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## Course Package “International Investments”

<b>Work Package</b>	WP3: Development of Course Materials for the Reformed MA Programmes, Deliverable 3.1
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## Document History

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## 1. General information about the course

<b>Title of the course (as specified in the reformed curriculum)</b>	International investments
<b>Name of the teacher</b>	Victoria GANEA
<b>Novelty of the course (please select as appropriate)</b>	This course is a newly developed course (new in the curriculum)
<b>Year of the course in the curriculum</b>	The 1 <sup>st</sup> Year
<b>Semester of the course in the curriculum</b>	II
<b>Language of instruction of the course</b>	Romanian, English
<b>Number of ECTS credits</b>	8

## 2. Learning outcomes of the course

As a result of studying the discipline "International Investments" students are able to analyse and synthesize information relevant to quantification of the International Investment flows, inclusive to analyse the structure and content of the promotional and attracting policies for direct foreign investments. In particular, they are able to analyse the impact of FDI on the country's balance of payments. Furthermore the students can analyse of the expansion strategies through FDI specific to TNC. They are also able to evaluate the EU in the global investment regime.

## 3. Syllabus of the course

<b>Title of the course:</b> International Investments
<b>Semester:</b> 2
<b>Number of ECTS credits:</b> 8
<b>Language of instruction:</b> Romanian, English
<b>Teacher(s) of the course:</b> Victoria GANEA, Professor

Code	Module / course	Total hours	Including		Number of hours per week			Evaluation form	Number of credits
			Direct Contact	Individual Work	Lecture	Seminars	Laboratory Work		
<b>The 1<sup>st</sup> YEAR</b>									
<b>The 2<sup>nd</sup> semester</b>									
S.02.O.06	International investments	240	60	180	2	2	-	E	8

### Units of content and the indicative allocation of the hours

Nr.	Units of content	Hours		
		Lecture	Seminars	Individual work
1.	International investments: concept, evolution and forms of manifestation	4	4	20
2.	Foreign direct investment: flows of intractions and outputs	6	6	30
3.	The balance of payments and international investment position	4	4	20
4.	The applicable laws in international investment domain	4	4	30
5.	Promotional policies for direct foreign investments and attracting policies for direct foreign investments	4	4	30
6.	Expansion strategies by foreign direct investments specific to transnational corporations	4	4	30
7.	The EU in the global investment regime	4	4	20
<b>Total</b>		<b>30</b>	<b>30</b>	<b>180</b>

**Brief summary of course contents:**

International investments discipline aims to contribute to the understanding of the international investment phenomenon and to the consolidation of the capacity to analyse the investment decisions abroad from the perspective of its impact and effects on the host countries, and also of the investment origin country.

This course addresses theoretical aspects of international investments doubled by numerous examples, case studies specific to the contemporary investment phenomenon.

Thus, the seven topics contain notions about: the characteristics of foreign direct investments and external portfolio investments, the defining elements of international investments (time, risk, efficiency), volatility as a specific characteristic of the contemporary investment flows, the forms of implantation of businesses abroad through direct foreign investments, instruments of promotion policy and policy of attraction of foreign direct investments at the level of host countries and countries of origin, trends in the evolution of international investment flows, geographical and sectorial distribution of direct foreign investment flows, as well as expansion strategies through direct foreign investments specific to transnational corporations.

**COURSE TOPICS:**

1.	<b>International investments: concept, evolution and forms of manifestation:</b> <ol style="list-style-type: none"> <li>1. Conceptual approach to external portfolio investments and to foreign direct investments;</li> <li>2. Quantification and registration of the international investment flows in the last 25 years;</li> <li>3. Forms and methods of manifestation of international investments;</li> <li>4. The place of international investments in international financial flows.</li> </ol>
2.	<b>Foreign direct investment: flows of intractions and outputs:</b> <ol style="list-style-type: none"> <li>1. Direct foreign investment: conceptual bases;</li> <li>2. Impact of foreign direct investment on host countries;</li> <li>3. Opportunities for the attraction of FDI in the economy of the Republic of Moldova;</li> <li>4. The relation of FDI and economic growth in Central and Eastern Europe.</li> </ol>
3.	<b>The balance of payments and international investment position:</b> <ol style="list-style-type: none"> <li>1. Balance of payments: concept and structure;</li> <li>2. The analysis of the current account, capital account and financial account of the balance of payments;</li> <li>3. The impact of FDI on the balance of payments of the Republic of Moldova.</li> </ol>
4.	<b>The applicable laws in international investment domain:</b> <ol style="list-style-type: none"> <li>1. Sources of international investment law;</li> </ol>

	<ol style="list-style-type: none"> <li>2. Determination of foreign investors and of foreign investments;</li> <li>3. Compensation for violation of obligations;</li> <li>4. State responsibility and enforcement of obligations.</li> </ol>
<b>5.</b>	<p><b>Promotional policies for direct foreign investments and attracting policies for direct foreign investments:</b></p> <ol style="list-style-type: none"> <li>1. Policies to promote direct foreign investments;</li> <li>2. Attracting policies for direct foreign investments;</li> <li>3. The specifics of the Moldovan economy and national policies for attracting foreign investments.</li> </ol>
<b>6.</b>	<p><b>Expansion strategies by foreign direct investments specific to transnational corporations:</b></p> <ol style="list-style-type: none"> <li>1. Conceptual approaches regarding the strategies and the creative chain of value;</li> <li>2. Motivations of transnational corporations for international investments;</li> <li>3. Determinant factors of external portfolio investments.</li> </ol>
<b>7.</b>	<p><b>The EU in the global investment regime:</b></p> <ol style="list-style-type: none"> <li>1. The EU's international investment policy in the context of the Lisbon Treaty;</li> <li>2. The EU in investment-related negotiations on the Energy Charter Treaty;</li> <li>3. Investment disciplines in European preferential trade agreements.</li> </ol>

#### 4. Teaching methodology of the course

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

In the **lecture hours** (face to face) 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).

At the **seminar hours** are to examine 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.

Generalizing, in the teaching of the discipline are mainly used interactive methods: case study, heuristic methods by which the student is stimulated to find solutions through the outcome of his own learning activity, brainstorming, blended learning, E-learning MoodleUSM.md (<http://moodle.usm.md/moodle/>) etc.

## 5. Labour market relevance of the course

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. Through the fairness and accuracy of the use of concepts, theories and principles of international investments acquired at the level of discipline are satisfied the expectations of specialists who will be integrated into the labour market, especially in transnational corporations, foreign capital enterprises, commercial banks, etc.

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.

In the context of the process of teaching the International Investments Course, will be invited representatives of transnational corporations active in Moldova and specialists of the National Bank of Moldova as representatives of the labour market, for analyse real case studies provided by companies, analyse balance of payment, etc. and the recommendation of solutions to problems in the practice of international investment activity.

## 6. 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.

## 7. References

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## 8. Course assignments

### 8.1 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.

### 8.2 Assignment 2: PROJECT: Global annual investment flows

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