

Moldova's political crisis

After a period of relative stability and significant progress in its reform efforts, Moldovan politics has (re)entered a phase of instability, creating uncertainty about its future direction and its relationship with the EU.

Following a disputed election and civil unrest in April 2009, a three-party, pro-European coalition government - known as the Alliance for European Integration (AEI) - has been in office since September 2009. The AEI is led by the acting Prime Minister Vlad Filat, leader of the Liberal Democrat Party (LDP). The other coalition parties are the Democratic Party (PD) and the Liberal Party (PL). The main opposition force, the Communist Party, is less unequivocally supportive of Moldova's European ambitions, advocating instead a greater degree of equidistance between the EU and Russia.

The election of Nicolae Timofti as President of the Republic of Moldova in March 2012 ended a long period of political and constitutional deadlock, paving the way for political stabilisation and an acceleration of large-scale reforms. A recent European Commission Progress Report on the European Neighbourhood Policy (March 2013) highlighted the significant advances made by Moldova and reconfirmed its potential to become the success story of the Eastern Partnership (EaP).

Against a difficult economic backdrop, Moldova has achieved cumulative GDP growth of 15% during the period 2010-2012. The government has

launched significant reforms in areas that include democratisation and freedom of the media, the economy, the police, and education. It has also invested significantly in infrastructure. In just over a year, Moldova has also moved within reach of completing negotiations with the EU on an Association Agreement and a Deep and Comprehensive Free Trade Agreement (DCFTA), and it has proved effective in implementing a series of reforms - including on border management – which stem from the ongoing visa dialogue with the EU.

Nonetheless, as highlighted in the Commission's report, areas remain where progress has been more limited. In particular, the fight against corruption and the reform of the judicial system are crucial to Moldova's reform efforts and a lack of progress in these areas is a significant factor in a wider political crisis which currently risks undermining all that has been achieved.

Where from

In December 2012, a man was shot and killed during a hunting party attended by senior members of Moldova's elite, many of whom are alleged to have close links to the Democratic Party and its deputy chair Vlad Plahotniuc, a rich businessman. An attempt to cover up this incident by the country's general prosecutor (a PD appointee who was present at the hunt) was subsequently exposed, leading to his resignation at the insistence of Prime Minister Filat.

This was followed by significant increase in political tensions within the ruling coalition which translated into a wave of allegations and inquiries against members of the government by the country's National Anti-Corruption Centre. Although nominally independent, there are suggestions that this institution has close links to the Democratic Party. The timing and manner of these accusations (including the leaking to the media of potentially illegal phone intercepts involving the head of the

tax office, the minister of interior and the prime minister) were therefore widely interpreted

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as being politically motivated. Three EU foreign ministers (from Poland, Sweden and the UK) visiting Moldova in February raised concerns regarding the application of 'selective' justice.

As part of the escalating political tensions, Filat's Liberal Democratic Party withdrew from the coalition and proposed negotiations on a new coalition agreement, including steps to de-politicise the country's legal institutions. The party then voted together with the Communist opposition to remove Plahotniuc from his position as first deputy speaker of the parliament.

On 5 March this exchange of political blows led to a convergence between the Democratic and the Communist parties to pass a vote of no confidence against the government. The Liberal Party abstained but made it clear it no longer supported Filat's premiership. Under the terms of the Moldovan Constitution, Filat and his team were forced to resign but remain in office as a caretaker interim government.

Where next

The three governing parties are now trying to renegotiate a fresh coalition agreement. All sides have claimed to be united in the desire to reach a deal in order to finalise Moldova's negotiations with the EU and avoid early elections.

Two issues are likely to be key to a successful agreement:

- a) whether all sides will agree to depoliticise certain key state institutions;
- b) whether the parties can agree on the choice of prime minister.

If these negotiations fail, and if no other alternative political alliance emerges, early elections will be unavoidable. The outcome would be highly uncertain. It could bring the same coalition back to power, or it could lead to a comeback of the Communists either with a full majority or in alliance with another party.

The ongoing political crisis has caused serious concern in the EU, which has invested significant

time, effort and financial resources into Moldova. While refusing to be drawn into domestic politics. EU

officials and member state representatives have urged stability and expressed hope that Moldova will continue along its path to a closer relationship with the EU.

Despite the ongoing political tension, Moldova potentially remains the best example of a successful transformation under the Union's Eastern Partnership. The EU is right to continue its discreet support for a rebooted pro-European coalition, but this probably needs to go hand in hand with a strong pro-reform message, particularly in relation to the judicial system, the 'de-politicisation' of state institutions, and the fight against corruption.

In this respect, the EU could offer the prospect of further support, in terms of financial assistance and technical expertise, to undertake and implement these reforms. It could also propose the launch of a Rule of Law Mission to advise on a comprehensive reform of the judicial sector. Finally, some voices inside Moldova have suggested that qualified foreign representatives could be appointed to key positions, such as in the customs or tax office, or even the general prosecutor's office and the Anti-Corruption Centre – something the EU could also support as part of a broader package. Despite the current crisis, it is certainly not too late to make Moldova a success story.