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## BULLETIN

## Party of Action and Solidarity Gains Full Power: The Opening Record of the Pro-European Government in Moldova

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The election of President Maia Sandu in November 2020 and the success of her Party of Action and Solidarity (PAS) in the July 2021 parliamentary elections have for the first time given full control of the state to a party willing to implement pro-European reforms in Moldova. This creates a favourable situation in which, with the support of Poland and other active, willing countries, EU eastern policy may be more effective and result in more easily attained and tangible results in the democratic transformation of Moldova.

Unique Political Configuration. President Sandu, despite the lack of power of the office, holds a dominant position on the Moldovan political scene. It results from a strong social mandate from 58% of votes in the presidential election and remaining the de facto leader of the PAS. Her declaration of a fight against corruption and oligarchs ensured her party's victory in early parliamentary elections, winning 63 out of 101 seats. With this, PAS broke the political deadlock ongoing since December 2020 and became the first party since 2009 to establish a government on its own. The cabinet of economist Natalia Gavriliţa, a trusted associate of Sandu, was sworn in on 6 August. It is expert in nature and its ministers have little political experience.

The parliamentary opposition consists of the pro-Russia Electoral Bloc of Communist and Socialist (BECS) of former presidents Vladimir Voronin and Igor Dodon (32 seats) and the populist Şor Party (6 deputies). Its leader, Ilan Şor is hiding abroad because is accused of organising the "billion-dollar fraud" in which nearly that amount (about 12% of GDP) was stolen from three Moldovan banks in 2014. The goal of both factions is to maintain the political and business networks they took over after the oligarch Vlad Plahotniuc lost power in 2019 and fled the country.

**Internal Policy Challenges.** The Gavriliţa government has announced it will fulfil Sandu's flagship election promise to

fight corruption and the oligarchs, starting with reform of the judiciary, including the dismissal of corrupt judges and prosecutors. The parliament is proceeding with amendments changing the election procedure for the Supreme Council of Judges and the Supreme Council of Prosecutors, strengthening the National Integrity Authority, and enabling the early dismissal of the head of the National Anticorruption Centre (a Dodon loyalist). PAS is also trying to get the independent general prosecutor dismissed due to his ineffectiveness in prosecuting the perpetrators of the "billion-dollar fraud" and failure to clean up the prosecutor's office. Some nongovernmental organisations, including Promo-Lex and WatchDog.md charge that PAS is in an excessive rush, resulting in a lack of proper consultation and circumvention of procedures. An additional challenge is the resistance of the corrupt part of the administration and a shortage of professional and honest staff. The Gavrilita government has taken power in a country that, according to the Corruption Perception Index 2020, was, after Russia and Ukraine, the most corrupt in Europe.

The government has also announced immediate actions to tackle social challenges. It plans to strengthen healthcare before the next wave of COVID-19 hits and accelerate vaccinations, as only 26% of the population is fully vaccinated. Gavriliţa also wants to improve the population's economic

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situation, including the largest increase in pensions in Moldova's history. Her plan calls for the minimum pension to rise from around €57 to €96 a month. This is to neutralise the social promises by BECS to citizens, who are expecting quick systemic reforms.

Foreign Policy. Granted the chance for Moldova to make a pro-European turn, Sandu has sought the support of EU institutions since the beginning of her term. In January 2021 in Brussels, she met President of the European Commission Ursula von der Leyen, High Representative for Foreign Affairs and Security Policy Josep Borrel, and commissioners for Enlargement, Budget and Justice, as well as European Council President Charles Michel, who paid a visit to Chişinău in February. At the same time, Sandu has sought to strengthen relations with the EU countries of key importance for Moldova. Shortly after taking office in December 2020, she hosted Romanian President Klaus Iohannis, and in February 2021 visited Paris, then Bucharest in April, Berlin in May, and Rome and Warsaw in June.

Sandu's efforts resulted in a significant increase in EU assistance to Moldova. In June, just before the parliamentary elections, the EC allocated €600 million for the country for years 2021-2024, conditioning it on the progress of reforms. Another €50 million in macroeconomic aid Sandu negotiated with Valdis Dombrovskis, the EC vice-president for An Economy that Works for People. To meet the EC's conditions, the Gavrilita government is preparing a new customs code and improving the verification system to uncover conflicts of interest and illegally obtained assets. However, according to PAS, the key expectation of the EU is a strategy to recover the billion dollars lost to fraud that the prosecution office was supposed to develop.

Sandu fears that the EU's growing interest in Moldova is only temporary, so she aims to create platforms for regional cooperation that can promote common interests. Her first proposals included the creation of an "axis of trust" with Ukraine and Romania or Moldova's accession to the Three Seas Initiative. When these proposals were stymied, the interim Moldovan prime minister and minister of foreign affairs, Aureliu Ciocoi (who favours Sandu's policy but led the socialist government), established in May with the prime ministers of Ukraine and Georgia the "Associated Trio", bringing together the leaders of Eastern Partnership countries that seek integration with the EU. On the other hand, Romania, in declaring a special bond with Moldova, has signalled that the nucleus of a new forum may have been the meeting of presidents Iohannis, Andrzej Duda (Poland), Sandu and Volodymyr Zelensky (Ukraine) in Chişinău in August for the 30th anniversary of Moldova's independence.

Sandu and PAS avoid rhetoric about the necessity of a geopolitical choice between the EU and Russia. This is due to the simultaneous pro-European and pro-Russian social attitudes, which are not mutually exclusive in Moldova. This is evidenced by the survey Barometrul Opini Publice from June

2021, according to which 65% of Moldovan citizens want accession to the EU, and 41% prefer the Eurasian Economic Union. That is why the new government has declared it will strive for pragmatic relations with Russia, counting particularly on the lifting of Russia's embargo on Moldovan agri-food products. PAS is trying to avoid irritating Russia and, although it calls for the withdrawal of Russian forces from Transnistria, it indicates that this will not be the government's priority. That is why Sandu, while participating in the inauguration of the Crimean Platform in August 2021, did not compare Russia's activities in Transnistria and Crimea. At the same time, Russia's readiness to consider a new opening in relations with Moldova is demonstrated by the visit to Chişinşu a few days after the swearing-in of the Gavrilita government of Dmitry Kozak, the Russian president's special representative for Moldova and the deputy head of his administration.

Conclusions and Perspectives. The appointment of the Gavriliţa cabinet, with a stable parliamentary majority, offers an opportunity for Moldova to implement the pro-European structural reforms announced by Sandu. However, the scale of the challenges may mean that the effects of the transformation will not be satisfactory in relation to the electorate's re-awakened hopes, and this may result in a shift towards populist and pro-Russia parties. That is why the new authorities have also made social promises and initiated anticorruption reforms. However, in the rush to start them, they have neglected public consultations and circumvented procedures, which may adversely affect the quality of the new laws and rule-of-law standards in Moldova. EU Member States and institutions should insist on compliance with these standards at every stage of the transformation.

Sandu and PAS have declared rapprochement with the EU as a strategic goal. That is why they are seeking EU support, not only political and expert but also financial, as it will determine the quality of the implementation of the reforms and sustenance of the budget of Moldova. The current growing interest in Moldova among EU institutions and some Member States may indeed wane as Gavrilita's government encounters difficulty implementing the reforms. Poland, by cooperating with countries supporting the Eastern Partnership, could strive for greater EU involvement in Moldova. In particular with Romania and France, it could initiate the reactivation of GAERM, or the Group for the European Action of the Republic of Moldova, an informal ministerial mechanism promoting Moldova's transformation in the EU that has not been operational since 2018. Moreover, Poland could use its Information Centre for Local Authorities in Moldova to offer its transformation experience, which may be especially valuable in adjusting agriculture to EU standards and in reforming local government. The effectiveness of Poland's activities may be increased by the prime minister's plenipotentiary for supporting reforms in Moldova, who was appointed in September.