



2019/2201(INI)

4.9.2020

OPINION

of the Committee on International Trade

for the Committee on Foreign Affairs

on the annual implementing report on the EU association agreement with
Moldova
(2019/2201(INI))

Rapporteur for opinion: Markéta Gregorová

PA_NonLeg

SUGGESTIONS

The Committee on International Trade calls on the Committee on Foreign Affairs, as the committee responsible, to incorporate the following suggestions into its motion for a resolution:

1. Welcomes the positive results achieved in trade and economy with the implementation of the Deep and Comprehensive Free Trade Area (DCFTA), allowing for the reorientation of the Republic of Moldova's (hereinafter 'Moldova') trade and a marked increase in trade with the EU, accounting for 54 % of its total trade in 2019; notes, in this regard, that the EU is Moldova's largest trading partner and is also the biggest investor in the country; notes, further, that the implementation of DCFTA has been beneficial for both parties, particularly for the agricultural and food sectors;
2. Calls on the Moldovan authorities to consider regulatory approximation with the EU acquis and the appropriate implementation and enforcement of relevant legislation; and to continue progress and implement reforms, as the implementation of the DCFTA is an important opportunity for growth for the Moldovan economy and for the development of business in Moldova, including the continuing extension of the DCFTA and its benefits for the Transnistrian region, with a particular reference to the introduction of VAT and support for SMEs, which are the largest sector of the Moldovan economy;
3. Calls on the Commission and the Member States to support Moldova's strategic goal of further unlocking the real potential offered by free trade with the EU, removing non-tariff barriers to trade, facilitating access and making progress when it comes to integrating into the single market;
4. Welcomes the disbursement of the second instalment of the Macro-Financial Assistance (MFA) to Moldova and acknowledges the efforts made by Moldova to fulfil the relevant conditionalities; expresses its support to the conclusion of the Memorandum of Understanding (MoU) on a new exceptional EU MFA programme aimed at countering the negative economic impact of the COVID-19 pandemic and looks forward to the implementation of the underlying commitments; recalls the importance of the MFA conditionalities, namely the provision of assistance on the basis of real democratic reforms, which would fulfil criteria and lead to acquis approximation, and recalls the need for the 'more for more' incentive; expresses regret, in this regard, over Moldova's unsatisfactory level of compliance with EU requirements, especially as regards its justice sector, energy reform and the customs code, which resulted in the Commission's decision to cancel the third tranche of MFA to the Republic of Moldova; expresses concern over the fact that progress in the investigation of the 2014 bank fraud and the related asset recovery is still limited; calls on the Commission to provide assistance to the Moldovan authorities in investigating this case, if needed, and to seek out independent expertise and cooperate with Moldova's civil society in order to fully assess the progress made;
5. Welcomes the finalisation and adoption of the new Moldovan customs code, which will contribute to better investment and competitive business climate; calls for greater and more committed efforts to good governance and the approximation its rule of law standards, in particular those aiming at strengthening an independent judiciary; recalls

that the independent and depolarised media without political interferences constitute the basis of a democratic society;

6. Stresses the need for reforms that aim to improve transparency, including in trade-related policies and encourages Moldova to continue making progress in the area of public procurement to ensure modernisation and to fight against corruption; recalls the need for the EU and Moldova to consistently support civil society organisations that monitor fraud and money laundering activities, since they play an important role in independent regulatory mechanisms;
7. Calls on Moldova to fully observe the environmental objectives and initiatives set out in the DCFTA, and its international commitments to sustainable trade and development, in particular the Paris Agreement; welcomes Moldova's February 2019 package on climate and the environment and its national response, which made it the fourth country in the world to submit its updated National Determined Contribution (NDC2), including an increased ambition to reduce GHG emissions, to the Secretariat of the UN Framework Convention on Climate Change (UNFCCC);
8. Calls on the Commission to support investment in sectors with potential for development, growth and competitiveness in the EU, notably in the three sectors of strategic significance (i.e. sustainable energy and climate, the digital single market and cyber security, and transport);
9. Underlines the importance of the progressive implementation of EU sanitary and phytosanitary standards, including animal health and food safety;
10. Calls on the Moldovan Government to focus on the social dimension of trade and sustainable development by addressing the limitations and shortcomings of the labour inspection system and the problems of the judiciary system, which have a negative impact on the enforcement of labour standards;
11. Calls on the Commission to support youth programmes favouring social entrepreneurship and to focus on youth from rural areas in order to strengthen education systems and to ensure that they meet labour market demands, so as to protect the most vulnerable and ensure adequate socio-economic opportunities;
12. Calls on the EU to consider possibility of Association Agreement (AA)/DCFTA countries acceding to the Single Euro Payments Area (SEPA), since it will be beneficial for citizens and provide new opportunities for SMEs to develop;
13. Calls on the Commission to upgrade neglected areas of AAs, which include important policy areas such as gender, the European Green Deal and the prevention of health crises;
14. Calls on the Commission to strengthen the Delegation of the European Union to the Republic of Moldova, reinforce monitoring and strengthen the project team in Chisinau, so as to help Moldova effectively communicate its approximation to EU law, fight against disinformation and promote positive images of the EU and Moldova to all parties concerned;

15. Calls for continued improvements when it comes to connectivity facilitating e-commerce and digital trade and welcomes the national strategy 'Digital Moldova 2020' and recognises Moldova's efforts to build a genuine digital market economy; calls on the Commission and Moldova to support and assist programmes and reforms aimed at upgrading sectoral cooperation in the digital economy.

INFORMATION ON ADOPTION IN COMMITTEE ASKED FOR OPINION

Date adopted	3.9.2020
Result of final vote	+: 37 -: 3 0: 2
Members present for the final vote	Barry Andrews, Anna-Michelle Asimakopoulou, Tiziana Beghin, Geert Bourgeois, Saskia Bricmont, Udo Bullmann, Jordi Cañas, Daniel Caspary, Anna Cavazzini, Miroslav Číž, Arnaud Danjean, Paolo De Castro, Emmanouil Fragkos, Raphaël Glucksmann, Markéta Gregorová, Enikő Györi, Roman Haider, Heidi Hautala, Danuta Maria Hübner, Herve Juvin, Karin Karlsbro, Maximilian Krah, Danilo Oscar Lancini, Bernd Lange, Margarida Marques, Gabriel Mato, Emmanuel Maurel, Maxette Pirbakas, Carles Puigdemont i Casamajó, Samira Rafaela, Inma Rodríguez-Piñero, Massimiliano Salini, Helmut Scholz, Liesje Schreinemacher, Sven Simon, Dominik Tarczyński, Mihai Tudose, Kathleen Van Brempt, Marie-Pierre Vedrenne, Jörgen Warborn, Iuliu Winkler, Jan Zahradil

FINAL VOTE BY ROLL CALL IN COMMITTEE ASKED FOR OPINION

37	+
ECR	Geert Bourgeois, Emmanouil Fragkos, Dominik Tarczynski, Jan Zahradil
GUE/NGL	Emmanuel Maurel, Helmut Scholz
NI	Tiziana Beghin, Carles Puigdemont i Casamajó
PPE	Anna Michelle Asimakopoulou, Daniel Caspary, Arnaud Danjean, Enikő Győri, Danuta Maria Hübner, Gabriel Mato, Massimiliano Salini, Sven Simon, Jörgen Warborn, Iuliu Winkler
RENEW	Barry Andrews, Jordi Cañas, Karin Karlsbro, Samira Rafaela, Liesje Schreinemacher, Marie-Pierre Vedrenne
S&D	Udo Bullmann, Miroslav Číž, Paolo De Castro, Raphaël Glucksmann, Bernd Lange, Margarida Marques, Inma Rodríguez Piñero, Mihai Tudose, Kathleen Van Brempt
VERTS/ALE	Saskia Bricmont, Anna Cavazzini, Markéta Gregorova, Heidi Hautala

3	-
ID	Herve Juvin, , Danilo Oscar Lancini, Maxette Pirbakas

2	0
ID	Roman Haider, Maximilian Krah

Key to symbols:

+ : in favour

- : against

0 : abstention