



Moldova Divided: Easing Tensions as Russia Meddles and Elections Approach

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What's new? As Moldova has turned to the West following Russia's all-out invasion of Ukraine, it has also toughened its approach toward two regions – breakaway Transnistria and autonomous Gagauzia – that have courted Russian support. With a presidential election and a referendum on EU membership approaching, Moldova's divisions have deepened amid Russian meddling.

Why does it matter? Russia is interfering in the pre-vote process and fanning internal discord, as it seeks to foil Moldova's EU aspirations and destabilise its politics with the goal of recapturing lost influence. Failure to address these issues could have implications for Moldova's future stability.

What should be done? The Moldovan government's heavy-handed treatment of Transnistria and Gagauzia has led to greater internal tensions and appears counter-productive. Moldova's international partners, especially the EU, should encourage it to expand dialogue with Transnistria, and seek new channels of engagement with Gagauzia, with a view toward negotiating a settlement of long-running disputes.

I. Overview

As key votes in October approach, Moldovan officials are increasingly concerned about Russian meddling and its impact on the country's stability. Officials in Chisinau, the Moldovan capital, worry that Russia is manipulating decades-old internal divisions to make trouble in the run-up to the 20 October presidential election and a same-day referendum on the country's aspirations to join the European Union. Russia has long sought to extend its influence by sowing discord between Chisinau and two dissident regions: Transnistria, which broke away in a brief secessionist war in 1992; and Gagauzia, which gained broad autonomy in 1994. But as Moldova has drawn closer to the West, Chisinau's tactics to rein in these regions have pushed tensions higher. With encouragement from Western partners, Moldovan authorities should begin using a lighter touch – seeking a settlement of internal disputes, even as Chisinau works to counter Russian interference in its affairs and to guard against a post-election crisis over Russian gas supplies to the country.

Moldova's location between Ukraine and Romania has made both Kyiv and Moscow keen to secure the support of the formally neutral nation in their fight. Over the past two years, leaders in Chisinau have accused Moscow of disrupting energy supplies, funding political protests and attempting a coup. They fear that Russia will continue encouraging unrest, including within the dissident regions, Transnistria and Gagauzia, in order to undermine President Maia Sandu, who has oriented the country's foreign policy in a more Western direction, deeming Russia its principal adversary. Public appeals in February and March from leaders of Transnistria and Gagauzia for Russia's support in the face of what they view as mistreatment by Moldovan authorities have deepened Chisinau's worries about Russian meddling ahead of the October vote and parliamentary polls in early 2025.

While there is little doubt that Moscow has long fanned the flames of discontent in Transnistria and Gagauzia, the gripes of residents and anxieties of authorities in both these regions are not purely a function of Russian interference. As Chisinau's steps toward energy independence and Russia's war in Ukraine have diminished Moscow's economic clout in Moldova, Chisinau has taken a harder line against those it accuses of embracing separatism or toeing the Kremlin's line. In doing so, it has fuelled grievances in the two dissident regions and given Russia ammunition it can use to propagate discord. It also risks spurning the best opportunity in decades to seek a rapprochement with Transnistria, while doing too little to manage a difficult relationship with Gagauzia.

Keeping these tensions in check will depend in part on managing three interconnected challenges. The most imminent concerns attempted Russian interference in the run-up to the votes scheduled for October. Sandu's government has worked with Western allies to build up Moldovan resilience to disinformation, cyberattacks and other forms of subterfuge. In dealing with this set of risks, however, Chisinau will need to tread cautiously to avoid aggravating the country's polarisation, particularly around the matter of its new foreign policy orientation. If anti-meddling efforts cross the line into an arguably anti-democratic or unconstitutional crackdown on Moldovans sympathetic to Moscow, it will only provide Russia with an opportunity to exploit these differences and complicate the country's EU accession negotiations.

The second dilemma facing the government is how to head off a looming crisis tied to the expiration of a transit agreement for Russian gas flowing through Ukraine to a power plant in Transnistria. The pipeline transit contract between Russia and Ukraine is critical to Moldova's electricity supply. Despite the friction likely to dog the run-up to 20 October, the government should engage as soon as possible in talks with the broadest spectrum of interested parties, including EU, Ukrainian, Russian and Transnistrian leaders. Moldova's push to lessen its dependence on Russian energy supplies has made progress. But it is not yet free from reliance on power purchases from Transnistria's gas-fired plant, and its efforts to date cannot compensate for the potential impact of a sudden halt to Russian gas flows to the breakaway region, which could lead numerous people to flee into Moldova proper, with destabilising effects.

Finally, throughout and beyond what promises to be a turbulent period, Moldovan officials cannot lose sight of a third and arguably most critical challenge: the need to address the deeper chill in its relations with Transnistria and Gagauzia. Chisinau should urgently renew efforts to minimise tensions that underlie so many of its immediate problems. It should reinvigorate contacts with de facto leaders in

Transnistria aimed at eventually convening talks on its reintegration. The challenge is steeper in Gagauzia, given that its governor (the political ally of an exiled businessman sanctioned by the U.S. and EU for election interference on Russia's behalf) is regarded as an illegitimate Russian puppet by Sandu's government, but even here there may be room to cultivate counterparties with whom Moldova believes it can do business. In both places, the first order of business is to avoid ratcheting up tensions in order to create space for internal diplomacy to work. Moldova's Western partners should urge it along this path.

II. Moldova and Russia: Moving Apart

More than three decades after declaring its independence, Moldova has loosened its legacy ties to Russia and is working assiduously to form closer bonds with Western powers.¹

A. Walking a Difficult Line

As a small state living in the shadow of a big power, Moldova has spent much of the three-plus decades of its post-Cold War independence walking a delicate line with Russia – which views the post-Soviet countries in its shared neighbourhood with Europe as within its historical sphere of influence. Shortly after Moldova declared independence in 1991, Russian forces helped Transnistria break away from it in a brief war of succession in 1992.² After Moscow brokered a ceasefire in the conflict, Moldova declared itself a neutral state in its 1994 constitution. Over the years, its commercial relations with the West have steadily grown, becoming increasingly important in what was once an economy closely tied to Russia's.³ But until recently, it remained highly dependent on Russian gas to meet its energy needs. Caught be-

¹ Moldova's strategic location at the crossroads of East and West have led it to be traded among larger powers for much of its modern history. Russia gained the largest part of its territory – Romanian-speaking Bessarabia, which sits between the Dniester and Prut Rivers – from the Ottoman Empire in 1812. When neighbouring Romania absorbed Bessarabia after World War I, the Soviet Union sought to preserve its influence in the area by creating the Moldovan Autonomous Oblast – present-day Transnistria – from a sliver of Ukraine that sits across the Dniester. In 1940, the Soviet Union annexed Bessarabia as part of an arrangement struck with Nazi Germany, joining the east and west bank territories together into a Soviet republic. That arrangement ended with the Cold War. In 1991, Moldova declared its independence, with Transnistria fighting a short war of secession in 1992 to cement its status as an unrecognised statelet and the Gagauz region (with its non-Romanian speaking majority) asserting autonomy in 1994.

² Transnistria declared independence from Moldova in 1990, preceding Moldova's own independence from the Soviet Union. The unrecognised Pridnestrovian Moldavian Republic was proclaimed on its territory, with Tiraspol as its main city. In 1992, Russia helped thwart an attempt by Moldova to reassert control of the region, which led to over 1,000 dead on both sides. Subsequently, a joint peacekeeping force comprising 402 Russian, 492 Transnistrian and 355 Moldovan troops has been stationed in the region. See "Transnistria has asked Russia to increase the number of peacekeepers", RIA Novosti, 8 May 2023.

³ In 2009, 75 per cent of Moldova's trade was directed towards Russia and the Commonwealth of Independent States; in 2024, 70 per cent of trade is with the EU, the European Free Trade Association, North America and the United Kingdom. See "Moldova reduced foreign trade relations with the Russian Federation to 3%", *Kommersant*, 19 April 2024.

tween legacy cultural, political and economic ties to Russia and burgeoning relations with the West, Moldova has seen the Kremlin's influence over its foreign policy wax and wane in recent years.

President Sandu gained office in 2020, and her Party of Action and Solidarity won a parliamentary majority in 2021, on a platform favouring closer ties with the EU, but it was unclear how quickly that change would come. Like her predecessors, Sandu met with Russian envoys in the months after her election and maintained cordial relations with Moscow.⁴

Russia's all-out invasion of Ukraine in February 2022, together with a series of energy crises (discussed below), catalysed Chisinau's pivot to the West. Today, Sandu's government has embraced the pursuit of EU membership and pointedly painted Moscow as its primary adversary – both unprecedented moves in Moldova's short history.⁵ The country's new national security strategy, unveiled by Sandu in October 2023, stated that "the Russian Federation and its proxies in the Republic of Moldova represent the most dangerous and persistent source of threat" to the country.⁶ Sandu said the decision to identify Russia as her country's main threat was made following discussions with U.S., UK and EU officials, who have steered her government regarding how to gird itself against outside pressure.

Public opinion is moving, too. The traditional Moldovan divide between those who support integration with the EU and those who look to Russia as their patron of choice remains, but the adherents of the latter camp are fewer today, and the differences between the two are starker than ever. The number of Moldovans who say relations with Russia are good has fallen from 53 per cent in 2019 to 27 per cent in 2024.⁷ Migrants looking for employment opportunities elsewhere increasingly head westward, with many Moldovans seeking Romanian passports to be able to work in the EU.

B. *Toward Energy Self-reliance*

Arguably the most consequential way in which Moldova has changed its relationship with Russia is in the energy sphere, where Chisinau has actively sought to wean itself off Russian gas supplies. Two energy crises, in the fall of 2021 and then 2022, drove the government's expensive move to put in place the infrastructure needed to gain access to costlier alternative sources of gas and electricity supplies. First, in October 2021, the failure to reach a new contract with the giant Russian export monopoly, Gazprom, left gas supply in jeopardy for several weeks with winter approaching.⁸ Amid

⁴ Russian President Vladimir Putin was one of the first world leaders to congratulate Sandu on her electoral win in December 2020, and his envoy Dmitry Kozak visited Moldova to meet with her soon thereafter in August 2021.

⁵ "Factsheet: EU support package for the Republic of Moldova", EU Neighbours East, 14 July 2023. "US to help Moldova fight Russia's destabilization efforts", Reuters, 10 March 2023. "Moldova signs defence pact with France amid Russia fears", Reuters, 7 March 2024. "Minister for Europe to underline UK support for Moldova amid growing Russian aggression", Gov.uk, 30 April 2024. "Romania to release second instalment of €100 million aid to Moldova", Radio Moldova, 5 April 2024.

⁶ "Moldova calls Russia a 'security threat' for first time", *Financial Times*, 11 October 2023.

⁷ "National survey of Moldova, May-June 2024", International Republican Institute, 15 July 2024.

⁸ In August 2021, Kozak, deputy head of the Russian presidential administration, offered Sandu a gas discount in negotiations for a new gas supply contract in exchange for progress on the peace process in Transnistria, a participant in the talks with Kozak told Crisis Group. The Moldovan pres-

aborted talks on a new agreement, Gazprom demanded that Moldova pay claimed arrears of over \$700 million threatening to cut off supply.⁹ To avert a crisis, on 29 October, Moldova and Gazprom reached an agreement on a new five-year contract, with Chisinau committing to a higher price and promising to resolve the debt issue.¹⁰

The second crisis came after Russia's February 2022 all-out invasion of Ukraine. In October 2022, Russia cut gas supply to Moldova by a third, blaming Ukraine for issues relating to the transit of gas across its territory.¹¹ (The pipeline that supplies Moldova runs from Russia west through Ukraine and has continued to operate, the war notwithstanding.) The 2022 cuts also affected Transnistria, leading it to stop exports of electricity to Moldova from its gas-fired power plant. At the same time, Russian strikes on energy infrastructure in Ukraine halted Ukrainian electricity exports accounting for some 20 per cent of Moldova's supply, causing blackouts and plunging the country into an energy crisis.¹² Chisinau was able to manage the crisis through a deal with Transnistria, reserve withdrawals and spot market purchases partly supported by Western allies. But both crises led to soaring energy prices and inflation.

Seeking a way out of its vulnerable situation, Moldova stopped buying gas from Gazprom in December 2022, including by tapping into the Trans-Balkan pipeline running north from Türkiye to Ukraine through Romania.¹³ Based on its own audit, Mol-

ident declined. Crisis Group interview, former Moldovan official, 12 March 2024. In October 2021, Moldova's government declared a state of emergency after failing to agree on a new gas contract with Gazprom over differences on shifting from a contract based on oil price indexation to one partly pegged to European hub prices. "Moldova declares state of emergency after Gazprom threats", RBC Ukraine, 20 October 2022. Gazprom, Moldovan officials said, was seeking a threefold increase in price. "Russia using gas to bully Moldova, says EU", Reuters, 28 October 2021. Russia reportedly proposed a reduction in price in exchange for political demands, including changes to Moldova's free-tariff trade deal with the EU. "Gazprom offered Moldova new gas deal in exchange for weaker EU ties", *Financial Times*, 26 October 2021.

⁹ "Gazprom threatened to stop gas supplies to Moldova", RBC, 23 October 2021.

¹⁰ Emergency funds of €60 million from the EU, whose foreign policy chief accused Russia of "the weaponisation of gas" in the crisis, made the more expensive arrangement possible, and the government sought to speed up efforts to diversify its supplies. "Russia using gas to bully Moldova, says EU", Reuters, 28 October 2021.

¹¹ "Moldova says Russia's Gazprom cuts gas supplies by 30%", Reuters, 1 October 2022.

¹² Moldova only received 51 per cent of the gas it required in November 2022. Moldova began purchasing gas on the international market, a move that coincided with a sharp increase in gas prices in Europe caused by the fall in Russian supplies. As a result, gas prices in the country doubled and electricity prices almost tripled in 2022, fuelling inflation, which reached 30.24 per cent in 2022, an all-time high, while GDP fell by 5.9 per cent. See "Gazprom cuts gas supplies to Moldova by a third", RBC, 1 October 2022; and "Inflation in Moldova exceeds 30% in 2022", Interfax, 11 January 2023.

¹³ Among other things, it modified the pipeline to allow for the bidirectional flow of gas. Earlier, on 25 March 2022, the EU included Moldova in a common purchase platform for natural gas, liquefied natural gas and hydrogen. See "EU agrees to buy gas jointly and opens common purchase platform to Georgia, Moldova and Ukraine", EU Neighbours East, 26 March 2022; "Moldova will no longer buy gas from Russia's Gazprom – energy minister", Reuters, 2 October 2023; "Moldova marks historic step on Trans-Balkan reverse flows", ICIS, 1 December 2022; "Romania starts exporting gas to Moldova", *Barron's*, 5 December 2022. "Moldova buys Greek gas to test new import routes", Reuters, 13 April 2023.

dova also disclaimed the debt assessed by Gazprom.¹⁴ The switch would not have been national financial institutions.¹⁵ Until 2023, Moldova had no dedicated energy ministry, and seven people in government were handling these matters; there are now 60 people in the ministry, which was established with U.S. support.¹⁶ “The Russians lost their last instrument to switch off the lights”, a senior Moldovan official boasted.¹⁷

C. *Russia’s Shifting Tactics*

Moscow’s response to Chisinau’s westward drift has evolved. At the start of its full-scale invasion of Ukraine, it appears to have thought that control of southern Ukraine all the way to Transnistria would give it the military leverage to dictate its desires to Moldova.¹⁸ Moscow still aims to outlast Ukraine in order to force Kyiv into striking a deal that would – if possible – include its preferences regarding Moldova’s future orientation and Transnistria.¹⁹ For the time being, however, with the front lines far from the Moldovan border, that goal is on the back burner, as Moscow looks to other tactics.

While Moscow has traditionally enjoyed greater economic and political leverage over Chisinau than it does today, it has also developed other means of keeping Moldova off balance. Going back to Soviet days, it looked to Transnistria as a bulwark of influence in the region, and it has more recently cultivated Gagauzia as well. By seeking to reinforce the country’s internal divisions, it aims to keep Chisinau on the back

¹⁴ “Moldovan president says audit disproves \$800 million Gazprom debt claim: Report”, Reuters, 2 September 2023.

¹⁵ For example, Moldova’s largest institutional investor, the European Bank for Reconstruction and Development, ploughed €875 million into the country from 2022 to 2023, much of which has gone to helping the country diversify its energy sources. Moldova finances its gas purchases on the international market through loans from the Bank. The Bank provided €300 million in 2022 and, together with Norway, €199 million in 2023. Additionally, the U.S. allocated \$80 million to offset natural gas and electricity bills for low-income citizens. Crisis Group interview, former Moldovan official, 22 March 2024. See also “EBRD invests a record €525 million in Moldova in 2022”, EBRD, 28 January 2023; “EBRD and Norway provide a further €199 million financing package for Moldova gas purchases”, EBRD, 17 October 2023; “Blinken pledges US support for Moldova amid rising Russian threats”, Voice of America, 29 May 2024; and “Over 2.5 billion dollars – for 32 years. How much money has the USA offered to the Republic of Moldova since the beginning of the war in Ukraine”, Moldova 1, 29 May 2024.

¹⁶ Crisis Group interview, senior Moldovan officials, Washington, 10 April 2024. See also “Moldova has established a Ministry of Energy. What are the priorities of the new ministry?”, TV 8 (Moldova), 7 March 2023.

¹⁷ Crisis Group interview, senior Moldovan official, Washington, 10 April 2024.

¹⁸ A Russian commander has declared that the war’s second phase would see Russian forces push all the way to Transnistria. “Ministry of Defence names tasks of the second stage of special operation in Ukraine”, TASS, 22 April 2022.

¹⁹ “The conflict will be solved by big players, not in Moldova, and a package solution on Ukraine and Transnistria would be suitable for Moscow”, said a Russian official. The same Russian official told Crisis Group that, if victorious in Ukraine, Moscow would push for reintegration of Transnistria into Moldova while insisting on guarantees of the country’s neutrality and a special status for the breakaway region. Crisis Group interviews, Russian official, February and November 2023. According to a Moldovan politician, the country would “have to completely halt its security cooperation with the West” in this scenario. Crisis Group interview, Moldovan politician, Chisinau, 22 November 2023.

foot. It may also be creating a check on how far the country can be integrated into the West, believing that neither the EU nor NATO will accept a divided Moldova.

Scare tactics are another tool. Kremlin propaganda has stirred both fear and division by spuriously accusing the Moldovan authorities of threatening the country's Russian speakers – many of whom live in the two dissident regions; it is the sort of claim that could be a pretext for intervention down the road.²⁰ In another muscle-flexing signal, in 2023, Russia removed from its foreign policy doctrine mention of resolving the Transnistrian conflict on the basis of respect for Moldova's sovereignty and territorial integrity.²¹ Russian Foreign Minister Sergei Lavrov and fellow officials repeatedly draw threatening parallels between Chisinau and Kyiv, implying that military action is not out of the question.²² Additionally, a number of largely unexplained events seem like they may have been intended to reinforce the sense that Russian power can still reach into Moldova – including the explosion of a grounded helicopter on 17 March and a drone attack on 5 April – both at military bases in Transnistria – and other explosions in April and May.²³

Still another set of tools involve efforts to influence the country's politics through the manipulation of political actors and spreading of disinformation, as discussed further below.²⁴ But whatever impact these tactics are having, they have not moved Chisinau off its path. An emboldened Moldova has continued to tack West, and as it does, it has also begun to tighten the reins on the two dissident regions – to less than ideal effect.

²⁰ On 1 March, in response to Transnistria's appeal, Lavrov said: "The regime that has settled in Chisinau and which is following in the footsteps of the Kyiv regime, abolishing everything Russian, discriminating against the Russian language in all spheres and, together with the Ukrainians, also organising serious economic pressure on Transnistria". See "Lavrov commented on the reasons for Transnistria's request for help from Russia", RIA Novosti, 1 March 2024.

²¹ Oleg Ignatov, "Saying the Quiet Part Out Loud: Russia's New Vision for Taking on the West", Crisis Group Commentary, 2 May 2023.

²² See, for example, "Lavrov said that the West wants to turn Moldova into a new 'anti-Russia'. Chisinau condemned the minister's 'threatening rhetoric'", Meduza, 2 February 2023.

²³ Moldovan authorities say both the explosion and the drone incident – mirroring a series of events in the weeks after Russia's invasion of Ukraine – were aimed at sowing panic among residents at the potential for the war next door to spill over. "A kamikaze drone destroyed an old out-of-service helicopter in Transnistria", Interfax, 17 March 2024. "Transnistrian authorities claimed a drone strike on a military base", RBC, 5 April 2024. In April and May 2022, a series of explosions rocked Transnistria, hitting radio masts and a security services building in what Moldovan authorities said was a bid by the Kremlin to stoke tensions. See "Moldova: Explosions reported near Transnistria Ministry of Security in Tiraspol April 25", Crisis 24, 25 April 2022. "Transnistria's interior ministry reported explosions near the border with Ukraine", RBC, 7 May 2022. "Moldova says it was not involved in the strike on the base in Transnistria", RBC, 17 March 2024.

²⁴ See Section IV.

III. Escalating Tensions with Transnistria and Gagauzia

Newly emboldened by stronger ties to both the West and to Ukraine, Moldovan officials have sought to strengthen political and economic controls on breakaway Transnistria and autonomous Gagauzia – creating a mix of anxiety and grievance. Although Russia’s war in Ukraine has sped up the reorientation of trade ties in each region away from Russia, and diminished Moscow’s sway in other ways that could offer an opportunity for rapprochement with Chisinau, the political elites in both regions have appealed to Moscow for help in response to what they have described as bullying by Moldova’s government.

A. *Transnistria Gets Squeezed*

Since Russia helped Transnistria break away from Moldova three decades ago, the region’s economy has thrived off its unusual status at an informal crossroads of East and West. This status has allowed Transnistria to receive free gas from Moscow and Russian pension payments; engage in trade and smuggling across its 400km border with Ukraine; and enjoy access to EU markets through Moldova.²⁵ Its residents, if they wish, can hold Russian passports and vote in Russian elections. The conglomerate that dominates its economy, Sheriff, financed a football club that beat Real Madrid in 2021 in the Champion’s League.²⁶ The region flies its own flag, prints its own money and runs its own security, economic and social policies for a population of over 360,000. Its shops supply Russian goods and sport signs in Cyrillic. A checkpoint just over 50km from Chisinau that marks the line between Transnistria and the rest of the country has all the trappings of a border. It is patrolled by Russian peacekeepers – part of a mission with local and Moldovan forces that has operated in the region since the war of secession ended in 1992.

But the war next door has cut off Transnistria’s eastward trade ties. Ukraine closed its border with Transnistria, fearing Russia would seek to open another front – perhaps aided by the 1,300 Russian troops who are still based in the enclave, mostly local recruits guarding Soviet-era weapons and ammunition stockpiles.²⁷ Boxed in by

²⁵ Officially, around 95,500 residents of Transnistria receive pensions from the local budget. The de facto authorities supplement these payments with money received from Russia. Additionally, there are about 50,000 pensioners with Russian passports in Transnistria who receive only Russian pensions. See “In Transnistria, almost 95.5 thousand people receive pensions”, *Novosti Pridnestrovya*, 31 March 2023. “Russian funds for additional payments to pensioners have been received”, President of the Pridnestrovian Moldavian Republic, 22 May 2024. “Tiraspol and Chisinau held their first negotiations in 2024. What’s next?”, *Novosti Pridnestrovya*, 19 January 2024. See also Vladimir Soloviev, “An ideal conflict on the Dniester”, *Open Democracy*, 27 July 2017.

²⁶ “Sheriff republic”, *Rise Moldova*, 30 June 2016. “A visit to FC Sheriff: Champions League upstarts from an unrecognised land”, *The Guardian*, 18 September 2021.

²⁷ On 28 February 2022, Ukraine closed all checkpoints on the Transnistrian section of its border with Moldova. See “Ukraine closed the border with Transnistria”, *Novosti Pridnestrovya*, 28 February 2022. According to the EU Border Assistance Mission to Moldova and Ukraine, in 2022, Transnistria’s foreign trade dropped by 20 per cent in value, compared to 2021, and in 2023 by a further 7 per cent. Transnistrian exports fell from about \$700 million in 2021 to about \$400 million in 2023. See the Mission’s Annual Reports for 2022 and 2023. The Russian-flagged forces, primarily comprising locals holding Russian passports, along with a small number of Russian officers, are

the border closure, exports to Russia also shrunk, contracting 7 per cent in 2022 and 39 per cent further in 2023 – though the country remains the second-biggest market for goods from Transnistria.²⁸ This change in circumstances has made Transnistria more dependent on trade links via Moldova. “Instead of importing goods through Ukraine according to our own rules, we clear goods through Moldova according to their rules, and it is twice as expensive”, an expert close to the de facto Transnistrian leadership told Crisis Group.²⁹

Transnistria has also been affected by Ukraine’s improved relations with Moldova. The countries increasingly see eye to eye on Transnistria. In the past, it was a source of friction: the illicit economic links connecting the breakaway region with Ukraine had enriched a group of businesspeople and politicians in Ukraine who had no desire to change that status quo.³⁰ But in the aftermath of Russia’s full-scale invasion, concerns about the 1,300-strong Russian troop contingent in Transnistria, the arms depot and the corresponding prospect of a new front in the Russo-Ukrainian war trumped those considerations.³¹ Kyiv has come to believe it should play a supporting role in Moldova’s efforts to resolve its internal dispute. It has made clear that its main partner in this effort will be the government in Chisinau.³²

Although Tiraspol remains closer to Moscow than Chisinau, Russia’s star has faded somewhat in Transnistria, too. An indicator appeared in 2023 when the region agreed to allow transit of Ukrainian goods through its territory even as Russia tried to impede Kyiv’s grain exports with missile strikes.³³ The former head of the Organisation for Security and Cooperation in Europe (OSCE) mission to Moldova offered a terse

deployed in addition to the peacekeeping force. Their primary responsibility is to safeguard an arms depot close to the Ukrainian border in Cobasna. This depot, spanning 150 hectares, serves as a storage facility for approximately 20,000 tonnes of outdated ammunition. See “Nashi in Transnistria, part two”, Zvezda TV, 4 November 2018.

²⁸ In 2023, 69 per cent of the region’s exports went to the EU, mostly metals, textile and agricultural products. Russia accounted for 13 per cent of exports. See the EU Border Assistance Mission’s Annual reports for 2022 and 2023.

²⁹ Crisis Group interview, expert close to the de facto Transnistrian leadership, Chisinau, 24 November 2023.

³⁰ “Poroshenko-Sheriff business connections”, Rise Moldova, 20 March 2018.

³¹ Crisis Group interviews, Ukrainian and Moldovan diplomats and officials; Transnistrian de facto official, Chisinau and Kyiv, February and September–November 2023. After Russia’s full-scale invasion, Ukrainian military officers had privately mooted the possibility of invading Transnistria to seize the Russian arms depot in Cobasna – a prospect that alarmed both Moldovan authorities and Transnistria’s de facto leaders, who had held frequent talks to prevent an escalation. In Transnistria, police even dispersed a small rally in support of Russia in the autumn of 2022. In May 2024, in a bid to dampen tensions, President Sandu said Ukraine had never approached Moldova with a proposal to resolve the Transnistrian conflict by force. “Sandu denied rumors that Ukraine allegedly offered to ‘close the issue’ with Transnistria by force”, *Babel*, 7 May 2024. See also “Arestovich threatened to seize Transnistria in three days”, RIA Novosti, 24 February 2023.

³² “Ukraine is Moldova’s main partner in the Transnistrian settlement”, a senior Moldovan official said. Crisis Group interviews, Russian official and senior Moldovan officials, November 2023–June 2024. Ukrainian President Volodymyr Zelenskyy has said he believes that a resolution of the conflict will emerge from “the standpoint of a strong state, a victorious state [Moldova] that has reclaimed its territory”. “Zelenskyy calls Transnistria conflict settlement format ‘dead’”, RBC Ukraine, 1 June 2023.

³³ Crisis Group interviews, Moldovan officials, Chisinau, November 2023.

opinion as to Russia's standing in the region: "no access, no influence".³⁴ Business chiefs such as Viktor Gushan, owner of the sprawling Sheriff conglomerate, appear to be increasingly hedging their bets, worried that taking too uncompromising a position with Chisinau or too staunch a pro-Russian stance will endanger their future business interests.³⁵ They remain dependent on cheap Russian gas but also on continued access to trade with the EU.³⁶ "The people thinking about their future know that EU integration could bring them benefits and they also see that Russia can do little for them now", a senior Ukrainian diplomat said.³⁷

Simultaneously, the war next door appears to have intensified the feelings of estrangement from Russia gradually spreading among the population in the breakaway region. At a Romanian-language school in Tiraspol, teachers said they have more and more children whose parents speak only Russian but who want their children to be able to study and work in Chisinau – "on that side", as one put it.³⁸ Applications for Moldovan passports by the region's residents (who sometimes travel on Romanian, Russian or Ukrainian passports) surged following Russia's 2022 invasion, representing 97.55 per cent of the population by January 2024.³⁹ In March, Transnistria recorded its lowest turnout in a Russian presidential election in the past eighteen years.⁴⁰ But if Transnistria has shown signs of changing, it is not doing so fast enough for Chisinau.

Feeling increasingly emboldened in this new landscape, Moldovan officials have sought to tighten political and economic controls on the region through the incremental enactment of a variety of laws and policies. In March 2023, the Moldovan parliament outlawed political demands for Transnistria's separation from greater Moldova, making them punishable by imprisonment in a move that Transnistria's leaders branded an act of aggression.⁴¹ Despite Moldovan assurances that they remain free to travel throughout Moldova, Transnistria's high-ranking de facto officials fear

³⁴ Crisis Group interview, retired U.S. diplomat and former head of OSCE mission to Moldova, 12 April 2024.

³⁵ Gushan is praised as "pragmatic" by government officials in Chisinau. An aide of his meets with foreign diplomats and officials. Crisis Group interviews, February 2023-June 2024.

³⁶ They "don't want to support Putin, but they depend on Russian gas supplies", said an energy adviser to the Moldovan government. Crisis Group interviews, current and former Moldovan officials, November 2023.

³⁷ Crisis Group interview, senior Ukrainian diplomat, Kyiv, 4 March 2024.

³⁸ Crisis group interviews, teachers and students, Lucian Blaga Theoretical Lyceum, Tiraspol, February 2024.

³⁹ "In Transnistria, the number of those wishing to obtain Moldovan citizenship has been growing since the beginning of the war in Ukraine", NewsMaker, 19 April 2022. "More than 357,000 Transnistrian residents are Moldovan citizens", NewsMaker, 31 January 2024.

⁴⁰ "New poll: Moldovans want government to prioritize economy, public service delivery", press release, International Republican Institute, 25 July 2019. "IRI Moldova poll finds continued support for EU, optimism in the country's direction, rising approval of President Sandu", press release, International Republican Institute, 8 September 2023. On Russian elections, see "Why Russians in 'original frozen conflict' skipped Vladimir Putin's re-election", *Financial Times*, 19 March 2024.

⁴¹ The law criminalises actions aimed at the secession of a part of Moldova, the dissemination of information inciting such actions and the financing thereof. "Separatism law: What will we deal with after 18 March?", *Novosti Pridnestrovya*, 17 March 2023. "Transnistria called 'an act of aggression' the inclusion of punishment for separatism in the Moldovan criminal code", *Interfax*, 2 February 2023.

they could be arrested and no longer dare leave the region.⁴² The legislation (which was introduced at the behest of Moldova's security services) has attracted outspoken criticism from the OSCE, which had been the main international mediator in Moldova's internal conflict prior to the fizzling of talks amid the war in Ukraine, as well as from Western diplomats in Chisinau – who cited its vague language and the potential for selective enforcement.⁴³

Moldova also began to deny entry to the small number of Transnistrian residents who lack a Moldovan passport, even if they were travelling on passports issued by Russia, Ukraine or Romania. In December 2023, Moldova sent Aleksandr Navaric, a former de facto Transnistrian official with a Russian passport, to Armenia (as there are no direct flights to Russia) when he tried to return home.⁴⁴ The next January, the authorities did the same to Anna Mamei, a judge from Tiraspol with Russian citizenship.⁴⁵ Tiraspol has noted that such moves have been “accompanied by threats” against Transnistrian officials.⁴⁶ In March, Ukraine followed Moldova's lead, placing Tiraspol's de facto foreign minister, Vitaly Ignatiev, who holds both Ukrainian and Russian citizenship, on a wanted list over accusations of “cooperating with an aggressor state [Russia]”, further restricting his movements.⁴⁷

In the commercial realm, over the course of 2023, Chisinau also began enforcing tighter customs checks on goods in transit to Transnistria and stripped some Transnistrian exporters of tax relief that they had previously enjoyed. Moldovan authorities also hindered the import by Tiraspol of Russian medical supplies and drugs, saying they are not certified in Moldova.⁴⁸ Chisinau banned three Transnistrian companies from sending Russia goods it said could have military uses, forcing them to cut production and slash jobs.⁴⁹ Moldovan authorities also demanded that some Transnistrian firms, including one of the region's largest employers, the Moldovan Metallurgical

⁴² According to a de facto Transnistrian official, “Moldova refuses to explain to us how it intends to apply the law and does not respond to our requests”. Crisis Group interview, Tiraspol, 9 February 2023. See also “Chisinau and Tiraspol differ in their assessment of the Moldovan law on separatism”, Interfax, 17 February 2023.

⁴³ A European diplomat in Chisinau expressed concern that “because of the law on separatism, the emerging rapprochement between Moldova and Transnistria may come to a halt”. A Moldovan official called the law “a gift to Transnistria”, meaning that it would only make relations worse. Crisis Group interviews, Moldovan officials and Western diplomats, Chisinau, February 2023. See also “Moldova: Comments on the Criminalization of ‘Separatism’ and Related Criminal Offences”, OSCE, 18 December 2023.

⁴⁴ “Transnistrian citizen not allowed home at Chisinau airport”, Novosti Pridnestrovya, 16 January 2024.

⁴⁵ “Moldovan authorities deported the head of the Tiraspol city court Anna Mamei”, Novosti Pridnestrovya, 23 January 2024.

⁴⁶ “PMR MFA Statement on the Deportation of a Pridnestrovian Citizen”, Ministry of Foreign Affairs of the Pridnestrovian Moldavian Republic, 25 January 2024.

⁴⁷ “The minister of criminal cases”, *Kommersant*, 29 March 2023.

⁴⁸ “Moldovan authorities continue to block drug supplies to Transnistria”, Novosti Pridnestrovya, 27 March 2024. “Oleg Serebrian admitted that Moldova created a shortage of drugs in Transnistria”, Novosti Pridnestrovya, 29 March 2023. “Moldova blocked the supply of medical equipment for Transnistria”, Novosti Pridnestrovya, 25 October 2023.

⁴⁹ “Tiraspol accuses Chisinau of artificially restricting exports from Transnistria”, TASS, 10 October 2023.

Plant, pay environmental fees into the Moldovan budget for the first time.⁵⁰ It was a thinly veiled warning to the company, which can export to and import from the EU only if national authorities issue it an environmental permit.⁵¹

At the start of 2024, tensions between Moldova and Transnistria escalated over the issue of taxes. On 1 January, Chisinau quashed the longstanding exemption of Transnistrian businesses from paying duties on exports, ending a 25-year-old arrangement that had enabled the breakaway region's firms to instead pay lower tax rates to Transnistria's de facto authorities.⁵² Under Moldova's trade pact with the EU, signed in 2014, Transnistrian firms also benefit from tariff-free exports to the bloc. "We cannot tolerate two different regimes: Moldova companies respect the rules whereas Transnistrian companies don't", a senior Moldovan official said. "We want to make [Transnistrians] understand that this is the only possible way in the future if we are to join the EU and they want to continue to have access to the EU single market".⁵³ Transnistrian officials counter that the move amounts to an economic blockade.⁵⁴ They claim it will cost the region \$100 million, or some 10 per cent of its GDP.⁵⁵

While those figures may be exaggerated, the economic squeeze drove the region to take retaliatory steps. In January, Transnistria imposed a tax on Moldovan farmers with land located on the Transnistrian bank of the Dniester River, which divides the

⁵⁰ "Major Transnistrian enterprises started paying taxes to the Moldovan budget", MyBusinnes.md, 12 September 2023 [Russian]. "Transnistrian economic agents will pay for environmental pollution in Moldova", Infotag, 22 December 2023.

⁵¹ From February to May 2022, Chisinau blocked the metallurgical firm from importing raw materials from the EU and the rest of Moldova, citing its lack of authorisation from the Moldovan environmental authority. See "This will affect our whole city: Moldova continues to block the operation of MMZ", Novosti Pridnestrovyia, 14 April 2022; and "Moldavia extends work permit for Transnistrian steelmakers for a month", TASS, 3 January 2023.

⁵² Since 1997, Moldovan legislation has stipulated that Transnistrian firms do not pay export and import duties to the Moldovan state. Instead, these duties have been paid into the Transnistrian region's coffers at a reduced rate. This measure aimed to encourage the breakaway region to trade through Moldova and facilitate the legalisation of its businesses. In 2021, Moldova adopted a new customs code, which came into force on 1 January 2024, that formally quashed these special privileges, but did not specify what other arrangements would be enforced. Transnistria raised concerns about the change in negotiations over the course of 2022 and 2023. Transnistria's de facto President Vadim Krasnoselsky said he received assurances that no new duties would be imposed – a claim corroborated by Crisis Group. Crisis Group interviews, Transnistrian de facto officials, November 2023. See also "Comments by the President of the Pridnestrovian Moldavian Republic for RIA News", President of the Pridnestrovian Moldavian Republic, 11 January 2024; "Transnistria has been set a task", Kommersant, 11 January 2024; "Moldova's customs duties: What will they lead to and how can it end?", Novosti Pridnestrovyia, 12 January 2024.

⁵³ Crisis Group interview, senior Moldovan official, Chisinau, 10 April 2024.

⁵⁴ "Message of the PMR President Vadim Krasnoselsky to officials of the Republic of Moldova in connection with the use of new forms of economic pressure on Pridnestrovian entrepreneurs participating in foreign economic activity", President of the Pridnestrovian Moldavian Republic, 5 January 2024.

⁵⁵ "Transnistria says that the country's losses due to Moldova are estimated at 10% of GDP", TASS, 28 February 2024.

breakaway region from the rest of Moldova, and hiked utility bills for Moldovan institutions operating in the breakaway region, such as schools teaching in Romanian.⁵⁶

Next came an appeal for diplomatic assistance from Moscow. On 28 February, Transnistria's de facto leader convened an extraordinary session of local deputies – the first in eighteen years – which asked Russia to take steps to protect the region from what the deputies called increasing Moldovan pressure.⁵⁷ In the run-up to their pleas, rumours had swirled in Moldova and beyond that Moscow would attempt to annex the region, after a former Transnistrian official forecasted as much on social media.⁵⁸ But neither Transnistria nor Gagauzia (which approached Moscow at roughly the same time) went so far as to ask for Russia's political or military intervention, calling only for diplomatic support. A Russian lawmaker bluntly said it would have made no "practical sense" for Transnistria to ask for anything more, since Moscow could not supply the region by land or air.⁵⁹ "It turned out to be much ado about nothing", a Moldovan official said.⁶⁰

Still, the public appeal to Moscow showed how much the breakaway region's relations with Chisinau have deteriorated over its recent policies, and the trend shows no sign of abating. "Chisinau stopped negotiating and started demanding", a source familiar with negotiations between the two sides said.⁶¹ "There is less and less acceptance in Moldova that it is necessary to compromise with Transnistria", another said.⁶² Moldovan officials say privately they will continue to push Transnistria to comply with rules that apply to the rest of the country, and which would make life

⁵⁶ "Transnistria introduced a tax for farmers in Dubăsari. Chisinau reacted", *Nokta*, 18 January 2024. "In Transnistria, utility tariffs were increased for Romanian-language schools", *NewsMaker*, 28 March 2024.

⁵⁷ The local deputies appealed to both chambers of Russia's parliament with "a request for the implementation of diplomatic measures to protect Transnistria in the face of increasing pressure from Moldova, taking into account the fact that more than 220,000 Russian citizens permanently reside on the territory of the Transnistrian Moldovan Republic and the unique positive experience of Russian peacekeeping on the Dniester, as well as the status of guarantor and mediator in the negotiation process". See "Resolution and Declaration of the VII Congress of Deputies of All Levels of the PMR", *Novosti Pridnestrovya*, 28 February 2024.

⁵⁸ See Facebook post by Gennady Ciorba, 20 February 2024.

⁵⁹ On 28 February 2024, Konstantin Zatulin, a member of the lower house of the Russian parliament, said: "It is clear that if we were now standing on the border with Transnistria, this appeal would make practical sense". See "The State Duma says when it will consider Transnistria's appeal", *RIA Novosti*, 28 February 2024.

⁶⁰ Crisis Group interview, senior Moldovan official, Chisinau, 10 April 2024.

⁶¹ Crisis Group interview, source close to negotiations, Chisinau, 21 November 2023. On 10 December 2024, the Moldovan vice prime minister responsible for the peace process with Tiraspol, Oleg Serebrian, also stated that reintegration of Transnistria is not "happening through negotiations as it used to" and that there is now "a gradual implementation of Moldovan laws in the Transnistrian region". See "Moldova says new turn in Transnistria reintegration process", *RIA Novosti*, 10 December 2023.

⁶² Crisis Group interview, negotiator, Chisinau, 7 February 2023. Moldavskaya Gas Fired Power Plant (Moldavskaya GRES) is located in Transnistria and owned by Russian Inter RAO UES. It produces electricity from Russian natural gas. Moldova purchases about 80 per cent of its electricity from this plant. See "Power plant profile: Moldavskaya Gas Fired Power Plant, Moldova", *Power Technology*, 31 May 2024.

more expensive for firms and consumers there.⁶³ While Moldovan officials assert that these measures are needed to create a level playing field for Moldovan businesses, and/or to smooth the path toward EU accession and/or to prepare the ground for eventual reintegration, they are perceived in Transnistria as heavy-handed if not punitive.⁶⁴

Transnistria's loss of leverage in its relations with Chisinau and Russia's diminished sway – two trends which Moldovan officials are quick to crow over – have understandably spurred authorities to seek ways to chip away at the region's de facto self-rule and lingering allegiance to Russia. It is the first time they can do so without fear of reprisals from Moscow such as trade bans or energy cutoffs. But by opting for sticks without offering carrots or dialogue, Moldovan authorities risk creating a backlash and calcifying resistance to closer alignment with Chisinau.

B. *New Tensions with Gagauzia*

Unlike on the road to Transnistria, there are no checkpoints en route from Chisinau to Gagauzia's main city, Comrat. The region's spoken language is overwhelmingly Russian. Signs are also in Gagauz, an official language of a mainly ethnically Turkic, Orthodox Christian minority for whom the rural region with a population of 150,000 is home.⁶⁵ But few speak Romanian, the state language of Moldova, and that has limited the region's integration with the rest of the country. The region has its own governor, known as the Bashkan, and its own parliament. It nominates the local head of police and prosecutor for approval by Moldova.⁶⁶ But the autonomous southern region's status has been a chronic source of tensions, with Gagauzia frequently accusing Chisinau of failing to respect its autonomous rights.⁶⁷

⁶³ Next steps might focus on trade to and from the region that needs to pass through the rest of the country. Here, the measure that would probably be most alarming to residents in Transnistria would be the imposition of a 20 per cent value-added tax on Transnistrian firms and excise taxes on products such as cigarettes, alcohol and fuel. "Moldova's custom duties: What will they lead to and how can it end?", *Novosti Pridnestrovyia*, 12 January 2024. "In retaliation, Tiraspol punished the most vulnerable categories of the population – expert on the introduction of customs duties for Transnistria", *Nokta*, 12 January 2024. Chisinau might also try to enforce environmental or road taxes, impose new banking rules or even seek to make the Moldovan currency, the lei, the sole legal tender in the region. But Moldovan officials might find it a struggle to enforce any such changes in a region that has been self-governed for over three decades. Crisis Group interviews, Moldovan officials in Chisinau, Brussels and Washington, November 2023–April 2024.

⁶⁴ Crisis Group interview with Moldovan officials, February 2023–June 2024.

⁶⁵ Governor Evghenia Guțul's first trip abroad after her election was to Türkiye, where she appealed for help in safeguarding the region from what she said were "attempts to destabilise and manipulate Gagauz autonomy" in a meeting with Turkish Foreign Minister Hakan Fidan. "New Gagauzia Bashkan visited Turkey", *Infotag.md*, 18 September 2023. Today, Türkiye appears to have more visible cultural ties to the region than Russia, including a Turkish cultural centre offering a library and language courses.

⁶⁶ The governor is elected and then approved by the Moldovan president to serve as a member of the Moldovan government. According to the law, Gagauzia retains the right to self-determination "in the event of a change in the status of the Republic of Moldova as an independent state". Gagauzia is largely autonomous in its economic, educational and social policies. "On the Special Legal Status of Gagauzia", Law of the Republic of Moldova No. 344-XIII of 23.12.1994.

⁶⁷ Galiya Ibragimova, "Will Gagauzia become Moldova's second breakaway region?", *Carnegie Politika*, 22 May 2024.

Moldova's crumbling relations with Moscow and the question of EU accession have provoked a backlash in Gagauzia, where the population is largely opposed to President Sandu's new foreign policy orientation. A dip in exports to Moscow for farmers, soaring inflation and energy prices under her government has only bred more resentment in the impoverished region, despite economic realities that diminish Russia's importance there. EU member Romania, Turkey and Ukraine are all bigger markets for Gagauz exports than Russia, and the EU is much more heavily invested in the region than Moscow.⁶⁸ Gagauzia is also one of the country's most heavily subsidised regions, with 70 per cent of its budget coming from the national Moldovan treasury.⁶⁹ Still, all the candidates running for regional governor in the spring of 2023 were pro-Russian and against closer European integration.

The Kremlin appears to have seized on these dynamics as an opportunity to destabilise Moldova. Tensions between Gagauzia and the Moldovan government have escalated quickly the election of Evghenia Guțul as governor in May 2023. Guțul is a protégé of Ilan Shor, an exiled pro-Russian businessman and politician whom the EU and the U.S. have sanctioned as a Russian agent.⁷⁰ Shor was convicted in 2023 for his role in stealing \$1 billion from the Moldovan banking system; the sentence, however, was issued in absentia because he had fled to his native Israel in 2019 to evade charges.⁷¹ Moldovan authorities say he organised a series of anti-government protests in 2022 and 2023 with financing from and under the direction of the Kremlin.⁷²

Guțul had no background in politics before being catapulted to power from relative obscurity after working as a secretary for the local branch of Shor's party. Her campaign, during which she promised to build an airport and amusement park in the tiny region, was backed by video endorsements from Russian celebrities.⁷³ The campaign officially declared spending seven times more than her main rival.⁷⁴ President Sandu has refused to recognise Guțul's election or include her in the country's government, as seemingly required by Moldova's constitution, saying she was voted in on the ticket of Shor's party and is "a member of a criminal group".⁷⁵ Upon the government's request, Moldova's Constitutional Court in June 2023 banned Shor's party.⁷⁶

⁶⁸ "Analysis of the Foreign Economic Activity of Gagauzia for 2018-2022", Gagauz Ministry of Economic Development and Tourism, December 2022.

⁶⁹ "No budget for no budget. How Gagauzia lives without a budget for 2022 and risks remaining without a budget for 2023", NewsMaker, 8 November 2022.

⁷⁰ "Treasury Targets Corruption and the Kremlin's Malign Influence Operations in Moldova", U.S. Department of Treasury, 26 October 2022. "EU sanctions pro-Russian oligarch over plan to 'destabilize' Moldova", *Politico*, 30 May 2023.

⁷¹ "Moldovan Shor party leader sentenced to 15 years in prison", RBC, 13 April 2023.

⁷² "All protests were financed from abroad, with participants receiving a daily payment of twenty euros", a senior Moldovan official told Crisis Group. Crisis Group interview, Chisinau, 10 February 2023. See also "Moldova wary of protests fanned by pro-Russian party", BBC News, 20 February 2023.

⁷³ "Bashkan candidate Evghenia Guțul: Biography, gifts worth thousands of euros and the costliest elections campaign", Nokta.md, 25 April 2023.

⁷⁴ Andrew Higgins, "Cash, mules and paid protests: How a fraudster seized an ethnic enclave", *The New York Times*, 24 September 2023.

⁷⁵ See "Sandu: Guțul 'has nothing to do in the Moldovan government'", Gagauz Info, 18 March 2024.

⁷⁶ The Moldovan prime minister claimed the party threatened the country's sovereignty. See "Why the pro-Russian party Shor was banned in Moldova", RBC, 19 June 2023. The ruling can be found on the Constitutional Court's website. Under the ruling, the party's lawmakers keep their seats as independents but will not be able to join other factions. The party won six of the 101 seats in par-

As it did in Transnistria's case, the Moldovan government has sought to introduce measures that – had they stuck – would have caused Gagauzia economic pain. In October 2023, the Moldovan parliament demanded that the autonomous region reimburse local entrepreneurs for tax breaks from the local budget, rather than from the national budget, as had been the practice until then.⁷⁷ Sandu's ruling party said the aim was to reduce the financial burden on the Moldovan state, but some deputies said the goal was to punish Gagauzia for "anti-European sentiments".⁷⁸ The decision prompted deputies in the regional legislature, the People's Assembly of Gagauzia, to withdraw from an inter-parliamentary contact group with their Moldovan counterparts, one of the few regular channels of dialogue between Chisinau and the region since 2015.⁷⁹ The tax reimbursement measure was ultimately overruled by Moldova's Constitutional Court in March.⁸⁰ Meanwhile, the Gagauz authorities have also opposed the Moldovan government's judicial reform plan and demanded enhanced status for the Russian language in the region.⁸¹

Against this backdrop, Gagauzia did its own outreach to the Kremlin.⁸² In early March, just days after Transnistria's public appeal to Moscow, Gagauzia's head Guțul met Russian President Vladimir Putin during a week-long visit to Moscow, where she accused the Moldovan authorities of usurping the autonomous region's powers.⁸³ Gagauzia's decision to follow in Transnistria's path and ask Moscow for aid has earned a firm rebuke from Moldova. After Guțul made another trip to Russia in early April, Moldovan state prosecutors charged her with illegally financing a political party; if

liament in the last national election in 2021. Alexander Tanas, "Moldova bans pro-Russian Shor party after months of protests", Reuters, 19 June 2023.

⁷⁷ "Guțul came to protest at the Constitutional Court building", NewsMaker, 6 February 2024.

⁷⁸ "Gagauzia will have to reduce expenditures. How the PAS initiative will affect the autonomy's budget", NewsMaker, 3 August 2023. "Oazu Nantoi: Gagauzia punished for wrong geopolitical orientation", Enews.md, 3 February 2024.

⁷⁹ "GPA deputies suspend their participation in joint working group with Moldovan MPs", Infotag, 13 December 2023. See also "Gagauzia retreats into a defensive posture: dialog with Moldova is frozen", Laf.md, 16 December 2023.

⁸⁰ "The court declared the amendments on VAT refund from the Gagauz budget unconstitutional", Nokta, 5 March 2024.

⁸¹ Gagauzia accuses Chisinau of attempting to remove Gagauz courts from the autonomous region's jurisdiction since the Moldovan parliament adopted a law on judicial reform on 30 May. The region plans to challenge this law in the Moldovan Constitutional Court. See "Moldova faces new challenge from restive Gagauzia region", Reuters, 21 April 2024. "Reorganisation of courts in Moldova and what does it have to do with the shrinking of Gagauzia's powers – Nokta's analysis", Nokta, 23 April 2024.

⁸² Guțul and the speaker of the Gagauzia People's Assembly, Dmitry Konstantinov, arrived in Moscow at the end of February, accusing Moldova of seeking to break economic relations with Russia, which would hit Gagauzia's exports. On 2 March, Guțul wrote after a meeting with the chairwoman of the Russian Federation Council, Valentina Matviyenko, that "ten Russian regions have signed an agreement on co-operation with Gagauzia. ... You can buy Gagauz products, including juices and wine, in Russia. Such trade interactions are very important for us. I am sincerely glad that we have agreed to develop economic ties". See Telegram post by Evghenia Guțul, 2 March 2024. See also "V. Matviyenko held a meeting with the leaders of the Gagauz autonomy of Moldova, E. Guțul and D. Konstantinov", Federation Council of the Federal Assembly of the Russian Federation, 1 March 2024.

⁸³ In response, according to Guțul, Putin "promised to support Gagauzia and the Gagauz people in upholding ... legal rights, powers and authority in the international arena". See Telegram post by Evghenia Guțul, 6 March 2024.

convicted she could be jailed and stripped of the right to hold office.⁸⁴ The United States – lending its weight to the Sandu government’s efforts to sideline Guțul – sanctioned her on 12 June.⁸⁵

Guțul’s travels reportedly earned her pledges of support from Russia – though some of her claimed successes appear more real than others. The Gagauz leader was widely quoted in the Russian media as saying the Kremlin had promised preferential access to the Russian market for Gagauzian goods, which are mostly agricultural exports. She also said she would secure discounted natural gas deliveries, but that appears impossible as it would breach Moldovan law and infrastructure is lacking for the region to receive direct supplies.⁸⁶

But the most striking result of Guțul’s visit was Moscow’s commitment that the state-owned Russian bank, Promsvyazbank, would pay all pensioners and public-sector employees in the region who apply a monthly payment equivalent to \$100 (in a country where the average pension is \$220).⁸⁷ Under the plan, some 25,000 residents would be eligible for the payments via a so-called Mir payment card issued by the bank. Since the Mir payment system is under Western sanctions, Gagauzia’s eligible residents are left to withdraw money using the card in Transnistria or by making electronic purchases on Russian websites.⁸⁸

The October referendum on charting a course toward joining the EU now threatens to deepen Chisinau’s tensions with Gagauzia.⁸⁹ In the run-up to the vote, Guțul has joined forces with other Moldovan parties opposing President Sandu’s drive to secure EU membership. Together, they have formed a new electoral bloc.⁹⁰ Many

⁸⁴ Guțul is accused of bringing money from Russia into Moldova to fund the party’s political activities and of paying protesters outside government buildings in Chisinau. See “Moldovan prosecutor’s office names details of criminal case against Gagauzia head”, RBC, 24 April 2024; and “Moldovan prosecutor’s office submits criminal case against Guțul to court”, TASS, 24 April 2024.

⁸⁵ According to the statement announcing the sanctions, “rather than serve the people of Gagauzia and the rest of Moldova, Guțul has consistently prioritized Shor’s personal interests and those of the Kremlin in attempting to undermine and destabilize Moldova”. “Taking Additional Measures to Degrade Russia’s Wartime Economy”, U.S. State Department, 12 June 2024.

⁸⁶ “We asked to buy gas directly from Gazprom”, Newsmaker.md, 13 March 2024. Under national law, prices cannot vary from one region to another within Moldova. “Mir payment cards for Gagauzia and (again) cheap gas. What’s not quite right with Guțul’s promises after her visit to Russia?”, Nokta, 28 March 2024.

⁸⁷ “The Moldovan initiative is a shining example of Russia’s opportunist approach and of the deep influence of intelligence agencies on its foreign policy”, wrote two long-time Russian experts on the country’s security services, Irina Borogan and Andrei Soldatov. Borogan and Soldatov, “The Kremlin Decides to Buy a Population”, Center for European Policy Analysis, 12 April 2024.

⁸⁸ “Russian Mir cards physically impossible to use on Moldovan territory, NBM”, IPN.md, 13 April 2024.

⁸⁹ Moldovan elections are not held in Transnistria, but Transnistrian residents with Moldovan passports are allowed to vote in the territory of Moldova under Chisinau’s control. Gushan, the head of the Sheriff business conglomerate, told Moldovan officials he did not want Transnistria and its residents to be involved in the referendum. Crisis Group interviews, Moldovan officials, November–June 2024.

⁹⁰ On 21 April, Moldovan opposition parties linked to Ilan Shor founded the electoral bloc Victorie (Victory), with the oligarch at its head, in Moscow. They advocate Moldova’s accession to the Eurasian Economic Union, as opposed to the EU, and deeper relations with Russia. See “Moldovan opposition announces new election bloc at Moscow event”, Euractiv, 22 April 2024. Guțul and others linked to Shor’s party will be allowed to take part in both the 2024 presidential election and the

voters in Gagauzia, who account for roughly 5 per cent of the nation's vote, are likely to abstain or cast their ballots against EU accession – enough to have an impact but only in a very tight count.

In any event, the planned vote has already heightened the region's perception of its differences with the rest of Moldova, although these are hardly new. After Moldova signed its trade pact with the EU in 2014, a referendum staged in Gagauzia – which the government in Chisinau declared illegal – saw more than 98 per cent vote in support of joining the Russian-led trade bloc of former Soviet states, the Eurasian Customs Union, rather than the EU.⁹¹

IV. Looming Challenges

Beyond the need to manage fraught relations with Transnistria and Gagauzia, the coming period will bring Chisinau two challenges of particular consequence for Moldova's stability: first, navigating forthcoming polls amid Russian meddling and, secondly, getting through negotiations over the future of Russian gas supplies to Transnistria and its critical power plant ahead of an end-of-year deadline.

A. Three Big Votes

Moldova's 20 October presidential election comes at an uncertain moment for the country. The incumbent, President Sandu, has improved her odds of winning a second term by twinning the presidential poll with the referendum on joining the EU.⁹² While polls suggest she faces a serious challenge as support for her party falters, in large part due to Moldova's economic malaise, they also show strong support for EU membership.⁹³ Moldovan law had banned combining national elections with a referendum.⁹⁴ But Sandu's party voted to scrap that restriction, while the president argued

2025 parliamentary elections in Moldova, after the country's Constitutional Court in March struck down legislation aimed at prohibiting individual members of banned parties from running for office for several years. See "Moldovan court strikes down law barring pro-Russian party from polls", Reuters, 26 March 2024. On 7 August, however, the electoral commission refused to register the Victorie bloc for the presidential election and referendum on the grounds that the bloc's name is similar to that of one of its constituent parties and that the unconstitutional Shor party had joined it. See "The Victory bloc was not registered to participate in the presidential election and referendum. Why?", NewsMaker, 7 August 2024.

⁹¹ See "Gagauzia voted in favor of the Customs Union", *Kommersant*, 4 February 2014.

⁹² On 16 May, parliament changed the proposed referendum question. Instead of "Are you in favor of Moldova's accession to the EU?", the question will be: "Do you support the inclusion of European integration in the Moldovan Constitution?". See "Parliament approved the date of the referendum on EU accession and changed the formulation of the question", NewsMaker, 16 May 2024.

⁹³ According to an IMAS poll conducted in July, 41.5 per cent would vote for Sandu, 14.2 per cent for Stoianoglo, 13.3 per cent for Renato Usatii, 10.9 per cent for Irina Vlah and 7.4 per cent for Ion Chicu, meaning the election would go to a second round. Some 58 per cent of respondents believe that it would be better if someone other than Sandu were to win. While 53 per cent support joining the EU, if a referendum on Moldova's accession to the Russian-led Eurasian Union were held, 38 per cent would vote for it. See "Socio-political Barometer", IMAS, July 2024.

⁹⁴ Some among Moldova's allies in Brussels questioned the timing of holding a referendum so early in the EU accession process, deeming it unnecessary and premature. The results of the referendum

that the referendum – which, if successful, would result in amending the country’s constitution to declare integration into Europe a strategic goal – was needed to ensure that Moldova keeps pursuing the course of accession no matter who holds office in the future.

The EU referendum is not an unalloyed boon for Sandu. It has galvanised opponents of joining the bloc, heralding a rough ride ahead of the polls and possibly until parliamentary elections due in early 2025. Sandu’s opponents have called for a boycott of the plebiscite.⁹⁵ One of them is a former president, Socialist Party leader Igor Dodon, who forged close ties with Moscow during his years in office. On 8 July, he said he would stand down from running for president and threw his support behind former Prosecutor-General Alexandru Stoianoglo, in a bid to consolidate opposition to Sandu.⁹⁶

Despite Moscow’s sway having receded, a significant minority of voters across the country remain loyal to Russia and sceptical of the government’s headlong rush toward the West.⁹⁷ These sentiments are clear in Moldovans’ deeply polarised views on the war in Ukraine. One poll in August 2023 found that just over a third of Moldovans said they believed Ukraine to be in the right in the conflict next door, while in another the next July, 59 per cent said they disagreed that outside powers should supply more arms to Ukraine.⁹⁸ Some residents have hosted Ukrainian refugees but refused to blame Russia for the war, causing tensions.⁹⁹ This divergence of opinion can even be found in the Moldovan military. One media investigation purportedly revealed that the former chief of the general staff shared sensitive military information with Russian intelligence services in 2022. This former officer appeared to echo Russia’s narrative that it is fighting fascism in Ukraine.¹⁰⁰

have no direct weight on the process. Crisis Group interviews, EU officials and diplomats, November 2023–March 2024.

⁹⁵ “Opposition calls for boycott of Moldova EU referendum”, Reuters, 18 April 2024. “Dodon called for boycott of EU accession referendum”, RIA Novosti, 17 June 2024.

⁹⁶ “Dodon says he won’t run in Moldovan presidential election, backs ex-prosecutor-general”, RFE/RL (Moldova), 8 July 2024.

⁹⁷ A survey by Moldova’s WatchDog pollster found that 27.5 per cent of respondents considered Russian-language outlets to be reliable – a decline from 42.9 per cent 2021 but still a significant part of the population. See “In the Republic of Moldova, Russia still feels at ‘home’”, WatchDog.md, 8 September 2023. According to the IMAS poll in July, 45 per cent of Moldovans support equally good relations with Russia and the European Union, while 31 per cent are pro-European and 12 per cent are pro-Russian. See “Socio-political Barometer”, op. cit.

⁹⁸ According to the poll of the Public Opinion Barometer, when asked who is right in the war, 33.9 per cent chose Ukraine, 25.1 per cent Russia and 23.9 per cent no one. Regarding the nature of the conflict, 35.1 per cent believed it stemmed from Russia’s defence of its proxy territories in eastern Ukraine or was an operation to liberate Ukraine from Nazism, while 33.4 per cent called it an unprovoked invasion. See Public Opinion Barometer’s poll, August 2023. According to the July IMAS poll, 55 per cent believe that the war should stop and Russia should keep the territories it occupies, 49 per cent think Putin is getting closer to achieving his war aims goals, 48 per cent believe that Russia cannot be defeated in the war and 59 per cent think external actors should not provide any more arms to Ukraine. See “Socio-political Barometer”, op. cit.

⁹⁹ Crisis Group interviews, Moldova residents, February 2023.

¹⁰⁰ Igor Gorgan, Moldova’s chief of the general staff from 2013 to 2016, and then later between 2019 and 2021, began sending information on Moldova’s aid to Ukraine to a member of Russia’s GRU military intelligence in April 2022, according to messages seen by The Insider. In one, Gorgan seemed

It is in this context that Russia has stepped up its meddling. Moldovan authorities have warned that Russian disinformation campaigns will aim to discourage the public from voting in the referendum in a bid to undermine its credibility.¹⁰¹ Russian outlets are already backing Shor and his new anti-European political project, which is attempting to consolidate the votes of those opposed to EU accession, while fake news and videos that appear to be of Russian origin have spread online.¹⁰² Alert to the risk of Russian mischief, the U.S., Britain and Canada have accused Russia of plotting to interfere in the October votes, issuing a sharply worded joint statement in June that warned Russia was “spreading lies” and planning to incite protests in Moldova should its “election meddling” fail.¹⁰³

Just how far election interference might go is unclear. In 2023, Kyiv’s intelligence services said they had intercepted a Moscow plan to stage a coup and oust Sandu, but Russia is not expected to try anything so dramatic ahead of the planned October votes or the 2025 parliamentary polls. It is, however, expected to continue trying to tilt the playing field using payoffs and disinformation.¹⁰⁴ These efforts also draw on a general mistrust of politicians in one of Europe’s poorest countries, where politics has been seen for three decades as a corrupt game and where the government is still struggling to deliver on many of its promises.

B. *Looming Energy Crises*

Moldova has been successful in weaning itself off Russian energy supplies in all but one important respect: it still purchases some four fifths of its electricity from a Russian gas-fired power plant based in Transnistria. Gas from Russia piped through Ukraine feeds the Moldavskaya plant, the country’s biggest, which is owned by the Russian company Inter RAO. The EU, U.S. and international financial institutions are helping finance new electricity lines to Romania that will offer Moldova an alternative source of power, but the construction takes time.¹⁰⁵ In the interim, the Moldo-

to welcome Russian intervention in Moldova, using the same label of “fascism” that Russian propaganda uses to blacken its foes: “We urgently need to cleanse the country of all fascist scum! Many are ready”. While the Moldovan prosecutor’s office opened a criminal case, Gorgan denies all charges. “Moldova strips ex-chief of general staff of decorations and rank after The Insider investigation revealed him as a Russian GRU informant”, *The Insider*, 5 June 2024.

¹⁰¹ “Moldova to fight Russian disinformation ahead of elections”, *Bloomberg*, 12 March 2024.

¹⁰² As noted earlier, Moldovan authorities say Moscow funded months of anti-government protest led by Shor from the autumn of 2022 to 2023 that ended only after the government cracked down on Shor’s party. Higgins, “Cash, mules and paid protests: How a fraudster seized an ethnic enclave”, *op. cit.*

¹⁰³ “Joint Statement Exposing Russia’s Subversive Activity and Electoral Interference Targeting Moldova”, U.S. Department of State, 13 June 2024.

¹⁰⁴ Moldovan authorities claim that Russia funnelled €2 million per month to activities in Moldova and spent upward of €15 million per month during local elections in November 2023, using mules carrying cash via Yerevan, cryptocurrency and prepaid banking cards. Crisis Group interviews, Moldovan officials, November 2023-June 2024.

¹⁰⁵ Moldova is building a high-voltage power transmission line to Romania due to be completed by 2025. The project is funded by the EBRD, European Investment Bank, the World Bank and the EU, at a price tag of €260 million. In 2024, the EBRD provided an additional €30.8 million to build a second transmission line to Romania by 2028 and the U.S. promised \$220 million to build a third. Moldova expects that these lines will allow it to integrate into the European energy market by 2028.

van nation will remain dependent on Transnistria, and indirectly reliant upon Russia, while Transnistria's economic stability will hinge on subsidised Russian gas and revenues from Moldova's power bills.¹⁰⁶ Leaders in both Chisinau and Tiraspol worry how they will keep the lights on after the transit contract for the gas supplied by Gazprom and piped across Ukraine expires on 31 December.

Failure to find a way to keep Russian gas flowing could trigger an energy crisis on a scale worse than that seen in 2022 (see Section II), sending prices soaring and causing blackouts in Moldova, while also ravaging Transnistria's economy.¹⁰⁷ Both the Moldovan government and the de facto Transnistrian administration appear eager to strike a deal to continue the current arrangement – although hardline officials in Chisinau have suggested that cutting supplies could help force Transnistria to reintegrate into Moldova on the capital's terms.¹⁰⁸

On paper, forging any deal that involves Moscow and Kyiv would seem forbiddingly difficult, but the prospects are not altogether bleak. Russia's interest in fostering greater influence in Moldova means it wants to keep gas flowing to Transnistria, since gas is one of its last and most effective sources of leverage in the country. Kyiv, meanwhile, has shown it is sympathetic to Moldova's concerns. In May, Moldova's energy minister said Moldova and Ukraine had reached an informal agreement to keep natural gas flowing to Transnistria, suggesting that Russian gas could instead be pumped via Türkiye.¹⁰⁹

European buyers and EU officials are also exploring a broader agreement that would allow gas to keep flowing via Ukraine's main pipeline, though the contours of such a deal remain fuzzy. Without this agreement, the volumes of gas needed by Trans-

See "The construction of the Vulcanesti-Chisinau 400 kV high-voltage power line will be completed by 2025, and the construction of the Balti-Suceava power line is also planned", InfoMarket, 7 February 2023. "Supporting Moldova's energy security with €30.8 million loan for electricity network development", EBRD, 13 March 2024. "Moldovan parliament has ratified an agreement with the EBRD on a loan of 30.8 million euros for the construction of the 400 kV Balti-Suceava power transmission line", InfoMarket, 26 April 2024. "Third Moldova-Romania interconnection power line to be built", IPN.md, 30 April 2024.

¹⁰⁶ Russian gas flows via Ukraine and Moldova to its eastern breakaway region are critical, though relatively small in volume at roughly 5.7 million cubic meters per day. In the autumn of 2023, Chisinau and Tiraspol signed an agreement to supply electricity to Moldova until the end of 2024 at a price of \$66 per megawatt. See "Moldova will no longer buy gas from Russia's Gazprom – energy minister", Reuters, 2 October 2023. "Information on the contract between MGRES and Energo-com", Government of Transnistria, 25 October 2023.

¹⁰⁷ On 9 August, following the Ukrainian incursion into Russia's Kursk region, in which Ukrainian troops took over the Sudzha gas distribution station, Moldova introduced measures to pre-empt the risk that Russian gas supplies to Transnistria through Ukraine would be terminated. Romania also said it would support Moldova's energy security. "Moldova has introduced preventive measures due to the risk of disruption of Russian gas supplies through Ukraine", Oreanda News, 9 August 2024.

¹⁰⁸ Crisis Group interview, Moldovan official, Chisinau, 7 February 2023. See also "Why does Chisinau no longer buy Russian gas? And how can Gazprom leave the whole of Moldova without light? A big conversation with Sergiu Tofilat, member of the Moldovagaz Board of Directors", Republic.ru, 28 August 2023.

¹⁰⁹ Gazprom could deliver gas to Türkiye and then via Bulgaria and Romania, but it would still have to go through Ukrainian territory because of the alternative pipeline route's design. This prospect, however, would be different from pumping large volumes, including to several EU member states, via traditional routes covered by the current Russian-Ukrainian contract. See "Moldova and Ukraine to keep Russia gas flows to breakaway region", Bloomberg, 6 May 2024.

nistria are too small to keep this supply route open. Options for a deal that would involve larger gas flows are complicated by the fact that Ukraine and Russia will not talk to each other. Although Kyiv has said it would not renew its contract with Gazprom, in March it noted it would be ready to accept continuing flows across its territory if European countries so request.¹¹⁰ But all of the schemes being floated by European officials and gas companies, including those aiming to replace Russian with Azerbaijani gas, would be challenging to carry out – not least because of the political impetus from Brussels to stop buying Russian gas.¹¹¹

V. Looking Forward

Ahead of Moldova's 20 October vote, national authorities and their Western backers are keenly aware of the dangers posed by Russian meddling. While the levers of influence that Moscow can bring to bear are weakened – especially while its forces are tied up in eastern Ukraine – it still has arrows in its quiver, including methods that have proven disruptive in the past. It also still holds sway over a significant minority in the country. It will thus be able to exploit the internal fissures that are one of Moldova's greatest vulnerabilities. But there are steps Moldova can take to protect its election and perhaps improve its prospects for EU membership.

A. *Engaging Transnistria and Gagauzia*

The geopolitical and commercial shifts wrought by Russia's attack on Ukraine have opened a rare opportunity for Moldova to draw closer to dissident regions that might, if given the chance, see themselves as beneficiaries of a warmer relationship with the West. But, whether justified or not, Chisinau's new, more forceful approach to Transnistria and Gagauzia risks squandering this opening and persuading the two that their interests depend on preserving the lifeline to Moscow.

Part of the challenge is overcoming political inertia. Moldova's ruling party no doubt sees restarting a long-frozen reintegration dialogue with Transnistria as a burden it does not need right now. For starters, tensions with the region rank low on the list of voter concerns, with only 1.9 per cent of Moldovans seeing it as a priority in 2023.¹¹²

¹¹⁰ The main buyers of Russian gas pumped through Ukraine, which largely remains cheaper than liquified natural gas imports, are Austria, Slovakia, Hungary, Croatia, Moldova, Slovenia and Italy – though most have taken steps to diversify their sources of supply. "Explainer: What will happen when the Ukraine gas transit deal expires?", Reuters, 14 June 2024. "Ukraine will not extend its contract with Gazprom", RBC, 18 March 2024; "Ukraine says ready to continue gas transit from Russia at EU request", TASS, 4 March 2024.

¹¹¹ Several options are reportedly under consideration by European officials, who worry that any extension of the contract would undermine their push to limit Russia's energy revenues. For example, one option would be for Gazprom's remaining European clients to deal directly with the Russian gas giant, in effect purchasing gas on the Russia-Ukraine border instead of at the frontier between Ukraine and the EU. That would circumvent the need for direct talks and a new agreement between Kyiv and Moscow. "Europe in talks to keep Russia-Ukraine gas pipeline flowing", Bloomberg, 10 June 2024. "Europe wants to keep Russian gas flowing through Ukraine. Meduza breaks down the options under discussion", Meduza, 18 June 2024.

¹¹² See Public Opinion Barometer's poll, August 2023.

Furthermore, the hurdles to be addressed are overwhelming for a nation already struggling to keep its economy afloat, tackle corruption and begin the reforms required for accession to the EU. Among the knotty issues requiring attention would be absorbing the numerous retired citizens living in Transnistria, as well as dealing with its longstanding de facto institutions and figuring out what to do about Russia's garrison and arms depot.¹¹³

With the impending polls on their minds, Moldova's Western-leaning politicians no doubt also fear reintegration would permanently shift electoral politics to their detriment, with hundreds of thousands of additional Transnistrian votes potentially going to political forces that favour closer ties with Moscow and oppose European integration. "The domestic political environment is not amenable to [talk of] the reintegration of Transnistria", a former Moldova official told a conference in Chisinau. "Just imagine putting it on the political agenda: who would dare politically to assume these costs?"¹¹⁴

Even so, missing the opportunity to engage in dialogue with Transnistria and to start addressing these challenges could entail greater hurdles later, not least because ill-will that builds up in the interim will need to be overcome. Internal divides could also complicate Moldova's path to EU membership. Leaving Moldova's rift with the breakaway region unhealed would give pause to many EU member states, who take the final decision on any candidate country's accession. Although EU foreign affairs chief Josep Borrell signalled in June 2023 that Moldova could follow the model of still-divided EU member Cyprus – join the bloc first, then try to resolve its division later – many European and EU officials are inclined to disagree, in large part due to Russia's influence in shaping Moldova's fault lines.¹¹⁵ The EU "would like them to come in as full countries with their territorial disputes fully resolved", one EU official dealing with enlargement said. "Otherwise, we will import problems and (others) will always have leverage and interfere in the EU".¹¹⁶

Some clarification on this point by European leaders would be helpful. Borrell's comments regarding the case of Cyprus appeared geared toward ensuring that Transnistria, and by extension Russia, would not be able to derail Moldova's EU aspirations. But it appears to have given Moldova's government yet another reason to turn its back on a potential settlement. Indeed, Chisinau had begun preparing for negotiations with Transnistria in early 2023, expecting the EU to say settlement talks with Transnistria "go hand in hand with European integration", in the words of a Moldovan diplomat.¹¹⁷ But in the wake of Borrell's remarks, Chisinau mothballed these plans.¹¹⁸

Chisinau should take up the effort again and see it through. The first step should be to ensure that channels for dialogue between Chisinau and Tiraspol stay open. Russia's war in Ukraine has corroded the decades-long, internationally mediated peace

¹¹³ These longstanding concerns were discussed at a Chisinau gathering of government and international participants to map the prospective challenges of reintegration. "Moldova Reintegration Forum", Privesc.eu, 11 April 2024.

¹¹⁴ Ibid.

¹¹⁵ "European Political Community: Press remarks by the High Representative/Vice-President Josep Borrell upon arrival at the meeting", EEAS, 1 June 2023.

¹¹⁶ Crisis Group interview, senior EU official, Brussels, March 2024.

¹¹⁷ Crisis Group interviews, Moldovan diplomat and officials, February 2023.

¹¹⁸ Crisis Group interview, former Moldovan official, 23 November 2023.

process between Moldova and Transnistria. The group involved in the so-called 5+2 format – which besides the two principal parties included Russia, Ukraine, the EU, the U.S. and the OSCE – last met in 2019; Ukraine says it has since become moribund.¹¹⁹ While these talks did little to move the two sides toward a political settlement, they did broker solutions to practical disagreements. These included the mutual recognition of diplomas and licence plates; the right of Romanian-language schools in Transnistria to teach; and resolution of disputes over access to farmland.¹²⁰ These talks also helped prevent more serious clashes, although in practice the risk of military conflict between Moldova and Transnistria has been low since the war of secession three decades ago.

With the collapse of traditional avenues for dialogue, sporadic direct talks between Transnistria's de facto leaders and the Moldovan government have become all the more important. The only real channels for such talks until now have been impromptu meetings between Moldovan Prime Minister Dorin Recean and de facto Transnistrian leader Vadim Krasnoselsky, at which they discuss pressing practical economic and security matters, such as Moldova's electricity purchases. Turning ad hoc contacts into a more regular dialogue track could provide an avenue for rebuilding trust.¹²¹ Chisinau should broaden this track, using it to engage Tiraspol on new policies affecting residents and businesses in Transnistria, and Tiraspol should seize the opportunity.¹²²

Dialogue is also needed to ease tensions in Gagauzia. Moldova's authorities are unlikely to change tack as regards their refusal to engage with the governor, Guțul, but this impediment need not stymie all interaction. Indeed, the government has opted to preserve relations with mayors, businesspeople and students in the region – and even to disburse state funds while bypassing the governor.¹²³ Chisinau should reinforce these contacts and look for new ones: for example, the Moldovan parliament should seek to restart its joint working group with Gagauz deputies, which was suspended following the tax changes introduced by Chisinau that have since been overturned.¹²⁴ Over the long run, both sides will need to take a step back and look into negotiating a more comprehensive plan that would address the region's chronic

¹¹⁹ Crisis Group interview, senior Ukrainian diplomat, Kyiv, 4 March 2024.

¹²⁰ "Confidence-building measures: 'Berlin-plus' package", OSCE.

¹²¹ This channel for dialogue could also help keep the region informed about every step of accession negotiations with the EU and the changes they may bring – part of the outreach envisaged by Brussels and Chisinau. Speech by Oleg Serebrian, deputy prime minister for reintegration, "Key priorities for the political agenda of Moldova's reintegration process", Moldova Reintegration Forum, Chisinau, 11 April 2024.

¹²² Moldovan authorities should also not lose sight of the importance of ties with Tiraspol's main power brokers, particularly Sheriff's owner Gushan. A former head of the OSCE mission to Moldova told Crisis Group that the relative success of the so-called Berlin Plus package, an OSCE-brokered plan for Moldova and Transnistria to negotiate on specific issues from 2016 to 2019, came down to the dialogue between and sway of three key men: Gushan, Ukraine's then-president, Petro Poroshenko, and Moldovan oligarch Vladimir Plahotniuc. After Plahotniuc was charged with stealing nearly \$1 billion from major Moldovan banks, Poroshenko lost the presidential election and the COVID-19 pandemic broke out, the dialogue essentially stopped. Crisis Group interview, retired U.S. diplomat and former head of the OSCE mission to Moldova, 12 April 2024.

¹²³ Crisis Group interviews, Moldovan officials, November 2023-June 2024.

¹²⁴ "GPA deputies suspend their participation in joint working group with Moldovan MPs", op. cit.

concerns over what it sees as Chisinau's infringements on the rights set out in its autonomy status.¹²⁵

B. Protecting the Vote

Mounting tensions ahead of the forthcoming votes underscore that efforts by Moldova and its Western backers to shield it from Russian interference remain a work in progress. While the security services work to defuse covert threats, the country's long-term initiatives to tackle corruption and reform the justice system – now given encouragement through the EU accession process – are a surer but slow-moving way to help its institutions fend off outside meddling.

Nascent efforts to counter Russian disinformation are also important. A two-year EU mission launched in April 2023 to bolster the security sector and counter foreign interference has been critical to plugging the gaps in Moldova's state capacity as its own fledgling Centre for Strategic Communication and Combating Disinformation begins work.¹²⁶ Moldova's Western partners should press big social media firms to do more to tackle fake, damaging content on their platforms ahead of the votes, including hiring more staff with the language skills to vet posts. No less essential is long-term investment by Moldova's partners in civil society fact-checking and media awareness groups. In Moldova's small media market, independent outlets are struggling and in need of support; Moldova's Western backers should help foster trustworthy local Russian-language news. Notwithstanding the temptation to ban outlets suspected by authorities of disseminating falsehoods, the Moldovan government should be cautious about measures that impinge on free speech. Missteps risk playing into Moscow's hands by fostering grievances.¹²⁷

C. Averting an Energy Crisis

The most likely path to avoid a shutoff of Russian gas flows to Transnistria and its knock-on effects on Moldova's electricity supply is to start work now to broker a solution among the various parties. Some Moldovan officials seem inclined to wait to see the outcome of discussions that involve the other, bigger European actors still purchasing Russian gas pumped via Ukraine. But none of these players are depend-

¹²⁵ The primary demands of the Gagauz include granting constitutional status to the law defining their autonomous status; stopping the annulment of Gagauz laws by courts at the Moldovan government's request; and ensuring Gagauz representation in the Moldovan parliament. See, for example, "Chisinau and Comrat have diverged vectors: How the election of the Bashkan aggravated the eternal 'Gagauz issues'", NewsMaker, 31 May 2023.

¹²⁶ "About EU Partnership Mission in the Republic of Moldova", EEAS, 31 May 2023. "Parliament approved the creation of the Center for Strategic Communication and Combating Disinformation", *Apel*, 31 July 2023. The EU and Moldova are also planning to deepen their security cooperation by increasing intelligence sharing and conducting more joint military exercises. Chisinau could also be included in the EU's joint weapons procurement program. "Moldova defies Russia with EU security pact", *Financial Times*, 14 May 2024.

¹²⁷ Since June 2022, Moldova has banned news from Russian television broadcasts, allowing only Russian entertainment shows and movies. In October 2023, it blocked dozens of websites, including a slew of prominent news outlets as well as suspending the licences of six domestic TV channels. "Moldova blocks access to Russia's main news agencies", Reuters, 30 October 2023. "Moscow accuses Moldova of 'Russophobia' over proposed ban of websites", *Balkan Insight*, 25 October 2023.

ent to quite the same degree and they may well not find a way to extend transits. Any agreement to avert a crisis is bound to be a complex one; for this reason, Moldovan officials, along with their Ukrainian and European partners, must double down on seeking a discrete solution. While they all have some reason to want to work this out, a good outcome cannot be taken for granted.

Over the longer haul, Moldova and its supporters should bolster efforts to connect Moldova with the EU grid and break its lingering dependence on Russian gas supplies. To do so, it will need to boost domestic capacity, including through energy saving measures; and strengthen Romania's ability to export electricity to the country. But these plans will simply displace the problem if they do not also include Transnistria. Halting electricity purchases from the breakaway region's power plant would cause serious economic harm to the region, and possibly rekindle tensions that have flickered on and off since the 1990s.

VI. Conclusion

Moldova's government faces a delicate moment, trying to lay out a new road toward the West in a country where divisions remain over that orientation and while Russia seeks to retain its influence by magnifying the splits. As it charts its path, Chisinau faces three major near-term challenges – protecting the integrity of a series of important votes; stopping a possible disruption of its energy supplies; and reversing the deterioration of its relations with Gagauzia and Transnistria.

The war in Ukraine is both a catalyst and an impediment to navigating these challenges, but the rapid changes it has wrought in the country also offer a rare opportunity. Even as Chisinau works with Western partners to parry Russian interference, and engages with all relevant actors to safeguard its future power supplies, it should seek a rapprochement with its two problem regions – through the expansion of ad hoc leader-level dialogue in Transnistria and the broadening of lower-level engagements in Gagauzia. With politicians in Chisinau and the two regions believing the Ukraine conflict's outcome will be decisive for their internal tug of war, a swift resolution may not be in sight. Nevertheless, perhaps the best long-term investment Chisinau can make in the country's stability is to avoid fanning the flames of defiance in the two regions. That, in turn, would give the Moldovan government a chance to strengthen the economic and cultural ties that could, with encouragement, bind the regions more tightly to Chisinau than to Moscow.

Chisinau/Kyiv/London/Brussels, 21 August 2024

Appendix A: Map of Moldova and its Gas Pipelines, 2024



Source: Crisis Group research, Moldovatrangaz.



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