



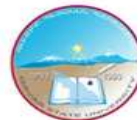
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Reforming Master Programmes in Finance in Armenia and Moldova / REFINe  
An Erasmus+ Capacity Building Project (2017-2020)

# THE COURSE INTERNATIONAL INVESTMENTS OVERVIEW

*Moldova State University*  
*Teacher: Victoria GANEA, Prof., Habil. Dr.*



# BASIC INFORMATION



<b>TITLE OF THE COURSE</b>	<b>INTERNATIONAL INVESTMENTS</b>
<b>TEACHERS</b>	<b>Victoria GANEA</b>
<b>YEAR OF THE COURSE</b>	<b>The 1st Year</b>
<b>SEMESTER OF THE COURSE</b>	<b>II</b>
<b>LANGUAGE</b>	<b>Romanian, English</b>
<b>NUMBER OF ECTS CREDITS</b>	<b>8</b>

# LEARNING OUTCOMES



- identify and synthesize information relevant to quantification of the International Investment flows;
- analyze the structure and content of the promotional and attracting policies for direct foreign investments;
- analyze the current account, the capital account and the balance of payments financial account;
- conclude on the impact of FDI on the country's balance of payments;
- compare and evaluate of the expansion strategies through FDI specific to TNC;
- evaluate the EU in the global investment regime.

# SYLLABUS OF THE COURSE



	TOPIC
1	International investments: concept, evolution and forms of manifestation
2	Foreign direct investment: flows of intractions and outputs
3	The balance of payments and international investment position
4	The applicable laws in international investment domain
5	Promotional policies for direct foreign investments and attracting policies for direct foreign investments
6	Expansion strategies by foreign direct investments specific to transnational corporations
7	The EU in the global investment regime

# TOPIC 1



## INTERNATIONAL INVESTMENTS: CONCEPT, EVOLUTION AND FORMS OF MANIFESTATION

1. Conceptual approach to external portfolio investments and to foreign direct investments
2. Quantification and registration of the international investment flows in the last 25 years
3. Forms and methods of manifestation of international investments
4. The place of international investments in international financial flows

# TOPIC 1



## INTERNATIONAL INVESTMENTS: CONCEPT, EVOLUTION AND FORMS OF MANIFESTATION

1

To define and to relate the basic concepts: portfolio investments, strategic investor, investment risk, transcontinental investments, transnational investments, disinvestment decision...

2

To describe the evolution of cross-border mergers and to acquisitions and to demonstrate the relevance of some important statistical indicators of international investments: investment flows and stocks, performance index, transnationality index, etc.

3

To define "greenfield" investments, company takeovers, mergers of companies, international strategic alliances, etc.

4

To identify the methods of financing of investments and risks in international financial markets and to classify the international investment monitoring bodies: bodies for monitoring the investments at global level; regional development funding bodies; UN specialized financial institutions; investment monitoring bodies in the Moldova.

# TOPIC 2



## FOREIGN DIRECT INVESTMENT: FLOWS OF INTRactions AND OUTPUTS

1. Direct foreign investment: conceptual bases
2. Impact of foreign direct investment on host countries
3. Opportunities for the attraction of FDI in the economy of the Republic of Moldova
4. The relation of FDI and economic growth in Central and Eastern Europe

# TOPIC 2



Triad:

Multinational Corporation –  
Direct Foreign Investment –  
International Production





# TOPIC 3



## THE BALANCE OF PAYMENTS AND INTERNATIONAL INVESTMENT POSITION

1. Balance of payments: concept and structure
2. The analysis of the current account, capital account and financial account of the balance of payments
3. The impact of FDI on the balance of payments of the Republic of Moldova

# TOPIC 3



## THE BALANCE OF PAYMENTS AND INTERNATIONAL INVESTMENT POSITION

1.

To define the balance of payments in bilateral, regional and global aspects; to describe the basic elements of the balance of payments and to analyze the standard and the analytical forms of the balance of payments.

2

To describe the structure and to analyze the current account, capital account and financial account of the balance of payments.

3

To analyse the impact of FDI on the balance of payments of the Republic of Moldova.

# TOPIC 4



## THE APPLICABLE LAWS IN INTERNATIONAL INVESTMENT DOMAIN

1. Sources of international investment law
2. Determination of foreign investors and of foreign investments
3. Compensation for violation of obligations
4. State responsibility and enforcement of obligations

# TOPIC 4



## THE APPLICABLE LAWS IN INTERNATIONAL INVESTMENT DOMAIN

1.

To describe the distinctive features of the sources of international investment law and to relate the interactions between non-binding instruments and the recognized sources of investment law.

2.

To illustrate foreign investors and foreign investments in the theory of law and identifying types of compensation for violation of obligations.

3.

To classify the state responsibility and enforcement of obligations.

# TOPIC 5



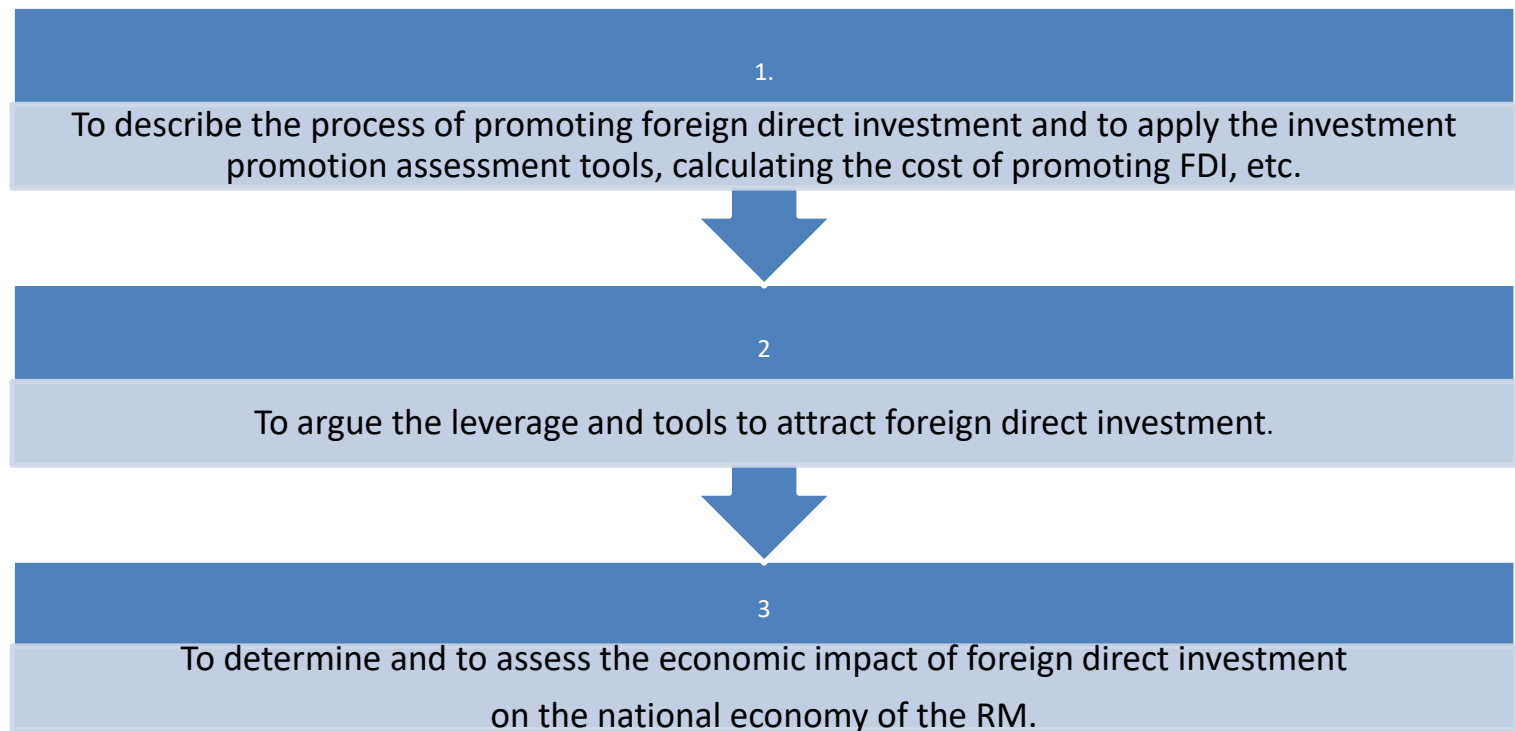
## PROMOTIONAL POLICIES FOR DIRECT FOREIGN INVESTMENTS AND ATTRACTING POLICIES FOR DIRECT FOREIGN INVESTMENTS

1. Policies to promote direct foreign investments
2. Attracting policies for direct foreign investments
3. The specifics of the Moldovan economy and national policies for attracting foreign investments

# TOPIC 5



## PROMOTIONAL POLICIES FOR DIRECT FOREIGN INVESTMENTS AND ATTRACTING POLICIES FOR DIRECT FOREIGN INVESTMENTS



# TOPIC 6



## EXPANSION STRATEGIES BY FOREIGN DIRECT INVESTMENTS SPECIFIC TO TRANSNATIONAL CORPORATIONS

1. Conceptual approaches regarding the strategies and the creative chain of value
2. Motivations of transnational corporations for international investments
3. Determinant factors of external portfolio investments

# TOPIC 6



## TRANSNATIONAL CORPORATIONS' STRATEGIES

1. Strategies towards “functions” arbitration, from the global chain of “product” value
2. Strategies in the offshoring context of the business services
3. Business strategies of companies in emerging countries



# TOPIC 7



## THE EU IN THE GLOBAL INVESTMENT REGIME

1. The EU's international investment policy in the context of the Lisbon Treaty
2. The EU in investment-related negotiations on the Energy Charter Treaty
3. Investment disciplines in European preferential trade agreements

# Individual Work



## Applications and case studies:

1. The calculation of the foreign direct investment and international investment efficiency indicators
2. The application of the analyzing methods of investment capital cost
3. The development strategy to attract foreign investment
4. The analyze of the foreign direct investment promotion policies

# TEACHING METHODOLOGY



The forms of organizing the training at discipline are made up of lectures, seminars, guiding the individual activity.

In the lecture hours are taught the basic concepts of the themes of the discipline, using the methods: explanation of conceptual approaches; presentation of alternative explanations; dialogue and answers to student questions; text comment, case study; group working (3-4 students).

In the seminar hours are examined the most complicated concepts, to evaluate problems related to the topics studied, to discuss case studies, using the methods: group working (3-4 students); elaboration of the case study; presentation individual essay.

# LABOUR MARKET RELEVANCE



- This course provides students - future specialists a complex and integrated vision of international investment flows, especially direct ones, and their role in the economic development of the world countries.
- According to the Classification of Occupations in Moldova, discipline International Investments, will create the specialists for following occupational posts: 1114 Leaders and other senior officials from specialized organizations; 1120 General Directors, Executive Directors and Assignees; 1211 Financial heads; 1213 Heads in the field of economic and planning policies; 2412 Financial and investment specialists and consultants; 2413 Financial Analysts, etc.

# ASSESSMENT AND GRADING



In order to evaluate the learning outcomes within the discipline, it is done:

**Current evaluation:** is conducted throughout the semester during courses, seminars, consultations. They are also rated on a scale of 1 to 10 compulsory semesters, which take place in pre-established periods in the annual academic calendar. The weight of the current assessment is 60% of the final grade.

**Final assessment:** is done through the written exam, using the institutional test, consisting of 2 subjects of tasks on 3 levels with different degree of complexity (knowledge, applied, integration). The weight of the mark on the exam is 40% of the final grade in the discipline.

The final grade in the discipline is calculated according to the MSU Academic Performance Evaluation Regulation: Semester grade (60%) + Examination note (40%).

The semester assessment is determined based on the components that make up the current evaluation:

$$\text{Semester assessment} = \frac{T_1 + T_2 + \frac{MEC + LI}{2}}{3}$$

Where:

T1 - mandatory Test 1;

T2 - mandatory Test 2;

MEC - the average of the current assessment, is calculated as a simple arithmetic mean of grades accumulated in seminars and courses;

LI - not granted for the final product presented for the individual work carried out.

Final assessment - 40%.

Minimum requirements for promotion: obtaining the minimum promotion mark for the discipline (semester note); obtaining the minimum mark for promotion at the course exam; elaboration, presentation and support of individual work.

# REFERENCES



1. Basedow J. R. The UE in the global investment regime. Ed: UACES, 2017, 396 p.
2. Schefer K. International Investment Law: Text, cases and materials. Second edition. Ed: Edward Elgar Publishing, 2016, 661 p.
3. Ilie G. Investiții internaționale, Ediția a II-a. Editura: Pro Universitaria, Buc., 2009, 326 p.
4. Postelnicu C. Firmele multinaționale la început de mileniu. Editura Risoprint, Cluj-Napoca, 2005.
5. Zait D. Evaluarea și gestiunea investițiilor directe, Editura SEDCOM LIBRIS, Iasi, 2008.
6. Хазанович Э.С. Инвестиционная стратегия: учебное пособие. - М.: КНОРУС, 2010. 304 стр.

# COURSE ASSIGNMENT 1



## GROUP WORK: Investment Policy Reviews

Investment Policy Reviews, publicate de UNCTAD și OCDE,  
link:

[http://www.oecd.org/document/40/0,3343,en\\_2649\\_34893\\_1933032\\_1\\_1\\_1\\_1,00.html](http://www.oecd.org/document/40/0,3343,en_2649_34893_1933032_1_1_1_1,00.html)

In a group of 4-5 students will have:

1. to analyse and to present at the next seminar one country in the context of Investment Policy Reviews (IPR) stated above;
2. to analyse the IPR for the chosen state.

# COURSE ASSIGNMENT 2



## PROJECT: Global annual investment flows

In a group of 4, students will present PPT slides at the next seminar with analyze and comments on the trends in annual global investment flows based on the reports published by UNCTAD and OECD.





**THANK YOU FOR THE ATTENTION**

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