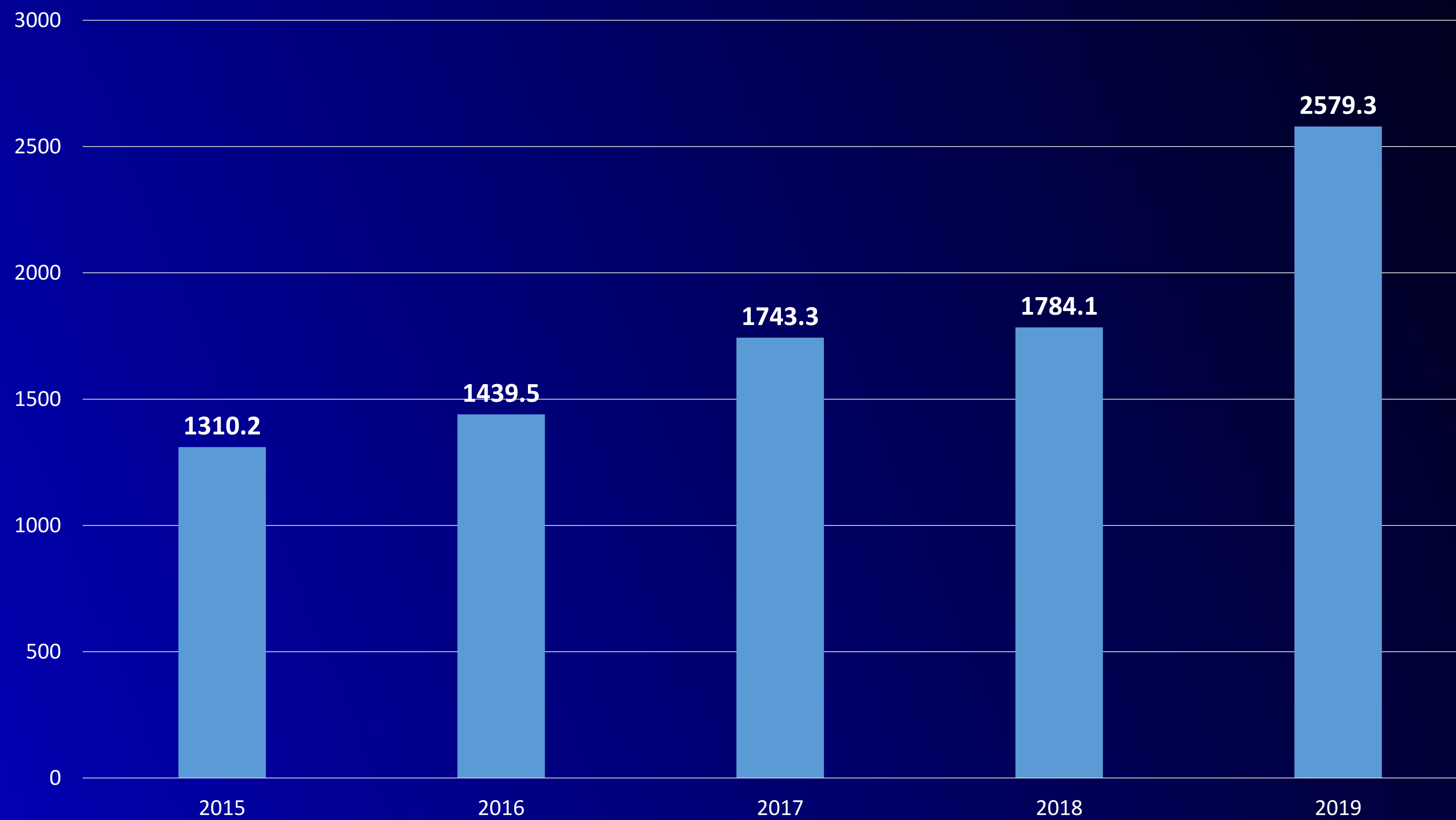


## ICT EXPORTS EVOLUTION (MLN. MDL)





## IT INVESTMENTS EVOLUTION (MLN. MDL)





# STRUCTURE AND OVERVIEW OF THE IT SERVICES MARKET IN MOLDOVA - 2018

Domestic market (m\$)	2018	2019	2020	2021	2022	2023	2024	CAGR
IT Consulting	4.11	4.56	4.93	5.09	5.11	5.16	5.19	3.38%
Implementation	15.53	17.35	18.39	18.81	19.08	19.31	19.40	3.23%
Support Services	7.91	8.98	9.50	9.81	10.10	10.20	10.45	4.05%
Operations Management	3.02	3.84	4.59	5.31	5.98	6.69	7.46	13.81%
Training & Education	2.93	3.54	3.95	4.01	4.32	4.48	4.56	6.52%
Domestic total	33.50	38.27	41.35	43.04	44.58	45.84	47.06	4.97%
Outsourcing market (m\$)	2018	2019	2020	2021	2022	2023	2024	CAGR
IT Services	84.83	99.45	110.49	117.61	124.70	130.79	136.63	7.05%
BPO	14.45	17.66	20.47	23.15	26.30	28.24	30.42	11.21%
R&D / Engineering	13.79	17.31	20.28	23.03	25.42	28.12	30.94	12.24%
Others (Management, Quality Assurance)	7.83	9.76	11.38	12.77	15.06	16.09	17.22	11.92%
Outsourcing total	120.90	144.19	162.62	176.57	191.48	203.25	215.20	8.59%
Total (m\$)	154.40	182.46	203.97	219.61	236.06	249.09	262.26	7.86%

Source: 2018 IDC Study



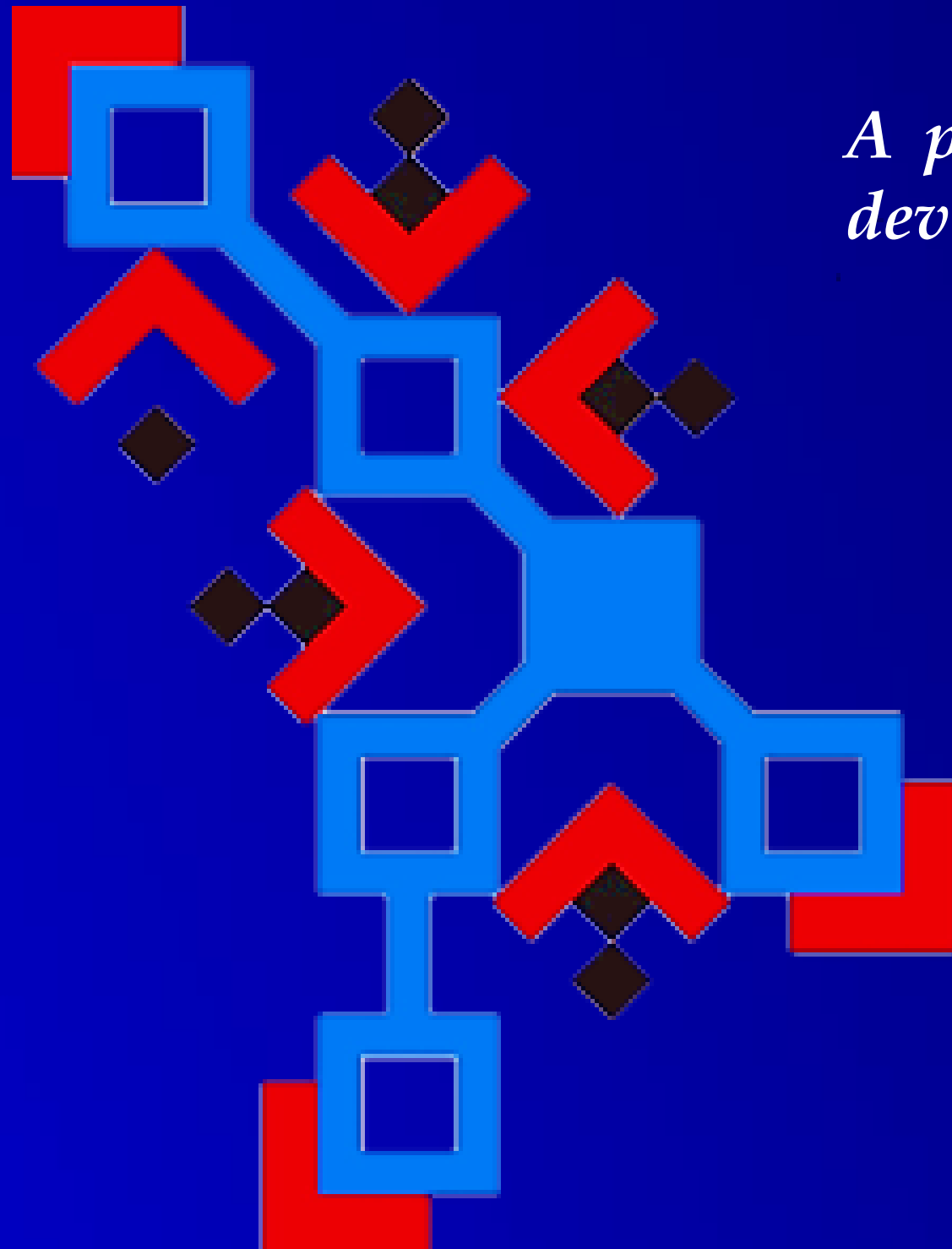
# MOLDOVA IT PARK

[www.moldovaitpark.md](http://www.moldovaitpark.md)



*A platform created by the Government of Moldova to stimulate the IT business development on a dedicated fiscal and operational platform*

- ✓ **“Virtual” operating regime**
- ✓ **Extended list of eligible IT activities (IT products & services, digital design & graphics, IT related R&D, IT educational projects)**
- ✓ **Simplified tax system (a single 7 % tax on turnover)**
- ✓ **Simplified business management (unified reporting, minimal interaction with public authorities)**







## ELIGIBLE ACTIVITIES IN MOLDOVA IT PARK (CEAM REV.2)





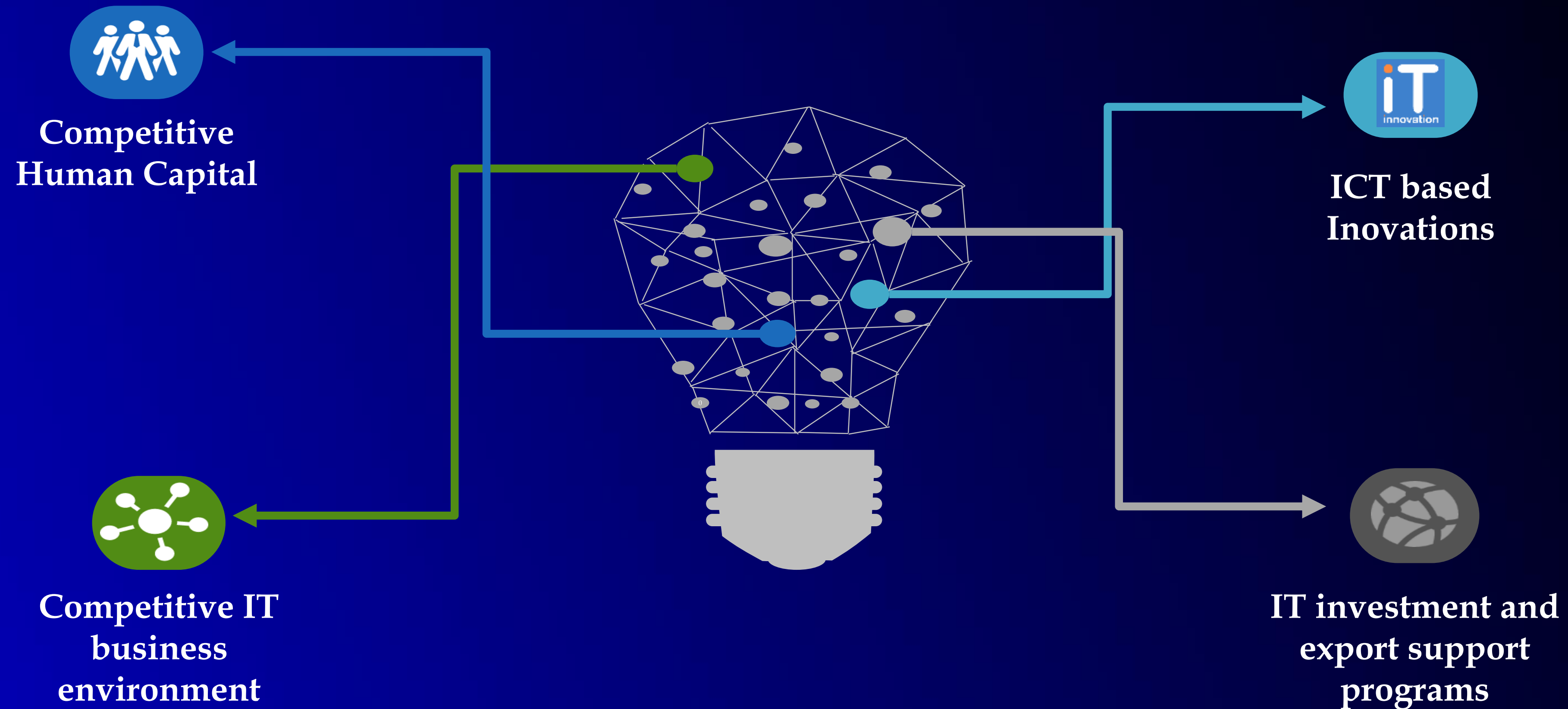
## MOLDOVA IT PARK IN BRIEF

- 600 resident IT companies
- 137 - foreign companies from 33 countries
- 287 - newly created companies
- Approx. 10.500 employed IT professionals
- 2.2 bln. MDL - turnover in 2018
- 3.7 bln. MDL - turnover in 2019
- 4.05 bln. MDL - forecasted turnover for 2020

Source: [www.moldovaitpark.md](http://www.moldovaitpark.md)



## AGENDA NEXT - IT INDUSTRY & DIGITAL INNOVATION (Government Decision no. 904/2018)



Quantitative and qualitative growth of the sector by attracting investments, increasing innovation and internal consumption of IT products, stimulation of entrepreneurial and IT educational ecosystem, funding mechanisms for IT startups, promotion of the IT products in various economic verticals



## Agenda next - DIGITAL INNOVATION FUND



*Supporting the development of the IT industry and ecosystem for digital innovation, through non-reimbursable financing of start-ups that have developed digital products and / or services demanded by the market.*

- ✓ Stimulating new enterprises in the field of information technology, developing of those with growth potential and export oriented
- ✓ Stimulating the creation and maintenance of highly qualified jobs in the field of information technology
- ✓ Increasing the competitiveness of small and medium enterprises in the field of information technology by facilitating access to non-reimbursable financing)



# DIGITAL ECONOMY ROADMAP



*To stimulate entrepreneurial activity of SMEs, local online sales and exports through eCommerce tools, as well as to facilitate remote interaction between the Government, the business community and consumers*

- ✓ **Facilitating remote interaction and promoting digital services for the business environment**
- ✓ **Stimulating the use of e-commerce by companies and consumers**
- ✓ **Simplification of customs procedures for online exports and stimulation of postal and courier services**
- ✓ **Promoting and attracting regional and international e-commerce platforms in the country**



## MOLDOVA WAS RESTARTED AND EVOLVES DYNAMICALLY AS AN IT DESTINATION:

- connected to EU and Eastern digital markets
- modern ICT infrastructure
- qualified and multilingual workforce
- low business costs
- IT parks and IT visa initiatives
- Small but digitally literate country is an ideal testing ground for piloting new services and products.

