

EU-MOLDOVA PARLIAMENTARY ASSOCIATION COMMITTEE

Eight Meeting

8 October 2020

Remote meeting, via ‘Interactio’

STATEMENT AND RECOMMENDATIONS

pursuant to Article 441(3) of the Association Agreement

Adopted on 08/10/2020

The eighth meeting of the EU-Moldova Parliamentary Association Committee (PAC), co-chaired by Monica Babuc on behalf of the Parliament of the Republic of Moldova (hereinafter ‘Moldova’) and Siegfried Mureșan, on behalf of the European Parliament, was held on 8 October 2020.

The Parliamentary Association Committee, having considered the state of play of EU-Moldova relations and of implementation of the Association Agreement, agreed on the following final statement and recommendations.

The Parliamentary Association Committee:

On continuing building-up EU-Moldova relations, including EU support that benefits the population.

1. Notes the hard human and economic toll paid by Moldova and the European Union as a result of the COVID-19 epidemic, which is still active and threatening the lives and well-being of our populations;
2. Expresses its satisfaction for the substantial financial support and medical equipment speedily delivered to Moldova by the European Union and its Member States; acknowledges that the ‘Team Europe’ approach is useful;
3. Values the combination and synergy created between the EU re-directed grants (more than EUR 108 million) and the loans from the International Financing Institutions to help Moldova cope with the huge challenge of the pandemic;
4. Appreciates the coordination between the European Union and the World Health Organisation to ensure efficient support to Moldova;

5. Welcomes the signature of the new EU macro-financial aid package to Moldova, consisting of a total of EUR 100 million in loans, specifically tailored to support the country's finances as a result of the pandemic;
6. Recalls that the basis of the cooperation and solidarity between the European Union and Moldova is the Association Agreement, including its Deep and Comprehensive Free Trade Agreement; Underlines that the core of the EU-Moldova Association are the common values shared by both parties, notably human rights, rule of law and democratic standards; calls on Moldova to reinforce the reforms aimed at strengthening these common values and in so far as these core values are respected and upheld, calls on the EU to reinforce its commitment to the development of projects and policies that benefit the Moldovan population;
7. Notes that the European Union should enable the Republic of Moldova to participate in new policy areas and priorities, always seeking tangible results that benefit the Moldovan citizens; calls for swift conclusion of a new Association Agenda that would be aimed at steering EU-Moldova cooperation towards closer political association and deeper economic integration;
8. Calls for a mutual commitment to safeguard fundamental human rights and cooperation, including the adoption of EU and national human rights violations sanctions mechanisms, which should allow for targeted restrictive measures against individuals involved in serious human rights violations.

On the economic recovery of Moldova, including job creation and a sustainable and green economy

9. Stresses, that the pandemic's effects in Moldova are still very acute, with serious and painful social and economic consequences, which will require effective action by the Moldovan authorities and assistance from the European Union and other Moldovan international partners;
10. Expresses its great concern about the economic and social impacts that the pandemic inflicts on Moldova; Underlines that job creation and education should be a priority, among other things, to halt the emigration of the young working force that is crucial for Moldova's future;
11. Proposes that the period of economic recovery should be seen also as an opportunity to consolidate the basis of a new economy in Moldova, more sustainable and prepared to face the urgent climate change and environmental challenges, and also more resilient to crises; in this context, welcomes readiness of the European Union to provide support based on the draft Recovery Plan

presented by the Moldovan authorities to the European Commission in September 2020.

12. Calls on the Moldovan authorities to pursue the reform of the energy sector in order to increase resilience, transparency in costs and contracts and to improve energy independence and efficiency; Stresses that increasing energy interconnections with the Union, diversifying energy sources, including renewable energy, and reducing dependence on fossil fuels are of paramount importance for enhancing the country's energy security.

On EU macro-financial support, the related reforms in Moldova and the level of their implementation.

13. Welcomes the second disbursement in July 2020 of the previous EU macro-financial assistance package, following Moldova's fulfilment of the related conditionality;
14. Regrets that the third and last instalment of this macro-financial assistance package was not possible to be delivered because of the lack of sufficient action by national authorities on the EU conditionality before the contractual deadline was reached;
15. Recalls that, although in the new EU macro-finance assistance package, the first disbursement is made rapidly due to the COVID-19 emergency, the second and final disbursement will have specific conditions that must be fulfilled; Acknowledges that this conditionality will also refer to previous commitments not yet fulfilled; Underlines that EU conditionalities should be seen as opportunities to conduct the necessary reforms and calls on the Moldovan authorities to mobilise, well on time, all necessary public efforts and resources to ensure that actions related to the conditionality are duly in force on time; underlines that good governance and rule of law are paramount for effective use of macro-financial assistance
16. Assesses that, among other, there are three crucial areas where Moldova must keep progressing: Justice reform, an enhanced business climate through the respect of the rule of law, and banking sector reform; Looks forward the adoption of new law on customs code being passed by the Parliament in the next weeks; Asks for the meaningful implementation of all recent adopted legislation, such as the one on 'non-commercial organisations', and other

- reform measures carried out in the context of the EU and IMF macro-financial assistances;
17. Stresses the central role NGOs play in any democratic society and expresses hope that the new legislation will improve the transparency of public decision-making and provide a modernized framework for the functioning of civil society in the country; Urges a more meaningful and active involvement of civil society in the policymaking and implementation processes;
 18. Underlines the need for the Republic of Moldova to complete judicial reforms without delay, so as to guarantee the independence, impartiality and effectiveness of the judiciary and specialised anti-corruption institutions; Stresses that is equally important to step up the fight against corruption and state capture, as well as money laundering, smuggling and organised crime, including human trafficking;
 19. Underlines the importance of achieving substantial progress towards identifying the perpetrators of the massive banking fraud exposed in 2014; Points out the necessity to speed up the prosecution process, bring all those responsible to justice without further delay and to recover misappropriated funds; Deems it important that EU Member States provide the Republic of Moldova's authorities support in the investigation of the case if so requested;
 20. Recalls that independent and depolarised media, free of political interferences constitute the basis of a democratic society, particularly during an electoral campaign period; Takes the view that strengthening media pluralism and its independence should be a priority for the Union and the Republic of Moldova in their partnership relations and that this should be reflected appropriately also in the financial allocations; Calls on the Commission to increase support to the independent media, including at local level; Points out the need for both the Moldovan authorities and the EU to develop specific programmes that promote media literacy, combat disinformation and support quality, fact-checked media content;
 21. Calls for a strict respect of the independence of the Constitutional Court by all Moldovan political stakeholders;

22. Consider important the strict respect by all Moldovan political stakeholders of the independence of the Supreme Council of Magistracy as a judicial self-administration body and guarantor of the judicial independence
23. Welcomes the recent agreement at staff level between Moldova and the International Monetary Fund for a three-year Extended Credit Facility of USD 558 million; Notes that the EU and the IMF share concerns about recent threats posed to the independence of the Central Bank
24. Calls for an upgrading of the European Union financial assistance to non-state actors and local public authorities, making them less dependent on political subordination.

On the need for free and fair elections, including a professional coverage by free media and countering disinformation

25. Stresses that free and transparent regular elections are a key element in any democratization process; Highlights that free and fair elections will also be key in order to guarantee EU support under the various programmes; Recognises that the way in which the 1 November presidential elections will be held will have an important impact on the overall EU-Moldova relations; Calls for the recommendations of the Council of Europe's Venice Commission and ODHIR to be applied;
26. Calls on all relevant public institutions involved in the election, and notably the Central Electoral Commission, to refrain from modifying any election rule, including financial ones, in the last months before the voting day, therefore avoiding any indication of being partisan or not independent. Expresses its worries regarding the potential grave irregularities observed in the process of preliminary registrations of the citizens for voting abroad and on opening polling stations out of the country; Calls to all relevant public institutions involved in the election to prevent any violations of the electoral law and processes and to monitor closely the voting process in all polling stations, including stations opened for the citizens from the left bank of Nistru river.

27. Stresses that ensuring freedom of the media and a level playing field for all candidates is important in order to ensure free, fair and inclusive elections; Reiterates the need of strengthening the public institutions, media and political parties to gain resilience before the election vis-a-vis the strong disinformation campaigns that Moldova suffers in the difficult context of the pandemic; Calls all presidential contenders to take good care for not promoting any kind of disinformation or encouragement of polarisation among the citizens;
28. Asks for the relevant authorities to address the shortcomings identified by the OSCE/ODHIR election observation mission and the relevant European Parliament delegation in 2019, particularly the bussing of organised voters coming from across the Dniester river, the facilitation of the vote of the large Moldovan diaspora living abroad and the secrecy of the vote;
29. Calls to all contenders at the presidential election, and at the likely parliamentary ones that may follow, to ensure clean electoral processes before during and after the election day, so that the legitimacy of the results will not be put into question,
30. Wishes that these elections contribute to bringing political stability to the country, after a long period of political turmoil.
31. Welcomes the deployment of the OSCE/ODHIR Election observation mission for the 1st November Presidential elections in the Republic of Moldova, which will assess the electoral process for its compliance with OSCE commitments and other international obligations and standards for democratic elections, as well as with national legislation.

On overall Eastern Partnership issues

32. Commends the active participation of Moldova in the (remote) Eastern Partnership Leaders videoconference of 18 June 2020, recalls the vitality of the Eastern Partnership project and the need of an ever closer relation between the EU and the Eastern Partnership countries, and between the Eastern Partnership countries themselves; Looks forward for a physical Eastern Partnership Summit in 2021 that reflects its progress and resilience

33. Recalls that the Eastern Partnership parliamentary dimension, the Euronest Parliamentary Assembly, is essential to the success of the project and demonstrates its democratic legitimacy; Looks forward to the Euronest eighth plenary meeting and to an active contribution from the parliament of Moldova;
34. In view of the challenges posed by the Covid-19 pandemic calls for inclusion of the interested Eastern Partnership countries into the Joint Procurement of Medical Countermeasures mechanism;
35. Reiterates that the Eastern Partnership countries with an association Agreement with the European Union in force, like Moldova, have an indubitable European perspective, and should have the chance, after broad public dialogue and consultation process with all citizens, to apply to become a member of the European Union, provided that it adheres to the principles of democracy the respect of fundamental freedoms and minority rights and the rule of law.