





POLICY PAPER

As Moldova Turns to Europe Again, How Should Europe Respond?

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1. Background

Moldova's second tour of presidential elections from November 15th, saw the leader of the pro-Western Action and Solidarity Party (PAS), Maia Sandu, score an electoral slam dunk over the pro-Russian president and now leader of the Party of Socialists (PSRM), Igor Dodon, with 57.75% of the votes ahead of his 42.25%. Sandu's victory was hailed by many commentators as a blow to Putin's grip on its former Soviet republic, especially in light of the ongoing protests in Belarus which orbit around the country's Russian-backed strongman, Alexander Lukashenko, denying his pro-reformist counter-candidate, Svetlana Tikhonovskaya, her electoral victory.¹ Consequently, European leaders, but also Vladimir Putin, have been quick to congratulate Maia Sandu on her victory, the European Commission President, Ursula von der Leyen, declaring her victory a 'clear call to tackle corruption and restore respect for the rule of law'.²

Nevertheless, while Sandu's election represents the Moldovans' unequivocal expression for democratic ideals and further association with Europe, domestic challenges, as well as Russia's politico-economic influence, still face Moldova with a very vulnerable reform process ahead. As a semi-parliamentary republic, Moldova's westward orientation remains at the moment primarily symbolic, its presidential mandate being sharply restricted in regards to domestic executive attributes. This has been recently proven by Dodon's socialist-led parliament, which ahead of Sandu's official inauguration, passed a bill at the beginning of last December that stripped the Presidential office of its control over the country's Information and Security Service (SIS), placing it instead under the parliament's command.³

While an agency traditionally controlled by the President and parliament together, SIS was placed under Dodon's exclusive control in 2019, as one of his parliament's preconditions for its investiture vote of Sandu's government that year.⁴ Hence, with Dodon's electoral loss, the socialist party did not want to lose control over SIS, since it is the state agency responsible for sensible intelligence in prosecutorial affairs and tasked with protecting the country's information systems from actions of foreign interference. In this latter respect, under the socialists' control, SIS became a damaging facilitator for Russia's information warfare in Moldova. For example, in a list made public by SIS regarding the media outlets whose activity was to be suspended during the pandemic period due to the distribution of fake news, there were no Russian-owned or -speaking outlets known for that included on the list.⁵

Thus, with the next legislative elections scheduled for 2023, Sandu's best bet for initiating a reform process in line with Moldova's Association Agreement (AA) commitments is to work towards snap

¹ Reuteoi, N. (2020, November 25th). Foreign Policy. *Moldova's Election Result Is a Blow to Russia's Regional Dominance*. Available at: <https://foreignpolicy.com/2020/11/25/moldovas-election-result-is-a-blow-to-russias-regional-dominance/>

Roth, A. (2020, November 16th). The Guardian. *Moldova election: blow to Kremlin as opposition candidate sweeps to victory*. Available at: <https://www.theguardian.com/world/2020/nov/16/moldova-election-blow-kremlin-opposition-candidate-sweeps-victory-maia-sandu>

² Ursula von der Leyen [@vonderleyen]. (2020, November 16th) *Felicitări @sandumaiamd*. Twitter. Available at: <https://twitter.com/vonderleyen/status/1328277031084290049>

³ RFE/RL's Moldovan Service (2020, December 3rd). *Moldova's Parliament Strips President-Elect Of Control Over Intelligence Service Amid Protests*. Available at: <https://www.rferl.org/a/moldova-s-parliament-strips-president-elect-of-control-over-intelligence-service-amid-protests/30982447.html>

⁴ Călugăreanu, V. (2020, December 3rd). DW. *Moldovenii au ieșit în stradă să apere votul dat noii președinte Maia Sandu*. Available at: <https://www.dw.com/ro/moldovenii-au-ie%C8%99it-%C3%AEn-strad%C4%83-s%C4%83-apere-votul-dat-noii-pre%C8%99edinte-maia-sandu/a-55815973>

⁵ Information provided during an interview by Mihai Mogîldea (21.12.2020), expert associate at the [Institute for Politics and European Reform](#) (IPRE) in Moldova.

parliamentary elections which would secure a PAS-led majority; a scenario that could come to fruition in the nearby future after Chicu's cabinet ousting on 23rd of December.⁶ Nevertheless, despite PAS' leading approval rate among Moldova's electorate, estimated at 37% by some polls, Dodon's PSRM seems to be still trailing closely with an approval rate of 32%, followed by 'Şor's Political Party' with 13.3% and Usatii's 'Our Party' with 8%⁷, both of which would be problematic coalition partners for PAS in order to secure a safe parliamentary majority.⁸

Consequently, for Sandu's presidency to become a real opportunity for change it will undoubtedly need strategic support from its international partners. First, to effectively incentivise her drive for domestic reforms and second, to consolidate Moldova's resilience against potential actions of Russian interventionism. For the EU, this calls for a re-assessment of its assistance to Moldova, which suffered numerous setbacks since its AA signature due to its rule of law deterioration. Moreover, assessing Moldova's immediate challenges to its stabilisation and resilience-building⁹ is a well-timed exercise ahead of the Eastern Partnership (EaP) summit in March, which will renew the priorities and subsequent funding for the region after the programming period (2014-2020) of the European Neighborhood Instrument (ENI) came to end last year. With these considerations in mind, this policy paper aims to investigate in what ways could the EU support Moldova with its most pressing governance issues in the following years, given the country's domestic political context but also its vulnerability to Russia's external influence.

1.1 A brief overview: Moldova's lead-up to the current political crisis

To understand Moldova's current political limbo one has to go back to the parliamentary elections of February 2019. Back then, the elections saw an almost three-way split between Dodon's pro-Russian PSRM, which led the race with 31.2%, followed by the anti-corruption pro-European alliance ACUM with 26.6% - comprised of Sandu's PAS and the Dignity and Truth Platform Party (PPDA) - and Vladimir Plahotniuc's Democratic Party (PDM) with 23.8%.¹⁰ Following this outcome, Moldova entered a period of political uncertainty, as neither ACUM nor PSRM were willing to compromise to a coalition with Plahotniuc, the country's richest oligarch, who was charged with involvement in the 'stolen billion' scandal from 2014¹¹ and whose government was responsible for serious democratic backslides between 2017 and 2018.¹²

Subsequently, after months of political deadlock, ACUM and PSRM finally compromised to an uneasy parliamentary majority, motivated by a common goal of ousting Plahotniuc's PDM from power, which after three years in government was reaching dangerous levels of state capture.¹³ Sandu

⁶ Euronews (2020, December 23rd). *Moldova's pro-Russian prime minister Ion Chicu resigns*. Available at: <https://www.euronews.com/2020/12/23/moldova-s-pro-russian-prime-minister-ion-chicu-resigns>

⁷ #diez.md. (2020, December 17th). *(sondaj) Pentru cine ar vota moldovenii dacă duminică viitoare s-ar organiza alegeri parlamentare*. Available at: <https://diez.md/2020/12/17/sondaj-pentru-cine-ar-vota-moldovenii-daca-duminica-viitoare-s-ar-organiza-alegeri-parlamentare-5/>

⁸ 'Şor Political Party' is led by Ilan Şor, [one of the main characters under prosecution for the stolen billion scandal](#), while 'Our Party', is led by Renato Usatii, a formerly Moscow-based businessman [currently under international prosecution in Russia for financial crimes](#).

⁹ Review of the European Neighborhood Policy (2015). Available at: https://ec.europa.eu/neighbourhood-enlargement/tenders/consultation_en_en

¹⁰ DW (2019, February 25th). *Moldova: Pro-Russian party leads without majority*. Available at: <https://www.dw.com/en/moldova-pro-russian-party-leads-without-majority/a-47669559>

¹¹ When \$1 billion, approximately 15% of Moldova's GDP, [was stolen from three Moldovan banks](#).

¹² When [amendments](#) were made to the electoral system in favour of oligarchic groups and the results of the local elections in Chişinău were [invalidated](#).

¹³ Călugăreanu, V. (2019, July 2nd). DW. *Moldova's new PM 'completely determined' to clean up government*. Available at: <https://www.dw.com/en/moldovas-new-pm-completely-determined-to-clean-up-government/a-49435527>

was named prime-minister in the ensuing coalition government and although a short-lived one, lasting between June and November 2019, she managed to enact ‘significant and substantial’ legislative reform, which reversed some of the previous government’s judicial abuses and unlocked considerable funding (€83.89 million) from the EU, conditional on good governance indicators.¹⁴

On November 12th, 2019, Sandu’s cabinet was ousted after losing a no-confidence vote orchestrated by PSRM with PDM¹⁵, following disagreements over her intended change of procedure for appointing the prosecutor-general, which was aimed at reforming a ‘tainted’ appointment process.¹⁶ Since then, Moldova’s government has been led by a PSRM/PDM coalition, during which the anti-corruption reform and progress towards the Association Agenda has slowed considerably, while the prosecutor-general’s activity in regards to Moldova’s major corruption cases remained underwhelming.¹⁷

2. State of Play

2.1 The EU-Moldova dialogue between 2014 and 2020

Since 2014, the EU’s diplomatic dialogue with Moldova has focused on its AA implementation, for which the Union offered a financial assistance worth €610-746 million, for the period of 2014-2020, conditional upon Chișinău’s reform progress in the following areas: 1. Public administration reform; 2. Agricultural, rural and economic development; 3. Energy, connectivity and environment; 4. Civil society support.¹⁸ In the opinions gathered from Moldovan and EU policymakers¹⁹, the prioritization of these sectors seems to have generally addressed relevant aspects for Moldova’s stabilisation. However, of this indicative financing, Moldova was able to access only €171²⁰ million as a result of its compliance with EU-demands between 2014-2020.

The reason for this lies with Moldova’s several political crises and decaying judiciary since 2014, which gradually led to the EU’s imposition of strict conditionality mechanisms by 2019.²¹ Although it took some time for the ‘fruits to become visible’, the imposition of strict conditionality has been

¹⁴ European Commission (2019, October 31st). *The EU approves a new package of budget assistance to the Republic of Moldova to support rule of law and rural development reforms*. Available at: https://ec.europa.eu/neighbourhood-enlargement/news_corner/news/eu-approves-new-package-budget-assistance-republic-moldova-support-rule-law-and-en

¹⁵ RFE/RL (2019, November 12th). *Moldovan Government Collapses; EU Calls Development ‘Worrying’*. Available at: <https://www.rferl.org/a/moldovan-parliament-to-consider-confidence-vote-in-sandu-s-cabinet/30265748.html>

¹⁶ Barbăroșie, L. (2019, November 7th). RFE/RL. *Schimbarea schimbării: premierul va face preselectia procurorului general, iar guvernul își asumă responsabilitatea*. Available at: <https://moldova.europalibera.org/a/schimbarea-schimb%C4%83rii-premierul-va-face-preselec%C8%9Bia-procurorului-general-iar-guvernul-%C3%AE%C8%99i-sum%C4%83-responsabilitatea/30256657.html>

¹⁷ Groza, I., Rusu, I., Ghilețchi, S., Platon, M. & Nemerenco, V. (2020). *Raport Alternativ: Acordul de Asociere UE - Republica Moldova la 6 Ani de Implementare: Progrese. Constrângeri. Priorități*. IPRE Report. Available at: <http://ipre.md/2020/10/12/raportul-alternativ-sase-ani-de-implementare-a-acordului-de-asociere-ue-moldova/>

¹⁸ EEAS. *Financing the ENP: European Neighborhood Instrument 2014-2020 - Programming documents*. Moldova: Single Support Frameworks for 2014-2020 and 2017-2020. Available at: https://eeas.europa.eu/diplomatic-network/european-neighbourhood-policy-enp/8410/financing-enp_en

¹⁹ Interview with MEP Helmut Scholz, member of the Delegation to the EU-Moldova Parliamentary Association Committee (07.01.2021) and written opinion provided by Mihail Popșoi (12.12.2020), Deputy Speaker of the Moldovan Parliament and Vice-President of PAS.

²⁰ Figure excludes MFA assistance. €101 million was accessed upon its provisional entry into the DCFTA, €45.3 million after some reform progress in December 2016 and €53.89 million during Sandu’s 2019 cabinet.

²¹ The pandemic situation since 2020 changed the EU’s dialogue with Chișinău to that of a ‘strategic pragmatism’, offering it [emergency financing](#) under more lax conditionality.

perceived as ‘vital for the spearheading of reforms’ and democratic consolidation in Moldova.²² Nonetheless, while the EU cannot be held accountable for the lack of political will in Chişinău, for the purpose of lesson-drawing, there are two main critiques that should be acknowledged regarding its democratic support until now.

First of all, the EU’s sectoral assistance to complex reform areas, such as public administration and judicial reform, lacks a clear set of reference criteria which could guide authentic and measurable reforms, but also benchmarks stipulating which institutions should achieve what by when. Instead, the EU employs vague outcome indicators such as ‘decreased perception of corruption’ or ‘more independent and effective judiciary’²³, which can be considered a very deficient approach to incentivizing reforms, especially since the financial assistance attached to these requests goes to the corrupt government structures the EU is trying to get rid off.²⁴ In absence of more coherent indicators, these definitions can be easily twisted by governments in favour of their ‘cosmetic reforms’, which in Moldova’s case has often been a reason for the public’s association of the EU with local corrupt elites.²⁵

Second of all, there is the issue of diplomatic incoordination with Romania, which is an official supporter of Moldova’s EU integration²⁶ and vector for resilience-building against Russia. For instance, when the EU suspended its €100 million macro-financial assistance to Moldova following its autocratization between 2017 and 2018, Bucharest decided to provide Chişinău with a €150 million loan and even vetoed the Council’s conclusions condemning Moldova’s undemocratic regime at the time.²⁷ This severely undermined the EU’s push for democratic reform, since it provided *de facto* support to Chişinău’s oligarchic leadership and ignored the pro-European opposition’s efforts at the time. Although since November 2019 Romania has taken a firmer stance regarding the conditionality of its disbursements to Moldova, it remains hard to rule whether this has been due to an alignment with the EU’s policies or because of the pro-Russian administration’s increasing denial of a shared Romanian identity.²⁸

2.2 Russia’s enduring ‘grip’ on Moldova and the quest for resilience-building

Any discussion over the EU’s support to Moldova’s association agenda has to lead invariably to Russia’s level of influence over this process. In this respect, Russia’s patronage over Transnistria continues to provide Moscow with pivotal leverage over Moldova’s questions of stateness and geopolitical orientation. However, besides the Transnistrian problem, there are also other linkages between Moldova and Russia that often render it vulnerable to its external pressure, as well as certain dynamics of domestic political competition. For the EU’s goals of resilience-building, but also

²² Opinions from Mihail Popşoi and Mihai Mogîldea.

²³ Single Support Framework for EU support to Moldova (2017-2020). p. 10. Available at: https://eeas.europa.eu/diplomatic-network/european-neighbourhood-policy-enp/8410/financing-enp_en

²⁴ Ibid. interviews

²⁵ Konstanyan, H. (2016). *Why Moldova’s European integration is failing*. CEPS Commentary. Available at: <https://www.ceps.eu/ceps-publications/why-moldovas-european-integration-failing/>

²⁶ Ministerul Afacerilor Externe (n.d.) *Republica Moldova*. Available at: <http://www.mae.ro/node/1421>

²⁷ Gredecenco, O. (2017, September 26th). *Moldova.org*. *Ultima tranşă din creditul de 150 de milioane oferit de România a ajuns la Ministerul Finanţelor de la Chişinău*. Available at: <https://www.moldova.org/ultima-transa-din-creditul-de-150-de-milioane-oferit-de-romania-ajuns-la-ministerul-finantelor-de-la-chisinau/>; and Jozwiak, R. (2018, December 6th). RFE/RL. *Romania Blocks Critical EU Text About Moldova*. Available at: <https://www.rferl.org/a/romania-blocks-critical-eu-text-about-moldova/29641255.html>

²⁸ Pieńkowski, J. (2020, March 10th). PISM. *Reorientation of Romania’s Moldova Policy*. Available at: https://pism.pl/publications/Reorientation_of_Romanias_Moldova_Policy

stabilisation, this section highlights three such linkage-type relations which should be prioritised in its medium-term support to Moldova's AA implementation.²⁹

2.2.1 Energy

Moldova's energy reliance on Russia has been traditionally one of its biggest vulnerabilities towards Moscow's influence.³⁰ In this regard, Russia's tight control over Moldova's energy market is secured by Gazprom, which provides it with 99% of its gas while maintaining an ownership of 63.4% of the state company Moldovagaz, and its other state-owned company InterRAO, which owns the Transnistrian Cuciurgan power station, responsible for 80% of Moldova's electricity.³¹ Additionally, Russia's energy leverage is further exacerbated by Moldova's lack of energy interconnectors with its European partners and gas storage facilities which could alleviate sudden supply shortages, while making Chişinău also dependent on amicable relations with Transnistria since it is the main route for the delivery of electricity and gas.

So far, the EU's attempts at diversifying Moldova's energy sources have been meager, both because of the vested interests in its energy market and the EU's failure to provide Chişinău with viable alternatives to Russia's offers.³² The recently finished Iaşi-Chişinău pipeline³³ is a reflective example of both, since Moldova cannot sign a new gas provider under its current arrangements with Gazprom³⁴, but also because until Romania does not improve its gas delivery system and Black Sea extraction operations it cannot provide Moldova with the same attractive offers as Russia.³⁵

2.2.2 Agricultural exports

Another potential leverage that Russia has over Moldova is represented by its trade relations, particularly in the agricultural sector. Up until 2014, Russia represented the biggest export market for Moldova's agri-food industry, which is the country's most profitable economy sector, worth around 10-12% of its annual GDP between 2013-2019.³⁶ However, in spite of a growing dependency on the EU since then, caused mainly by Russia's imposition of sanctions on Moldova's agri-food exports over its DCFTA entry³⁷, for some sectors of Moldova's agriculture Russia remains a better export market than the EU. This is particularly the case for the wine sector which was heavily reliant on

²⁹ Opinions from Mihail Popşoi and Mihai Mogîldea.

³⁰ Gas delivery prices often fluctuate according to the political developments in Chişinău, for example after Sandu's cabinet ousting in [2019](#) or before the [2020 presidential elections](#).

³¹ Shagina, M. (2018). *Moldova's fragile energy security*. New Eastern Europe. Analysis. Available at: <https://neweasterneurope.eu/2018/03/14/moldovas-energy-security/>

³² Cenuşă, D., Nuţu, O. and Tofilat, S. (2019). Expert-Group Independent Think-Tank. *The Ungheni-Chişinău Gas Pipeline: Outlook for Before and After 2020*. Available at: <https://www.expert-grup.org/en/biblioteca/item/1805-gazoductul-ungheni-chisinau-perspective-pana-si-dupa-2020&category=184>

³³ A gas corridor capable of covering Moldova's annual supply needs by linking its transmission systems to Romania.

³⁴ Which would entail the settlement of [Transnistria's historical gas debt](#) before the International Court of Arbitration in Moscow, face an abrupt supply stop, since Gazprom renews Moldova's supply deal only by a one-year period at the end of each year (interview Mihai Mogîldea), and most importantly, regain control of the national distribution system owned by Gazprom.

³⁵ Cenuşă, D. et al. (2019). p. 22-26.

³⁶ The Global Economy.com (n.d.) *Moldova: GDP share of agriculture*. Available at: https://www.theglobaleconomy.com/Moldova/Share_of_agriculture/ For breakdown by sectors see data from the [OECD](#) and the [World Bank](#).

³⁷ Stratan, A., Fala, A. & Clipa, V. (2015). 'Risks to the agri-food sector of Republic of Moldova associated with restrictions imposed by the Russian Federation on Moldovan imports'. *Procedia Economics and Finance*. 32(2015), pp. 324-331.

Russia's imports before the sanctions³⁸, but also for small and medium-sized enterprises (SMEs) producing fruits and animal products.

For these agricultural producers, access to the European markets remains difficult and less profitable than the Russian alternatives, both due to the cumbersome (phyto)sanitary legislation required and lack of demand for their produce. In fact, approximately 90% of Moldova's agricultural exports to the EU are still coming only from large enterprises.³⁹ As a result, agriculture has oftentimes become a hotbed for anti-EU rhetoric promoted by pro-Russian populists, as demonstrated by Dodon in his threats of scrapping the AA in favour of joining the Eurasian Economic Union⁴⁰, despite data showing that Moldova's value added agriculture scored its highest rates ever since the DCFTA entry.⁴¹

2.2.3 Media

Finally, one priority for the EU's support plans to Moldova in the following years should be the reformation of its predominantly subservient broadcast-media - concentrated mostly in the hands Plahotniuc and PSRM's affiliated holdings⁴² - which represents as much of an obstacle to its democratic consolidation as well as a vulnerability to Russia's disinformation campaigns.⁴³ The absence of media plurality and limited access to independent reporting has shown time and again how important political topics, like the 2016 presidential elections⁴⁴ or the AA talks in 2013⁴⁵, can be subjected to effective disinformation campaigns, which heavily influence the electorate's voting preferences or geopolitical sympathies. Yet, for the EU's sectoral assistance, until the end of 2020, the support for independent media remained very low on its list of priorities, being only marginally mentioned under its financial support for good governance between 2017-2020.⁴⁶

Despite an online presence of reliable and independent journalism, the reason for which the broadcast media's ownership is so important in Moldova is because its population relies on a proportion of 73% on TV for a primary source of information⁴⁷, of which 71.6% predominantly follow Moldovan media, 43% Russian media and only 21.8% Romanian (European) media.⁴⁸ Culturally speaking, Russian productions enjoy even more popularity on the Moldovans' screens than European or International productions, comprising 81.82% of the shows broadcasted among the top twelve TV channels, whereas only 9.09% are American productions for example.⁴⁹ In the context of Moldova's pro-European orientation, Russia's screen dominance is an aspect worth considering, given that TV shows

³⁸ Banca Națională a Moldovei (n.d.) *Casetă tehnică: Impactul sancțiunilor asupra economiei Republicii Moldova*. Available at: <https://www.bnm.md/ro/content/impactul-sanctiunilor-asupra-economiei-republicii-moldova-0>

³⁹ Interview Mihai Mogîldea.

⁴⁰ Dyomkin D. (2017, January 17th). Reuters. *In Russia, Moldovan president says he may scrap EU trade pact*. Available at: <https://www.reuters.com/article/us-russia-moldova-eu-idUSKBN151290>

⁴¹ Figures available at: https://www.theglobaleconomy.com/Moldova/value_added_agriculture_dollars/

⁴² Asociația Presei Independente (2017). *Capturarea mass-mediei și a altor mijloace de comunicare publică în Republica Moldova*. See p. 10. Available at: http://www.transparency.md/wp-content/uploads/2017/05/TI_Moldova_Capturarea_Mass_Media.pdf and;

⁴³ Interview Mihai Mogîldea.

⁴⁴ Mogîldea, M. (2018). *Seize the press, seize the day: The influence of politically affiliated media in Moldova's 2016 elections*. Freedom House. Media Forward Policy Brief Series No. 2. Available at: https://freedomhouse.org/sites/default/files/2020-02/4-Seize-the-Press-Seize-the-Day_ENGLISH.pdf

⁴⁵ Bucataru, V. (2018). *Media Literacy and the Challenge of Fake News*. Freedom House. Media Forward Policy Brief Series No. 1. See p. 4. Available at: https://freedomhouse.org/sites/default/files/01-Fake_News-EN.pdf

⁴⁶ SSF 2017-2020, p. 9-10

⁴⁷ IMAS (2018). *Evoluție și preferințe privind mass media din Republica Moldova*. Available at: https://imas.md/pic/archives/10/imas_evolutie_si_preferinte_mass_media.pdf

⁴⁸ Barometer of Public Opinion (2017) cited in Bucataru (2018). p.2.

⁴⁹ Asociația Presei Independente (2017). p. 12-13.

are one of the most effective means of instilling ideas and values into a society.⁵⁰ This is especially the case after Russia has been known to ramp up its propagandistic messages in its ‘near abroad’ after the Ukrainian crisis, increasing the social cleavages among Moldova’s population segments that are ‘highly susceptible to geopolitical messages’.⁵¹

3. Policy Recommendations

Based on the issues highlighted above and opinions gathered from policymakers and analysts, the following subsections propose a series of recommendations with a set view on a medium-term period, which the EU could feasibly focus on should a pro-EU administration emerge to power in Moldova.

1. Support for anti-corruption reform

As underscored in section 2.1, the EU’s priority for Moldova’s judicial reform in the following years will have to be the restructuring of its benchmarking system, so that it includes clear reference criteria for measurable and authentic reforms. Furthermore, the EU’s support for the fight against corruption should turn to the principle of ‘smart conditionality’, where key institutions with judicial integrity would receive direct assistance (technical or financial) for their line of work without the involvement of the national government. Here for example, the Constitutional Court (CCR) and the National Authority for Integrity (ANI) could be singled out as such institutions, which once provided adequate support and extended prerogatives could generate a spillover effect onto other state institutions to function accordingly.⁵² Another policy option should also be the establishment of an institutional dialogue between national agencies and EU ones. For instance, the new European Public Prosecutor's Office (EPPO) is an agency which should be given consideration in this case as it could provide Moldova’s anti-fraud agencies with invaluable support in high-level corruption cases, sending at the same time an important message to the Moldovan public about the EU’s commitment to judicial reform.

Additionally, to send Moldovan citizens a decisive message about the EU’s commitment to fighting corruption, the Commission should seriously consider the imposition of Magnitsky-style sanctions against kleptocrats involved in major corruption scandals, like the ‘stolen billion’ or the ‘Russian laundromat’. The introduction of such sanctions finds strong support among Moldova’s civil society, which has for a time now advocated the EU for their imposition.⁵³ However, it is also a measure that is supported by the more genuine pro-European political forces in Chişinău. The vice-president of PAS suggested that the imposition of these sanctions would be well-advised ‘given how challenging it is to prosecute such individuals in national legal systems’ adding that ‘while they should not become a replacement for criminal liability at national level, they can increase the salience of the issue and act as an extra deterrent for would be criminals’.⁵⁴

2. Depoliticization of state institutions

Another area where the EU should insist on reform efforts is the depoliticization of state institutions responsible for preserving the national interests but instead ‘are easily subjected to foreign interference’.⁵⁵ As mentioned in the beginning of this policy paper, SIS would be one crucial institution in need of such reform, but also the Ministry of National Defense and the National Anti-

⁵⁰ Interview Mihai Mogîldea.

⁵¹ Bucataru (2018).

⁵² Interview Mihai Mogîldea

⁵³ Alaiba, D. (2020). *Sanctions as a Tool for Asset Recovery: Moldova*. Civil Forum for Asset Recovery. Research Paper. Available at: <https://cifar.eu/moldova-sanctions/>

⁵⁴ Opinion by Mihail Popşoi

⁵⁵ Interview Mihai Mogîldea

Corruption Center (CNA) which are crucial to Moldova's resilience-building. The strategies for these domains will naturally differ based on dialogue with relevant specialists, but one option suggested by Mihail Popșoi in regards to the judiciary, would be the creation of an external evaluation system, including national and international experts, which could vet judges and prosecutors based on integrity and professionalism.

3. Energy security

Regarding energy, the EU's priority for the following years should be the electricity sector, where it could insist more actively on speeding up the inter-connection with Romania and development of renewable energy sources. The electricity sector is important because it would provide Chișinău with increased independence from Transnistria's exports and it would not face as much adversity as the gas market in terms of reform. Therefore, the EU should follow-up closely the advancement of the Isaccea-Vulcănești-Chișinău electric line, funded jointly by the EU's banks and the World Bank, which could secure Moldova's electric independence from Russia in the next few years. The EU should also look closely at opportunities for developing hydropower projects along the rivers Prut and Dniester, whose energetic potential is at the moment underexploited⁵⁶, but also biomass power plants which could become a major source of energy for Moldova's agriculturally based economy.

On fossil fuel security, the EU's priority should be the development of a financing plan for a gas storage facility in the geologic areas of Zagarancea-Mânzesti-Unghenii de Jos or Cantemir district, which so far has not seen any progress due to the significant funding it would require (estimated at \$750 million).⁵⁷ This project could be of crucial importance in the next four years, as it could bring Moldova one step closer to energy independence from Russia, since Romania's Black Sea extraction operations are expected to begin in this period as well.

4. Support for agriculture

In relation to trade, one of the EU's main priorities in its sectoral assistance should be the market rapprochement with Moldovan farmers. Here, one of the more beneficial things the EU could do for SMEs is to work towards the recognition of the sanitary and phytosanitary equivalence of their produce and eliminate all customs duties for Moldova's main agricultural exports, like plums, grape juice or apples.⁵⁸ Besides issues of legal approximation, the EU should also consider an increase in its financial assistance for the agricultural sector, which suffered from a severe drought during the summer of 2020 on top of the general economic backlash of the Covid pandemic.⁵⁹

5. Media and inter-ethnic relations

One social problem highlighted by my respondents, which should preoccupy the EU in regards to Moldova, is the 'inclusion and integration of ethnic minorities based on European values of respect for cultural and linguistic identity'.⁶⁰ Aside from cultural projects, which the EU already finances, one approach to bridging the cultural divisions in Moldova would be to address them in

⁵⁶ IRENA (2019). *Renewables Readiness Assessment: Republic of Moldova*. Available at:

<https://www.irena.org/publications/2019/Feb/Renewables-Readiness-Assessment-Republic-of-Moldova>

⁵⁷ Botezatu, M. (2018). *Republic of Moldova: Storage and Fuel Switching Issues*. International Energy Agency for EU4Energy. Policy Forum Presentation. Available at:

https://iea.blob.core.windows.net/assets/imports/events/160/Day3_Session2d_MoldovaStorage_MarianaBotezatu.pdf

⁵⁸ IPRE (2020, October 30th). *Non-Paper: Livrabilele post-2020 ale Parteneriatului Estic pentru cele trei țări asociate UE - Georgia, Republica Moldova și Ucraina*. Available at: <http://ipre.md/2020/10/30/non-paper-post-2020-eastern-partnership-deliverables-for-the-three-eu-associated-countries-georgia-republic-of-moldova-and-ukraine/>

⁵⁹ Groza, I. et al. (2020)

⁶⁰ Opinion Mihail Popșoi.

complementarity with the issue of independent media.⁶¹ That is because supporting this type of media in reaching wider population segments could redirect from the attention to propagandistic (geo)political discourses to actual pressing issues which affect the general population.

In this regard, the EU should make substantial increases in its financial support to media outlets which have proved their independence and aptitudes for unbiased investigations, as the lack of funding is in fact one of their biggest hurdles in reaching bigger audiences and amounts of content created. Furthermore, the EU should also apply a ‘smart conditionality’ principle to agencies which contribute to a free and fair mediatic landscape, like the Independent Press Association (API), and insist on reforms aimed at breaking the political ownership of the media market, like the appointment procedure of the Audiovisual Coordination Council’s (CCA) members, which are currently named by the parliament and held accountable to it as well.⁶²

6. Strategic coordination with Romania

Lastly, for the EU to achieve an increased impetus in Moldova in the following years strategic coordination with Romania will be needed. A great opportunity for this presented itself with the Romanian president’s visit to Chişinău days after Sandu’s official investiture, which ended a six year hiatus with no official visits between the two countries and announced a renewal of their bilateralism with the significant relief aid Romania provided Moldova for the pandemic.⁶³ Therefore, the EU should take advantage of this momentum and draw Romania closer to its EaP support plans for Moldova, by obtaining its commitment to a synergistic approach with the EU’s efforts.

⁶¹ Interview Mihai Mogîldea

⁶² Mogîldea (2018), p. 5.

⁶³ RFE/RL (2020, December 30th). *Romania, Moldova’s New President Vow Fresh Start After Pro-Russia Leader’s Exit*. Available at: <https://www.rferl.org/a/31025937.html>

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