

#MoldovaEUCandidateCheck

9 steps towards the opening of accession negotiations with the European Union

Shadow Report no.2

On the Action Plan for the implementation of the steps proposed by the European Commission in its Opinion on Moldova's EU membership application

AUTHORS:

Adrian Ermurachi (IPRE)
Adrian Lupușor (Expert-Grup)
Andrei Nasu (CRJM)
Daniel Goinic (CRJM)
Ilie Chirtoacă (CRJM)

Iulian Groza (IPRE)
Marina Soloviova (Expert-Grup)
Mihai Mogîldea (IPRE)
Stas Ghilețchi (IPRE)
Vitalie Rapcea (Expert-Grup)
Vladislav Gribincea (CRJM)

Chisinau, 20 July 2023

Disclaimer:

This publication is developed within the "Moldova-EU Candidate Check: 9 steps towards the opening of accession negotiations with the European Union" Project implemented by the Institute for European Policies and Reforms, Expert-Grup, and the Centre for Legal Resources of Moldova (CRJM), in cooperation with the Friedrich Ebert Foundation (FES). The publication represents an independent evaluation by the authors on the degree of implementation of the Action Plan for the implementation of the 9 key political and economic criteria identified by the European Commission in its June 2022 opinion, approved by the National Commission for European Integration (NCEI), which also includes representatives of IPRE and Expert-Grup, civil society organizations that are members of the National Platform of the Civil Society Forum of the Eastern Partnership. The opinions presented in the report belong solely to the authors and do not reflect the position of the National Platform of the Civil Society Forum of the Eastern Partnership, NCEI, or the Friedrich Ebert Foundation.



Friedrich Ebert Foundation (FES) is a German social democratic political foundation whose aim is to promote democracy, peace, understanding, and international cooperation. FES fulfils its mandate in the spirit of social democracy and promotes public debates to identify social democratic solutions to current and future societal problems. In the Republic of Moldova, FES aims to promote democracy, peace and social justice through political dialogue, education, and research.

Address: 111 București Str.
Chisinau, MD-2001
Republic of Moldova
Tel: + 373 22 530 532
Email: fes@moldova-fes.md
Web: www.moldova.fes.de



Expert-Grup is an independent analytical centre (English: think-tank), specialized in economic and public policy research. The Expert-Grup's mission is to promote the public interest and to develop effective and innovative solutions for the development of the Republic of Moldova. The organization was established in 1998 and is a reflection of the ideals shared by a group of young intellectuals from the Republic of Moldova, who created it with the aim of contributing to the development of the country. The research activity of Expert-Grup started in 2006. We position ourselves as a politically and ideologically neutral think tank, and do not represent economic, corporate, or political interests.



Institute for European Policies and Reforms (IPRE) is an independent, apolitical and non-profit analytical centre (English: think-tank) in the Republic of Moldova. IPRE's mission is to contribute to the acceleration of the European integration of the Republic of Moldova by promoting systemic reforms, enhancing participatory democracy, and strengthening the role of citizens in decision-making processes at the national and local level. IPRE is one of the main research and analysis centres in the Republic of Moldova specializing in issues of European integration, sustainable development, good governance, and the rule of law, foreign policy, and security policies.



Legal Resources Centre of Moldova is a non-governmental, non-profit, independent, politically unaffiliated organization that contributes to the consolidation of democracy and the rule of law in the Republic of Moldova through research, monitoring, and advocacy activities. CRJM's mission is to promote independent, efficient and accountable justice, effective anti-corruption mechanisms, respect for human rights, and an environment conducive to civil society and democracy. CRJM acts by analysing and promoting public policies, monitoring justice, reacting to dangerous decisions with systemic impact, informing and sensitizing society and development partners, strategic litigation, training and other empowerment activities.

Contact data:

Address: str. Vlaicu Pârcălab 3
Chișinău, MD-2009
Republic of Moldova

Tel.: +373 22 999 312
E-mail: info@expert-grup.org
Web: www.expert-grup.org

Address: 90 București St., of. 20
Chisinau, MD-2001
Republic of Moldova

Tel.: + 373 22 788 989
E-mail: info@ipre.md
Web: www.ipre.md

Address: 33 A. Șciusev St.
Chisinau, MD-2001,
Republic of Moldova

Tel.: Tel: (+373 22) 843 601
E-mail: contact@crjm.org
Web: www.crjm.org

CONTENT:

ABBREVIATIONS	4
INTRODUCTION	5
METHODOLOGY	6
EXECUTIVE SUMMARY	7
COMMITMENT 1: JUSTICE REFORM	10
COMMITMENT 2: IMPLEMENTATION OF THE OSCE/ODIHR AND VENICE COMMISSION RECOMMENDATIONS	12
COMMITMENT 3: COMBATting CORRUPTION	14
COMMITMENT 4: DE-OLIGARCHIZATION	16
COMMITMENT 5: FIGHTING ORGANIZED CRIME	18
COMMITMENT 6: PUBLIC ADMINISTRATION REFORM	19
COMMITMENT 7: PUBLIC FINANCE MANAGEMENT	21
COMMITMENT 8: COOPERATION WITH CIVIL SOCIETY	22
COMMITMENT 9: PROTECTION OF HUMAN RIGHTS	23

Abbreviations

CPA	Central Public Authorities
PPA	Public Property Agency
LPA	Local Public Authorities
NIA	National Integrity Authority
IFATF	International Financial Action Task Force
GPI	General Police Inspectorate
NIJ	National Institute of Justice
CEC	Central Electoral Commission
NAC	National Anticorruption Centre
NCEI	The National Committee for European Integration
SCM	Superior Council of Magistracy
SCP	Superior Council of Prosecutors
UCSP	Unified Centres for Service Provision
NIS	EU Network and Information Security Directive 2016/1148
OECD	Organization for Economic Cooperation and Development
OSCE	Organization for Security and Cooperation in Europe
ODIHR	Office for Democratic Institutions and Human Rights
APO	Anticorruption Prosecutor's Office
PPP	Public-Private Partnership
SELEC	Southeast European Law Enforcement Centre
EU	European Union

Introduction

On 23 June 2022, the Republic of Moldova [obtained](#) the European Union (EU) candidate country status. The EU decision was based on the favourable opinion of the European Commission, after the evaluation of the completed [questionnaire](#), in the context of the accession application [submitted](#) by the Republic of Moldova in March 2022. The first report of the European Commission on the progress made by the Republic of Moldova in the [EU enlargement policy](#) will be published in autumn 2023.

The answers to the EU questionnaire were also supplemented with the input of Moldovan experts from the diaspora and civil society. IPRE, Expert-Group, and CRJM, in collaboration with the Soros Moldova Foundation, within the #ThinkTanks4EUMembership initiative, contributed to the preparation of the Republic of Moldova's answers to the EU Questionnaire.

In April 2022, the National Commission for European Integration (NCEI) [was established](#). Chaired by the President of the Republic of Moldova, the Commission is an inclusive platform that brings together members of the Government, parliamentarians, representatives of civil society and local authorities, which ensures the strategic coordination of the European integration process. On 4 August 2022, NCEI [approved](#) the Action Plan for the implementation of the measures proposed by the European Commission in its Opinion on the Republic of Moldova's EU membership application (hereinafter the Action Plan).

In this context, IPRE, Expert-Group and CRJM, as part of the #ThinkTanks4EUMembership initiative, in cooperation with the Friedrich Ebert Foundation have started a process of monitoring and evaluation of the implementation of the 9 recommendations of the European Commission.

The results of the monitoring exercise are reflected in the #MoldovaEUCandidateCheck **Monitoring Table** available online here: <https://euromonitor.md/en>.

On 13 April 2023, the first #MoldovaEUCandidateCheck Shadow Report and Monitoring Table was published, reflecting the results of the initial assessments for the period 1 July 2022 - 31 March 2023.

The second Progress Report includes revised and updated information on the **progress, shortcomings and priorities for the period 1 July 2022 - 30 June 2023**, given that the deadline for meeting the 9 commitments is June 2023. This report also takes into account interim findings and additional priorities in the form of so-called "deltas", which will be taken into account by the European Commission when preparing the first Report under the EU Enlargement Package, to be published in autumn this year.

Methodology

The #MoldovaEUCandidateCheck Report is the result of an independent exercise aimed at monitoring and evaluating the implementation of the Action Plan for carrying out the 9 recommendations identified in the European Commission opinion from June 2022, carried out by the IPRE, Expert-Group, and CRJM experts, based on a methodology focused on a **quantitative and qualitative evaluation**.

A. Quantitative evaluation: This involved the evaluation of the developments in the implementation of the 60 actions from the Action Plan approved by the NCEI corresponding to the 9 key recommendations, and respectively the completion of the Monitoring Table with the main developments and the assessment of the degree of implementation as follows:

Assessment of the degree of implementation	Points	Significance
Implemented without shortcomings	5	The action was implemented in compliance with the indicators and in accordance with the legal provisions regarding the legislative procedure and transparency in the decision-making process. The content of the adopted normative act or the actions taken is consistent with the spirit or purpose of the action.
Implemented with certain shortcomings	4	The action was implemented with certain insignificant shortcomings related to deviations from compliance with the legal provisions regarding the legislative procedure and transparency in the decision-making process.
Initiated and in process of implementation	3	The action was initiated but not implemented towards the end of the evaluation exercise.
Implemented with substantial deficiencies	2	The action was implemented with significant deficiencies related to cases where the content of the act adopted, or the actions taken are not in accordance with the spirit or purpose of the action or are contrary to the international commitments; they do not comply with the legal provisions regarding the legislative procedure and were not subject to transparency rules in the decision-making process.
Not implemented	1	The action was not implemented.
Uninitiated	0	No implementation measures have been initiated.

After completing the assessment of the degree of implementation of each of the 60 actions and so-called „deltas” corresponding to the 9 commitments in the Monitoring Table, the #MoldovaEUCandidateCheck report will reflect the overall assessment for each evaluated commitment, which will represent the average assessment of the degree of implementation of the corresponding actions for each commitment.

B. Qualitative assessment. After completing the quantitative assessment based on the information reflected in the Monitoring Table, the #MoldovaEUCandidateCheck Report reflects the qualitative evaluation summarizing the main findings regarding (a) progress, (b) constraints, and (c) recommended priorities for the next period in order to implement the 9 commitments necessary for opening the accession negotiations with the EU.

The draft Monitoring Table and the Report were peer-reviewed by the team of authors, as well as externally reviewed in dedicated consultation meetings with relevant national authorities and civil society representatives for the assessment of the 9 commitments. The final version of the Report was finalized taking into account the conclusions of the consultation meetings.

Executive Summary

As a result of the updated assessment, we consider that by 30 June 2023, **most of the measures have been implemented, with an overall average score of 4.24 points** out of the maximum threshold of 5 points. From Out of the 60 actions corresponding to 9 measures provided by the authorities in the Action Plan: **24 actions (40%) have been completed, 25 actions (41.66%) have been implemented with some reservations, 10 actions (16,66%) are still to be implemented**, and 1 action (1.67%) has been implemented with substantial reservations.

In the field of **justice reform (1st commitment)**, we note that most of the actions planned by the authorities have been implemented with certain shortcomings or shall be finalised (4p out of 5). Thus, among the achievements are the adoption of Law no. 120/2021 for amending the Constitution and related legislation, with the aim of improving regulations regarding the judicial system. Other laws have been adopted that have consolidated the activity of the Judicial Inspection, amended legislation on the National Institute of Justice (INJ) and the prosecution, and introduced an extraordinary evaluation of candidates for the Superior Council of Magistracy (CSM) and the Superior Council of Prosecutors (CSP). On 30 March 2023, Parliament appointed three non-judge members to the SCM who had passed the pre-vetting, and four judge members of the SCM were elected from among the judges at the General Assembly of Judges on 28 April 2023. In April 2023, the SJC became operational. The Parliament announced a new competition for the 3 vacant positions of non-judge members of the SCM. The 9 candidates for the SJC are waiting to be evaluated by the Pre-Vetting Commission by the end of August. Regrettably, even though it should have done so earlier this spring, the SJC has not yet examined most of the more than 20 appeals against the decisions of the Pre-Vetting Commission. As of 30 June 2023, out of 18 PSC candidates, eight candidates passed the assessment and 10 failed the assessment. Therefore, four out of five new Pre-Vetting Members of the PSC could be elected by the General Assembly of Prosecutors by mid-September 2023. The evaluation of candidates for the colleges of judges and prosecutors was not initiated. The legislation regarding the activity of the prosecution was not adjusted in accordance with the recommendations of the Venice Commission set out in point 41 of [Opinion no. 1086](#) of June 20, 2022. A clear mechanism for verifying the wealth and interest declarations submitted by candidates enrolled at the INJ and an internal mechanism for verifying the integrity of judges and prosecutors at all stages of their careers were not regulated.

Commitment 2 has been completed via **implementation of the recommendations of the OSCE/ODIHR (4p out of 5)**. Thus, on December 8, 2022, the Parliament adopted the new Electoral Code of the Republic of Moldova, implementing the majority of OSCE/ODIHR recommendations, evaluation mission reports, and Constitutional Court addresses. Institutional changes focus on the composition and method of appointment of members of the Central Electoral Commission. The new Electoral Code allows for elections to be held in two days in certain electoral districts or polling stations for objective reasons, such as pandemics, exceptional situations, or high voter turnout. The list of subjects that can participate in elections has been expanded, including initiative groups and electoral blocs. The consultative process related to the adoption of the Electoral Code involved all interested parties, such as civil society, political parties, and the public administration. However, it should be noted that the decision of the authorities to include a single activity in the Action Plan seems to be a rather narrow interpretation. In the authors' opinion, Commitment 2 is expected to additionally reflect the evaluation of the implementation of the Venice Commission's recommendations with reference to Commitment 1, namely the completion of essential stages of comprehensive justice system reform in accordance with Venice Commission Opinion No. 1058, related to the draft law on the prosecution service and Venice Commission Opinion No. 102 on the judiciary system. Additionally, the authorities should objectively determine whether other recently announced draft laws fall under the category of "essential stages of comprehensive justice system reform," such as the reform of the Supreme Court of Justice and the evaluation of Supreme Court judges, the extraordinary evaluation of judges and prosecutors (full-vetting), the conventional draft law called the de-oligarchization package (which is reflected in Commitment 4), or the package of laws on the Intelligence and Security Service.¹

In the field of **combating corruption (commitment 3)**, by the end of June 2023, the accumulated **score is 3.77 out of 5**. Two actions have been additionally implemented with some shortcomings, while three others are still to be completed. One of the key developments of the reporting period is the adoption of the new law on whistle-blowers also transposing the EU Directive 2019/1937. In 2022 and the first half of 2023, an increase in the share of pro-active investigations by APO of corruption cases was observed, with a higher focus on major ones. There is also an increase in the number of criminal cases concluded with convictions, with 59 convictions compared to 41 in the first half of 2022. However, there was a decrease in the share of corruption cases brought to court. Thus, 6 criminal cases investigated conducted by APO prosecutors were referred to trial (while 11 in the same period of 2023) and 59 criminal cases under the direction of APO prosecutors (75 in 1st half of 2022). In another context, NAC drafted the Strategic Analysis Report on 117 convictions in 2022

¹ In all these areas, the Republic of Moldova has recently requested and received a series of advisory opinions: CDL-AD(2023)005 regarding the extraordinary evaluation of judges and prosecutors, CDL-AD(2023)010 regarding de-oligarchization, and CDL-AD(2023)008 regarding the SIS law package, CDL-AD(2022)049 regarding the CSJ law project and the evaluation of CSJ judges.

on corruption cases. However, by the end of June, the final version of the report had not been published. NAC also reviewed 351 draft legislative acts for anti-corruption expertise, of which 116 were draft laws, including 49 initiated by MPs. Government discipline in approving draft legislation with anti-corruption expertise has significantly improved. Only one out of 373 draft laws was approved circumventing anti-corruption expertise, compared to 15 out of 232 in the same period of 2022. On the other hand, the rate of non-implementation of NAC recommendations on the elimination of corruption risks increased (from 12% in the first half of 2022 to 21% in the same period of 2023). Finally, although a law to clarify the competences between the NAC and APO was adopted in April 2023, some implementation gaps have emerged along the way. There are certain differences between the NAC and the PA on the effective investigation of high-level corruption. Also, the initial solution provided by the April law is to be revised by maintaining the NAC's competence to prosecute petty level corruption cases. These and other issues concerning the clear demarcation of competences between the NAC and the APO, as well as strengthening the capacity of the Anti-Corruption Prosecutor's Office to investigate high corruption, are to be addressed as a matter of priority by parliament by autumn this year. In addition, the enforcement mechanism for special investigative measures needs to be improved.

Regarding "de-oligarchisation" (commitment 4), most actions have been implemented with some reservations (**3.7p out of 5**). After consultation with state institutions and the Venice Commission, the authorities dropped the project on eliminating the excessive influence of private interests on economic, political and public life in exchange for a de-oligarchisation action plan. This plan, presented and consulted on in March-April 2023, received a new opinion from the Venice Commission in June 2023. A Directorate for Supervision and Control of the Financing of Political Parties and Electoral Campaigns has been established within the Central Electoral Commission (CEC). Law 303/2022 amended the Audiovisual Media Services Code, giving the Audiovisual Council the power to verify and approve or reject the annual activity reports of media service providers. During the reporting period, the Audiovisual Council reviewed 68 activity reports of TV service providers for the year 2022. The Regulations for the organisation of the competition for the selection of the institution specialised in the measurement of audience shares were finalised. The Competition Council took several measures to improve and update the competition and state aid legislation. A working group has been set up to propose amendments to the law, and a draft law has been presented to Parliament and voted in first reading. During the reporting period, regulations were approved on the selection of members of the boards of state-owned companies and on the boards of auditors and audit committees of state-owned companies, including their remuneration conditions (GD 209 and 210 of 2023).

In the field of **combating organized crime (commitment 5)**, most actions have been implemented and some are in the process of implementation (**4,35p out of 5**). Thus, the Government has adopted and initiated the implementation of the Internal Affairs Development Strategy for the years 2022-2030. The Criminal Assets Recovery Program for the period 2023-2027 has been adopted. Law No 48/2023 on cyber security and the new provisions of the Law on preventing and combating money laundering and terrorist financing were adopted and published. Among the most important priorities in the immediate period ahead are the drafting and adoption of legislative amendments to implement the civil forfeiture mechanism, as well as secondary legislation to implement legislative amendments in the area of preventing and combating money laundering and terrorist financing.

In the field of **public administration reform (commitment 6)**, most actions have been fulfilled and an action related to the digitalization of public services is in the process of implementation (**4p out of 5**). Twelve electronic services have been launched in the field of cadastre and eleven others have been integrated with the MDelivery service. A support mechanism for the staff of public authorities to achieve priority tasks has been established, and decisions to increase the headcount limit of policy-making units within the Central Public Administration have been promoted. An ex-post evaluation report of the Public Administration Reform Strategy 2016-2020 has been developed and a new Public Administration Reform Strategy was adopted, which addresses the issue of public officials' salaries and professionalization, delimitation of roles within the public administration, and consolidation of fiscal autonomy of local public administration, has been approved. In the context of implementing the revised Roadmap on Local and Regional Democracy, progress has been made in revitalising the work of the Joint Decentralisation Committee, consolidating the tax base of level I local public administration through changes to budget and fiscal policies for 2023, the establishment of the right of local councils to set monthly allowances of up to 40% of salary for local authorities' staff, but progress in delimiting public property is modest. The main priority is to consolidate public administration authorities through salary reform and to avoid the practice of incentivizing public officials by including them in the boards of state-owned companies.

Regarding the **reform of public finance management (commitment 7)**, all the actions have been completed (**5 points**). A regulation on low-value public procurement has been developed and approved, a formal procedure for identifying eligible public investment projects to be included in the Medium-Term Budgetary Framework/State Budget Law project has been established, and the scope of the public investment management framework has been expanded. A public finance management development strategy for the period 2023-2030 has been developed, aimed at improving the quality of macroeconomic and fiscal forecasts, establishing an adequate accounting and reporting system in the budgetary sector, the continuous

development of the public finance management information system, and ensuring the use of public funds in accordance with good governance principles.

In the field of **civil society cooperation (commitment 8)**, has been completed **(4,6p out of 5)**. During the reporting period, the Parliament approved in final reading the draft law on information of public interest. The law is a very important one with well-defined regulations, but there is only one technical constraint. The progress indicator is "law in force" in June 2023. However, according to the final and transitional provisions, the law will enter into force 6 months after the day of publication in the Official Gazette. The new concept on the development vision of civil society has been approved, including the prerequisites for strengthening cooperation between Parliament and civil society, after the Platform for dialogue and civic participation in Parliament's decision-making process was approved on 15 June 2023. However, the Framework Regulation on non-repayable financing of non-commercial organizations' projects and on improving the process of developing public policy documents has been adopted. The Ministry of Justice has drafted a law on access to public interest information, but the current version of the draft, does not address the issues raised by journalists. On the other hand, transparency and predictability in the decision-making process are still affected in Parliament, where the transparency of projects under review has been affected on average by 69%. In addition, the permanent platforms for consultation with civil society at the level of Parliament and Government have not yet been launched. The State Chancellery needs to expedite the consultation and approval of the new Concept on the development of civil society, and authorities need to improve the ex-post evaluation mechanism of legislation to understand if the intended objectives have been achieved.

In the area of human rights protection (commitment 9), all actions were implemented **(4.75p out of 5)**. Amendments were adopted to the regulatory framework to ensure non-discrimination and equality, and this included extending the criteria for discrimination and amending the Contravention Code. In addition, adjustments have been made to the Law on the Ombudsman, and criminal and procedural legislation has been aligned with the provisions of the Istanbul and Lanzarote Conventions. The Government approved the Programme for the Promotion and Ensuring of Equality between Women and Men in the Republic of Moldova for the years 2023-2027. And a gender budgeting approach has been included in the Public Finance Management Development Strategy for 2023-2030. At the same time, the Government approved the National Programme on preventing and combating violence against women and domestic violence for 2023-2027. The implementation of these documents will further contribute to the promotion of the principle of equal opportunities between women and men. The main challenge for the authorities concerns the implementation of the approved policy documents. At this stage delays in the implementation of planned actions can already be reported. It is recommended to improve inter-institutional dialogue and cooperation between the Ministry of Education and Research and the Ethnic Relations Agency, implement the Program to support the Roma population, and revise legislation for clarification and separation of the responsibilities for detecting cases of incitement to discrimination.

Commitment 1: Justice Reform

Completing the essential steps of the recently launched comprehensive reform of the justice system across all institutions of the justice and prosecution chains to ensure their independence, integrity, efficiency, accountability, and transparency, including through effective use of asset verification and effective democratic supervision (1.1), in particular, filling of all remaining vacancies within the Superior Council of Magistracy and within its specialized bodies (1.2)

GENERAL ASSESSMENT: 4 P OUT OF 5

Commitment 1 is to be implemented through **6 planned actions**, of which by the end of March 2023: one action has been implemented without shortcomings, four actions have been implemented with certain shortcomings, and one action is in the process of implementation.

KEY DEVELOPMENTS

The most significant accomplishments in this department were achieved by March 31, 2023, which is why they were reflected in the first Alternative Report on April 13, 2023. . In September 2021, [Law no. 120/2021](#) was adopted to amend the Constitution. In July 2022, [legislation](#) was adopted to implement the constitutional changes, taking into account the recommendations of the Venice Commission as outlined in [Opinion no. 1082](#) of June 20, 2022. The [Law no. 5/2023](#) was adopted, through which the activity of the Judicial Inspection was consolidated and the mechanism of disciplinary liability of judges was adjusted. The [concept](#) of merging the College for Selection and Career of Judges with the College for Evaluation of Judges' Performances was developed by the Ministry of Justice. [The new law](#) was voted on in its final reading by Parliament on June 9, 2023, and came into effect on June 21, 2023. The [Law no.228/2022](#) was adopted, which amended the Law on the National Institute of Justice (NIJ), introducing the obligation to submit the declaration of assets and personal interests by the NIJ candidates. The [Law no. 280/2022](#) on the amendment of the Law on the Prosecution was adopted with a view to implementing the recommendations of the Venice Commission in [the Opinion no.1058 of 13 December 2021](#).

The [Law no. 26/2022](#) was adopted, with a view to the extraordinary evaluation of candidates for the SCM and SCP (pre-vetting). T The evaluation of candidates, both judges and non-judges, for the CSM and the majority of candidates for the CSP has been completed. On March 30, 2023, Parliament appointed three non-judge members to the CSM who passed the pre-vetting process, and at the General Assembly of Judges on April 28, 2023, four judge members of the CSM were elected from among the courts. In April 2023, the CSM became functional. Parliament announced a new competition for the three vacant positions of non-judge members of the CSM. The nine candidates for the CSM are awaiting evaluation by the Pre-Vetting Commission until the end of August. Unfortunately, although it was supposed to be done in early spring, the Supreme Council of Justice (CSJ) has not yet examined the majority of the over 20 appeals against the decisions of the Pre-Vetting Commission. As of June 30, 2023, out of the 18 CSP candidates, six candidates passed the evaluation, eight candidates did not pass, and four candidates are awaiting a decision. It is estimated that decisions regarding the four candidates will be published by July 31, 2023. Therefore, five new prosecutor members of the CSP could be elected by the General Assembly of Prosecutors by mid-September 2023.

SHORTCOMINGS

The deadline for the evaluation of candidates for the SCM and SCP, set for December 2022, was exceeded and extended until June 2023. . This was due to several factors, including the less efficient procedures applied by the Pre-Vetting Commission. Only six out of 12 CSM members have been appointed because a limited number of candidates passed the pre-vetting process. Although four judge members and three non-judge members have already been appointed to the CSM, two judge members from the courts of appeal and the Supreme Council of Justice (CSJ) have not been appointed. This prevents important decisions from being made for the judicial system, such as the reconfirmation of over 20 judges who were denied reappointment by President of the Republic of Moldova after their first 5-year term.

CSM members are expected to initiate a competition to select candidates for the CSM from the courts of appeal and CSJ. However, this cannot happen until the CSJ examines the appeals of candidates for the CSM who did not pass the pre-vetting process. The examination of these appeals took around six months, although the law stipulated a maximum period of 10 days. This delay was due to the resignation of CSJ judges who were supposed to handle the appeals, appeals filed with the Constitutional Court by candidates who did not pass the pre-vetting, and the disqualification of judges. However, these issues were resolved by April 2023. It is difficult to explain why, from May until June 30, the CSJ has not yet issued decisions on the appeals.

On May 19, 2023, the Pre-Vetting Commission announced the start of the evaluation process for nine other non-judge candidates for the CSM who submitted their applications for the new competition announced by Parliament. The evaluation is still in its early stages, but the Pre-Vetting Commission's decisions regarding these candidates are expected by August 31, 2023. Due to the delay in pre-vetting and the consolidation of the boards responsible for selecting and evaluating the performance of judges and prosecutors, no member

of the four boards has undergone pre-vetting yet. On June 27, 2023, the CSM announced the competition for those interested in being members of the Selection and Performance Evaluation Board of Judges and the Disciplinary Board of Judges. The competition for the prosecutor's boards, it seems, will only be announced after the formation of the new CSP in the fall of 2023.

The legislation regarding the activity of the prosecutor's offices was not adjusted in accordance with the recommendations of the Venice Commission set out in point 41 of the [Opinion no. 1086 of 20 June 2022](#). The mechanism for verifying the declarations of assets and interests submitted by the registered candidates for the NIJ was not clearly regulated and no internal mechanism for checking the integrity of judges and prosecutors at all stages of their careers was developed. The Judicial Inspection was not provided a genuine functional independence.

PRIORITIES

- Completing the extraordinary evaluation procedures for all candidates for the Superior Council of Magistracy (CSM) and the Superior Council of Prosecutors (CSP) in order to establish these self-administration bodies definitively. Initiating the evaluation procedures for the specialized boards and establishing them as quickly as possible.
- Improving the Law on Prosecution by implementing all the recommendations of the Venice Commission set out in the [Opinion no.1058 of 13 December 2021](#), namely: specifying in the law that the Prosecutor General can refuse to disclose certain information to the Evaluation Commission if it could jeopardize the progress of the investigation; improving the evaluation criteria for the Prosecutor General; specifying that the suspension of the Prosecutor General by the decree of the President of the CSP can only occur if the members of the CSP cannot convene; ensuring that in the case of the Prosecutor General's suspension, their duties are exercised by one of their deputies, selected by the CSP.
- Introduction of a verification mechanism by the National Integrity Authority (NIA) of the asset and interests' declarations submitted by the candidates for the NIJ and candidates with a chance of success for the position of judge and prosecutor. Adjusting the legislation in order to introduce an effective system of internal verification of the integrity of judges and prosecutors at all stages of their careers.
- Modifying the legal framework to provide greater autonomy to the Judicial Inspection, possibly by creating a single institution for judges and prosecutors, independent from the SCM and SCP.

Commitment 2: Implementation of the OSCE/ODIHR and Venice Commission recommendations

In all areas (n.r. under the commitment 1), remedying the deficiencies identified by the OSCE/ODIHR and the Council of Europe/Venice Commission

GENERAL ASSESSMENT: 4 P OUT OF 5

Commitment 2 is completed via **one planned action** by the end of 2022. The action was implemented with certain shortcomings.

KEY DEVELOPMENTS

On 8 December 2022, the Parliament of the Republic of Moldova voted in the final reading the new [Electoral Code](#) of the Republic of Moldova, which provides for a series of amendments to the electoral legislation, aimed at solving the problems identified in the previous challenges to the Constitutional Court, but also the recommendations of the Venice Commission and OSCE/ODIHR, international and national organizations. At the institutional level, the main changes brought by the new Electoral Code refer to the composition and method of appointing the members of the Central Electoral Commission (CEC), ensuring the professionalization of this institution. Regarding the organization of electoral polls, the amendments to the electoral legislation included the possibility of organizing elections for two days in some constituencies or polling stations, based on objective reasons, such as pandemics, exceptional situations or the large number of voters who came to vote. The provisions on the conduct of electoral campaign indicate that the electoral agitation begins on the date of registration of the electoral competitor, but not earlier than 30 days before the election date. At the same time, the ballots have to be printed in Romanian, but also in another language, at the request of the representatives of the electoral district where this is requested. The list of subjects that can file appeals regarding the conduct of the elections was expanded, by including initiative groups and electoral blocs, electoral competitors, and participants in the referendum.

The process of consultation and approval of this draft law respected the principles of transparency and inclusiveness. By the decision of the CEC of 8 October 2021, a working group was established within the CEC, responsible for identifying the problems recorded in previous elections, developing proposals to amend the Electoral Code and coordinating the process of public consultations with representatives of civil society, political parties, the central and local public administration, and development partners.

On February 9, the CEC presented for public consultation the draft decision "Regarding the submission of proposals to amend the Electoral Code and related legislation". During the consultation period, the CEC received more than 400 proposals for improving the draft decision, mainly from member organizations of the Coalition for Free and Fair Elections (CFFE). The proposals presented by the CEC were registered by the Parliament on July 13, being voted in the first reading on 28 July 2022 and submitted for approval to the Venice Commission and OSCE/ODIHR.

On October 21, the OSCE/ODIHR experts adopted the joint opinion on the draft Law on the new electoral code of the Republic of Moldova. In the second half of 2022, a series of public consultations on the draft law of the new Electoral Code were organized by the Parliament with the participation of political parties, electoral authorities and civil society.

SHORTCOMINGS

In the context of implementing this commitment, government authorities have included only one action related to amending electoral legislation. However, the evaluation reports of the government and the European Commission will also take into account the remediation of issues highlighted by the Venice Commission, regarding the related actions of commitment 1, as well as other actions. Thus, to implement this commitment, authorities should have included an additional action designed to reflect the degree of implementation of the Venice Commission's recommendations.

The opinion of the Venice Commission on the draft new Electoral Code highlighted several provisions that could affect the impartiality and smooth running of the electoral process. These relate to the procedure for appointing the CEC members, which gives the government the opportunity to appoint three out of seven members, with the risk of politicizing the institution's activity. Two other recommendations of the Venice Commission that were not reflected in the new electoral regulations are related to (1) revising the restrictive nature of the eligibility conditions for the position of president and mayor, based on criteria of education, language proficiency, and length of residence, but also (2) revising the turnout thresholds for presidential, parliamentary, and local elections based on which ballots can be declared valid. However, based on the experience of previous electoral polls, these aspects mentioned by international experts are not in a position to influence the legitimacy and fairness of the electoral process.

Another constraint concerns the minimum representation threshold of 2% for the election of independent candidates to the position of deputy. This threshold is disproportionate to the current structure of the Parliament and disadvantages independent candidates in favour of political parties.

PRIORITIES

- Review and approval of normative acts by the CEC for the implementation of the new Electoral Code.
- Operationalization the institutional capacities of the CEC for the supervision and control of the financing of political parties.
- The widest possible public consultations and approval by the CEC of the implementing regulations under development.
- Organization of the public contest for the election of the presidents of the district electoral councils of the 2nd level and strengthening of the institutional capacities of the district electoral councils.
- Reducing of the thresholds to enter the Parliament for the electoral competitors, especially the independent candidates.
- Advancing the implementation process of alternative voting methods, while fully respecting the requirements of transparency, public consultation, and inclusion.

Commitment 3: Combatting corruption

Fulfilling the commitment to combat corruption at all levels by taking decisive action towards pro-active and effective investigations, as well as by obtaining a credible record of prosecutions and convictions (3.1.); substantial increase in the degree of use of the recommendations of the National Anticorruption Centre (3.2.)

GENERAL ASSESSMENT: 3,77 P OUT OF 5

Commitment 3 is to be fulfilled through **9 planned actions**, of which: one action has been implemented, five actions are implemented with some reservations, and three others are in the process of implementation and are to be completed by the end of September 2023.

KEY DEVELOPMENTS

Before the approval of the Action Plan by CNIE, the Parliament [adopted](#) on 14 July 2023, the legislative amendments (Law no. 189/2022) and the implementation of the new mechanism for criminal investigation, trial and sentencing in absentia of persons who evade participation in the criminal investigation. In addition, on 22 June 2023 the Law on the Protection of Whistle-blowers was [adopted](#) in final reading, also transposing EU Directive 2019/1937 on the protection of whistle-blowers. However, due to the fact that the adopted law was not published on the Parliament's website and did not enter into force we consider this measure as implemented with certain reservations.

In 2022, a **positive trend was observed in the pro-active investigation of corruption cases**, a trend that largely continued into the first half of 2023. Proactive initiation of criminal cases by the Anti-Corruption Prosecution (APO) remained high, accounting for 89% of cases initiated by APO prosecutors (34 out of 38). At the same time, the ratio of cases proactively initiated by NAC under the leadership of APO continued to decrease to 53% (85 out of 185). This indicates a gradual shift in focus by the APO prosecutors towards high-profile corruption cases. Furthermore, there was also an increase of corruption cases ending in convictions in courts, with 59 sentences issued in first half of 2023, compared to 41 in the same period of 2022, which suggests that the APO prosecutors prioritized the representation in courts of high-profile corruption cases.

During 2022, NAC conducted **374 operational analysis reports**. In the first half of 2023, 117 reports were conducted. NAC drafted Strategic analysis report, assessing 117 convictions in 2022 on 143 defendants in 243 corruption and related acts. The draft report was presented to the NAC Council on 28 April 2023. The final version of the Report is to be finalised. As of 30 June 2023, it has not been published. During the first half of 2023, NAC reviewed 351 draft legislative acts for anti-corruption expertise, of which 116 were draft laws, including 49 drafts initiated by MPs and 67 by the Government. Moreover, in the first half of 2023, a significant improvement was observed in the Government's discipline with regard to the adoption of draft normative acts accompanied by anti-corruption expertise. There was a decrease in the rate from 6.46% in the first half of 2022 to 0.26% in the first half of 2023. Only one out of 373 draft laws was adopted without the anti-corruption expertise, compared to 15 out of 232 in the same period of 2022.

SHORTCOMINGS

In the first half of 2023, there is a decrease in the share of cases finalised and sent to court by APO prosecutors. Thus, the rate of cases sent to court initiated by APO prosecutors decreased from 19.29% in the 1st half of 2022 (11/57) to 15.78% in the same period of 2023 (6/38). While criminal prosecution initiated by NAC under APO leadership decreased from 72.81% in 1st half of 2022 (75/103) to 37.3% in the same period of 2023 (59/158). In addition, during the reporting period there is an increase in the non-implementation of NAC recommendations on the elimination of corruption risks, from 12% in the 1st half of 2022 to 21% in the same period of 2023. Thus, 54 out of 254 recommendations mentioned in the 232 anti-corruption reports issued by the NAC have not been implemented, compared to 20 out of 168 recommendations out of 184 reports issued in the same period of 2022. At the same time, on the parliamentary dimension, according to [Promo-Lex](#), the practice of circumventing anti-corruption expertise on several draft laws initiated by MPs by failing to request or publish the respective expertise on the Parliament's website.

On 14 April 2023, the Parliament [adopted](#) the amendments to the Code of Criminal Procedure to provide for separation of competences between the NAC and APO. The was published on 2 May 2023 and had to enter into force on 2 August 2023. However, in the process of preparing the implementation and the transfer of competences on petty corruption cases to the subdivisions of the Ministry of Interior Affairs (MoIA), the authorities decided to revise the initial solution and keep the prosecution of minor corruption cases within the competence of the NAC. In addition, certain differences emerged, including publicly, between NAC and APO on the mechanism of collaboration and the fulfilment of their mandates. In this context, the European Commission reiterated the need for a clear delimitation of the competences of NAC and APO in order to ensure an effective investigation of high-level corruption. Since June, the Ministry of Justice has initiated an inter-institutional working group to review the previous draft amendments, focusing on the separation of the

competences between NAC and APO, as well as strengthening the capacities of the APO to investigate high profile corruption cases.

Another limitation to be addressed remains the non-adoption of the amendments to improve the application of the mechanisms of special investigative measures, which is to include improvements in line with the recommendations of the Venice Commission in its [opinion](#) of 13 March 2023.

PRIORITIES

- Clear separation of the competences of NAC and APO on investigation of corruption and strengthen APO's capacities to investigate high profile corruption, including by adoption of a separate budget, hiring missing staff, IT solutions, etc.
- Adopt the legislative and administrative measures to enhance the efficiency of investigation and prosecution of high-profile corruption cases (package of amendments to the Criminal Procedure Code and Criminal Code.)
- Adoption of amendments to the Criminal Procedure Code and Law no. 59/2012 for improving and increasing the efficiency of the application of special investigative measures in line with Venice Commission recommendations.
- Publication of the Strategic Analysis report of NAC convictions adopted during 2022 in corruption cases, related acts, and corruptible acts.

Commitment 4: De-oligarchization

Implementation of the "de-oligarchization" commitment by eliminating the excessive influence of private interests on the economic, political, and public life

GENERAL ASSESSMENT: 3,7P OUT OF 5

Commitment 2 is to be implemented via **10 planned actions**, of which by the end of June 2023: two have been implemented without deficiencies, four actions have been implemented with some reservations, three actions are in the process of implementation, one action has been implemented with substantial reservations.

KEY DEVELOPMENTS

After consultation with state institutions and the Venice Commission, the authorities dropped the project on eliminating the excessive influence of private interests on economic, political and public life in exchange for a de-oligarchisation action plan. This plan, presented and consulted on in March-April 2023, received a new opinion from the Venice Commission in June 2023. Overall, the Commission welcomed the change of mind of the national authorities to drop the draft law on de-oligarchisation and the inclusion of the systemic approach to the de-oligarchisation issue in this plan. The Commission welcomed the inclusive process of involving many public authorities as well as civil society representatives in the development of the plan and the priorities outlined in the plan.

A Directorate for Supervision and Control of the Financing of Political Parties and Electoral Campaigns has been established within the **Central Electoral Commission (CEC)**. Eight staff units are established within the subdivision. By 1 July 2023, 6 posts are filled, and competitions are announced for the rest. The CEC has established inter-institutional cooperation with the authorities responsible for financial control by connecting to the interoperability platform (MConnect) which allows access to the main databases held by them. A series of trainings were organised for CEC staff to strengthen their capacities in the area of supervision and control of political party and campaign financing. Law No 303/2022 amended the Audiovisual Media Services Code, giving the **Audiovisual Council** the power to verify and approve or reject the annual activity reports of media service providers. During the reporting period, the Audiovisual Council reviewed 68 activity reports of TV service providers for 2022. The BoA has created a dedicated directory called "Transparency of Media Service Ownership" on its official website. In addition, the AC introduced a new annual activity report template for private media service providers and media service distributors. Four media groups were checked and sanctioned for violations. AC also conducted a market analysis of the audiovisual sector. I Also AC on 14 July 2023 approved the Regulation for the selection of the institution specialised in the measurement of audience shares. This Regulation was finalised and approved on 26 May 2023. The **Competition Council** has taken several measures to improve and update the competition and state aid legislation. A working group has been set up to propose amendments to the law, and a draft law has been submitted to Parliament and voted on in the first reading. It includes special provisions to combat cartel agreements. In addition, the Council has started to analyse relevant international legislative and practical practices to improve criminal investigations in the field of competition.

In December 2022, the Government adopted the "Strategy on the management of state property in the field of state-owned enterprises and wholly or majority state-owned JSC for the years 2022-2030" (GD 911/2023), as well as the regulations on the selection of members of the boards of state-owned companies, members of the audit commissions, and audit committees of state-owned companies, including their remuneration conditions (GD no 209 and no 210 of 2023). The draft amendment to the Law no 179/2008 on public-private partnership has been approved by the Parliament in the first reading.

SHORTCOMINGS

Some media service providers' activity reports needed to be completed or were rejected by the AC. The AC became much more active, which allowed the identification of certain media groups and the attestation that TV stations are organized in unofficial media groups, which indicates possible media concentration. Last year's amendment of the audiovisual legislation regarding the transparency of ownership and financing in the field and the measures taken by the CA in the reporting year and in 2023 contributed to the responsibility of media service providers regarding the reporting of information.

The Competition Council has initiated a process of analysis of relevant international practices, which may be time and resource intensive. The principles set out in the State Ownership Strategy are being violated and the implementation of the actions set out in it is lagging behind. Although the Council has made considerable progress in reviewing and updating legislation, the process is still ongoing and has to navigate through the different stages of the legislative system.

In addition, the implementation of the proposed changes will require close coordination with various national and international institutions, as well as effective collaboration with the Ministry of Economic Development and Digitisation and the Ministry of Justice.

The newly approved regulations on the nomination of members to the governing bodies of SoEs and conditions of their remuneration does not transpose the OECD principles of good governance of SoEs. The draft amendment to the Law on public-private partnership No 179/2008 does not eliminate the main constraints and dysfunctions identified in the process of implementing public-private partnerships and concessions.

Despite the approval of the "Strategy on the management of state property in state-owned enterprises and wholly or majority state-owned JSC for the years 2022-2030", the authorities ignore the principles set out in the Strategy and promote [laws](#) that contradict it. This aspect, as well as the lack of progress in the implementation of an integrated information system (GRP) in the management and privatization of public property, impedes the strengthening of the Public Property Agency (PPA) to cope with its extended mandate.

PRIORITIES

- Strengthen rules on political party and campaign financing and strengthen the independence and effectiveness of key regulatory and supervisory authorities.
- The Competition Council should continue to work with national and international institutions to bring competition practices up to international standards.
- Consolidation of the measures and practices carried out by the CA approving, rejecting, and/or sanctioning TV and radio stations, in accordance with the new legal provisions for the accountability of media service providers.
- Continued monitoring of the implementation of the new Regulation on the organisation of the competition for the selection of the specialised institution for the measurement of audience shares is necessary to ensure transparency and accuracy in this area.
- Amend, in line with OECD best practice, the regulations on nomination and remuneration of SOEs board members as well as for the members of, audit committees/commissions of SoEs. Extend the application of the regulation to state appointed officials. Appoint a minimum of 1/3 of SoE BoD - independent members.
- Clarify the conditions for the remuneration of board members, in particular, the finalisation of the methodology for calculating the variable component of the remuneration of the SoE BoD members, and its correlation with the achievement of a certain level of performance.
- Approval of the regulation on the evaluation of SoE board members.
- Finalise the operationalisation of audit committees and commissions for all SoEs.
- Prioritise the implementation of a Government Resource Planning (GRP) information system within the PPA to increase the transparency and efficiency of public property management.
- Develop the mechanism for sorting state-owned companies in accordance with the provisions of the Strategy on the management of state property in the area of state-owned enterprises and wholly or majority state-owned companies for 2022-2030.
- Mapping of state-owned companies through the ownership rationale approved in the State Ownership Strategy.
- Development and implementation of mandates for state-owned companies (Letter of Expectations).
- Refine the legislative framework for the management and disposition of public property.
- Review the draft law on public-private partnership to [eliminate](#) the risks of using this investment instrument to misappropriate public property.
- Depoliticization of the SoE boards by excluding from their composition State Secretaries and employees of the Ministers' cabinet.

Commitment 5: Fighting organized crime

Strengthening the fight against organized crime, based on detailed threat assessments, increased cooperation with the EU regional and international partners, and improved coordination of law enforcement authorities (5.1.); in particular, establishing a legislative package on asset recovery and a comprehensive framework for combating financial crime and money laundering, ensuring compliance of anti-money laundering legislation with the standards of the Financial Action Task Force (FATF) (5.2.)

GENERAL ASSESSMENT: 4,35 P OUT OF 5

Commitment 5 is to be implemented via **14 planned actions**, of which by the end of June 2023: seven actions have been completed, five actions have been implemented with certain insignificant shortcomings and two have been in the process of implementation.

KEY DEVELOPMENTS

Among the most important developments are the [adoption](#) of the Strategy for the Development of Home Affairs for the years 2022-2030, as well as the six sectoral programmes for the operationalisation of the Strategy for 2022-2025 in the areas of [integrated border management](#), [migration management](#), asylum and integration of foreigners, [prevention and management of emergency and exceptional situations](#), [prevention of and fight against crime](#), [public order and security](#), [strengthening citizens' confidence and security](#), integrity and digitisation of the home affairs system. The new strategy follows best practice in strategic planning, covering comprehensively all subdomains of home affairs. As for the EU regional platform for home affairs, it has been set up and several meetings have been held within its framework. In addition, within the IGP, the [National Contact Point for Arms and Ammunition](#) has been established.

As regards the establishment of a legislative package on asset recovery and a comprehensive framework for combating financial crime and money laundering, ensuring compliance with Financial Action Task Force (FATF) standards, it is worth noting the adoption and entry into force of amendments to the [Criminal Procedure Code](#), the [Criminal Code and the Enforcement Code](#), in order to implement a comprehensive confiscation system. According to these legislative amendments, it will be possible to confiscate assets transferred by the convicted person to third parties in order to avoid confiscation, as well as to confiscate assets in the absence of the accused.

At the same time, the adoption and entry into force of amendments to the regulatory framework governing the prevention and combating of money laundering and terrorist financing should be mentioned. Among the main provisions of the draft law are the amendment and completion of the legislative framework in the field of preventing and combating money laundering through the addition of new articles, as well as the completion and clarification of existing legal provisions, including the definition of "virtual currency", "virtual currency service provider", "reporting entities" and "legal arrangement". The amendments also concern the reporting entity which has been supplemented with new categories of entities and the regulation of non-bank lending activity.

Additionally, at the end of 2022, the Criminal Asset Recovery Programme for the period 2023-2027 and the Implementation Action Plan were [adopted](#). According to the information provided by the General Prosecutor's Office, in the period January-May 2023, on 16 criminal cases, 14 criminal intelligence analyses were conducted, which is almost twice as many as in the last 5 months of 2022. Also, on average 12 parallel financial investigations were active during the first 5 months of 2023, compared to 5 parallel financial investigations conducted during the last 5 months of 2022.

SHORTCOMINGS

Although the Cybersecurity Law No 48/2023 transposing the EU Directive 2022/2555 on network and information security (NIS 2) and establishing an effective framework for cyber security has been approved and published, it should be noted that at the time of adoption several opinions were missing that were to be made in Parliament, in particular the opinion of the Legal, Appointments and Immunities Committee and the Legal Directorate. At the same time, secondary legislation to implement the legislative amendments in the field of preventing and combating money laundering and terrorist financing has yet to be finalised and approved.

In addition, the lack of significant progress in amending legislation to implement the civil forfeiture mechanism should be noted. At present, the Ministry of Justice has organised a first public consultation in which it has submitted for discussion a concept for the civil confiscation mechanism.

PRIORITIES

- Amending legislation to implement the civil confiscation mechanism;
- Drafting and approval of secondary legislation in order to implement the provisions of the amended Law on prevention and combating of money laundering and the financing of terrorism and related legislation;

Commitment 6: Public Administration Reform

Increasing the capacity to carry out reforms and provide quality public services, including by accelerating the implementation of the public administration reform (6.1); evaluating and updating the public administration reform strategy (6.2).

GENERAL ASSESSMENT: 4 P OUT OF 5.

Commitment 6 is to be implemented through **4 planned actions**, of which, by the end of **June 2023**: one action has implemented without shortcomings, two were implemented with certain shortcomings and one action is in the process of implementation.

KEY DEVELOPMENTS

By Government Decision 126/2023, the Government approved the Strategy for Public Administration Reform in the Republic of Moldova for the years 2023-2030, and on 7 June 2023, by Government Decision no. 352/2023, the Government approved the Programme for the implementation of the Public Administration Reform Strategy. In line with the objectives of the Strategy and the Programme, on 25 May 2023, the Government approved HG No 304 and HG No 305 "for the approval of the draft law on voluntary amalgamation" and the "draft law for the amendment of several legislative acts related to the draft law on voluntary amalgamation". If approved by Parliament, they will lay the foundations for the institutionalisation of the principles of voluntary amalgamation reflected in the Public Administration Reform Strategy.

Aiming at strengthening the policy-making units within the central public administration authorities (CPAA), decisions to increase the limit of the personnel were promoted, for all ministries (except for the Ministry of Health, the Ministry of Agriculture, and the newly created Ministry of Energy, the decision to restructure the State Chancellery was approved. In addition, by approving the Government Decision no. 5/2023, a support mechanism [was established](#) for the personnel of public authorities to carry out priority tasks in the context of the implementation of the requirements for accession to the European Union.

On 22.06.2023, the Parliament [adopted](#) Law 168/2023 increasing the salaries of the staff of the ministries, of the offices of persons of public dignity, of persons of public dignity and of persons with senior management and executive positions. The salary increases will contribute to the capacity building of central government authorities with policy-making powers. However, the changes to the state budget law do not cover local government authorities, and the pay gap between CPA and LPA officials is widening further. It should also be noted that the salary increases introduced do not concern "central and subordinate administrative authorities" (according to the classification of budget sector functions). In these circumstances, we could see a migration of qualified staff from implementing units to ministries with an associated risk of affecting the performance of implementing units such as the Public Property Agency, the Naval Agency, the Agency for Technical Supervision and many others.

In the context of the implementation of the revised Roadmap CG/MON(2021)18-04 on the local and regional democracy in the Republic of Moldova, progress can be noted in terms of: conducting the ex-post evaluation of the National Decentralisation Strategy for 2012-2018 and revitalising the work of the Joint Commission on Decentralisation; relaunching the parliamentary consideration of legislative initiatives prepared by the parliamentary working group on Gagauzia; strengthening the tax base of LPA I, by transferring 100% of the road use tax to LPAs as general-purpose funds, eliminating ceilings on the establishment of real estate and land taxes and transferring 50% of the collected natural resource taxes; establishing the National Fund for Local and Regional Development; increasing the period during which a referendum on the recall of the mayor is prohibited; establishing the right of local councils to set monthly allowances of up to 40% of salary for LPA staff.

SHORTCOMINGS

The increase in the number of staff in line ministries and the State Chancellery were carried out separately from the reform of the other CPA authorities and before the completion and the publication of the OECD/SIGMA functional analysis of the public administration that was intended to advise on changes that need to be operated to improve the organizational structure of public administration entities to better align with their functional requirements. Limiting the public administration salary reform only to ministerial employees, may affect the subordinated implementing units by triggering staff migration from some lower paid jobs in agencies to ministries, and on the other hand, will further increase the wage gap between central and local level officials.

The full operationalization of all 63 Single Service Centres (CUPS) has been delayed. The implementation of the State Programme the delimitation of public immovable property is another commitment that is lagging behind and may represent a major constraint in the process of public administration reform, especially in the context of promoting voluntary amalgamation and a future normative administrative and territorial reorganisation reform. Despite some progress in increasing the fiscal capacity of LPAs, financial autonomy and resources of LPAs remain limited. The grounds for calling a local referendum to recall the mayor have not

been reformulated, no changes have been made in the legislation to ensure that a mayor cannot change his political affiliation while in office or to introduce safeguards against the practice of opening criminal cases against mayors on unjustified grounds.

Although training courses for public employees, including those in LPAs, are being carried out, no comprehensive training programme specifically designed for LPA staff has been developed. Finally, the transfer of hospitals from LPAs to PCAs is seen as a measure that runs counter to the roadmap and decentralisation efforts.

PRIORITIES

- Strengthening the capacities of the central public administration authorities, responsible for developing policies, through a comprehensive wage reform in the public sector and avoiding the practice of improper financial incentives for civil servants through measures similar to those of including them in the composition of the boards of directors of SoEs.
- The digitization of public services must take into account the importance of public service for citizens. Thus, priority in the digitization process should be given to the most demanded public services.
- Acceleration of the operationalization of the 63 Unified Centres for public Service Provision (CUPS).
- The reform of the legislation on local referendums for the recall of mayors and of the legislation on the position of mayor, in line with the recommendations of the Venice Commission and the requirements of the Roadmap for Local and Regional Democracy.
- Clear delineation of the roles of public authorities at all levels, with a clear distinction of competencies between central public authorities (CPA) and local public authorities (LPA).
- Completion and publication of the public administration functional analysis results conducted in accordance with the OECD/SIGMA methodology.
- Acceleration of the implementation of the State Program for the delimitation of public immovable property;
- Continuing efforts to improve the system of general transfers to LPAs and increase the volume of LPA own revenues.

Commitment 7: Public finance management

Completing the reform of public finance management, including improving public procurement at all levels of government

GENERAL ASSESSMENT: 5 P OUT OF 5

Commitment 7 is completed via 3 planned actions, of which, by the end of June 2023, all have been implemented without shortcomings.

KEY DEVELOPMENTS

The commitment to complete the public finance management reform has been fully met, according to monitoring indicators. In order to ensure the transparency of the process of initiating, carrying out, and awarding low-value public procurement contracts (below the thresholds set by the Law on public procurement and the Law on procurement in the energy, water, transport, and postal services sectors), the Regulation on low-value public procurement was developed and approved by the Government Decision No. 870 of 14.12.2022, in force since 01.07.2023. The Regulation stipulates the obligation of the contracting authorities (LPAs) to carry out all stages of public procurement of low value through the automated information system "State Registry of Public Procurement".

A formal procedure for identifying eligible public investment projects to be included in the draft Medium-Term Budgetary Framework/ State Budget Law was established, and the scope of existing public investment management framework was expanded to include all public capital investment projects, regardless of the source of financing and project cost.

The *Regulation on public capital investment projects* was developed and approved by the [Government Decision No. 684 of 29.09.2022](#) and entered into force on 21.10.2022. According to the regulation, the Ministry of Finance is responsible for determining the eligibility of new public capital investment projects, submitted by budgetary authorities, based on a set of pre-established requirements and according to a scoring method (which will be described by an order of the minister). The provisions of the regulation also apply to projects financed from external sources and development funds.

The conditionality regarding the approval of a new public finance management development strategy based on evidence and principles of good governance has also been met: [The 2023-2030 Public Finance Management Development Strategy](#) was developed and approved by the [Government Decision No. 71 of 22.02.2023](#) and entered into force on 03.07.2023. Among the objectives of the strategy are the improvement of the quality of macroeconomic and fiscal forecasts to ensure the development of the budget based on a realistic macro-budgetary framework, the establishment of an appropriate accounting and reporting system in the budget sector, the continuous development of the information system for the public finance management, as well as ensuring the use of public funds according to good governance principles.

Also, the "Medium-term Public Debt Management Program for 2023-2025" was also [approved](#) by Government Decision No. 10 of January 11, 2023. In Q IV of 2023, the other instruments to implement the strategy are to be developed and approved: the National Programme for the Development of the Public Procurement System 2023-2026 and the Internal Public Financial Control Development Programme 2023-2026. As of the end of June 2023, the concepts of the two programmes have been published for consultation.

SHORTCOMINGS

Apart from some insignificant delays, also linked to government reshuffles, progress in fulfilling commitment 7 can be assessed as positive. All three actions have been implemented according to the monitoring indicators, the content of the adopted legislation is in line with the purpose of the actions, the procedures for legislative creation and the provisions of the Law on Transparency in Decision-making have been respected.

PRIORITIES

- Practical implementation of the new Regulation on Low Value Public Procurement and the Regulation on Public Capital Investment Projects.
- Approval, by the end of 2023, of the [National Program for the Development of the Public Procurement System 2023-2026](#) and the [Program for the Development of Internal Public Financial Control 2023-2026](#), for the operationalization of the Public Finance Management Development Strategy 2023-2030.

Commitment 8: Cooperation with civil society

Increasing the involvement of civil society in the decision-making processes at all levels

GENERAL ASSESSMENT: 4,6 P OUT OF 5

Commitment 8 is completed via 5 planned actions, of which by the end of June 2023, one three actions has been implemented without shortcomings, and two are in implemented with several shortcomings

KEY DEVELOPMENTS

During the reference period, a series of actions aimed at boosting cooperation between the authorities and civil society was undertaken. The Framework Regulation on the non-reimbursable financing mechanism for the projects of non-commercial organizations was approved by the [Government Decision 656/2022](#). The approval of the document was preceded by a broad public consultation process and creates a favourable environment for direct funding of non-commercial organizations.

After the [adoption](#) of the Regulation of the planning, development, approval, implementation, monitoring, and evaluation of public policy documents, an improvement has been observed both in the process of drafting policy documents and in the quality of the documents developed by the ministries. In addition to the publication on the [particip.gov.md](#) portal, the authorities have started to organize more events with physical participation of stakeholders to obtain more qualitative feedback. At the same time, before the actual development of the policy documents, the authorities consult the concept of these documents, allowing the stakeholders to intervene at much earlier stages, increasing the chances of accepting conceptual changes to the objectives and directions of their intervention.

On June 9, 2023, the Parliament approved in the final reading the draft law on information of public interest. The law is very important and with well-defined regulations, but there is only one technical constraint. The progress indicator is "law entered into force" in June 2023. However, according to the final and transitional provisions, the law will enter into force 6 months from the day of publication in the Official Gazette, and premises were also created for strengthening cooperation between the Parliament and civil society, after the Platform for dialogue and civic participation in the decision-making process of the Parliament was approved on June 15, 2023.

SHORTCOMINGS

The Parliament must ensure compliance with all the requirements for the decision-making transparency in the process of promoting and adopting normative acts. According to the Promo-Lex Association [report](#), the decision-making transparency of the draft laws examined by the Parliament in the autumn session of 2022 was affected by an average of 69 percent. At the same time, out of 193 draft laws on the agenda initially included, changes were made in proportion to 53 percent. The systematic inclusion and exclusion of draft laws from the agenda affects the transparency and predictability of the decision-making process. Although the regulatory framework for the activity of advisory platforms has been created, they are still not fully functional.

The regulation on the non-reimbursable financing mechanism for projects of non-commercial organizations entered into force on January 1, 2023, but its impact cannot be assessed at this stage. As far as we understand, no funding authority (central and local public administration authority) would have established the Commission(s) for evaluation and selection of projects and respectively the non-commercial organizations that carry out public utility activity have not yet benefited from financial support through funding non-refundable for their projects under this Regulation. The medium-term budget framework for the year 2023 was developed and approved, respectively, most authorities did not have planned financial resources for these purposes.

PRIORITIES

- Broad consultation of civil society in the process of developing and promoting the project of the Program for the Development of Civil Society Organizations for the period 2024-2027 (PDOSC), including the related Action Plan.
- Compliance with the principles of transparency and good governance in the decision-making process, both in the process of drafting and approving Government Decisions, and in the process of drafting and approving draft laws by Parliament.
- Improving the ex-post evaluation mechanism of legislation. Conducting regularly these evaluations will allow the authorities to understand whether the legislation has achieved its intended objectives and whether there have been unintended consequences or negative effects on various stakeholders. At the same time, this exercise can provide valuable information and lessons learned for improving future legislation and policymaking.
- The practical implementation of the provisions of the Regulation regarding the non-reimbursable financing mechanism of projects of non-commercial organizations.
- The participation of citizens and other stakeholders should not be ensured only at the stage of drafting public policy documents. Thus, the authorities should make an additional effort to identify innovative possibilities for the full involvement of citizens, civil society, and other stakeholders in the process of implementing the document.
- Mutual trust and the good intentions of both parties are essential for the effective implementation of the Parliament's Decision on the process of cooperation with civil society, but also the determinants for this process to have a permanent character.

Commitment 9: Protection of human rights

Strengthen the protection of human rights, especially for vulnerable groups, and solidify commitments to strengthen gender equality and combat violence against women.

GENERAL ASSESSMENT: 4.75 P OUT OF 5

Commitment 9 is completed via **8 planned actions**, of which, by the end of June 2023, six have been implemented without shortcomings and two actions have been implemented with certain shortcomings.

KEY DEVELOPMENTS

After several delays, the authorities [approved](#) the amendments to the regulatory framework in the field of non-discrimination and ensuring equality. Thus, the discrimination criteria were expanded, and the Contravention Code was modified to align the offenses and the new discrimination criteria. At the same time, the new framework supports the increase and consolidation of the human resources of the Council for Equality.

The Law on the Ombudsman has been [amended](#), implementing the recommendations of the Venice Commission. Greater guarantees have been included for the institution's independence, limiting the possibility of interference in the way and degree of involvement of the Ombudsman in resolving cases under examination and clarifying the duties and autonomous status of the Ombudsman for children's rights, including in relation to the Ombudsman with general competencies. At the same time, criminal and procedural legislation has been [aligned](#) with the provisions of the Istanbul Convention and the Lanzarote Convention. Thus, additional guarantees have been provided for victims of offenses concerning freedom and sexual inviolability, including victims of domestic violence; the possibility of hearing the victim in special conditions regardless of their age has been established, and the imposition of emergency trials for misdemeanour cases related to domestic violence and non-execution of emergency restraining orders has been included.

The Government [approved](#) the Program on gender equality in the Republic of Moldova for the years 2023-2027. Additionally, the Strategy for the development of public financial management for the years 2023-2030 includes a gender-responsive budgeting approach. The Government has also approved the national Program for the prevention and combating of violence against women and family violence for the years 2023-2027 (the document has not been published yet).

The concept for the national Program for the prevention and combating of human trafficking for the years 2024-2028 has been developed. Furthermore, based on the evaluation report of the national action Plan on human rights for the years 2018-2022 (PNADO), the process of developing a new policy document will be initiated.

SHORTCOMINGS

According to the latest amendments to the regulatory framework in the field of non-discrimination, both the Council for Equality and the police have responsibilities in identifying cases of incitement to discrimination. The Council can examine cases in an administrative procedure, while the police can do so in a misdemeanour procedure. The dual competence for examining cases of incitement to discrimination could generate confusion.

Challenges have been identified in the implementation process of the Program for supporting the Roma population for the years 2022-2025. Although the Interethnic Relations Agency is the administrative authority mandated to implement the state policy in the field of interethnic relations, the institution only monitors and evaluates a single indicator (out of the 5 that were established). Furthermore, according to the Government Decision approving the above-mentioned program, the Ministry of Education and Research was responsible to prepare the annual progress report on the implementation of the document by March 1, 2023. However, up to this moment, the report has not been published and placed on the ministry's website.

PRIORITIES

- Improving inter-institutional dialogue and cooperation between the Ministry of Education and Research and the Agency for Inter-Ethnic Relations.
- Development of the annual progress report on the implementation of the Program to support the Roma population for the years 2022-2025.
- Budgeting financial resources for implementing the actions outlines in the approved policy documents, ensuring an optimal level of staff in the public authorities responsible for carrying out the actions.
- Revision of the legislation to clarify and separate the responsibilities for identifying cases of incitement to discrimination, including the unification of the definitions used in Law 121/2012 and Contravention Code no. 218/2008.
- Increasing the attention and focus of the public authorities to the implementation process of the actions outlined in the policy documents, including involving citizens and civil society in achieving the planned objectives.
- Involvement of stakeholders will enable early identification of problems and appropriate adjustment measures.



IPRE
Institute for European
Policies and Reforms
ipre.md



Expert-Grup
Independent Think-Tank

LRCM

LEGAL RESOURCES
CENTRE FROM MOLDOVA
Rights and justice for all

**FRIEDRICH
EBERT
STIFTUNG**