

On track. Moldova wants EU integration, but needs to do its homework first

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Moldova's fortunes have seen ups and downs in recent years. This small, post-Soviet country, wedged between Romania and Ukraine, became a direct EU neighbour in 2007. This new status offered a glimmer of hope that more prosperity and stability would come to the 'poorest country in Europe'. Since 1992, Moldova has hosted a secessionist conflict linked to the break-up of the Soviet Union and which has been kept artificially 'frozen' by about 1,200 illegally stationed Russian troops.

Having welcomed the EU neighbourhood policy in 2004, despite the absence of an EU membership perspective, Moldova appeared as one of the better-performing Eastern neighbours in terms of democratisation and economic reform. However, an appetite for EU integration slowly disappeared in recent years and the electoral abuses by the authorities during the April 2009 elections exposed serious cracks in its democratic system, prompting international condemnation.

A rerun of the legislative elections on 29 July saw the ousting of the communist government by a coalition of four opposition parties, calling themselves the "Alliance for European Integration" (AEI). Two consecutive attempts by the new parliament to elect the new president failed, however, and renewed elections are in principle scheduled to take place in the course of 2010.

Time plays in favour of the ruling coalition, as the communist party's popularity is dwindling according to the latest opinion poll (Moldovan Institute for Public Policy, November 2009 Barometer) which puts it at 26% down from 44.7% at the time of the July elections. Public opinion blames them for the persisting political crisis. Serious cracks have appeared in the communist party, with some deputies leaving the party and declaring their intention to set up a 'genuine' socialist party.

Political differences and potential personality clashes within the pro-European AEI have so far been kept in check, but these may surface in light of growing popular and time pressures. Out of the four coalition partners, two are liberal parties and openly pro-Romanian (Moldova is a former province of Romania and these political leaders wish for closer relations). Their leaders are Mihai Ghimpu, current speaker of parliament and caretaker president, and Vlad Filat, current prime minister. Marian Lupu, AEI presidential candidate and a former communist deputy joined the Democratic Party before the July 29 vote, thereby attracting a part of the communist electorate and visibly strengthening the opposition. Lupu

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is a pragmatic politician who has been endorsed by Moscow and is not pro-Romanian (Russia is intent on supporting political forces that can maintain its influence in this former Soviet republic). The fourth party – the “Our Moldova” Alliance – is probably not going to make it into the next parliament. Currently, there is disagreement within the AEI as to the best way forward out of the political crisis. Parliamentary elections are the more likely option in conjunction with a referendum on constitutional reform easing the procedure for electing the president.

EU integration is the AEI’s declared top priority and the new Moldovan prime minister and foreign affairs minister flew to Brussels on their first diplomatic trip. They pledged adherence to democratic reforms and asked for increasing EU assistance. The EU is eager to proceed with its new initiative adopted in May, the Eastern Partnership, but Moldova’s EU integration efforts have been put largely on hold since the April ballot. The former EU Commissioner for the European Neighbourhood Policy (ENP), Ferrero-Waldner, therefore, went to Moldova at the end of November to urge the new government to stick to its reform programme and to stress that the first priority is to start negotiations on a new association agreement.

The persisting political crisis has implications for Moldova’s relations with the EU. The launch of negotiations on a new Association Agreement is scheduled on 12 January 2010, but moves towards further visa liberalisation and a deep and comprehensive free trade area with the EU will largely depend on the sustainability and operability of the new government. Indeed, Moldova is losing ground to Ukraine, which is the furthest ahead in terms of EU integration amongst ENP states. Ukraine-EU negotiations on a new Association Agreement and a deep and comprehensive free trade agreement have been ongoing for some time.

Despite the rhetoric, relations with the EU are of secondary concern at this point, since Moldova is coping simultaneously with a political and economic crisis. The widespread fraud and abuses witnessed under the previous government during the elections exposed a series of weaknesses in Moldova’s democratic system. The new government will need to continue focusing on reforming the law enforcement agencies and the judiciary, showing its continued commitment to fight corruption and to reform the media landscape. The new government’s effectiveness may be hampered by the current political crisis, but these reforms must be carried out if Moldova is to take its relations with the EU to the next level.

In addition, most of the new government’s recent efforts have gone towards securing much needed macro-financial assistance. Indeed, the former government had covered up the disastrous state of Moldova’s economy during the electoral period. The European Commission promised to accelerate the disbursement of macro-financial support. The IMF also agreed to disburse a \$590 million loan over the next three years. Moldova currently holds talks with Russia to secure a \$500 million loan, initially promised to the outgoing communists.

Still, one of the first priorities of the new government was to normalise relations with Romania, which severely deteriorated during the April election campaign. The EU repeatedly pointed out that a normalisation of bilateral relations with Romania was a pre-condition for further deepening of Moldova’s relations with the EU. The new government proceeded to lift the visa restrictions for Romanian citizens, which were introduced in the aftermath of the April elections and offered an official apology to Romania. The long-awaited local border traffic treaty was also signed and two additional Romanian consulates were opened in Moldova.

The present Moldovan government has won the cautious political support of the EU and is hoping to find ways to ensure Moscow’s endorsement to avoid a further destabilization. Lupu’s election as the president will be a key element in this strategy. So will Moldova’s pledge to remain in the CIS and to reject NATO membership. However, relations are multi-faceted and could prove rocky: president Medvedev has expressed his worry as the Russian language and media is losing ground to Romanian, to cite but one example. In addition, Moscow is not the only one wary of Moldova’s pro-Romanian rhetoric. Ukraine also fears that a Moldova-Romania rapprochement might reignite the conflict in Transnistria, on Ukraine’s western flank. However, despite the heavy focus on the appeasement of its main international partners, the new government’s most difficult task ahead lies in improving Moldova’s domestic social and economic conditions. Therein also resides the key to a clear-cut victory at the next legislative elections in 2010.