



EUROPEAN COMMISSION

MEMO

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ENP Country Progress Report 2013 – Republic of Moldova

The 2014 annual "Neighbourhood Package" consists of a joint Communication ("Neighbourhood at the Crossroads") and a set of country specific and regional reports. The report on the Republic of Moldova underlines key/main developments and reform efforts in 2013 and makes recommendations for the year to come.

Despite the political crisis that hit the country in the first half of 2013 and threatened the transformation process initiated in 2005 by the Moldovan authorities, the election of a new government in May 2013 allowed to resume the EU-Moldova political dialogue. The EU-Republic of Moldova Association Agreement (including DCFTA) was initialled in November. No new agreements were signed, but significant efforts were made to implement those concluded earlier in the areas of aviation, agriculture, civil protection, participation in EU agencies and programmes, and Common Security and Defence Policy (CSDP) cooperation.

In 2013, Moldova addressed many of the key recommendations contained in last year's ENP progress report. It completed the implementation of the visa liberalisation action plan; took forward judicial and law enforcement reforms; started restructuring the anti-corruption framework; stepped up its implementation of the human rights action plan and the action plan in support of the Roma people; maintained its dialogue with Tiraspol; and continued with challenging regulatory and sectoral reforms. On the basis of this year's report, and with a view to sustained implementation of the ENP Action Plan in 2014, keeping in mind the overarching goal of good governance in all branches of power and the need for consistent political will and policy predictability to ensure effective implementation, Moldova is invited to:

- intensify the fight against corruption at all levels, particularly by ensuring the full functioning and independence of the National Anti-corruption Centre, providing an enabling legislative framework for the National Integrity Commission, preventing undue business interest influence on all sectors, including the judiciary, and ensuring the transparency of public procurement and privatisation;
- conduct parliamentary elections, scheduled for the end of November 2014, in line with European and international standards for democratic elections. Particular attention should be given to not changing electoral legislation too close to the poll, to avoid moving the goalposts for participants in the election process;
- vigorously advance reforms in the justice and law enforcement systems, by ensuring effective implementation of the justice sector reform strategy and the related action plan, finalising reforms to the prosecution system, pursuing structural reform of the Interior Ministry, and strengthening cooperation with EU Member States' judicial and police authorities;

- consolidate its system of protection of human rights and fundamental freedoms, including by completing the reform of the ombudsman, implementing the national human rights action plan and related legislation and systematically combatting impunity, through better coordination of actors (including representatives of civil society), better public communication, and funding sufficient to attain the intended objectives;
- continue work to ensure media freedom and plurality of the media landscape, adopt rules to increase transparency of media ownership, and complete the reform of the national broadcaster;
- work to prevent the resurgence of institutional deadlock by revising the constitution, with a view to strengthening the system of checks and balances, and clarifying the competencies of the Constitutional Court. These processes should be inclusive and done in consultation with the Venice Commission;
- continue to make progress on sector reforms and regulatory approximation to EU law, to implement the Association Agreement, including the Deep and Comprehensive Free Trade Area (DCFTA); continue in particular to implement energy sector reform, diversification of energy sources and energy efficiency plans; raise public awareness and visibility of the merits of the Association Agreement;
- improve the business and investment environment and work to increase the competitiveness of the Moldovan economy, notably by developing better quality regulation and implementing this transparently, facilitating the use of innovative technologies, ensuring the protection of intellectual rights, pursuing work to join the European Cooperation for Accreditation multilateral agreement, and countering the grey economy;
- continue the reform of education, including vocational and education training, to bring it into line with the needs of the labour market;
- continue to engage pro-actively with Transnistria to develop an enticing, mutually acceptable vision for a common future, and to enable Transnistria-based economic agents to enjoy the full benefits of the future DCFTA, and support implementation of the recommendations of the Hammarberg report on the human rights situation in the Transnistrian region;
- continue the privatisation process, with a focus on transparency and accountability; take further steps to strengthen the supervision of the banking sector; and continue efforts to increase shareholder transparency, including through robust enforcement of legislation requiring disclosure of ultimate beneficiaries;
- deepen reform of the public administration and implement the decentralisation strategy in an inclusive manner, including by involving civil society.

Reforms initiated, carried out, or delayed during 2013 in the different areas of cooperation between the EU and the Republic of Moldova are described in the annual country report. Some of the issues reported deserve special attention.

Steps were taken to **reform the Justice and to fight corruption**. The Parliament adopted in October a legislative package tightening judges' disciplinary responsibility and tackling corruption in the justice sector. A package of anti-corruption laws was also adopted, allowing for tougher sanctions for bribery and illicit actions committed by law enforcement officers. Work to de-politicise and professionalise the central and local **public administration** continued.

Positive developments can be reported in the field of **human rights**. Some progress was achieved in tackling impunity for **ill-treatment and torture**. Progress could also be noted regarding **gender equality** and inclusion of Roma people. Besides, important **institutional and media related issues** remained unresolved, regarding for instance political party financing rules or transparency of media ownership.

Little development can be reported with regard to the **Transnistrian conflict**. While the frequency of contacts in the 5+2 framework was maintained, there was a lack of concrete progress towards a political settlement. An exception was the change of Moldova's migration policy, which allowed Transnistrian residents holding foreign passports to travel freely from and to Moldova.

EU–Republic of Moldova – BACKGROUND

THE POLICY

The **European Neighbourhood Policy** governs the relations between the EU and the Republic of Moldova. Since 2009, the EU implements the **Eastern Partnership**, the Eastern dimension of the ENP framework, aiming at substantially upgrading engagement with the EU's six Eastern neighbours via:

- a bilateral track, whose objectives include the establishing of Association Agreements with Deep and Comprehensive Free Trade Areas, once conditions have been met, as well as progress on visa and mobility issues, and
- a Multilateral track (i.e. intergovernmental platforms and Flagship Initiatives).

This approach allows for gradual political association and deeper economic integration.

FACTS AND FIGURES

1998: Entry into force of the EU-Moldova Partnership and Cooperation Agreement.

2005: Approval of the EU-Moldova ENP Action Plan.

2008: Entry into force of the Visa facilitation and readmission agreements. Signature of a pilot Mobility Partnership to strengthen legal migration opportunities and to strengthen capacities for managing migration and fighting illegal migration.

2008: The EU Autonomous Trade Preferences are granted.

2008 and 2009: The EU's Civil Protection Mechanism (MIC) was mobilised to support Moldova in assessing the flooding of the Nistru (Dniester) and the Prut rivers, and in alleviating the consequences of the Ukraine/Russia gas crisis.

2007-2010: The ENPI¹ envelope for Moldova stands at EUR 209.7 million, with an additional allocation of EUR 16.6 million through the Governance Facility.

2008-2010: The Neighbourhood Investment Facility commits nearly EUR 35 million to seven projects in Moldova in the social, transport and private sectors. Moldova benefited also from four NIF regional projects (total EUR 39 million in support of the energy and the private sectors, including small and medium enterprises).

2010: Launch of the Association Agreement negotiations with the EU

1 The European Neighbourhood Partnership Instrument

2011-2013: The new National Indicative Programme (NIP) for Moldova was adopted in May 2010 and has a budget of EUR 273.1 million. The programme is geared towards supporting the achievement of key policy objectives as outlined in the EU-Moldova Action Plan and pursues three priorities: (1) good governance, rule of law and fundamental freedoms; (2) social and human development; and (3) trade and sustainable development.

2011: The Republic of Moldova holds the rotating Presidency of the Energy Community. The EU Autonomous Trade Preferences are prolonged until 2015.

2012: Launch of negotiations on establishing a Deep and Comprehensive Free Trade Area (DCFTA) in the framework of the negotiations of an Association Agreement.

2013: Initialling of the EU-Republic of Moldova Association Agreement (including DCFTA).

For further information

[Press release: Neighbourhood at the crossroads – tacking stock of a year of challenges \(IP/14/315\), 27 March 2014](#)

For the Joint Communication check the EEAS website at http://eeas.europa.eu/enp/index_en.htm

Website of Commissioner for Enlargement and European Neighbourhood Policy, Štefan Füle: http://ec.europa.eu/commission_2010-2014/fule/index_en.htm

Website of High Representative and Vice President of the European Commission, Catherine Ashton: http://ec.europa.eu/commission_2010-2014/ashton/index_en.htm

European Commission: European Neighbourhood Policy

http://ec.europa.eu/world/enp/index_en.htm

<http://www.enpi-info.eu>

http://ec.europa.eu/world/enp/documents_en.htm

http://eeas.europa.eu/moldova/index_en.htm