



European Economic and Social Committee

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**The EU's relations with
Moldova: What role for
organised civil society?**

Brussels, 12 December 2007

OPINION
of the
European Economic and Social Committee
on
The EU's relations with Moldova: What role for organised civil society?
(own-initiative opinion)

At its plenary session held on 15 February 2007 the European Economic and Social Committee, acting under Rule 29(2) of its Rules of Procedure, decided to draw up an own-initiative opinion on

The EU's relations with Moldova: What role for organised civil society?

The Section for External Relations, which was responsible for preparing the Committee's work on the subject, adopted its opinion on 15 November 2007. The rapporteur was Ms Pichenot.

At its 440th plenary session, held on 12 and 13 December 2007 (meeting of 12 December), the European Economic and Social Committee adopted the following opinion by 115 votes to two with one abstention.

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1. Conclusions and recommendations

1.1 Promote the role of civil society in EU-Moldova relations

1.1.1 The year 2005 marked **a turning point** in EU-Moldova relations. With the adoption of the EU-Moldova action plan (2005-2008), the establishment of an EU delegation in its capital city and the appointment of the EU Special Representative to the negotiations on the Transnistrian conflict, the conditions for implementing the Partnership and Cooperation Agreement have improved considerably. Against this backdrop, this first EESC opinion on EU-Moldova cooperation is aimed at promoting the role of civil society in order to build on this momentum and embark on a joint agenda by means of initiatives in the near future.

1.1.2 Strengthened cooperation between the EU and Moldova can only be based on a shared understanding of common values, notably the upholding of fundamental freedoms, a commitment to a democratic society open to all and to the principle of dialogue that is based on the independence of civil society partners. Civil society will hold the key to Moldova's very identity. Fundamental to it is the rich human landscape that has built up within the country from the convergence of different cultures and languages. This richness is a considerable asset.

1.1.3 Undoubtedly, as in other CIS countries that have gone through the same historical experience, Moldova has no tradition or experience of independent civil society organisations. However, in view of ongoing developments, the Committee considers it vital to pursue contacts aimed at identifying progressive-minded partners with shared values.

1.1.4 The EESC stresses the extent to which the success of the EU-Moldova Action Plan¹, under the European Neighbourhood Policy, hinges on the ability to **associate and involve civil society organisations** in its implementation. It therefore advocates that the Commission send out a clear signal by proposing criteria, procedures and instruments that would enable more effective involvement of civil society. Nonetheless, the EESC commends the efforts of the EU delegation in Chisinau, in its focus on increasing contacts with Moldovan civil society. This will pave the way to a formal involvement of civil society representatives in the review of the action plan in April 2008 and in the next stages of an enhanced partnership.

1.1.5 The EESC recommends building a sustained and forward looking relationship with Moldovan civil society, beginning by structuring our relations. To this end a **conference** should be organised in 2008, prepared for by means of a prior mission, aimed at identifying partners that are committed to operating in a transparent manner. This event, which would include local and regional players, would be aimed at jointly drafting a work plan based on the proposals set out below:

- evaluating existing **information and consultation** mechanisms in Moldova, both governmental and European, including an assessment of the implementation of the action plan (2005-2008);
- preparing and **training civil society** for pursuing the partnership after 2008; and
- Moldovan organisations' access to the **mechanisms of the EU financial instrument**.

This work plan will require a commitment to finance civil society initiatives through EU programmes.

1.1.6 After a review of the 2008 conference with Moldovan civil society, new initiatives should be launched. **Constructive** relations should be pursued via the Committee's *neighbourhood group*, i.e. taking account of the principles that are fundamental to good governance and sustainable development. At the core of this incentive-based approach will be the principles laid down in the *GSP+* agreement, namely:

- the 16 core human and labour rights UN/ILO conventions²;
- the 11 conventions related to environment and governance principles³.

1.1.7 Thus the EU will provide an incentive to Moldova's civil society organisations towards meeting the European standards of independence, representativeness and transparency. Within each action plan progress report, the Commission should continue to include a specific

¹ Cf. Appendix A.

² EESC opinion on the *Proposal for a Council Regulation applying a scheme of generalised tariff preferences*, rapporteur: Mr Pezzini, adopted on 9 and 10 February 2005 (OJ C 221/15, 8.9.2005).

³ See appended list.

section on respect for fundamental rights, including freedom of association and expression and add to this a review of trade union rights.

- 1.1.8 In the EESC's view, there must be a shift in priorities towards the gradual re-appropriation by the Moldovans themselves of the tools and expertise provided to them by international and European institutions. The EESC backs the Council of Europe's call for civil society support in combating corruption (a principle of the GRECO⁴ approach). It calls for cross-border cooperation in the fight against organised crime.
- 1.1.9 The Committee backs the cooperation initiative taken by European and international donors aimed at ensuring consistency in their actions. It recommends that these poverty reduction programmes pursue priority actions on basic social services, with particular focus on improving living conditions in orphanages, lowering the price of antiretroviral drugs and helping to rehabilitate victims of human trafficking.
- 1.1.10 The prolonged drought of summer 2007 plunged the country into a difficult situation given the ensuing poor harvests, which led to bankruptcy and excessive debt. The government appealed for international food aid and FAO technical aid. The Committee considers it particularly important to forge links with civil society organisations working in the agri-food industry. As a short-term measure, the European Commission has allocated EUR 3 million in humanitarian aid to Moldova's most vulnerable rural communities.
- 1.1.11 The EESC considers it particularly important that there be common networks and projects linking all Moldovans, including organisations from the Transnistria region. The Committee encourages the EU to sustain its efforts towards a solution to the Transnistrian conflict that maintains its territorial unity and to pursue its border assistance mission (EUBAM).
- 1.1.12 The EESC recommends facilitating the exchange of democratic practices between civil society organisations, by inviting our Moldovan partners to access EESC publications available on the Internet (particularly in the Romanian language) as well as the work of national ESCs, available through the CES link. The Committee encourages the national ESCs within the Member States (particularly in Romania and Bulgaria) and the IAESCSI⁵ to work together towards bringing Moldovan society into contact with the tools and practices of European civil society.
- 1.1.13 The EESC hopes to see more effective participation by Moldovan civil society in regional Western Balkan and Black Sea dialogue, particularly through interregional and cross-border cooperation within this area of imminent strategic importance. EU-Moldova cooperation can

⁴ The Council of Europe's *Group of States against Corruption*.

⁵ International Association of Economic and Social Councils and Similar Institutions (IAESCSI).

be seen against the backdrop of strengthened cooperation with neighbouring countries, particularly Russia.

1.2 Strengthening support for promising organisations and reconciliation bodies

1.2.1 Establishing constructive social dialogue

In view of its weak industrial relations, the EESC points out Moldova's commitment not only to the ILO Conventions but also to the Council of Europe's Social Charter and its complaints mechanism. It suggests that the ILO offer technical assistance in handling labour disputes through specific courts.

1.2.2 Giving substance to the commitment to encourage contacts with European society

The EESC firmly supports the conclusion of the visa facilitation and readmission agreements which will establish a visa facilitation system, particularly with a view to increasing promising exchange programmes involving students, scientists, journalists and civil society representatives. It recommends broadening access to the EU's programmes, particularly for young people by means of Erasmus Mundus. The visa facilitation and readmission agreements, signed in October 2007⁶, will also help stem the flood of requests by Moldovans seeking Romanian citizenship.

The Committee calls on the Moldovan government to involve civil society in European and international events (WTO, OSCE, the Council of Europe and the International Francophone Organisation). The EESC urges Member States to pursue and fund contacts and exchanges with Moldovan civil society (university bursaries, twinning schemes, cross-border cooperation, etc.).

1.2.3 Taking account of environmental performance

The EESC advocates supporting environmental organisations that are working towards the destruction of non-transportable weapons and ammunition stockpiles, military waste, industrial discharges and the cleaning-up of water pollution.

2. Key features of Moldova's socio-economic situation

2.1 With a per capita GDP of approximately USD 1000, Moldova is the poorest country in Europe and the only one classified as low-income by the World Bank. Its population is declining (to less than 4 million in 2004), due to increased mortality (particularly among men), a decline in the birth rate and significant emigration.

⁶ Ratification of these agreements is expected by the end of 2007.

- 2.2 While poverty reached dramatic levels between 1999 and 2005, it has since decreased, but still remains at a high level of approximately 30% on average. The alleviation has been uneven, generating pockets of absolute poverty (USD 2/day) particularly affecting children and older people. Poverty rates in rural areas and small towns are still at around 40 to 50% of the population.
- 2.3 Too many children are at risk of exploitation through homelessness, child labour, trafficking and prostitution. This level of poverty has also considerably increased the phenomenon of *social orphans* – children who cannot be supported by their parents and are put into state institutions
- 2.4 Women are subject to discrimination, which has been heightened by the very difficult social situation. They are faced with high levels of unemployment, deskilling, low wages and the seasonal nature of agricultural work. They are more exposed than men to the risk of poverty, particularly due to reduced social benefits (health, education and family) and pension levels. This situation leads women, often mothers, to take up illegal or dangerous offers whereby they risk becoming victims of human trafficking. The majority of such victims are young women seeking employment.
- 2.5 In 2004, Moldova undertook a poverty reduction and growth programme, supported by the World Bank, the UNDP and other donors. In December 2006, the various contributing financial institutions and the EU set up a coordination framework – an exemplary method for ensuring consistency and efficiency in conditionality management – and committed EUR 1 billion of aid and loans over the next four years.
- 2.6 **Downturn in labour market**
- 2.6.1 The labour market situation greatly deteriorated in Moldova during the 1990s, in tandem with the economic collapse. In the wake of the Russian crisis in August 1998, employment levels fell before increasing again in 2003. Unemployment levels dropped from 11% in 1999 to approximately 7.4% of the registered workforce by the end of 2006. Approximately 35% of the workforce is engaged in undeclared work⁷.
- 2.6.2 Although real earnings have continued to grow, the average salary remains very low, amounting to USD 129 in 2006⁸. However, other sources of income should also be taken into account. Firstly, a high proportion of families receives remittances from family members abroad. Also, undeclared work remains rife: according to the official statistics body, over 200 000 workers (i.e. 15% of the working population) are employed by unregistered

⁷ Statistical data from the Moldovan public authorities.

⁸ Statistical data from the Moldovan public authorities.

companies, while 35% of the staff of recognised companies are not declared by their employers (particularly in construction, agriculture and forestry).

2.6.3 Many Moldovans have left their country to work abroad, the majority illegally. This – somewhat seasonal – exodus estimated at up to 1 million adults amounts to approximately 30% of the entire labour force. Among the negative consequences of this emigration are the loss of human capital and the impact of this on social protection funding. Given the level of poverty, it is likely that economic migration will continue in the coming years.

2.7 **Weaknesses of the Moldovan economy**

2.7.1 **An isolated economy under Russia's influence**

2.7.2 The collapse of Moldovan GDP in the 1990s resulted from external factors such as a loss of markets, energy dependence, emigration of qualified workers and the secession of the industrial region of Transnistria.

2.7.3 Despite a marked upturn in growth since 2000 (up to 6-8% per annum), the economy remains very vulnerable (4% growth in 2006) and further weakening is possible in 2007. The main cause of this slowdown is the doubling of gas prices imposed by the distributor Gazprom in 2006.

2.7.4 Irritated by the pro-European stance of the Moldovan president, Russia closed its market to imports of Moldovan wine as a means of exerting political pressure. Thus, in 2006, Moldova lost one of its main sources of export revenue (Moldovan wine represented 35% of exports, of which 85% went to the Russian market).

2.8 **An economy dominated by the agri-food industry**

2.8.1 Moldova remains a predominately rural country. The agri-food industry accounts for more than 30% of GDP⁹ and a significant proportion of exports (65%). Family farming is a key factor in the self-sufficiency of towns and rural areas. The agri-food industry also plays an important role in the economy. The quality and quantity of harvests affect light industry sectors both upstream and downstream (artificial fertilisers, bottles, packaging).

2.9 **The key role of migrants' remittances to their families**

2.9.1 After this deep recession, there is no doubt that the few positive economic results achieved are not due to a reconstruction of the economy but to massive inflows of remittances (30% of Moldovan GDP) from Moldovans working abroad: between 600 000 and one million working in Western Europe (19% in Italy) and Russia (60%), who sent home EUR 1 billion in 2006.

⁹ Statistical data from the Moldovan public authorities.

2.9.2 In the absence of a favourable investment climate, these inflows do not serve to fund new economic activities. These financial inflows lead to increased property prices, a strong demand for imported products and inflationary pressures.

3. **Democracy, respect for human rights and good governance**

3.1 **Human development**

3.1.1 Moldova is ranked 114th in the 2006 UNDP Human Development Index, the lowest ranked of the European countries and one of the lowest of the former Soviet countries.

3.1.2 The lack of media independence and of respect for human rights, together with problems regarding the operation of the judicial system, all hinder initiatives by the Moldovan people and the organisational capacity of civil society.

3.1.3 Media independence is one of the key issues highlighted in a recent Council of Europe report (September 2007)¹⁰. The reform of legislation on freedom of expression is certainly important but is not sufficient to ensure such freedom in practice. Impartiality and ethics are also necessary within journalism. This is dependent on journalists being free from pressure from political authorities, particularly in the audio-visual media.

3.2 **High levels of corruption**

3.2.1 Organised crime is a key security issue hindering institutions and investment. The crimes involved are very harmful: encouraging tax evasion, smuggling and corruption. *Transparency International's* 2006 world corruption index ranked Moldova at 81st place with a score of 3.2 out of 10, placing it among the countries considered very corrupt. A slight rise in the rankings indicates that the will exists among the government and civil society to combat corruption.

3.3 **Fragility of democratic rights in a tradition of authoritarian power**

3.3.1 The EESC calls on the Moldovan authorities to take on board the conclusions of the international observers (a 100-strong team from the OSCE) that scrutinised the June 2007 local elections, with a view to addressing all of the areas that fall short of EU standards on elections and to ensuring that the 2009 parliamentary elections are more democratic.

3.3.2 Council of Europe reports have encouraged Moldova to continue its efforts, particularly regarding the independence and effectiveness of the judiciary, media pluralism and strengthening of local democracy. Moldova has been a beneficiary of the European Initiative for Democracy and Human Rights (EIDHR) in the context of the regional projects for 2002-

¹⁰ Council of Europe committee report on the *Honouring of obligations and commitments by Moldova*, September 2007.

2004 and since 2007. The EIDHR supported civil society initiatives aimed at promoting democracy and human rights.

3.4 **Transnistria: a geopolitical neighbourhood challenge**

3.4.1 Transnistria, which is reliant on Russia's support and the presence of a Russian military contingent, represents a source of tension and insecurity at the EU's border and is one piece of the geopolitical puzzle of the region.

3.4.2 The search for a political settlement on the secession of Transnistria is one of the priorities of the EU Action Plan. The EU took renewed interest in the dispute, ahead of Romania and Bulgaria's accession, which left Moldova on the EU's new external border. The EU stepped up its involvement in the issue in 2005 by appointing a special representative (Mr Kalman Miszei from March 2007) with observer status in the so-called 5+2 format negotiations. These talks are currently stalled.

3.4.3 Furthermore, this region is known as a hub of organised crime (trafficking of arms, strategic material, money laundering, drugs, and human trafficking) profiting not only local criminal gangs but also those from Russia, Ukraine and other countries.

3.5 **European Union Border Assistance Mission to Moldova and Ukraine (EUBAM)**

3.5.1 Moldova's relations with Ukraine, by which it is landlocked, are complicated by the Transnistrian conflict and EU-Russia relations, adding to Moldova's troubles. Moldova was both a crossing point and source of trafficking since the Moldovan border was very porous and an outlet to the Black Sea via the port of Odessa.

3.5.2 The EU Border Assistance Mission to Moldova and Ukraine (EUBAM), launched by the EU in December 2005, represented a crucial step in stabilising the country and countering smuggling, following a joint request from the Ukrainian and Moldovan presidents. About one hundred customs officials and border guards from 17 EU countries observe and assist the work of their Moldovan and Ukrainian counterparts, thus exerting significant pressure on the self-proclaimed government of Transnistria. This mission concentrates its efforts on the people and areas at risk and has achieved real success.

3.5.3 In November 2006, the mission was enhanced by the introduction of an automated system for exchanging information to increase the effectiveness of the border controls. The mission has recently been extended until November 2009. The EESC hopes that efforts will be sustained to secure this border.

4. Overview of Moldovan civil society and its work

4.1 Main findings from the EESC mission in 2004

- 4.1.1 A difficult political and economic context has meant that circumstances have not been ideal for civil society activities. The number of men or women potentially available for work in civil society organisations, whether at national or local level, has been greatly depleted, owing in particular to emigration, especially among young adults with a good level of education. Relations between them and State organisations have been no more than sporadic. Centralised administrative structures have hindered the development of social movements. In brief, deep-rooted paternalism in Moldovan society gives the State the main responsibility for the population's well being. The role of president is clearly an incarnation of the desire of most of the population to be led by a strong man.
- 4.1.2 Aside from the status of political parties, the constitution makes no mention of civil society organisations or of the right to hold meetings. However, the right *to form unions and be members of them* (Article 42) does figure, while freedom of association (Article 40) is also recognised. Conditions for the establishment of non-governmental organisations improved with the *law on public bodies and foundations* (1997). In practice, there are overlaps, with people who work for the State or hold posts within the governing parties also working for bodies representing economic or political interests.
- 4.1.3 According to observers, particularly from the Council of Europe¹¹, legislation on the judicial system has been reformed to ensure respect for law in general and civil society in particular. However, Moldova continues to be subject to a Council of Europe monitoring procedure, chiefly aimed at ensuring the independence of the judiciary.

4.2 Update on civil society in 2007, according to expert studies¹²

- 4.2.1 According to various sources, there has been an impressive increase in the overall number of NGOs. The number has risen from approximately 3 000 in 2004, according to an EESC study, to over 7 000 in 2007¹³, although the study states that 54% cannot be contacted. According to

¹¹ (Council of Europe, 14 September 2007) *Honouring of obligations and commitments by Moldova*.

¹² Studies on Moldovan civil society: *The European Union and Civil Society in Moldova* – conclusions of the AETI/ECAS conference of June 2006; Stepping up dialogue between the government and Moldovan civil society on the implementation of the EU-Moldova action plan, conclusions of the Eurasia Foundation conference, Moldovan minister for foreign affairs and USAID, April 2006; Strengthening the NGO sector in Moldova's conflict zone, IMAC, February 2007; Study on the development of NGOs in Moldova for a meeting of donors, UNDP project, May 2007; Study of NGOs active in the social field in Moldova, EU project, TRANSTEC, May-June 2006; Increasing the financial sustainability of Moldovan civil society organisations, UNDP & Soros, 2005. Survey on the development of NGOs in Moldova; Council of Europe follow-up report, September 2007; Countries in transition 2007: Moldova, CEPS, George Dura and Nio Popescu 2007; The situation in Transnistria, People in Need CZ, November 2006.

¹³ UNDP study, May 2007.

these estimates, currently less than 20% of the organisations registered are active. Furthermore, there has been a substantial increase in the number of local- and regional-level NGOs, including in the Transnistria region.

- 4.2.2 The geographical concentration of NGOs around the capital, Chisinau, remains predominant, although it is shrinking in relative terms. Over the last four years, 67% of registered NGOs were established at national level and 82% at local level¹⁴. NGO areas of activity concern all categories of Moldovan society, but their main activities are often guided by external donors.
- 4.2.3 It would appear that there is still little contact between unions and employers' organisations and various interest NGOs. This is owing to mutual ignorance and mistrust. One exception coming to light in Transnistria is the emergence of relations between several NGOs and a group of businessmen.
- 4.2.4 The entry into force of the EU-Moldova action plan in 2005 gave civil society a boost – particularly the NGO scene – with the implementation of a large number of projects, despite the lack of consultation in the preparation for the plan.

5. **Changes in the structure of the Social partners**

5.1 **Employers' organisations**

- 5.1.1 Since 1999, the chamber of commerce and industry (CCI), linked to *Eurochambres*, has been the main employers' organisation. It represents over 1 500 companies from all sectors. The Moldovan CCI no longer delivers certificates of origin for products marketed in the CIS while their responsibility for the control of exports to the EU, has now passed to customs, to enable them to benefit from the GSP. It is becoming primarily a chamber of commerce that serves business. The CCI supports the export of Moldovan products and the creation of joint ventures with foreign companies. It offers companies a number of services¹⁵. The CCI is included in the official representation delegation to the ILO and houses a European information centre. Mr Tarlev, prime minister since 2001, previously held an important position within the Moldovan CCI. SMEs with fewer than 30 employees have formed a separate association with close organisational and financial links to the CCI.
- 5.1.2 There is currently a "national employers' confederation", which also plays a part in representing Moldova at ILO international conferences, and which represents employers in meetings between both sides of industry organised by the Moldovan presidency. In 2006, the government made employers' fees to their organisations tax deductible, in a positive response to a complaint made to the ILO.

14 UNDP study, 2007, p.3.

15 CCI information memo, May 2007.

5.1.3 The social partners have made three new collective bargaining deals at national level and 11 sectoral and local collective agreements. Their real efforts remain restricted to social dialogue, given that the CCI, although recognised by the IOE, remains first and foremost a chamber of commerce servicing business.

5.2 **Developments in the trade union situation**

5.2.1 Until 2000, workers in Moldova were represented by the General Federation of Unions of the Republic of Moldova (FGSRM), a unitary federation set up in 1990 using the model provided by union organisation in the Soviet Union. In 2000, the structure became a "confederation": the Confederation of Unions of the Republic of Moldova (CSRM). Internal tensions appeared in this organisation as result of conflicts between farming, industry and services, between Moldovan and Russian speakers and between the nationalist right-wing and the communist party. In 2000 a number of professional federations (14 industrial federations and also cultural and public sector federations) left the CSRM and formed a new confederation "CSL SOLIDARITATEA". Following the resignation of the CSRM's management, the organisation found a new leader, Petru Chiriac. Despite mediation efforts by the International Trade Union Confederation (formerly the ICFTU), of which the CSRM had been a member since 1997, an attempt at reunification proved impossible. The reasons included personality clashes, disagreements over the distribution of union assets and above all differences in political sensitivities between the CSRM, which was closer to the right-wing, Christian-democrat and democratic Moldovan-speaking parties and Solidaritatea, which from the start was closer to the predominantly Russian-speaking communist party.

5.2.2 The union split became more complicated after 2001 with the electoral success of the communist party and the election of their leader, Vladimir Voronin, as president of the Republic. The decision by Solidaritatea to cooperate with a view to securing social progress, and the CSRM's adoption of a more demanding and critical stance, have made relations between the authorities and the two union organisations tense. The government, helped by its links with the communist party and the administration, has chosen to systematically favour Solidaritatea and to weaken the CSRM.

5.2.3 Repeated and systematic interference by public authorities led the CSRM, supported by the former ICFTU and by professional federations (the IUF and the PSI) to file a complaint in January 2004 to the Committee on Freedom of Association (CFA) of the International Labour Organisation (ILO) concerning the violation of the freedom of association. In its interim report in 2006, the CFA called for independent enquiries on the various instances of interference mentioned by the complainants. It also noted that Moldova had no mechanism for dissuasive sanctions against violations of union rights, or for ensuring international standards in this area are upheld. The ILO Bureau organised a mission in 2005. The ICFTU drew the European Commission's attention to the situation in the country by submitting a critical report in 2005 in the context of the GSP allocated to the country. To date the

Moldovan government has taken no measures to correct its legislation or to step into line with the CFA's recommendations. Despite the evidence listed in the complaint to the CFA, the Moldovan authorities considered the situation as essentially a rivalry between the two union organisations.

- 5.2.4 In reality, the authorities have been more and more open in calling for the reestablishment of a single central union (cf. the speech by President Voronin at the Solidaritatea congress in 2005). Since 2005-2006, the balance of power between the two organisations has gradually tipped (in 2001, the CSRM had 450 000 members and Solidaritatea had 200 000). By 2006, Solidaritatea had clearly become the larger organisation. In June 2007, a congress reunified the two organisations. The International Trade Union Confederation (ITUC) has already stated that it does not intend to transfer the CSRM's affiliation to the new "reunified" organisation. It will first have to demonstrate its independence in relation to the public authorities and clearly demonstrate its commitment to the principles of freedom of association and the right to collective bargaining.

6. Overview of associations and NGOs

6.1 Key facts from the 2004 EESC study

- 6.1.1 The number of NGOs registered at local and national level in Moldova has reached approximately 2 800 since independence in 1991. Many of the NGOs on the State register, particularly those set up by economic players or the authorities, had a provisional mission to fulfil at the beginning of the transition period. In view of this, they cannot be considered to be independent civil society players. Organisations that have held major demonstrations in conjunction with the opposition to the communist government since 2001 should also be counted.

As in other transition countries, NGO activities focus on the country's capital, in an attempt to exert an influence on those in power. In the political context, the interference suffered by NGOs is increasing, particularly in their new fields of activity, such as youth policy, consumer protection and the environment. In Transnistria, their activities are curtailed by strict political supervision.

- 6.1.2 A few major donors (Soros, USAID, Eurasia, Hebo and British Peace Building) are active in the fields of education, culture and human rights.
- 6.1.3 Youth organisations, whose recruitment base is diminishing owing to rising emigration, are calling on their government for a pro-European policy that is more than just rhetoric. They hope that the EU will offer them the opportunity to take part in exchange programmes. Most civil society representatives are of the opinion that future Community programmes should be negotiated and carried out not only with the government (as was the case for TACIS), but also with representatives of active NGOs.

6.2 Observations on recent developments on the NGO scene, according to expert studies

6.2.1 During the last elections in 2005, for the first time, some 200 NGOs formed a united and independent coalition, which organised a national observation campaign. This 2005 "civic coalition"¹⁶, which gained a high profile in the media, resurfaced during the 2007 elections, helping to increase NGO credibility among the population.

6.2.2 There are three main categories of NGO in Moldova. The first includes major, well-known and well-equipped organisations, based in the capital and belonging to international networks¹⁷. The second category encompasses a large number of less-developed NGOs, often one-man shows, with little operational capacity and in need of funding. The third group is made up of a few government-operated NGOs "GONGOs", which, as in other countries, are set up and financed entirely by the government.

6.2.3 In Transnistria, the GONGO category is omnipresent as the Smirnov regime continues to need allies in civil society in order to support its strategy and keep it in power. A recent study conducted by a Czech NGO also mentioned two other categories among the 900 NGOs in Transnistria, namely traditional organisations such as workers', women's and youth movements, as well as small NGOs open to contacts with Chisinau and international networks¹⁸). A certain number are choosing to register with the Moldovan authorities in order to qualify for European aid.

6.3 Current mechanisms for civil society consultation and negotiation with the social partners

6.3.1 Since 2005, various government ministries have begun or stepped up dialogue with a section of civil society, in the following forms: a monthly consultative meeting at the ministry for foreign affairs and European integration, and a national conference in April 2006 which produced 18 conclusions for improving cooperation between the government and civil society. Meanwhile, other ministries, the justice, agriculture and finance ministries in particular, have had regular contacts with elements of civil society. There are several projects under way, in particular with the UNDP, to facilitate registration and to improve the precarious financial situation of many NGOs.

6.3.2 Since 2006, the Moldovan parliament, at the instigation of Marian Lupu, has implemented the concept of cooperation between the parliament and civil society, with highly ambitious objectives, proposing a series of mechanisms and forms of cooperation including "permanent

16 Evaluation report by the Eurasia foundation (October 2005).

17 See examples quoted in the report "NGO Scores for Moldova", 2005, published by US AID.

18 Ondrej Soukop, *NGO People in need*, Prague 2007.

on-line consultation", ad hoc meetings and public hearings with parliamentary committees, and an annual conference.

- 6.3.3 For two years, several NGOs have been attempting to play an active part in implementing the various areas of the EU action plan, encouraged in particular by the positive experiences of their Romanian and Ukrainian neighbours. This approach has also been encouraged by the European Parliament, which adopted a report in May 2007.
- 6.3.4 As regards industrial relations, it is hardly surprising that social dialogue in Moldova is a slow process. There used to be a "republican commission for collective bargaining", but it acted more as a centre for information on decisions taken than as a real venue for consultation and dialogue. The partners had no say on this commission's agenda, and it was not therefore possible to discuss the complaint or the follow-up to the CFA's recommendations. The commission did not have its own secretariat, nor did it have decentralised regional or sectoral structures. It should also be noted that the CGSRM had developed various cooperation programmes with the Transnistrian confederation, with the support of the former ICFTU and European trade union organisations.
- 6.3.5 In 2006 a law was adopted on the organisation and functioning of a national collective agreement commission with sectoral and territorial committees. Twelve of the national commission's 18 members are nominated by the social partners.

To conclude, it is still much too early to assess the real results of the recent consultation and negotiation mechanisms or the effectiveness of this cooperation initiated by the government. It will be measured in the long run on the basis of clearly defined principles and methods.

In view of the ongoing developments in EU-Moldova relations and taking account of the fact that these new forms of social and civil dialogue are only in their early stages, the EESC hopes to engage in contacts with Moldovan civil society.

The Committee recommends holding a conference as from 2008 so that the initial contact with civil society coincides with the preparation of a new framework between the EU and Moldova.

Brussels, 12 December 2007.

The President
of the
European Economic and Social Committee

The Secretary-General
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N.B. Appendices overleaf.

APPENDIX A

7. **Recent developments in EU-Moldova relations under the European Neighbourhood Policy (ENP)**¹⁹

7.1 The Partnership and Cooperation Agreement between Moldova and the EU entered into force in 1998. This bilateral agreement remains effective, particularly regarding the strengthening of political dialogue and bringing Moldova into line with European standards.

7.2 Recently, the EU's relations with Moldova have taken on a certain impetus. Since 2003, the communist government has taken a pro-European stance. The Commission drew up a detailed report on Moldova in May 2004, which it submitted to the Council. The Council decided to open negotiations on an action plan in the context of the new ENP. The year 2005 marked a turning point in relations with Moldova with the establishment of an EC delegation in Chisinau. Furthermore, Moldova was included in the list of countries that would benefit from January 2006 from the new Generalised System of Preferences (GSP+) which grants preferential access to EU markets to poor countries that are committed to good governance. A framework agreement was also signed in 2006 paving the way for EIB operations in the country.

7.3 In April 2007, the Commission issued a new communication on *Black Sea synergy – a new regional cooperation initiative* which also encompasses Moldova. Although it does not have a Black Sea coastline, its proximity and close ties with its neighbours make it a natural regional player.

7.4 In June 2007 the EU-Moldova Cooperation Council, meeting in Luxembourg, discussed progress on the action plan, its implementation and ongoing political and economic reforms in Moldova.

8. **Implementation of the EU-Moldova Action Plan (2005-2008)**

8.1 This short-term plan (three years) was recently reviewed by the Commission in December 2006. The EU-Moldova Action Plan, adopted in February 2005 under the ENP, sets the following priorities for Moldova: political dialogue and reform, cooperation for the settlement of the Transnistria conflict, economic and social reform and development, trade, market reform, judicial cooperation, transport, energy, telecommunications, environment, research and innovation and people to people contacts. The very mixed assessment pointed up two positive aspects: increased financial credibility following the agreement with the IMF, and an improvement in border controls, aided by the border assistance mission. In its assessment, the Commission laments the slow pace of reform, particularly in terms of guaranteeing security for potential investors.

¹⁹ Appended: recap of the main developments and relevant documents concerning EU-Moldova relations.

- 8.2 The new Neighbourhood and partnership financial instrument takes effect in 2007 (amounting to EUR 12 billion for the period 2007-2013, of which EUR 210 million is earmarked for Moldova between 2007 and 2010). To implement this new financial instrument in Moldova, the Commission has drawn up a Strategy Paper (2007-2013) which sets the following priorities for its indicative programme: political cooperation; security; resolution of the Transnistria conflict; economic growth and poverty reduction. For the first four years covered by the strategy (2007-2010), other detailed information is set out in the national indicative programme.
- 8.3 Moldova's pro-European stance and increasing independence hinge on the results of the ENP, as this country straddling the EU-Russia common neighbourhood is seen as a frontline of EU influence in the region. The failure of the EU-Russia summit in May 2007 suggested serious divergences not only regarding agricultural and energy interests but also on the EU's role and the handling of common neighbourhood issues, including the Transnistria conflict. With no current prospect of accession for Moldova to aspire to, Moldovan leaders consider the ENP a guarantee of medium-term partnership with the EU and the means of maintaining a delicate balancing act regarding Russia.

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APPENDIX B: CORE GSP+ CONVENTIONS

Core UN/ILO human and labour rights conventions ratified by Moldova

1. International Covenant on Civil and Political Rights
2. International Covenant on Economic, Social and Cultural Rights
3. International Convention on the Elimination of All Forms of Racial Discrimination
4. Convention on the Elimination of All Forms of Discrimination Against Women
5. Convention Against Torture and other Cruel, Inhuman or Degrading Treatment or Punishment
6. Convention on the Rights of the Child
7. Convention on the Prevention and Punishment of the Crime of Genocide
8. Convention concerning Minimum Age for Admission to Employment (No. 138)
9. Convention concerning the Prohibition and Immediate Action for the Elimination of the Worst Forms of Child Labour (No. 182)
10. Abolition of Forced Labour Convention (No. 105)
11. Forced Compulsory Labour Convention (No. 29)
12. Equal Remuneration of Men and Women Workers for Work of Equal Value Convention (No. 100)
13. Discrimination in Respect of Employment and Occupation Convention (No. 111)
14. Freedom of Association and Protection of the Right to Organise Convention (No. 87)
15. Convention concerning Application of the Principles of the Right to Organise and to Bargain Collectively (No. 98)
16. International Convention on the Suppression and Punishment of the Crime of Apartheid.

Conventions related to environment and governance principles

1. Montreal Protocol on Substances that deplete the Ozone Layer
2. Basel Convention on the Control of Transboundary Movements of Hazardous Wastes and Their Disposal
3. Stockholm Convention on persistent Organic Pollutants
4. Convention on International Trade in Endangered Species
5. Convention on Biological Diversity
6. Cartagena Protocol on Biosafety
7. Kyoto Protocol to the UN Framework Convention on Climate Change
8. UN Single Convention on Narcotic Drugs (1961)
9. UN Convention on Psychotropic Substances (1971)
10. UN Convention against Illicit Traffic in Narcotic Drugs and Psychotropic Substances (1988)
11. Mexico UN Convention against Corruption.