MOLDOVA STATE UNIVERSITY

As a manuscript

CZU: 341.9:347.734:339.732(043.2)

ADRIAN GUZUN

THE IMPACT OF INTERNATIONAL LEGAL COMPLIANCE ON FINANCIAL-BANKING STABILITY

553.06 - PRIVATE INTERNATIONAL AND EUROPEAN LAW

Summary of the Doctor of Laws thesis

CHISINAU, 2026

The thesis was developed within the Doctoral School of Legal Sciences and Economic Sciences, State University of Moldova.

Composition of the Doctoral Committee:

President: Sergiu Băieșu, Doctor of Law, University Professor, Moldova State University.

Doctoral supervisor: Aurel Băieșu, Habilitated Doctor in Law, University Professor, State University of Moldova.

Speaker 1: Olesea Plotnic, member of the Guidance Committee, Habilitated Doctor in Law, University Professor, State University of Moldova.

Speaker 2: Iurie Mihalache, Habilitated Doctor in Law, Associate Professor, "Constantin Stere" University of European Political and Economic Studies.

Speaker 3: Andrei Guștiuc, Doctor of Law, Associate Professor, "Ștefan cel Mare" Police Academy.

The defense will take place on 17.09.2026, at 11:00, at the meeting of the Doctoral Commission within the Doctoral School of Legal Sciences and Economic Sciences, Moldova State University, Chisinau municipality, 67 M. Kogălniceanu Street, block 2, room 119.

The doctoral thesis and abstract can be consulted at the Library of the State University of Moldova and on the website of the National Agency for Quality Assurance in Education and Research.

The abstract was sent on 29.07.2026.

President of the Doctoral Committee,
Dr., university professor. — **Sergiu BĂIEȘU**

Doctoral supervisor,
PhD, university professor — **Aurel BĂIEȘU**

Author — **Adrian GUZUN**

CONTENT

CONCEPTUAL POINTS OF THE THESIS

The topicality and importance of the topic addressed, the framing of the topic in the international, national, regional concerns of the research team and in an inter- and transdisciplinary context, the presentation of the results of previous research on the chosen topic. The topicality and importance of this research is determined by the major impact of the regulatory changes in the financial and banking systems in their relationship with individual and private law clients, investors and in general with the whole society. Although this thesis focuses on research from the perspective of private law, in order to solve the identified problems, taking into account the specifics of banking law and the institution of compliance with international legal standards, an interdisciplinary research of this thesis was necessary, especially, where appropriate, from the perspective of the norms of private international law regarding the determination of the applicable law and jurisdictional competence in banking legal relationships with an element of foreignness. Following an extensive analysis, no previous local research was identified regarding the chosen topic in the field of law, much less in the specialty of private international law, however, there is some research in the legal and economic fields that tangentially research the topics presented in this thesis, which have been appropriately cited.

The obligation for financial and banking entities to have a program adequate to the compliance risks managed has a major impact not only on the same entity, but also on the entire national and international financial industry, including in the context of cross-border legal relationships, subject to the rules of private international law regarding applicable law and jurisdiction, this having a role in attracting new shareholders and investments, and the population, as a result of greater transparency of these entities, becomes more open to becoming customers and depositors of these financial entities.

Particular attention is paid to the subject of compliance of financial and banking institutions with national legislation and internationally recognized good practice guides with the status of non-binding *soft-law legal instruments,* but the thesis will provide plausible arguments for the permanent alignment of the national legal framework with these international standards, even if there is no legal obligation in this regard. The absolute majority of financial and banking institutions, especially commercial banks, are legally independent, are owned by shareholders who are individuals or private law entities, which independently regulate their internal regulatory acts, without contravening the legislation, but the internal transposition of legislation can be understood differently by different market actors, including in legal relations with an element of foreignness, where the rules of private international law determine the applicable law and the jurisdiction of the courts.

The purpose of the paper is to comprehensively research the institution of international legal compliance in the financial-banking field and demonstrate that international financial-banking stability and the financial security of investors, depositors and customers can only occur through compliance with the legal regulatory requirements of national and international authorities, in conjunction with the application of specific mechanisms of private international law.

Research objectives: result in determining and explaining the concept of international legal compliance in the financial-banking field; identifying the particularities of financial-banking legal relations with an element of foreignness and the implications of international legal compliance on them; examining the influence of international compliance standards on contractual relations between financial-banking institutions and their clients in cross-border operations; determining the correlation between international standards of banking legal compliance, regulations in the financial-banking field at the European level and their transposition into domestic legislation; formulating recommendations to streamline national practice and harmonization with European legislation in the financial-banking field.

The research hypothesis consists in highlighting the role and importance of international legal compliance for maintaining financial and banking stability, protecting depositors' savings and investments, by analyzing the doctrinal and normative framework, both national and international, including from the perspective of private international law norms regarding the applicable law and the resolution of legal relationships with an element of foreignness, in the context of recent legislative changes in the Republic of Moldova and the European Union.

Synthesis of the research methodology and justification of the chosen research methods. Various methods, procedures and techniques were used in the development of this work, in particular: the comparison method (analysis of local legislation *versus* European legislation and that of the United States of America, as well as the comparison of the two financial and banking crises, being analyzed from a legal perspective); the systematic method (concurrent analysis of the financial and banking system from the perspective of compliance with the legislative framework for managing the activity, as well as the legal and economic consequences in case of non-compliance); the historical method (analysis of the emergence of banking and financial systems, legislative progress and the compliance institution in different periods, both in the Republic of Moldova and at the international level); the logical method (application of reasoning and rendering the conclusion of the researched area); the document analysis method; case study, comparative-legal and formal-legal method, etc.

The scientific novelty of the research results. For the first time in the local doctrine of private international law, such a current topic will be addressed, both in the Republic of Moldova and at the international level, by researching aspects that have not been researched before, which will produce a positive impact on society, as well as simplifying and raising awareness of the issue by various national structures and institutions, as well as by those simply interested in the subject. In order to reduce the consequences of a negative impact on the relations between financial institutions with clients, depositors, shareholders, actions are necessary to harmonize local legislation with European legislation in order to ensure that all interested persons are respected the rights guaranteed by law. However, their non-compliance creates increased insecurity for society, which represents a major risk for its subsequent economic development. As a social impact, scientific research will contribute to raising public awareness of the impact and importance of the implementation of international instruments and standards in the field, will come to make people responsible and aware of the degree and manner in which this affects both directly and indirectly the rights of consumers and investors. The in-depth research of the proposed topic will serve as a guide and practical support and will provide motivation for further research in this field by local master's and doctoral students, both lawyers and economists.

The work is a result of complex and interdisciplinary legal research, which, in addition to the main analyzed field of private international law, also includes the fields of public, international, financial and banking law, addressing the impact of compliance of financial and banking entities with the national and international legislative requirements that regulate them, in relation to the interests of customers, depositors, investors and all interested persons. The results of the research allowed the formulation of proposals for improving the legislation in the field of governance, risk management and legality of banking institutions in the Republic of Moldova, which would lead to the creation of a uniform and clear understanding of the norms relating to the described subjects, in order to protect the interests of investors and consumers.

The theoretical importance and applicative value of the work consists in identifying all the particularities and conditions necessary for compliance with international regulations in the financial and banking area, especially through the lens of the legislation of the Republic of Moldova and the European Union. This will contribute to highlighting and clarifying the specific aspects and conditions of this legal institution, in order to uniformly apply national and international legal regulations in this field. The applicative valorization of the work consists in developing within the scientific community of the local doctrine a scientific work based on the study of the institution of international compliance in the financial and banking market. Also, the conclusions obtained can be used in the development of law textbooks, monographs and scientific publications, and the proposals de lege ferenda can contribute to improving the local legislative framework in the matter.

The important scientific problem solved consists of conducting research on the particularities of the institution of international legal compliance in the financial and banking field, contributing to the substantiation of its role in ensuring the protection of commercial banks' assets, depositors' savings and shareholders' investments, highlighting, through the conclusions and recommendations formulated, the need for rigorous application of the relevant legislative framework and the consolidation of legal compliance mechanisms for the efficient and correct conduct of banking activity.

Implementation of scientific results. The scientific results of the doctoral thesis were implemented in the process of direct application of international legal standards in the banking field, the doctoral student acting as a practitioner in the domestic financial and banking field, and reflected in the proceedings of national and international scientific conferences and scientific articles.

11 scientific papers **were published on the topic of the doctoral thesis.**

Thesis volume and structure: introduction, four chapters, general conclusions and recommendations, bibliography of 373 titles, 188 pages of basic text, declaration of responsibility, author's CV.

Keywords: legislation, compliance, conflicts of laws, foreign elements, financial entities, banks, international standards, bank-client relationship, international corporate governance, applicable law, jurisdictional competence.

THESIS CONTENT

Chapter 1, entitled ***Analysis of legislation and doctrine in the financial-banking area***, contains an analysis of the evolution of the domestic financial-banking system, the legislation applicable at national and European level, as well as the scientific works, which were analyzed throughout the thesis depending on the researched topic.

In the Republic of Moldova, the study and application of banking law as a distinct branch of private law is based on fundamental regulations within the national legislation, which aim at the partial or total harmonization of the European Union legislation in the financial and banking field. This legal branch plays a central role in the regulation of banking activities and legal relations between financial institutions, such as commercial banks, and their clients. In order to document the institution of compliance in the financial and banking area, from the perspective of private international law, below, a series of laws have been thematically analyzed that have as their object of regulating the domestic financial and banking area, with a degree of harmonization with the European Union legislation in the matter. The domestic transition from a centrally planned economy to a market-oriented one, has required the reconfiguration of banking legal relations through the prism of the element of foreignness, generated by the attraction of foreign investments and the transnationalization of financial services.

Regarding the guarantee of bank depositors' funds, significant progress is attested, since with the first regulation of deposit guarantee in 2004, in case the bank's deposits become unavailable, the guarantee regardless of the number, size or currency in which they were established, the guarantee ceiling was 4500 MDL. In comparison, from 2025, the coverage level is 200000 MDL. Referring to the average salary in the economy, which in 2004 was approximately 1100 MDL, the guarantee was 4.09 times, and in 2025 it is 16100 MDL and the guarantee covers 12.42 times an average salary in the economy. **Therefore, compliance with international standards in the matter ensured a 3-fold increase in the safety of individual deposits.**

However, drawing a parallel in this regard with the banking system in the European Union, the obligation to ensure that the coverage level for the aggregate deposits of each depositor is 100,000 (one hundred thousand) EUR is introduced in the event that the deposits are not available, which means that, given the approximate exchange ratio of 1:20 between EUR and MDL, in real terms, banks in the European Union have a coverage of over 10 times the regulated value in the Republic of Moldova. On the other hand, in the United States of America, the maximum standard amount of deposit insurance is 250,000 (two hundred thousand) USD, and taking an approximate ratio of 1:17 between USD and MDL, it means a coverage of over 21 times higher.

In relation to the process of harmonizing the legislation of the Republic of Moldova with the legislation of the European Union in the field of financial services, by 31.12.2025, only the legislation related to participatory financing, namely 9 legislative acts, were fully transposed. Of the legislation that provides for financial and banking activity in general, 55 acts were partially transposed, and another 150 were not transposed.

Increased attention was paid to the analysis of *the Law on Consumer Protection No. 105 of 13.03.2003*, which, together with *the Law on Consumer Credit Agreements No. 202 of 12.07.2013,* creates the necessary legal framework for the application of the provisions *of Directive 2008/48/EC of the European Parliament and of the Council of 23 April 2008 on credit agreements for consumers and repealing Directive 87/102/EEC of the Council of the EU,* which harmonises European Union rules on credits granted to consumers who take out loans to finance the purchase of goods and services, aiming at opening the consumer credit market in the EU, while improving the transparency of contractual clauses and the level of consumer protection. It is worth noting that Directive 2008/48/EC will be repealed by *Directive EU 2023/2225 of the European Parliament and of the Council of 18 October 2023 on consumer credit agreements, with effective entry into force on 20.11.2026*[1], applying to credit agreements for consumers for the purchase of goods and services, with the exception of certain types of credit, such as those secured by mortgages on immovable property, credits exceeding EUR 100,000, low-interest loans offered to employees by employers, deferred payments, leasing contracts without an option to purchase and certain cards with deferred payment, if Member States exempt these cases. The Directive requires free information to consumers, prohibits discrimination on grounds such as nationality, place of residence, sex, race or colour and applies to all credit providers for legal EU residents.

We consider it necessary in this regard to refer to the law of the place of the contract or *lex loci contractus,* in which this principle will only be applied if certain requirements are met, as stated by researcher Fredericks, in view of the Lizardi case, which inspired art. 11 of the Rome Convention of 19.06.1980[2] and art. 13 of EU Regulation no. 593/2008 (Rome I)[3], the effect of which is that a contractor who has concluded a transaction with a counterparty, while being in the same country, but who is incapacitated within the meaning of the law governing capacity under the private international law of *the lex fori* and, nevertheless, capable under *the lex loci contractus,*

[1]Directive (EU) 2023/2225 of the European Parliament and of the Council of 18 October 2023 on credit agreements for consumers and repealing Directive 2008/48/EC.
[2]Rome Convention *on the law applicable to contractual obligations,* of 19.06.1980.
[3]Regulation No. 593/2008 of the European Parliament and of the Council of 17 June 2008 *on the law applicable to contractual obligations (Rome I).*

cannot rely on this incapacity, unless his counterparty was aware of the incapacity at the time of the contract or was unaware of this incapacity due to negligence[4].

Regarding **the analysis of local scientific publications on the topic of the thesis**, following an in-depth research, we can conclude that since the banking system in the Republic of Moldova is relatively young, related to the banking compliance institution, analyzed from the perspective of private international law, there are no national scientific works that analyze this topic, however, there are some local researchers who tangentially analyze the subject from the perspective of public and private law. In comparison with **the international specialized doctrine,** a series of books and publications by specialists versed in the European and international financial and banking field were studied, which treat the topic researched in this thesis in a clear, logical and comprehensive manner, reflect the complex nature of the financial and banking field, researched including from the perspective of private international law, namely under the aspects of the relations between financial and banking entities as private institutions with consumers, shareholders and investors, business partners, national or international supervisory authorities, as well as the importance of their corporate governance in order to maintain an adequate culture of risk management and compliance with applicable national and international regulations - essentially international legal compliance. By studying the mentioned materials, the degree of investigation of the chosen topic was elucidated, followed by the formulation of the scientific problem proposed for solution.

Chapter 2, entitled ***Banking Compliance Regulations and Standards***, reflects a series of considerations regarding the international banking compliance institution, with a focus on private law. It contains a repertoire of international regulations, standards and good practices in the field of compliance and corporate governance, tracing once again how international standards established by independent supranational entities with *soft law status*, end up being transposed at the European Union level, and from the consideration of harmonizing domestic legislation with European legislation, as well as from the consideration that most domestic banks are owned by shareholders from the European Union, both directly and indirectly commercial banks apply international standards and good practices, which in turn provide customers, depositors and investors with security. The same applies to the corporate governance institution, which is directly linked to providing quality and secure services to customers.

[4]FREDERICKS, EA *Contractual capacity in private international law*. The Meijers Research Institute and Graduate School of the Leiden Law School of Leiden University, pp. 212-213. [online] [accessed: 07.04.2026] Available: https://hdl.handle.net/1887/41425

The Basel Accords have had and continue to have a profound and lasting impact on the European Union's banking regulatory framework, shaping both the substance of prudential requirements and the institutional philosophy of supervision. Originating from international soft law – the non-binding standards issued by the Basel Committee on Banking Supervision – the Basel framework was primarily intended for internationally active banks. Despite its non-binding nature, the EU has consistently treated the Basel standards as quasi-binding benchmarks, transforming them into binding *hard law* through directives and regulations, a process that has created one of the most sophisticated and stringent prudential regimes in the world.

Although the governance principles issued by the Basel Committee on Banking Supervision appear to be strictly public law rules, with regard to prudential supervision, in fact they intersect directly with private international law in the context of the globalization of financial markets, since the activity of cross-border banking groups involves legal relationships subject to different jurisdictions, which makes it necessary to coordinate the rules on applicable law, jurisdiction and recognition of the effects of legal acts. If a bank violates the principles of risk control, or administration, set out in the 13 principles, and causes damage to depositors or investors in different countries, a conflict of laws arises, and the court will have to determine the law applicable to tort liability, either *the lex loci delicti commissi*, i.e., the place where the defective management decision was made, or *the lex loci damni*, i.e., the place where the financial damage occurred. The connection between the 13 principles and the elements of private international law can be extended to include *the lex societatis,* in which uniform transposition in different states ensures structural compatibility between competing national laws.

However, before it evolved to the level of the Basel Accords, following the lessons learned from the bankruptcies of the last century, the World Bank was founded, which emerged from a critical moment in history, shaped by the consequences of the Great Depression and the challenges of reconstruction after World War II. In July 1944, representatives of 44 Allied nations gathered at the Bretton Woods Conference in New Hampshire to lay the foundations for a new international monetary system [5]. From that moment on, increased attention was paid to situations falling under the jurisdiction of private international law, in particular the protection of citizens and national interests of states, to the detriment of the application of foreign law in disputes with elements of foreignness, being an important step in strengthening the practice related to conflict rules.

A very important and unanimously recognized principle surrounding the events mentioned was the observance of the gold standard. This standard was used only until 1971 when the United

[5] The Bretton Woods Conference, 1944 [online] [accessed: 08.02.2024] Available: https://2001-2009.state.gov/r/pa/ho/time/wwii/98681.htm

States of America decided to unilaterally terminate the convertibility of the US dollar into gold, which was the effective end of the Bretton Woods system, a major cause being the federal spending on the Vietnam War, which led Richard Nixon to make this decision on August 15, 1971, since the United States could not fulfill its obligation to exchange gold for dollars if foreign central banks began to demand gold for all their dollar reserves [6].

On the issues regarding the convertibility of gold into dollars, also called *the gold standard*, i.e. the gold standard where the standard economic unit of account is based on a fixed quantity of gold, it is necessary to make a clear distinction between money and fiat money, which are often used as having the same meaning, but have different meanings. Fiat money refers to the specific form of money in circulation, such as coins and banknotes, without intrinsic value and having no use value in itself, being a type of government-issued currency that is not backed by a precious metal, such as gold or silver, nor by any other tangible good or commodity. Fiat money is designated by the issuing government as legal tender authorized by applicable law. Money, on the other hand, is a broader concept that includes not only physical paper or metal currency (gold, silver, bronze, etc.), but also other assets such as commodities, stocks, bonds, and property, which have value or use in themselves, that is, an intrinsic value, being inconvenient to store and transport in large quantities and not allowing a government to manipulate the flow of trade with the same ease as it would with fiat money.

A second major crisis, in which banks again played a catalytic role, was the financial crisis of 2007–2008, which caused the bankruptcy of many banks, including some of the largest banks in the world, and initiated debates that this occurred, in part, because of unfair remuneration policies within commercial banks[7]. On the other hand, scholars have directly implicated corporate governance flaws as one of the main reasons for causing the global crisis, while other factors only play an additional role[8].

Chapter 3, entitled ***The legal framework for the administration of commercial banks from a risk and compliance perspective***, focuses on the analysis of banking risks and their impact on the safety of shareholders' investments, but also of depositors' money and other interested persons, since any materialization of any of the mentioned risks may diminish the value and position of the commercial bank on the market, which would lead to a lack of confidence in its financial soundness

---

[6]IRWIN, DA *The Nixon Shock After Forty Years: The Import Surcharge Revisited*. National Bureau Of Economic Research, Working Paper 17749, Cambridge, January 2012, DOI 10.3386/w17749, pp 2-3.
[7]HOHMANN, M. *The Impact of Regulation on Remuneration in Banks. An Analysis of EU, UK and German Law*. Hamburg, Anchor Academic Publishing, 2017, 60 p., ISBN 9783960670759, page 2
[8]AKUFFO, JA *Corporate Governance and Accountability of Financial Institutions. The Power and Illusion of Quality Corporate Disclosure.* London, Springer International Publishing, 2021, 412 p., ISBN 9783030640460, p. 119.

by private law subjects, and this would ultimately put it in a situation of financial difficulty, outlining once again the importance of complying with and applying international standards and good practices for the financial safety of banking entities and their clients.

It is necessary to emphasize that international corporate governance standards for commercial banks are based on both *hard law binding legal acts,* which include binding national laws, secondary regulations and other legally applicable rules, established by state governments or regional bodies, such as the European Union, being enforced through supervisory authorities and courts, and violations of these binding legal acts may lead to sanctions or the loss of commercial banks' licenses.

On the other hand, *soft law* includes non-binding but highly influential international standards, such as those issued by the Bank for International Settlements, the Basel Committee on Banking Supervision, the Financial Action Task Force, the Wolfsberg Group and other international organizations.

Even in an extensive analysis, we will not find in the legislation of the Republic of Moldova, the European Union, or other states references such as that the acts and recommendations issued by the Bank for International Settlements are mandatory to be transposed and applied within the states. However, given the specialized doctrine [9]and the statute of the Bank for International Settlements [10], which is treated as a bank of national central banks, such as a central bank for national commercial banks, we can deduce a *de jure* non-binding character, but *de facto* national central banks and financial supervisory authorities are constantly adapting their internal regulations to transpose their requirements, in particular of the Basel Committee, the main global standard-setting body for prudential regulation of banks, which provides a forum for continuous cooperation in banking supervision.

Another strong argument is the situation related to the Financial Action Task Force (FATF), which is an international policy-making and standard-setting body dedicated to combating money laundering and terrorist financing, i.e. a forum that sets international standards, with the status of non-binding legal instruments, however, they end up being immediately transposed into national legislation, once these standards are updated, although there is no legal obligation to do so. For example, at the level of the European Union, in the recitals of *Directive 2024/1640 on mechanisms to be put in place by Member States to prevent the use of the financial*

[9]KAZUHIKO, Y. *The Financial History of the Bank for International Settlements*. New York, Taylor & Francis 2013, ISBN 9781135098360, page 256, page 7-17.
[10]Bank for International Settlements. *Statutes of the Bank for International Settlements*. [online] [accessed: 21.11.2025] Available: https://www.bis.org/about/statutes-en.pdf

system for the purpose of money laundering or terrorist financing,[11]it refers to the FATF recommendations eight times, given that the relevant Union legislative acts must be aligned with the international standards on combating money laundering, terrorist financing and proliferation adopted by the FATF. Moreover, in recitals 5 and 123 of this Directive, a neutral phrase of "*harmonization of legislation*" or "*adaptation of legislation" is not used, but rather the strict phrase " alignment of legislation "* is used.

We see the same situation in the case of the Republic of Moldova, the harmonization clause of *Law No. 308 of 22-12-2017 on the prevention and combating of money laundering and the financing of terrorism* [12]expressly provides that this law is adopted for the purpose of implementing the requirements of international standards on the prevention and combating of money laundering, the financing of terrorism and the proliferation of weapons of mass destruction, adopted by the FATF, which raises a reasonable doubt regarding the status of non-binding legal instruments, witnessing a situation in which national legal systems are gradually losing the exclusive regulatory authority of the domestic financial and banking sector, in favor of international organizations.

The Basel Accords have had and continue to have a profound and lasting impact on the EU banking regulatory framework, shaping both the substance of prudential requirements and the institutional philosophy of supervision. Originating from international soft law – the non-binding standards issued by the Basel Committee on Banking Supervision – the Basel framework was primarily intended for internationally active banks. Despite its non-binding nature, the EU has consistently treated the Basel standards as quasi-binding benchmarks, transforming them into binding *hard law* through directives and regulations, a process that has created one of the most sophisticated and stringent prudential regimes in the world.

Since the creation of the Basel standards in 1988, the capital requirements developed by the Basel Committee on Banking Supervision have been designed primarily for internationally active banks, with the aim of ensuring a level playing field and a consistent prudential framework across jurisdictions. However, with the transposition of these standards into EU law, the European legislator has adopted a much broader, one-size-fits-all philosophy. Rather than limiting the scope to cross-border or systemically important institutions, the EU has chosen to apply the Basel capital requirements uniformly, through legislation, to all credit institutions and, subsequently, to

[11]Directive (EU) 2024/1640 of the European Parliament and of the Council of 31 May 2024 *on mechanisms to be put in place by Member States to prevent the use of the financial system for the purposes of money laundering or terrorist financing, amending Directive (EU) 2019/1937 and amending and repealing Directive (EU) 2015/849*.
[12]Law No. 308 of 22-12-2017 *on the prevention and combating of money laundering and terrorist financing.*

investment firms. This was first materialised in the first capital adequacy directives - *Council Directive 89/299/EEC* [13]and *Directive 89/647/EEC* [14]. The same approach was reconfirmed during the historic implementation of Basel III in July 2013, through *the Capital Requirements Regulation* [15]and *the Capital Requirements Directive IV* [16], thus the European Union is in the fourth iteration of adjusting old generations of regulations.

The main law governing the activity of banks in the Republic of Moldova is Law No. 202/2017 on the activity of banks, which regulates the conditions for access to and conduct of banking activity on the territory of the Republic of Moldova, prudential requirements, instruments and procedures for prudential supervision of banks by the National Bank of Moldova, prudential supervision of banks by the National Bank of Moldova in a manner that complies with the rules established by this Law and the normative acts issued in its implementation, and publication requirements for the National Bank of Moldova in the field of prudential regulation and supervision of banks [17].

Among the secondary national regulations, the Regulation on the framework for the administration of banking activities, approved by the Decision of the Executive Committee of the National Bank of Moldova No. 322 of December 20, 2018, which establishes the administration framework in order to ensure efficient and prudent risk management. At the same time, the regulation provides that the branch of a foreign bank in the Republic of Moldova may apply the administration policies of the parent company, in compliance with the requirements of national legislation and this regulation. In the event that these conditions are not met, the branch management is obliged to develop its own policies and evaluate group decisions or practices, in order to prevent violations of the legislation of the Republic of Moldova or applicable prudential norms [18]. At the national level, the NBM Regulation No. 322/2018 defines a systemic event as an event that risks having serious negative consequences for the financial system or the real economy [19], and Law No. 202/2017 provides that systemic risk is the risk of disruption of the financial system, which may have very serious negative consequences for the financial system and the real economy [20].

---

[13]Council Directive 89/299/EEC of 17 April 1989 *on the own funds of credit institutions.*
[14]Council Directive 89/647/EEC of 18 December 1989 *on the solvency ratio of credit institutions.*
[15]Regulation No. 575/2013 of the European Parliament and of the Council of 26 June 2013 *on prudential requirements for credit institutions and investment firms and amending Regulation (EU) No. 648/2012*.
[16]Directive 2013/36/EU of the European Parliament and of the Council of 26 June 2013 *on access to the activity of credit institutions and the prudential supervision of credit institutions and investment firms, amending Directive 2002/87/EC and repealing Directives 2006/48/EC and 2006/49/EC.*
[17]Law no. 202 of 06-10-2017 *on the activity of banks,* art. 1.
[18]NBM Regulation No. 322/2018 *on the framework for the administration of banking activities,* point 2.
[19] *Ibidem,* point 4.
[20]Law no. 202/2017 *on the activity of banks,* art. 3.

Considering the analysis of the researched topic from the perspective of private international law, it is considered necessary to research the aspects related to conflicting norms in the financial-banking field, starting from the type of legal relationship, the determination criteria and the applicable law. This is amplified by the international nature of the clientele, banking operations and services offered, in which, for example, a foreign citizen client opens an account in foreign currency in a branch in the Republic of Moldova of a foreign bank, in order to carry out payment operations and services performed in another state. Related to the legal regime of banks, from the perspective of private international law, it involves several laws applicable simultaneously, depending on the legal relationship analyzed, as well as the presence of one or more elements of foreignness.

In this situation, we can consider the main conflicting norms: the law of the legal entity or *lex societatis,* the law of the contract or *lex contractus,* the law of the place of location of the asset or *lex rei sitae,* the law of the place of the act or *lex loci actus* and the law of the court seised or *lex fori,* as well as other applicable principles. Regarding the principle of the law of the legal entity or *lex societatis,* it is provided in the Civil Code of the Republic of Moldova that the national law of the legal entity is the law of the state on whose territory the legal entity is established [21], in the situation where a local investor decides to establish a new bank on the territory of the Republic of Moldova. However, we must bear in mind that when a foreign bank opens its branch in the Republic of Moldova, then the legal status of the branch is governed by the law of the Republic of Moldova, independently of the national law of the legal entity [22]. On the other hand, it is necessary to specify that the legal status of the branches (representative offices) of the bank on the territory of another state is governed by the national law of the legal entity [23].

Related to the law of contract or *lex contractus,* considering the legal nature of the relations between the bank and consumers, as well as certain aspects related to the relationship between the bank and shareholders, correspondent banks and business partners, in the presence of elements of extraneity, the researcher Igor Sheremet states that the problem of the competent law regulating the substantive conditions and contracts may arise, which can be presented in two forms. The first is the law chosen by the parties, or *lex voluntatis,* based on the autonomy of will based on the principle of contractual freedom. In this context, as the parties are free to specify the content of the contract, they have the possibility to establish the legal system applicable to the contract, in the sense of substantive law. In the absence of *lex voluntatis,* the contract is governed by the law

[21]Civil Code of the Republic of Moldova, art. 2594, para. (1).
[22] *Ibidem,* art. 2595, para. (2).
[23] *Ibidem,* art. 2595, para. (1).

determined by the objective location of the contract, based on the conflicting norms of the legal system of the competent authority (court or arbitration court, notary)[24]. On the other hand, researcher Cojocaru Violeta states that in the states where *the Rome Convention of 19 June 1980 (Rome I) is in force,*[25] it limits the application of *lex voluntatis* in contracts concluded with consumers, and in order to reconcile the mandatory rules of the European directives with the provisions of the Convention, the directives allow the choice of applicable law when authorized by the law designated imperatively[26]. Subsequently, the Convention was replaced, in all EU countries except Denmark, by Regulation No. 593/2008 of the European Parliament and of the Council of 17 June 2008 on the law applicable to contractual obligations (Rome I Regulation)[27]. It is also worth noting that the parties can designate the law applicable to the entire contract or only to a part of it[28], which makes the approach to foreign elements extremely flexible. In addition, it is necessary to bring back the Lizardi case, when the national interest is prejudiced by the application of *the lex loci contractus,* it must be removed and replaced with local law.

In the case of *lex rei sitae,* given that this is a rule of private international law recognized by all legal systems, the law of the place where the assets are located is applied. But there are other principles, widely applied, namely *lex conti,* i.e., the law of the place where the account is held, *lex fori,* i.e. the law of the court seised. With regard to *the lex loci delicti,* which applies to the law of the place where the damage occurred, in the case of the EU, Regulation (EC) No. 864/2007 on the law applicable to non-contractual obligations (Rome II) applies[29].

It is very necessary to note the aspects related to public order, in which case it is provided that the application of foreign law is removed if it clearly violates the public order of the Republic of Moldova, and in the case of removal of the application of foreign law, the law of the Republic of Moldova is applied[30]. At the same level is the principle relating to the rules of immediate application, the observance of which is regarded by a certain state as essential for the safeguarding of its public interests, such as political, social or economic organization, to such an extent that these rules correspond to any situation falling within their scope, regardless of the law applicable

[24]ŞEREMET, I. Application of the principle of autonomy of will (lex voluntatis) to the determination of the law applicable to civil contracts. In: Journal of the National Institute of Justice. 2020, no. 3(54), pp. 11-17. ISSN 1857-2405. Available: https://doi.org/10.5281/zenodo.4061164 , p. 11.
[25]Rome Convention *on the law applicable to contractual obligations,* of 19.06.1980.
[26]COJOCARU, V. Uniform or unified common private international law - harmonization of solutions. In: National Law Review, 2009, no. 10-12(109), pp. 5-6. ISSN 1811-0770, p. 6.
[27]Regulation (EC) No 593/2008 of the European Parliament and of the Council of 17 June 2008 *on the law applicable to contractual obligations (Rome I).* In: Official Journal of the European Union, L 177, pp. 6–16.
[28] *Ibidem,* art. 3 paragraph (1).
[29]Regulation (EC) No 864/2007 of the European Parliament and of the Council of 11 July 2007 *on the law applicable to non-contractual obligations (Rome II).* In: Official Journal of the European Union, L 199, 31.7.2007, pp. 40–49.
[30]Civil Code of the Republic of Moldova, art. 2581, para. (1).

to the legal relationship[31], in this regard being relevant examples related to the financial stability of banks, which may endanger the financial security of the state, as well as rules regulating the field of combating money laundering and terrorist financing. Another exception to the application of conflicting rules is fraud by law, when the bank, through a credit agreement, chooses a foreign law, to the detriment of the consumer law, in order to avoid the imposed interest limits. In this case, consumer law will not be able to be circumvented.

Therefore, these "*sanctions*" are predominantly corrective in nature and consist of the inapplicability of foreign law when it is contrary to public order, the nullity of the legal act in case of fraud against the law or violation of mandatory norms, the mandatory application of mandatory norms regardless of the law chosen by the parties, the engagement of civil liability for damages caused by the incorrect application of the law, the ineffectiveness of legal acts that do not comply with the applicable law or are not recognized, the refusal to recognize and enforce foreign decisions contrary to public order or the right to defense, as well as the replacement of the applicable law when the conflicting norm was determined erroneously, all of which have direct applicability in the financial and banking field.

In banking relations with an element of foreignness, consumer protection functions as a limit to the autonomy of the parties, and the conflict regime prioritizes the law of the consumer's state, mandatory norms and public order. At the same time, it is necessary to mention that when using the method of immediately applicable norms, as provided for by Article 2582 paragraph (1) of the Civil Code of the Republic of Moldova, this is prior to the conflict of laws, which are excluded.

Regarding the material method of regulation in the relationship between banking institutions and other natural or legal persons of private law, they apply directly to relationships with an element of foreignness, either internal that exclude the applicability of foreign law, or uniform, developed on the basis of international conventions, and their application does not always depend on a conflicting norm. In addition, the Civil Code provides that when makes reference to foreign law, the substantive rules apply, not the conflicting rules of that law[32].

It is important to note that in the banking field, researched from the perspective of private international law, there are hybrid situations, in which the same fact or legal relationship can be classified both in private law and in public law, depending on the aspect analyzed. For example, the same transaction made by a client through a banking institution can be treated both as a private law situation, governed by the contract for opening, servicing and operating the bank account, and

[31]Civil Code of the Republic of Moldova, art. 2582, para. (1).
[32]Civil Code of the Republic of Moldova, art. 2583, para. (1).

as a public law situation, when that transaction is about fraud, money laundering and terrorist financing or market manipulation, susceptible to administrative and criminal sanctions, applied by the state authorities responsible for supervising the financial-banking sector, or for law enforcement. Additionally, even if the state is usually seen as the subject of public law legal relations, when it concludes commercial contracts with a bank, or financial intermediation, it is treated as a subject of private law, since it does not exercise prerogatives of public power according to the principle *of acta iure imperii,* but acts as an ordinary participant in the civil circuit, according to the principle *of acta iure gestionis.* For example, when the state issues bonds on the international market, or concludes a loan agreement with a bank, Rome I is directly applicable, and when the state causes damage in a commercial operation outside the exercise of public authority, Rome II is applicable.

Through the Communication from the Commission to the Council and the European Parliament on European contract law[33]of 2001, the European Commission initiated a structured and wide-ranging consultation process aimed at identifying the legal and economic problems arising from divergences between the contract laws of the Member States, paying particular attention to sectors characterised by a high degree of cross-border activity and regulatory complexity, including the financial and banking sectors. These divergences were recognised as a significant source of legal uncertainty, increased transaction costs and barriers to the provision of cross-border financial services within the internal market.

In the light of the responses received from Member States, financial institutions, consumer representatives and other stakeholders, the Commission adopted an *Action Plan in 2003*[34] setting out a coherent strategy for improving the quality, consistency and predictability of European contract law. A central element of this strategy was the proposal to establish a Common Frame of Reference, designed to establish common principles, uniform terminology and model rules of contract law, and to serve as a reference tool for the Union legislator when drawing up or revising Union acts, thus ensuring greater coherence between legislative measures affecting contractual relationships, including those governing financial products and services, culminating, ultimately, in the European Parliament Resolution of 03.09.2008 on a Common Frame of Reference for

[33]Commission of the European Communities. *Communication From The Commission To The Council And The European Parliament On European Contract Law*. Brussels, 11.07.2001, COM(2001), 398.
[34]Commission of the European Communities. *Communication From The Commission To The Council And The European Parliament Biannual Update Of The Scoreboard To Review Progress On The Creation Of An Area Of "Freedom, Security And Justice" In The European Union*. Brussels, 30.12.2003, COM(2003), 812.

European Contract Law[35], which It was the basis for the modernization of the Civil Code of the Republic of Moldova, being a reference instrument for the national legislator.

From the perspective of private international law, on issues related to the uniform nature of contracts, although no global convention exclusively regulates banking contracts, certain soft - *law instruments* are relevant, such as the UNIDROIT Principles of International Commercial Contracts [36], which, although not binding, are frequently used as a framework of reference in international financial contracts and in arbitration practice, in particular where the parties choose them as the applicable rules or where national law is supplemented by general principles of international commercial law. The *Principles* are not a treaty and do not constitute binding law, unless the parties choose to apply them or a court or arbitral tribunal uses them as a reference, although legally, the UNIDROIT Principles are designed as a *soft-law instrument,* reflecting widely accepted solutions found in the main legal systems and are intended to provide a neutral, modern and coherent framework for international contracts. Their scope covers the formation, validity, interpretation, execution, non-execution, remedies, difficulties and force majeure of contracts, making them particularly suitable for complex commercial relationships.

The fourth chapter, entitled ***The Impact of Non-Compliance with Legislation by Banks,*** makes a complex analysis of the findings of non-compliance by commercial banks with the legislation in force related to financial and banking activity, the sanctions that the local supervisory authority applied to commercial banks for admitted violations and for the lack of reaction to the summons to renounce incorrect practices. Given the international relevance of the researched topic, the sections applied by the supervisory authorities in the European Union related to financial institutions, which are similar to the non-compliance of local commercial banks, were analyzed and presented. And finally, the aspects of the banking crisis in the USA in 2008 and the similarities with the banking crisis in the Republic of Moldova in 2014, which had the effect of materializing the risks that the legislation in force at that time was trying to avoid, were analyzed.

In the Republic of Moldova, the competent authority to apply sanctions to commercial banks is the National Bank of Moldova. Given the analysis made on this subject, in particular on the legal status of members of the management bodies, as well as shareholders of commercial banks, who are not residents of the Republic of Moldova, the application of sanctions for non-compliance with the legislation of the Republic of Moldova by the National Bank of Moldova is

[35]European Parliament. Resolution of 3 September 2008 on a common frame of reference for European contract law. P6_TA(2008)0397, B6-0374/2008 [online] [accessed: 24.12.2024] Available: https://www.europarl.europa.eu/doceo/document/TA-6-2008-0397_RO.html

[36]International Institute for the Unification of Private Law. *UNIDROIT principles of international commercial contracts.* 2016, Rome, Italy, ISBN: 9788886449373.

at the intersection of public law and private international law, through several mechanisms. The punitive measures of the NBM act as rules of immediate application, also taking into account the principle of territoriality, being imposed primarily for reasons of public order, regardless of the nationality of the shareholders or administrators. The sanctions block the incidence of any external contractual or statutory clauses that would try to circumvent local prudential standards, thus protecting the stability of the national financial system from cross-border risks.

In Romania, the central authority, the National Bank of Romania, verifies compliance with the prudential requirements and obligations provided for in *GEO no. 99/2006*[37] and the related regulations by Romanian credit institutions, based on their reports and through on-site inspections, including at branches in the country and abroad. According to art. 234 para. (4) regarding sanctions and sanctioning measures in *GEO no. 99/2006,* the NBR publishes on its official website, immediately, the sanctions applied according to art. 229 para. (1) which have not been contested or whose appeals have been definitively rejected, including the type and nature of the infringement and the identity of the sanctioned person. Sanctions imposed by the European Central Bank: Through the Single Supervisory Mechanism established by *Regulation (EU) no. 1024/2013*[38], the European Central Bank, in accordance with directly supervises large banks in the euro area and can apply administrative sanctions, fines and corrective measures for non-compliance in the activities of institutions, such as capital, liquidity, governance.

The 2007–2008 financial crisis was not an accident or a market-driven event, but is recognized as the result of a long process of financial deregulation in the United States, combined with weak supervision and misplaced confidence in market self-discipline, with laws that were repealed or amended, which together allowed excessive risk-taking, the growth of shadow banking, and the creation of complex financial instruments that destabilized the entire system. The final report of the National Commission on the Causes of the Financial and Economic Crisis in the United States revealed that losses related to mortgage fraud occurred between 2005 and 2007 and amounted to approximately $112 billion[39], and the consequences for the United States, according to the Independent Auditors' Report, Combined Financial Statements of the Federal Reserve Banks for the Fiscal Years Ended December 31, 2008 and 2007, was officially estimated at at least $1.33

[37]Romanian Government Emergency Ordinance No. 99 of December 6, 2006 *on credit institutions and capital adequacy.*
[38]Council Regulation (EU) No 1024/2013 of 15 October 2013 *conferring specific tasks on the European Central Bank concerning policies relating to the prudential supervision of credit institutions.*
[39]The Financial Crisis Inquiry Commission. *Final Report of the National Commission on the Causes of the Financial and Economic Crisis in the United States.* Public Law 111-21 January 2011, page xxii (page 22).

trillion[40]. In the Republic of Moldova, according to the assessment carried out by the Kroll agency, the value of the damage is between 900 million and one billion USD. However, based on information provided by the National Bank of Moldova and the criminal investigation bodies, the Commission considers that the actual losses could be significantly higher[41].

The fundamental link between the two crises and elements of private international law lies in the failure of cross-border corporate oversight mechanisms and the fraudulent use of foreign elements to circumvent national laws, aspects clearly highlighted in the aforementioned reports. While the US investigation shows how complex financial products were sold globally taking advantage of conflicts of laws and regulatory arbitrage, the Moldovan investigation demonstrates how offshore companies were used as a front for money laundering through non-performing loans, both crises using private international law principles, such as the abuse of *lex societatis,* in both cases, the architects of the fraud exploited the principle of recognition of the legal personality of foreign entities. In the US, investment vehicles from permissive jurisdictions were used, and in the Republic of Moldova, shell companies were used to hide beneficial owners and circumvent local prudential control, transforming a classic private international law principle into a tool for financial opacity.

GENERAL CONCLUSIONS AND RECOMMENDATIONS

This scientific paper identifies and appreciates the importance of the concept of international legal compliance in the financial-banking area, namely from the aspect of the relationship between clients and financial institutions, especially banks, which, when analyzed locally, does not seem to have a significant impact, but is in fact the catalyst for major changes in this field. From the analysis of the works of practitioners and theorists who have made scientific contributions in the banking field, as well as the legislation in force in the field, there is a progressive increase in the interest given to the field of adopting international standards, which although not legally binding, are based on the experience of financial institutions and past events that have shaped the practices followed by players in this market, and are ultimately adopted at the national level.

---

[40]The United States Federal Reserve Banks. *The Federal Reserve Banks Combined Financial Statements as of and for the Years Ended December 31, 2008 and 2007 and Report of Independent Auditors*. 04/20/2009, Washington DC, USA.
[41]Parliament of the Republic of Moldova. *Report no. 120 of 08.10.2019 of Commission of Inquiry to elucidate all the circumstances of the defrauding of the banking system in the Republic of Moldova and to investigate banking fraud.* Chisinau, Moldova.

The main scientific results obtained in the research process of the thesis topic can be summarized in the following **general conclusions:**

1. The evolution of the banking system in the Republic of Moldova, as an independent state, began in 1991, with the founding of the central bank - the National Bank of Moldova, being marked by a re-organization of the system oriented towards the capitalist principles of the market economy, the decentralization of credit resources and the elimination of the state monopoly in banking operations, granting the legal right to private law subjects such as clients, investors, depositors, to independently choose the bank in which to serve themselves, make investments or deposit their savings.

2. In the Republic of Moldova, the study and application of banking law as a distinct branch of private law is based on fundamental regulations within the national legislation, which aim to harmonize European Union legislation in the financial and banking field, especially considering the adoption of the National Program for the Accession of the Republic of Moldova to the European Union for 2025-2029 and the development of concrete actions to harmonize domestic legislation with European Union standards.

3. At the national level, in recent years there has been a coordinated focus of the national supervisory authorities in the financial and banking area, especially in the part that refers to the alignment of primary, secondary legislation and national practices with international standards in aspects related to the relationship between financial and banking institutions with customers and shareholders, as well as the method of risk management and compliance with prudential requirements.

4. Considering that, in relation to the process of harmonizing the legislation of the Republic of Moldova with the legislation of the European Union in the field of financial services, by 31.12.2025, only the legislation related to participatory financing was fully transposed, namely 9 legislative acts, and of the legislation providing for financial and banking activity in general, 55 acts were partially transposed, and another 150 were not transposed, a colossal effort is attested for the supervisory authorities in this field, namely the National Bank of Moldova and the National Financial Market Commission, to analyze the degree of feasibility and convergence of the European Union legislation in accordance with the local legislation in force related to the normative acts, as well as the degree of readiness of commercial banks and financial entities to adhere to the standards and principles of activity provided for in the European Union, as well as to provide support for the practical application of these laws by the supervisory authorities.

5. Banks can be considered the oldest economic institutions, which over time have taken on different forms, but preserving their essence and the functions of interaction between the state and citizens, merchants and the army. Venetian banks, founded around 1150, are the first institutions similar to those of today, being considered by several researchers that the current banking institution was born in northern Italy in the 12th - 14th centuries, and the founding banking families maintain a banking influence (consequently religious and political) to the present day.

6. The legislation of the Republic of Moldova in financial and banking matters was largely reformed in 2018, through the adoption of Law No. 202/2017 on the activity of banks and related secondary normative acts, such as NBM Regulation No. 322/2018 on the framework for the administration of banking activity, ensuring the partial transposition of European standards and compliance with the commitments assumed by the Association Agreement between the Republic of Moldova and the European Union on the activity and capital requirements of credit institutions.

7. The uniform application of the legislation in force and of the non-binding legal instruments, which can be generically referred to as the international legal compliance institution, also offers the possibility for financial and banking entities to cooperate with each other at the international level on the problems they may face in carrying out their daily business, especially in the way of approaching the relations between client entities and public authority entities. The importance of the international legal compliance institution in the field of banking law can be observed when a consumer from a foreign jurisdiction to the financial institution, with financial means acquired in a third jurisdiction, can operate transactions within a set of internationally recognized rules, without fear of fraud or loss of that customer's financial sources. Moreover, there are international committees that provide advice to financial institutions based on market experience, especially by moving away from old practices that made possible the emergence of economic crises, which ultimately led to the loss of investors' and depositors' money, economic stagnation, and the general deterioration of the population's life.

8. Regarding European contract law, especially in the financial-banking sector, given that it is closely linked to the legal traditions and national regulations of the European Union Member States, they have refrained from a uniform codification, for fear that it would affect the internal rules of consumer protection and financial stability, and the halt, for the time being, of the concept of uniform European contract law is caused by the lack of political consensus between the Member States, not a deficiency of the concept. However, the community efforts related to the common framework of reference in the European Union have been the basis for the modernization of the Civil Code of the Republic of Moldova, being a reference instrument for the national legislator.

9. In the case of disputes with an element of foreignness, it is very necessary to note the aspects related to public order, a situation in which it is provided that the application of foreign law is removed if it clearly violates the public order of Moldova. At the same level is the principle relating to the rules of immediate application, the observance of which is regarded by a certain state as essential for the safeguarding of its public interests, such as political, social or economic organization, to such an extent that these rules correspond to any situation falling within their scope. Another exception to the application of conflicting rules is fraud in law, when the bank, through a credit agreement, chooses a foreign law, to the detriment of the consumer law, in order to avoid the imposed interest limits. In this case, the consumer law will not be able to be circumvented.

10. With reference to the sanctions applied by supervisory authorities at international level, for example in Romania, the central bank has published a considerable list of sanctions on financial institutions, on aspects related to financial activity, risk management and governance. On the other hand, at the level of the European Union, the European Central Bank has published an imposing list of sanctions, linked to the Single Supervisory Mechanism, established by the 2013 legislative package relating to the direct supervision of large banks in the euro area.

To apply the results of this research, the following **recommendations are presented:**

1. To create by the public authorities supervising the financial and banking sector (the National Bank of Moldova and the National Financial Market Commission) a permanent, consultative working group, composed of representatives of commercial banks and financial entities, to provide technical support and expertise in order to streamline the transposition of European legislation and ensure a gradual transition and reform, which will not affect investors and consumers, as well as other interested persons.

2. Although there is a decision-making transparency mechanism, with a standard public consultation procedure, in the case of the effort to transpose a considerable legislative package, this formal procedure is outdated, requiring the scheduled creation of operational, informal working meetings related to the practical transposition of harmonized legislation, analogous to the experience of implementing SEPA or the Instant Payment System (MIA).

3. To request by The National Bank of Moldova and the National Financial Market Commission of the permanent support of analogous European institutions, in order to transmit experiences and previous good practices of transposing legislation at the national level in the member states of the European Union.

4. Creating a Single National Interdisciplinary Center, which would have three consulting directions in the financial-banking field: compliance, risks and corporate governance.

At the same time, we consider the following proposals de *lege ferenda appropriate:*

1. Increasing the level of coverage of deposits, worth EUR 100,000, covered in the national currency and improving the procedures for clearing deposits, by amending *Article 24 of Law No. 160 of 22.06.2023 on guaranteeing deposits in banks.*

2. The publication by commercial banks of information related to lending to air-polluting activities/industries, in accordance with the principles of social, environmental and governance development, by amending *the NBM Decision no. 158 of 09.07.2020 on the approval of the Regulation on the requirements for the publication of information by banks, is amended:*

3. Full transposition of the following European Union acts, with the exception of provisions that have already been transposed, those that cannot be transposed, or inapplicable, given the differences in the architecture of the banking system of the European Union and that of the Republic of Moldova, as follows: *Directive 2013/36/EU,* in order to align the banking framework of the Republic of Moldova with European Union standards, strengthen prudential supervision and increase the stability of the financial system; *Regulation (EU) No. 575/2013*, in order to improve capital requirements and risk management, increase the resilience of financial institutions and investor confidence; *Delegated Regulation (EU) 2022/2059*, in order to apply advanced market risk assessment methods and increase the accuracy of financial reporting; *Implementing Regulation (EU) 2024/3172*, in order to increase transparency by standardizing reporting and facilitating comparability and effective supervision; *Delegated Regulation (EU) 2015/585,* in order to clarify the assessment of margin risks and ensure a more accurate calculation of capital requirements; *Regulation (EU) No. 260/2012,* in order to modernize the euro payments infrastructure and facilitate integration into the SEPA area; *Delegated Regulation (EU) 2019/758*, in order to strengthen measures to prevent money laundering and terrorist financing, as well as to reduce the related risks; *Regulation (EU) No. 2023/1114*, in order to regulate domestic crypto-asset markets, stability and resilience against risks that may arise from related activities.

BIBLIOGRAPHY

1. AKUFFO, JA *Corporate Governance and Accountability of Financial Institutions. The Power and Illusion of Quality Corporate Disclosure.* London, Springer International Publishing, 2021, 412 p., ISBN 9783030640460.
2. Bank for International Settlements. *Statutes of the Bank for International Settlements.* [online] [accessed: 21.11.2025] Available: https://www.bis.org/about/statutes-en.pdf
3. Civil Code of the Republic of Moldova no. 1107 of 06-06-2002. In: *Official Gazette:* 01-03-2019, no. 66-75 art. 132.
4. COJOCARU, V. Uniform or unified common private international law - harmonization of solutions. In: *National Law Review,* 2009, no. 10-12(109), pp. 5-6. ISSN 1811-0770.

5. Commission of the European Communities. *Communication From The Commission To The Council And The European Parliament On European Contract Law*. Brussels, 11.07.2001, COM(2001), 398.
6. Commission of the European Communities. *Communication From The Commission To The Council And The European Parliament Biannual Update Of The Scoreboard To Review Progress On The Creation Of An Area Of "Freedom, Security And Justice" In The European Union*. Brussels, 30.12.2003, COM(2003), 812.
7. Rome Convention *on the law applicable to contractual obligations*, of 19.06.1980. In: *Official Journal of the European Union*, L 266, 09.10.1980, pp. 1–19.
8. Directive (EU) 2023/2225 of the European Parliament and of the Council of 18 October 2023 *on credit agreements for consumers and repealing Directive 2008/48/EC*. In: Official Journal of the European Union, L, 2023/2225, 30.10.2023.Directive (EU) 2024/1640 of the European Parliament and of the Council of 31 May 2024 *on mechanisms to be put in place by Member States to prevent the use of the financial system for the purposes of money laundering or terrorist financing, amending Directive (EU) 2019/1937 and amending and repealing Directive (EU) 2015/849*. In: *Official Journal of the European Union*, No. L, 2024/1640.
9. Directive (EU) 2023/2225 of the European Parliament and of the Council of 18 October 2023 *on credit agreements for consumers and repealing Directive 2008/48/EC*. In: Official Journal of the European Union, L, 2023/2225, 30.10.2023.Directive (EU) 2024/1640 of the European Parliament and of the Council of 31 May 2024 *on mechanisms to be put in place by Member States to prevent the use of the financial system for the purposes of money laundering or terrorist financing, amending Directive (EU) 2019/1937 and amending and repealing Directive (EU) 2015/849*. In: *Official Journal of the European Union*, No. L, 2024/1640.
10. Directive 2013/36/EU of the European Parliament and of the Council of 26 June 2013 *on access to the activity of credit institutions and the prudential supervision of credit institutions and investment firms, amending Directive 2002/87/EC and repealing Directives 2006/48/EC and 2006/49/EC*. In: *Official Journal of the European Union*, No. L 176 of 27 June 2013, as amended by Directive (EU) 2019/878 of the European Parliament and of the Council of 20 May 2019.
11. Council Directive 89/299/EEC of 17 April 1989 *on the own funds of credit institutions*. Published in the Official Journal of the European Union, No. L 124, 5.5.1989, p. 16. Directive as last amended by Directive 92/30/EEC. In: *Official Journal of the European Union*, No. L 110, 28.09.1992, p. 52.
12. Council Directive 89/647/EEC of 18 December 1989 *on the solvency ratio of credit institutions*. In: *Official Journal of the European Union*, No. L 386, 30.12.1989, pp. 14–22.
13. FREDERICKS, EA *Contractual capacity in private international law*. The Meijers Research Institute and Graduate School of the Leiden Law School of Leiden University, pp. 212-213. [online] [accessed: 07.04.2026] Available: https://hdl.handle.net/1887/41425
14. HOHMANN, M. *The Impact of Regulation on Remuneration in Banks. An Analysis of EU, UK and German Law*. Hamburg, Anchor Academic Publishing, 2017, 60 p., ISBN 9783960670759
15. International Institute for the Unification of Private Law. *UNIDROIT principles of international commercial contracts*. 2016, Rome, Italy, ISBN: 9788886449373.
16. IRWIN, DA *The Nixon Shock After Forty Years: The Import Surcharge Revisited*. National Bureau Of Economic Research, Working Paper 17749, Cambridge, January 2012, DOI 10.3386/w17749.

17. KAZUHIKO, Y. *The Financial History of the Bank for International Settlements*. New York, Taylor & Francis 2013, ISBN 9781135098360, page 256, page 7-17.
18. Law no. 202 of 06.10.2017 *on the activity of banks*. In: *Official Gazette of the Republic of Moldova:* 15-12-2017 No. 434-439 art. 727.
19. Law no. 308 of 22-12-2017 *on preventing and combating money laundering and terrorist financing*. In: *Official Gazette of the Republic of Moldova:* 23-02-2018 No. 58-66 art. 133.
20. NUSTELING, H. *Welfare and employment in Amsterdam 1540-1860. A report on demography, economy and social politics van een wereldstad*. Amsterdam: De Bataafsche Leeuw, 1985, 275 pp., ISBN 978-90670-7-082-9.
21. Emergency Ordinance of the Government of Romania no. 99 of 6 December 2006 *on credit institutions and capital adequacy*. In: *Official Gazette of Romania,* no. 1027 of 27.12.2006.
22. European Parliament. *Resolution of 3 September 2008 on a common frame of reference for European contract law*. P6_TA(2008)0397, B6-0374/2008 [online] [accessed: 24.12.2024] Available: https://www.europarl.europa.eu/doceo/document/TA-6-2008-0397_RO.html
23. Parliament of the Republic of Moldova. *Report no. 120 of 08.10.2019 of Commission of Inquiry to elucidate all the circumstances of the defrauding of the banking system in the Republic of Moldova and to investigate banking fraud*. Chisinau, Moldova.
24. Regulation (EC) No 593/2008 of the European Parliament and of the Council of 17 June 2008 *on the law applicable to contractual obligations (Rome I)*. In: Official Journal of the European Union, L 177, pp. 6–16.
25. Regulation (EC) No 864/2007 of the European Parliament and of the Council of 11 July 2007 *on the law applicable to non-contractual obligations (Rome II)*. In: *Official Journal of the European Union,* L 199, 31.7.2007, pp. 40–49.
26. Council Regulation No 1024/2013 of 15 October 2013 *conferring specific tasks on the European Central Bank concerning policies relating to the prudential supervision of credit institutions.*
27. Regulation of the National Bank of Moldova no. 322 of 20.12.2018 *on the framework for the administration of banking activities*. Published in the Official Gazette: 04-01-2019 No. 1-5 art. 56.
28. Regulation No. 575/2013 of the European Parliament and of the Council of 26 June 2013 *on prudential requirements for credit institutions and amending Regulation (EU) No. 648/2012*. In: *Official Journal of the European Union,* L 176 of 27 June 2013.
29. Regulation (EC) No 593/2008 of the European Parliament and of the Council of 17 June 2008 *on the law applicable to contractual obligations (Rome I)*. In: *Official Journal of the European Union,* No L 177, 4.7.2008, pp. 6-16.
30. ŞEREMET, I. Application of the principle of autonomy of will (lex voluntatis) to the determination of the law applicable to civil contracts. In: *Journal of the National Institute of Justice*. 2020, no. 3(54), pp. 11-17. ISSN 1857-2405. Available: https://doi.org/10.5281/zenodo.4061164 , p. 11.
31. The Bretton Woods Conference, 1944 [online] [accessed: 08.02.2024] Available: https://2001-2009.state.gov/r/pa/ho/time/wwii/98681.htm
32. The Financial Crisis Inquiry Commission. *Final Report of the National Commission on the Causes of the Financial and Economic Crisis in the United States*. Public Law 111. 21.01.2011.
33. The United States Federal Reserve Banks. *The Federal Reserve Banks Combined Financial Statements as of and for the Years Ended December 31, 2008 and 2007 and Report of Independent Auditors*. 04/20/2009, Washington DC, USA.

LIST OF PUBLICATIONS ON THE THESIS TOPIC

1. BĂIEŞU, Aurel, GUZUN, Adrian. The role of European banking legislation for financial stability. In: *Studia Universitatis Moldaviae (Social Sciences Series)*, 2024, no. 3(173), pp. 14-21. ISSN 1814-3199. (Type B).
2. GUZUN, Adrian. The Basel Framework for Corporate Governance of Banks. In: *Studia Universitatis Moldaviae (Social Sciences Series)*, 2024, no. 3(173), pp. 133-139. ISSN 1814-3199. (Type B).
3. GUZUN, Adrian. Banks, open-banking and data protection. In: *Vector European*, 2024, no. 1, pp. 23-28. ISSN 2345-1106. (Type B)
4. GUZUN, Adrian, BĂIEŞU, Aurel. Digitalisation of Banking in Europe – a New Opportunity to Overcome a Future Crisis? In: *Kaleidoscope: International Conference for Doctoral, Post-Doctoral Students and Young Researchers in Humanities and Social Sciences*, 31 May - 2 June 2023, Iași, Romania. Iași, Romania: Publishing House of the "Alexandru Ioan Cuza" University of Iași,, 2023, pp. 52-53. ISBN 978-606-714-780-3.
5. GUZUN, Adrian. The concepts of regulation of the international financial market in the relationship with clients and shareholders. In: *Realities and perspectives in the field of contemporary legal sciences,* September 15, 2023, Chisinau. Chisinau: Editorial-Printing Center of the State University of Moldova, 2023, pp. 51-53. ISBN (pdf) 978-9975-62-695-8 (PDF)
6. GUZUN, Adrian. Protection of clients' rights in the financial and banking field. In: *The Rule of Law and Economic Resilience in the Context of the Accession of the Republic of Moldova to the European Union,* May 16, 2014, Chisinau. Chisinau: CEP USM, 2024, pp. 138-146. ISBN (pdf) 978-9975-62-779-5.
7. GUZUN, Adrian. Basel Principles for Banking Supervision. In: *Integration through Research and Innovation.: Legal and Economic Sciences,* November 6-7, 2025, Chisinau. Chisinau, Republic of Moldova: Editorial-Printing Center of the State University of Moldova, 2025, SJE, pp. 265-269. ISBN 978-9975-62-687-3. ISBN (pdf) 978-9975-62-945-4
8. GUZUN, Adrian. Corporate governance within banks and financial institutions in the European Union. In: *Priorities of research in the legal and economic field and the impact on contemporary society*, Ed. 4, September 20, 2024, Chisinau. Chisinau: CEP USM, 2025, Edition 4, pp. 190-195. ISBN (pdf) 978-9975-62-849-5 (PDF), CZU: 005.7:339.732:061.1UE
9. GUZUN, Adrian. Internal audit and the risk-based approach in banks. In: *Priorities of research in the legal and economic field and their impact on contemporary society,* Ed. 4, September 20, 2024, Chisinau. Chisinau: CEP USM, 2025, Edition 4, pp. 196-199, ISBN (pdf) 978-9975-62-849-5 (PDF). CZU: 336.71:657.63:005.334
10. GUZUN, Adrian. Analysis of the compliance function in banks from the perspective of regulatory authorities. In: *National Law Journal,* 2026, no. 1, ISSN 1811-0770 (Type B).
11. GUZUN, Adrian, BĂIEŞU, Aurel. Cross-border disputes and arbitration in the international financial-banking area. In: *Vector European,* 2026, no. 1, pp. 108-112. ISSN 2345-1106. DOI: https://doi.org/10.52507/2345-1106.2026-1.18 (Type B)

ADNOTARE

GUZUN, Adrian. *Impactul conformității legale internaționale asupra stabilității financiar-bancare.* Teză de doctor în drept. Școala Doctorală Științe Juridice și Științe Economice a Universității de Stat din Moldova, Chișinău 2026.

Structura tezei: introducere, patru capitole, concluzii generale și recomandări, bibliografie din 373 titluri, 188 pagini de text de bază, 11 publicații la tema tezei.

Cuvinte-cheie: legislație, conformitate, conflicte de legi, elemente de extraneitate, entități financiare, bănci, standarde internaționale, relație bancă-client, guvernanță corporativă internațională, legea aplicabilă, competența jurisdicțională.

Scopul lucrării: constă în cercetarea complexă a instituției de conformitate legală internațională în domeniul financiar-bancar și demonstrarea faptului că stabilitatea financiar-bancară internațională și securitatea financiară a investitorilor, deponenților și clienților poate avea loc doar prin conformarea cu cerințele de reglementare juridice ale autorităților naționale și internaționale.

Obiectivele cercetării: rezultă în determinarea și explicarea conceptului de conformitate legală internațională în domeniul financiar-bancar; identificarea particularităților raporturilor juridice financiar-bancare cu element de extraneitate și a implicațiilor conformității legale internaționale asupra acestora; examinarea influenței standardelor internaționale de conformitate asupra relațiilor contractuale dintre instituțiile financiar-bancare și clienții acestora în cadrul operațiunilor transfrontaliere; determinarea corelației între standardele internaționale de conformitate legală bancară, reglementările în domeniul financiar-bancar la nivel european și transpunerea lor în cadrul legislației autohtone; formularea recomandărilor pentru a eficientiza practica națională și de armonizare la legislația europeană în domeniul financiar-bancar.

Noutatea și originalitatea științifică: este argumentată prin faptul că instituția conformității legale internaționale în domeniul financiar-bancar, în special, în raporturile juridice cu elemente de extraneitate, deși este reglementată, în practică generează conflicte de legi și nu este aplicată uniform de participanți, producând consecințe negative pentru investitori, clienți și securitatea circuitului financiar.

Rezultatele obținute care contribuie la soluționarea unei probleme științifice importante: sunt concretizate în tezele științifice principale, promovate pentru susținere, și în problema științifică importantă soluționată, vizând cercetarea complexă a instituției și specificul conformității legale internaționale în domeniul financiar-bancar.

Semnificația teoretică: a prezentei lucrări se manifestă în faptul că teza de doctorat este printre unicele lucrări științifice la nivel național care se dedică studierii în ansamblu a instituției de conformitate legală cu standardele europene și internaționale în materie financiar-bancară.

Valoarea aplicativă a lucrării: constă în faptul că concluziile și recomandările formulate în prezenta teză de doctorat au aplicabilitate directă în practica autohtonă din domeniul financiar-bancar, pentru uniformizarea practicii de aplicare a legislației, iar propunerile de *lege ferenda* pot servi drept bază pentru inițiative legislative.

Implementarea rezultatelor științifice: rezultatele științifice ale tezei de doctorat au fost implementate în procesul aplicării directe a standardelor legale internaționale în domeniul bancar, și reflectate în cardul conferințelor științifice naționale și internaționale și a articolelor științifice.

ANNOTATION

GUZUN, Adrian. *The impact of international legal compliance on financial and banking stability.* Doctoral thesis in law. Doctoral School of Legal Sciences and Economic Sciences of the State University of Moldova, Chisinau 2026.

Thesis structure: Introduction, four chapters, general conclusions and recommendations, bibliography of 373 titles, 188 pages of basic text, 11 publications on the topic of the thesis.

Keywords: legislation, compliance, conflict of laws, foreign elements, financial entities, banks, international standards, bank -client relationship, international corporeal governance, applicable law, jurisdiction.

Research purpose: to conduct a comprehensive analysis of the institution of international legal compliance in the financial and banking sector and to demonstrate that international financial and banking stability, as well as the financial security of investors, depositors, and clients, can only be achieved through compliance with the legal and regulatory national and international requirements authorities.

Research objectives: to define and explain the concept of international legal compliance in the financial and banking sector; to identify the particularities of financial and banking legal relationships involving a foreign element and the implications of international legal compliance for these relationships; to examine the influence of international compliance standards on contractual relations between financial and banking institutions and their clients in cross-border operations; to determine the correlation between international banking compliance standards, European financial and banking regulations, and their transposition into domestic legislation; to formulate recommendations for improving national practice and harmonizing it with European financial and banking law.

Scientific novelty and originality: is justified by the fact that the institution of international legal compliance in the financial and banking sector, particularly in legal relationships involving foreign elements, although regulated, in practice generated conflicts of laws and is note applied uniformly by market participants, resulting in negative consequences for investors, clients, and the security of the financial system.

Results contributing to the solution of an important scientific problem: are reflected in the main scientific theses submitted for defense and in the important scientific problem solved, which concerns the comprehensive study of the institution and the specific features of international legal compliance in the financial and banking sector.

Theoretically significance: of this work lies in fact that the doctoral thesis is among the few scientific works at the national level dedicated to the comprehensive study of the institution of legal compliance with European and international standards in the financial and banking field.

Practically value of the study: consists in the fact that the conclusions and recommendations formulated in this doctoral thesis are directly applicable nationally financial and banking practice, contributing to the uniform application of legislation, while the *de lege ferenda* proposals may serve as a basis for legislative initiatives.

Implementation of scientific results: the scientific results of the doctoral thesis have been implemented in practice application of international legal standards in the banking sector and have been presented at national and international scientific conferences, as well as published in scientific articles.

АННОТАЦИЯ

ГУЗУН, Адриан. ***Влияние соблюдения международного законодательства на финансовую и банковскую стабильность*. Докторская диссертация по праву. Докторантура юридических и экономических наук, Кишинев, 2026**

Структура диссертации: введение, четыре главы, общие выводы и рекомендации, библиография из 373 наименования, 188 страницы основного текста, 11 публикаций.

Ключевые слова: законодательство, комплаенс, коллизии законов, иностранный элемент, финансовые организации, банки, международные стандарты, банковско-клиентские отношения, международное корпоративное управление, применимое право, юрисдикция.

Цель исследования: заключается в комплексном исследовании института международного правового комплаенса в финансово-банковской сфере и доказательстве того, что международная финансово-банковская стабильность и финансовая безопасность инвесторов, вкладчиков и клиентов могут быть обеспечены только посредством соблюдения правовых и регуляторных требований национальных и международных органов.

Задачи исследования: заключаются в определении и раскрытии понятия международного правового комплаенса в финансово-банковской сфере; выявлении особенностей финансово-банковских правоотношений с иностранным элементом и влияния международного правового комплаенса на них; исследовании влияния международных стандартов комплаенса на договорные отношения между финансово-банковскими учреждениями и их клиентами в трансграничных операциях; установлении взаимосвязи между международными стандартами банковского комплаенса, европейским регулированием финансово-банковской сферы и их имплементацией в национальное законодательство; формулировании рекомендаций по совершенствованию национальной практики и гармонизации с европейским финансово-банковским правом.

Научная новизна и оригинальность: обосновывается тем, что институт международного правового комплаенса в финансово-банковской сфере, особенно в правоотношениях с иностранным элементом, хотя и урегулирован, на практике порождает коллизии законов и применяется неравномерно участниками рынка, что приводит к негативным последствиям для инвесторов, клиентов и безопасности финансового оборота.

Результаты, способствующие решению важной научной проблемы: отражены в основных научных положениях, выносимых на защиту, и в решённой важной научной проблеме, связанной с комплексным исследованием института и особенностей международного правового комплаенса в финансово-банковской сфере.

Теоретическая значимость: данной работы заключается в том, что диссертация является одной из немногих научных работ на национальном уровне, посвящённых комплексному изучению института правового комплаенса с европейскими и международными стандартами в финансово-банковской сфере.

Практическая значимость работы: состоит в том, что выводы и рекомендации, сформулированные в настоящей диссертации, имеют непосредственное применение в национальной финансово-банковской практике, способствуя единообразному применению законодательства, а предложения закона могут служить основой для законодательных инициатив.

Внедрение научных результатов: научные результаты диссертации были внедрены в процесс непосредственного применения международных правовых стандартов в банковской сфере, а также представлены на национальных и международных научных конференциях и опубликованы в научных статьях.

ADRIAN GUZUN

THE IMPACT OF INTERNATIONAL LEGAL COMPLIANCE ON FINANCIAL-BANKING STABILITY

553.06 - PRIVATE INTERNATIONAL AND EUROPEAN LAW

Summary of the Doctor of Laws thesis

Approved for printing: 22.07.2026	Paper format 60x84 1/16
Offset paper. Offset printing.	Edition: 20 copies.
Printing sheets: 2,0	Order No. 63/26

Editorial-Printing Center of USM

A. Mateevici str., 60. Chisinau, MD-2009