

REGULATORY INTELLIGENCE

COUNTRY UPDATE-Moldova: Insurance

Published 18-Feb-2025 by

Irina Cernei and Catalina Stavila, Gladei & Partners

**Overview**

Member of IAIS: Yes. In May 2024 the National Bank of Moldova (NBM) [announced](#) its membership in IAIS.

Supervised by EIOPA: No.

Solvency II Implementation: Partially (Pillar II, III).

The Moldovan Parliament passed the Law on Insurance and Reinsurance activities No. 92/07.04.2022 (the 2022 Insurance Law). This law, effective from January 1, 2023, partially transposes the [Solvency II Directive 2009/138/EC](#) in the context of Moldova's pre-accession to the European Union, and in line with the National Action Plan for EU Accession for 2024-2027 (approved by the Government Resolution No. 829/2023) it is envisaged that in March 2026 the 2022 Insurance Law will fully transpose the Solvency II directive.

Regulation and operation

Insurance (reinsurance) business is subject to licensing. The National Bank of Moldova (NBM) is the sole insurance regulator, having authority to regulate, authorise and supervise insurance market players.

At the same time, the National Commission for Financial Markets (NCFM) is mandated to regulate, supervise and control the compliance of insurance market players with consumer rights and legislation.

Moldovan residents are entitled to procure insurances from foreign insurers only when certain insurances are not offered by Moldovan insurers or in situations established by the international conventions ratified by Moldova.

Establishing an insurance company*Incorporation*

An insurer should be established as a joint stock company and will be deemed an "entity of public interest". This qualification brings about extensive reporting and disclosure requirements.

The share capital should be paid in full upon incorporation, only in cash (in-kind contributions are disallowed). Borrowed money (including funds advanced by insurance market players) cannot be used to pay in the share capital.

Regulatory clearance is required for the incorporation of an insurer. The qualification criteria refer to the financial stability of the founder(s), the source of cash contributions and the fit and proper tests for significant shareholders and administrators (directors and officers).

Under the regulatory clearance process the applicant must submit an application, accompanied by at least the following: (i) confirmation of share capital contribution; (ii) representation that the contributions were made out of own funds; (iii) the applicant's internal regulations regarding their governance system; (iv) draft of a three-year business plan; and (v) insurance terms and conditions for each insurance class. Founders and beneficial owners should reveal their identity and source of funds.

A person registered in a jurisdiction that does not apply international transparency standards or a jurisdiction considered to be risky, as per the NBM list, cannot own directly or indirectly equity interest of an insurer (reinsurer).

Licensing

THOMSON REUTERS™

© 2025 Thomson Reuters. All rights reserved.

As of July 2023, authority for insurance licensing has been delegated to the NBM. Under the licensing process:

- An insurer must submit a licence application accompanied by: confirmation of share capital contribution and evidence of ownership or usage rights for the premises where the insurance (reinsurance) activities will be conducted; insurance terms and conditions for each class of insurances; software for calculation of insurance premiums and technical reserves; the reinsurance programme; and a three-year business plan. Significant shareholders and beneficial owners should reveal their identity and financial position in accordance with the NBM regulations. In case of external insurance for the motor third-party liability insurance the insurer must submit an audit report that confirms the existence and the sufficiency of own financial resources for the compensation fund and the quota in the foreign bank guarantee.
- The NBM shall examine the application and attachments and decide within two months after submission of the full application package.

The licence is issued for an indefinite period of time and may be suspended or withdrawn for breaches of law. Licence suspension or withdrawal can be appealed in court.

Capital reserve requirements

- The minimum capital requirement refers to the own capital (net worth) of the company, which shall be at least:
 - (i) 2,200,000 euros for the companies that provide general insurance;
 - (ii) 3,200,000 euros for the companies that provide general insurance and which fully or partially subscribe the risks for the insurance classes 10-15;
 - (iii) 3,200,000 euros for the companies that provide life insurance;
 - (iv) 3,200,000 euros for the companies engaged exclusively in reinsurance
 - (v) the total of (i) and (iii) or (ii) and (iii) above — for composite insurance companies.

From the effective date of the 2022 Insurance Law, existing insurance (reinsurance) companies were allowed to gradually meet the minimum capital requirements. By January 2025, the minimum capital requirement should be at least 40% of the above amounts. The requirement then increases as follows:

- by January 2026 — at least 60%
- by January 2027 — at least 80%
- by January 2028 — full compliance (100%) with the required capital amounts.
- Insurance brokerage is subject to licensing (valid for an unlimited period of time) and to minimum capital requirements, equal to MDL 400,000 (approximately 20,000 euros). As of December 2024, as many as 48 insurance brokers held valid licences.
- Bancassurance is the business line, under which banks, savings and loan associations, and non-banking credit organisations may be appointed corporate agents of an insurance company, provided they comply with the requirements set forth by the law (i.e., solvability, professional indemnity, personnel qualification).
- Effective from December 30, 2024, the Regulation on own funds, valuation of assets and liabilities, assets admitted to cover technical reserves, minimum capital requirements, solvency, and liquidity of insurance and reinsurance companies, as well as amendments to certain regulatory acts related to prudential and financial stability indicators in the insurance sector, was approved by NBM Resolution No.328/2024. This regulation establishes key prudential requirements to ensure the financial stability and solvency of the Moldovan insurance sector, aligning with Solvency II Directive principles.

European legislation

Harmonisation of Moldovan laws with the *acquis communautaire* is on the agenda of the Moldovan government. Under the EU-Republic of Moldova Association Agreement, signed on June 27, 2014, Moldova undertook to harmonise its insurance laws with EU laws, and in particular implement the provisions of [Solvency II](#), within seven years of the entry into force of the Association Agreement.

The Solvency II Directive has been already partially (Pillars II and III) transposed into national law via the 2022 Insurance Law and the Law No.133/2018 (Chapter II and Art. 144 of the Directive).

Pursuant to the National Action Plan for EU Accession for 2024-2027, approved by Government Resolution No.829/2023, a draft law ensuring full transposition of Directive 2009/138/EC is scheduled for approval in March 2026.

The Law on Compulsory Motor Third-Party Liability Insurance No.106/2022 (effective from April 1, 2023, the 2022 RCA Law) partially transposes the EU [Directive 2009/103/EC](#).

Other pertinent EU legislation is transposed into national laws through regulatory normative acts (e.g., Directive no. [2002/92/EC](#) of the European Parliament and of the Council of December 9, 2002 on insurance mediation is partially transposed throughout the NCFM Regulation No. 49/5/2016 on Training and Professional Competence Requirements in Insurance).

Domestic laws

Core provisions



THOMSON REUTERS™

© 2025 Thomson Reuters. All rights reserved.

Insurance business is primarily regulated through the 2022 Insurance Law and the 2022 RCA Law. Core provisions of the insurance legislation refer to the following:

- Acquisition (directly or indirectly, individually or jointly) of a significant (10% or more) equity interest (or the acquisition by a company of the management right of such equity interest) in a Moldovan insurer/reinsurer is subject to prior consent of the insurance regulator (NBM). Increase of such interest to 20%, 33% or 50% (or their decrease respectively) is also subject to prior consent from the NBM.
- A person registered in a jurisdiction that does not apply international transparency standards or a jurisdiction considered to be risky, as per the NBM list, cannot own directly or indirectly equity interest in a Moldovan insurer. The current list of these jurisdictions is outlined in the NBM Resolution No.91/2013.
- Use of actuary services by insurance businesses is compulsory and under the close scrutiny of the NBM. Actuaries are obliged to notify the board of the insurance (reinsurance) company and the NBM of any inconsistencies or breaches by the insurer of relevant legislation within 15 days.
- Within four months from the end of each financial year, insurers are required to submit their financial statements, auditor's and actuary's reports to the NBM. In addition, they are to publish their financial statement and auditor's report in the media channels specified in their constitutive documents.
- Prudential requirements compel insurers (reinsurers) to lay out and comply with rules and procedures of personnel verification and training for the purpose of prevention of money laundering and terrorism financing via insurance (reinsurance) activities, implementation of corporate governance principles, creation of internal risk management and control systems.

Voluntary and compulsory insurance

In voluntary (facultative) insurance, the terms of insurance are agreed mutually between the insurer and the insured, in accordance with the insurance conditions of the insurer. Moldovan law makes it mandatory for the insurer to produce insurance terms and conditions to the insured party in an adequate form. The law sets forth the terms of compulsory insurance.

Compulsory insurance can be divided into groups, depending on the eligible insurers:

- Insurance which can be procured from a foreign insurer where it is not available on the Moldovan market:
 1. Civil liability of the carrier toward the passenger, which covers the risk of damages to the life, health and property of the passenger who travels by road, air, rail or ship transport (Law on the Mandatory Insurance of the Carriers toward the Passengers, No. 1553 of February 25, 1998). This also includes the passenger's insurance in sea transportation (Art. 193 of the Code on Commercial Maritime Navigation, No. 599 of September 30, 1999). From December 23, 2008, the Republic of Moldova became party to the Convention for the Unification of Certain Rules for International Carriage by Air (Montreal, May 28, 1999).
 2. Cargo insurance by the forwarder (Art. 1529 of the Civil Code).
 3. Tourist travel insurance, which covers the risks of traffic accidents, sickness, etc., during travel (Art. 21 of the Law on Organisation and Carrying-Out of Tourist Business, No. 352 of November 24, 2006).
 4. Professional indemnity for insurance brokers, notaries and conforming assessment bodies.
 5. Consumer leasing insurance, which covers the risk of fortuitous loss, damage or destruction of the leased asset.
 6. Insurance of life and health of patients or volunteers in clinical trials by the sponsor (the Law on Medicines, No. 1409 of December 17, 1997), etc.
- Compulsory insurance which can be procured only from Moldovan insurers (i.e., direct cross-border insurance is not allowed):
 1. Internal motor third-party liability insurance (2022 RCA Law).
 2. Military state insurance, which covers the risk of death or loss of working ability of the military (Government Resolution No. 983 of October 10, 2018).
- Compulsory state insurance, which can be procured only from the state-owned entities:
 1. Social state insurance that the National House for Social Insurance offers, which covers the risks of death, temporary loss of working ability of employees and other eligible individuals due to sickness/injury, loss of employment, as well as specific events such as retiring age (social pension), birth of a child (maternity aid) and sick care (Law on the Public Social Insurance System, No. 489 of July 8, 1999).
 2. Health state insurance offered by the National Company for the Medical Insurance, which assures a minimum established coverage for the risk of sickness/injury of the insured individuals (Law on the Mandatory Medical Care Insurance, No. 1585 of February 27, 1998).

Contract of general insurance

The Law No. 133 dated November 15, 2018 repealed the provisions related to insurance contracts in the previous insurance law, effective from January 1, 2020. Instead, it introduced a new Chapter XXV into the Civil Code incorporating reformed provisions on life insurance and group insurance. The amended provisions largely follow the Principles of European Insurance Contract Law 2015 edition.

Product-specific rules

Life



THOMSON REUTERS™

© 2025 Thomson Reuters. All rights reserved.

Life insurance business requires a separate, exclusive licence. Further, life insurance businesses are allowed to subscribe risks covered by general (accident and health) insurance without having a separate licence, provided that such risks are ancillary to the risks already insured.

General insurance

General (non-life) insurance requires a separate, exclusive license. The right to practice motor third party liability insurance (domestic and foreign, under the Green Card system) shall be granted separately. From September 2020, Moldova, via the National Bureau of Motor Insurers, was granted full membership in the Green Card System.

General insurance prevails in the aggregate structure of local insurers' insurance portfolio.

Reinsurance

Moldovan insurers/reinsurers can cede insured risks to foreign reinsurers where the latter are licensed and supervised in their home country. The maximum liability of the reinsurer for the risk reinsured shall not exceed 10% of its equity capital, unless the excess is further ceded into reinsurance.

Where a Moldovan insurer transfers the risks to a foreign reinsurer, the former must be authorised and supervised in its state of residence. The transfer of the reinsurance risks can be carried out through either a non-resident or resident reinsurance broker. The ultimate reinsurer is required to hold a long-term credit rating of no less than BBB+, as assessed by Standard & Poor's, Fitch-IBCA, AM BEST or Moody's. For non-rated reinsurers authorised under the EU Solvency II regime, assessment is based on their solvency reports, with a minimum solvency rate of 120%.

The reinsurer is required to retain a portion of the reinsurance risks, and the level of retention is to be determined annually by the reinsurer, subject to approval by the NBM. Nevertheless, the risks associated with natural catastrophes for goods insurance and the risk of financial losses due to adverse weather conditions may be entirely transferred to another resident or non-resident reinsurer.

Enforcement and investigation

Senior management responsibilities

Under the 2022 Insurance Law, the positions subject to regulation within insurers (reinsurers) include:

- "persons in management positions" — the members of the board, the management body and branch managers; and
- "key officers" — staff members who are not members of the management body and fulfil functions in risk management, compliance, internal audit, actuarial services, as well as the chief accountants, financial directors and heads of claims department.

For both categories, among other criteria, Moldovan laws set forth a series of requirements concerning their qualification, experience, reputation, lack of criminal records and conflicts of interests.

Persons in management positions and key officers shall be liable for breach of the insurance legislation, which may give rise to civil, administrative and criminal sanctions.

Further, under the NCFM Regulations on Requirements regarding Persons in Management Positions, Audit Committee Members, Key-Officers, Branch Managers and Liquidators of insurers or reinsurers — approved through the NCFM Resolution 26/2 of May 23, 2023 — persons in management positions and key officers are subject to assessment by the NBM to ensure their compliance with the individual adequacy requirements. This assessment is conducted based on the criteria outlined in Annex II to the aforementioned Regulation, contingent upon the specific requirements designated for the assessed position.

Key officers and persons in management positions are subject to prior approval by the NBM.

Rules of regulatory investigation

Supervision of professional participants of the insurance market is generally performed through:

- (i) regular monitoring, analysis, assessment of reports, information and notifications required by the 2022 Insurance Law to be submitted to the NBM;
- (ii) control of all the operations carried out within the insurance (reinsurance) activity;
- (iii) on-site analysis and field inspections;
- (iv) imposition of supervision measures.

To this end, professional participants in the insurance market shall submit to, or ensure that the NBM has access to, any information or document requested and shall allow questioning of any employee. Other authorities vested with control powers over insurers (reinsurers) are required to report to the NBM any identified violations of insurance (reinsurance) laws and regulations.

The NBM's employees or its appointed experts, auditors, etc., cannot be held liable for damages arising from the performance of their duties, unless it is proven that these actions were intentional and illegal.

Whistle-blowing rules



THOMSON REUTERS™

© 2025 Thomson Reuters. All rights reserved.

The legal framework for whistleblowers in Moldova is governed by a dedicated law — the Law on Whistleblowers No.165 of June 22, 2023, effective from October 2023. This law partially transposes EU Whistleblower Directive (EU) [2019/1937](#). It governs the procedure for receiving, examining and resolving disclosures related to breaches of the law within public and private entities. The law also outlines the rights and obligations of individuals making disclosures about violations of the law, the potential protective measures (confidentiality of the whistleblower's identity), specifies employer obligations, describes the roles of competent authorities in reviewing such disclosures, and establishes the functions of whistleblower protection authorities.

However, whistle-blowing is not widespread in Moldova, partly due to the lack of dedicated legislation (and protection) until the recent entry into force of the said law in October 2023, and partly due to lingering problems in the justice system.

Complaints procedure

Insurers (reinsurers) are bound to establish internal complaint management systems, to ensure timely and efficient review of complaints submitted by insured parties (beneficiaries) and any third parties. Such complaints should be reviewed objectively and within the timeframe provided by the administrative legislation. Should the party who has filed a complaint remain dissatisfied about the manner in which the complaint has been solved by the insurer, such party can subsequently address the NCFM.

Creditor hierarchy

Insolvency

Under the Law on Insolvency, No. 149 of June 29, 2012 (the "Insolvency Law"), the proceeds of the insolvency estate shall cover with priority all expenses related to the insolvency proceedings and the insolvency estate. In an insolvency context, insurers shall be deemed as unsecured creditors, ranking fifth after several unsecured creditors to whom the Insolvency Law affords priority (e.g., creditors whose claims are related to health and causing of death, claims held by employees, claims related to credits extended by the Ministry of Finance, etc.), unless the insurer holds a valid security interests (pledge or mortgage) in the debtor's asset.

Notwithstanding, under Article 102 of the Insolvency Law, if the debtor's insurance contract remains in effect, insurance premiums subject to payment by the debtor must be paid in full, even if they should have been paid before commencement of insolvency proceedings. In that case, insurance premiums shall be deemed as administrative expenses (i.e., satisfied with priority, before secured creditors).

Data protection

Data protection is primarily regulated through the Law on Personal Data Protection No. 133 of July 8, 2011, which mirrors the EU Data Protection Directive. The Law was amended on November 11, 2021, in order to partially transpose the [EU Regulation 2016/679](#) on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, and repealing [Directive 95/46/EC](#), known as the GDPR.

Under this Law, the insurers shall be commonly deemed as data controllers (and/or data processors, as the case may be). So, the insurer has the obligation to conform to the new data protection provisions, including the obligation to perform the data protection impact analysis, as they process data that falls under the incidence of the Order of the National Center for Personal Data Protection on approving the list of types of processing operations that are subject to the requirement to perform an impact assessment on the protection of personal data No. 27 issued on March 31, 2022.

Financial promotion

Financial promotion, as a variety of advertising, is regulated through the Law on Advertising, No. 62 of March 17, 2022. Advertising must be accessible without the advertising consumer having special knowledge. Further, advertising must contain information that corresponds to reality. In particular, the following shall be prohibited in the advertising of financial, insurance and investment services: (i) any type of guarantees, promises or suppositions regarding the future efficiency (profitability) of the activity; (ii) concealing of at least one of the conditions of the contract, if the advertising conveys its conditions; etc.

Corporate governance

Effective December 31, 2024, the Regulation on the Governance System of Insurance and Reinsurance Companies, approved by the NBM Resolution No.241/2024, establishes governance requirements for insurance companies. It defines the roles and structure of management bodies and sets minimum standards for governance systems, functions, policies, and reporting obligations. This regulation includes requirements related to:

- (1) corporate governance framework;
- (2) organisational structure;
- (3) management competence and integrity;
- (4) internal controls and risk management;
- (5) data security and confidentiality;
- (6) remuneration policies;



THOMSON REUTERS™

© 2025 Thomson Reuters. All rights reserved.

(7) outsourcing.

In addition, the Corporate Governance Code, approved through the NCFM Resolution No. 67/10 of December 2015, provides best national and international practices and establishes governance standards for the management and the shareholders for the efficient governance, in particular for promotion and protection of shareholder rights; clarification of the functions of the company bodies; ensuring that the functioning of joint stock companies is in a non-corrupt environment; and promotion of managers, employees and shareholders interests by harmonising the regulatory framework. The Corporate Governance Code is mandatory for entities of public interest (i.e., to insurers) and adherence by the other entities is advisable.

State-owned or majority state-owned insurers shall apply the Corporate Governance Code for JSCs/LLCs with fully or majority public capital, approved by the Government Resolution No. 820/2023.

Statistics

Reportedly, during the first three quarters of 2024, the insurance market in the Republic of Moldova remained dominated by non-life (general) insurance, with a significant share of 97% in the total amount of gross written premiums subscribed by insurance companies. Within the total gross written premiums for general insurance, the largest shares were held by the following classes: compulsory motor third-party liability insurance (including domestic MTPL, Green Card, TIR Carnet, and CMR Carnet), land vehicle insurance other than railway vehicles (CASCO), and fire and other natural disaster insurance, collectively accounting for more than 80.5% of the market.

As reported by the NBM, during the first three quarters of 2024, the net profit of insurance companies amounted to MDL 244.4 million (ca 12.6 million euros) and all insurance companies reported a net profit from their operations.

Irina Cernei is a senior associate, and **Catalina Stavila** is an associate at [Gladei & Partners](#). #Tel: +37322 240577



[Complaints Procedure](#)

Produced by Thomson Reuters Accelus Regulatory Intelligence

21-Feb-2025



THOMSON REUTERS™

© 2025 Thomson Reuters. All rights reserved.