



Nations in Transit 2006

Moldova

Nations in Transit Ratings and Averaged Scores									
	1997	1998	1999	2001	2002	2003	2004	2005	2006
Electoral Process	3.25	3.50	3.25	3.25	3.50	3.75	4.00	4.00	3.75
Civil Society	3.75	3.75	3.75	3.75	4.00	3.75	4.00	4.00	4.00
Independent Media	4.00	4.25	4.00	4.25	4.50	4.75	5.00	5.00	5.00
Governance*	4.25	4.50	4.50	4.50	4.75	5.25	5.50	n/a	n/a
National Democratic Governance	n/a	n/a	n/a	n/a	n/a	n/a	n/a	5.75	5.75
Local Democratic Governance	n/a	n/a	n/a	n/a	n/a	n/a	n/a	5.75	5.75
Judicial Framework and Independence	4.25	4.00	4.00	4.00	4.00	4.50	4.50	4.75	4.50
Corruption	n/a	n/a	6.00	6.00	6.25	6.25	6.25	6.25	6.00
Democracy Score	3.90	4.00	4.25	4.29	4.50	4.71	4.88	5.07	4.96

**Starting with the 2005 edition, Freedom House introduced separate analysis and ratings for national democratic governance and local democratic governance to provide readers with more detailed and nuanced analysis of these two important subjects.*

NOTE: The ratings reflect the consensus of Freedom House, its academic advisers, and the author of this report. The opinions expressed in this report are those of the author. The ratings are based on a scale of 1 to 7, with 1 representing the highest level of democratic progress and 7 the lowest. The Democracy Score is an average of ratings for the categories tracked in a given year.

EXECUTIVE SUMMARY

Since declaring independence in 1991, Moldova has been one of the most pluralistic post-Soviet states, even if at times it has oscillated between nonconsolidated democracy and nonconsolidated authoritarianism. The trend toward democracy has been traditionally stronger, especially throughout the 1990s, but was significantly hampered by economic problems, lack of consistent reforms, and a secessionist conflict in Transnistria. The latter has diverted Moldova's extremely limited political and economic resources from promoting reforms into efforts to reunite the country. After the Party of Moldovan Communists (PCM) won power in 2001, Moldova's scores on democracy, electoral practices, civil society, independence of the media, and independence of the judiciary have worsened. In 2004–2005, the downward spiral stopped, and there are chances that the negative trend will be reversed in 2006. Moldova made significant progress in its effort to strengthen partnerships with the European Union (EU) and the United States. This has had a potentially positive impact on democracy efforts, but much remains to be done in the areas of media independence, reform of law enforcement agencies, and local democratic governance.

The year 2005 was marked by the March 6 elections and Moldova's efforts to come closer to the EU and NATO, as well as to obtain more EU and U.S. support for conflict resolution in Transnistria. The PCM remained in office, though with a significantly smaller majority. This has opened the way for a more balanced political system in which the opposition and civil society have a greater role to play. In fact, some of the government's centralizing tendencies are being reversed under pressure from external-internal coalitions of civil society groups, opposition parties, and Moldova's Western partners—the EU, United States, the Organization for Security and Cooperation in Europe (OSCE), and the Council of Europe.

National Democratic Governance. As a result of the March 6, 2005, elections, the PCM lost its constitutional majority; consequently, the party could reelect its leader, Vladimir Voronin, as the country's president only after an agreement with the opposition in which some potentially important democratization measures were promised and partly implemented. Moldova's efforts to come closer to the EU have generated some internal results, and the

government's international credibility, particularly with the EU, has risen with the slight shift in the country's political climate. The government has been moving toward a more consensual model of interaction with the opposition and civil society groups, and a broad consensus on European integration and conflict resolution in Transnistria has been achieved. Pridnestrovskaya Moldavskaya Respublika, or Transnistria—a secessionist region in the east of Moldova—remained outside governmental control. In 2005, the prospects for democracy in Moldova once again look better, but progress will depend on the implementation of the remaining parts of the agreement between the PCM and the opposition, as well as further implementation of the EU-Moldova Action Plan. *Moldova's rating for national democratic governance remains at 5.75. The governing party has a significantly smaller majority in the Parliament, creating the basis for a more balanced political system. However, the opposition remains too weak to keep the government in check.*

Electoral Process. The Moldovan parliamentary elections were held on March 6 and were monitored closely by the international community and local observers. Only three parties or electoral blocs acceded to the Parliament owing to the high threshold, which was not revised prior to the elections. The elections were considered generally free and fair, despite the recurrence of certain irregularities. The same cannot be said of equal campaigning opportunities. The Moldovan authorities abused their position to promote their candidates to the detriment of opposition candidates. The incumbent president, Vladimir Voronin, was reelected with a large majority created with the support of certain opposition parties. In return, the ruling Communist Party promised to carry out a number of reforms that were requested by the opposition. These postelectoral reforms also include changes to the electoral code and the composition of the Central Election Commission to increase its independence from the ruling party. The 2005 parliamentary elections are a marked improvement over the 2003 local elections, despite the fact that various essential reforms were carried out only after the elections. *However, owing to the generally free and fair character of the elections and the decreasing number of violations in comparison with previous elections, Moldova's rating for electoral process reflects this progress and improves from 4.00 to 3.75.*

Civil Society. There are a number of highly skilled and potentially successful nongovernmental organizations (NGOs) whose activity is constrained by lack of resources—offices, phones, computers, faxes, and so forth. Thus, the absolute priority in civil society development efforts in Moldova is to invest in capacity building and the institutional development of NGOs. The Moldovan third sector remains financially unsustainable, as it is heavily dependent on international donors. The government has been cooperating with civil society on issues concerning the European integration of Moldova and conflict resolution. As the government strives to get closer to the EU, it has been increasingly receptive to civil society advice on certain issues, but this cooperation still remains unsatisfactory. The biggest civil society activity in 2005 was related to monitoring the March 6 elections, where the Civic Coalition for Free and Fair Elections had an important role to play in putting

pressure on the government to comply with international norms. *The country has a number of NGOs that are active, vibrant, and independent from government control, but there are too few. Thus, Moldova's civil society rating remains unchanged at 4.00.*

Independent Media. The state has been slowly withdrawing from controlling the media. The political agreement between the PCM and some opposition parties on the reelection of Voronin as president had a positive, albeit marginal, impact on media independence. The government renounced ownership of its two previously official national newspapers. At the end of the year, it was expected that some 30 government-owned local newspapers would cease to be financed with public money as well. However, these are minor changes in light of two unimplemented measures that have been long promised to the opposition. The first is the transformation of the public broadcasting company Teleradio Moldova into a genuinely independent media. The second is the transformation of the media watchdog Broadcasting Coordination Council, which grants licenses and oversees the media, into a genuinely independent institution. *The rating for media independence remains unchanged at 5.00, as the situation of the media has improved marginally, but not enough for an increase in the rating.*

Local Democratic Governance. Democracy at the local level remains the weakest link in Moldova's transition. Apparently, local democratic governance remains the only area where the effects of the March 6 elections and Moldova's efforts to come closer to the EU have not achieved any spillover effects. This is due to the peripheral status that local democracy enjoys in public discussions and to the low level of visibility of local developments for the international community. In fact, with the change of the mayor of Chisinau, the capital city, it is very likely that the control of local authorities will only tighten. Significant problems have occurred in Gagauzia at local level. Supported by the central government in Chisinau and the PCM, the Gagauzia leadership has been actively suppressing the opposition in the region. However, the biggest problems with democracy were in the Transnistria region, which is not under the control of the Moldovan authorities. Moldova and international organizations have been increasing pressure on Transnistria to democratize. *Democracy at the local level has not improved, nor has it worsened. Thus, the score for local democratic governance remains unchanged at 5.75.*

Judicial Framework and Independence. Moldova has put in place a very comprehensive and liberal framework to ensure fundamental human rights through the Constitution and other national and international normative acts. The problem lies in the implementation of a backlog of over 40,000 court decisions. In turn, this explains the relatively high number of cases that are brought by Moldovan citizens before the European Court of Human Rights. Other problems affect the efficiency of the Moldovan judiciary system, such as a lack of sufficient courtrooms and computer services. Moldova has been engaged throughout 2005 in an extensive reform of its judicial system. The Moldovan Parliament has revised the laws of judiciary organization to reform the system of appointments and dismissals of members of the Superior Council of Magistrates, judges of the Supreme Court of Justice, and justices

of the lower courts. The main goal has been to make the judicial system more independent from political and economic influence. Steps have been taken to eradicate torture and ill-treatment and to remove the death penalty from the legal framework. Although the reform process needs to be sustained and adequate funds made available, the Moldovan government has taken encouraging steps toward reforming the judicial system. *Hence, the country's rating for judicial framework and independence improves from 4.75 to 4.50.*

Corruption. The introduction of the National Anticorruption Strategy and the corresponding Action Plan in January 2005 signaled a very promising year in the fight against corruption. Indeed, all involved public institutions and agencies, as well as the civil society, got off to a very active and convincing start in the implementation of the anticorruption Action Plan. The main efforts have been geared toward bringing anticorruption legislation in line with international norms and practices and toward outlining the competences of each of the many institutions involved to avoid duplication of activities. Concrete measures have also been undertaken to limit the spread of corruption among civil servants. Moldovan civil society and international organizations that monitor corruption are unanimous in saying that some progress has been achieved in preventing and fighting corruption. The perception, however, remains that high-profile corruption cases tend to be politically motivated and that petty corruption is punished too harshly. Despite the fact that certain public services (such as health care, education, the police, and the customs services) suffer from high levels of corruption, studies have demonstrated that public tolerance toward corruption in Moldova is decreasing. *The country's rating for corruption improves from 6.25 to 6.00 owing to the encouraging steps undertaken both by the Moldovan government and by civil society in the fight against corruption, notably through the implementation of the Action Plan; yet the awaited large-scale effects are still not felt in the Moldovan society.*

Outlook for 2006. In 2006, the prospects for democracy once again will look better. President Voronin is in his second and last term and is not pursuing further centralization. Moldova's overtures to the EU will be the main driver for the country's democratization. This will happen slowly, as the Moldovan government's commitment to democracy stems not from convictions, but from a quest for international legitimacy, mainly with the EU and the United States, whose support Moldova badly needs. The implementation of the EU-Moldova Action Plan will create some pressure on further democratization of the system. Moldova's Individual Partnership Action Plan with NATO, to be signed in 2006, will also allow some small progress on the reform of the security sector. The opposition will remain weak and divided, but the main cleavage in Moldova's political system will start emerging within the governing elite among the possible future leaders of the country.

MAIN REPORT

National Democratic Governance

1997	1998	1999	2001	2002	2003	2004	2005	2006
n/a	n/a	n/a	n/a	n/a	n/a	n/a	5.75	5.75

Since independence, Moldova has oscillated between nonconsolidated democracy and nonconsolidated authoritarianism. The Constitution generally creates the basis for a democratic system with checks and balances and significant rights for citizens to exercise control of the government. However, since the Party of Moldovan Communists (PCM) came into power in 2001, Moldovan politics have been marked by increasing centralization and a tendency toward soft authoritarianism. Despite the fact that Moldova is a parliamentary republic, the country's president, Vladimir Voronin, has been the dominant figure in politics since 2001. The government manipulates rather than violates the existing democratic framework, achieving a certain stability through co-optation of important societal, political, and economic actors rather than coercion or outright abuses of human rights. The most obvious attempts to centralize power have been traditionally reversed under pressure from the EU, United States, OSCE, and Council of Europe.

Moldova is one of some 60 countries in the world with a Law on Access to Information, adopted in 2000. A report from the Office of the OSCE Representative on Freedom of the Media stated that the law is "generally consistent with international norms and obligations...but its effectiveness has been limited by poor leadership by the government in implementing it, which has resulted in a lack of awareness by the government officials about its provisions."

Virtually all political actors in Moldova publicly support democracy and EU integration as the best route to stability and prosperity. According to the Council of Europe's representative in Moldova, Vladimir Philipov, the main conflict in Moldovan politics is not the definition of strategic priorities, but the best way to achieve them. However, doubts remain about the commitment of political elites to reforms promoting democratization and EU integration.

The elections on March 6, 2005, created the basis for strengthening Moldovan democracy while maintaining governmental stability and economic growth. Despite the victory of the PCM, a new political consensus between the government and the opposition has emerged. The Communist faction in the legislature had enough votes to elect the government and the Speaker, the liberal-minded former minister for economy Marian Lupu. The parliamentary parties also launched a political partnership for European integration with a declaration that stated, "Further development of the Republic of Moldova can be ensured only through the consistent and irreversible promotion of the strategic course toward European integration, peaceful and democratic

resolution of the Transnistrian problem, effective functioning of democratic institutions, and ensuring of national minorities rights.”

To ensure the reelection of President Voronin, the PCM made an alliance with the three opposition parties—the Christian Democratic People’s Party (CDPP), the Social-Liberal Party (SLP), and the Democratic Party (DP). As part of an agreement with the opposition, Voronin agreed to a set of 10 measures to ensure independence of the media, independence of the judiciary, decentralization of local government, greater parliamentary oversight of law enforcement agencies, reform of the electoral authorities, reform of the Communist Party, and his resignation as Communist Party chairman.

Almost all of the measures have been at least partly implemented. For example, legislative sessions are now broadcast live, and deliberations are posted verbatim on the Parliament’s Web site. The government has renounced ownership of its two official newspapers (*Moldova Suverana* in Romanian and *Nezavisimaia Moldova* in Russian), even if their editorial policies remain strongly pro-governmental. The electoral process for the Superior Council of Magistrates (SCM) has been amended to make it more independent. Likewise, the Central Election Commission (CEC) has changed its appointment process so that five members are chosen by the opposition and only four by the governing party. The chairman of the CEC comes from the DP and a deputy chairman from the CDPP. The same proportional representation will be applied to the Court of Auditors, with four members appointed by the opposition and three by the governing party. The Security and Intelligence Service (SIS) has lost the right to penal investigation and preventive arrest. In addition, a parliamentary subcommission, chaired by an opposition parliamentarian, was created to oversee the SIS.

However, no visible progress has been made on three crucial reforms. There is still a need to decentralize the administration of local governments and increase their financial sustainability. Second, there has been little headway in transforming the government-controlled public TV into a genuinely independent institution and establishing an independent Broadcasting Coordination Council that would grant licenses to media. Third, there has been no progress in reforming the Office of the Prosecutor General to insulate it from political influences and presidential control.

The influence of the EU and the United States is becoming one of the most significant factors affecting Moldova’s domestic political scene. There is a widespread feeling in Moldova that the country needs the support of the two actors for its internal transformation and efforts to achieve a viable settlement in Transnistria and to withstand Russian political and economic pressures. Most of the government’s reforms, as well as the agreement with the opposition, were undertaken primarily to strengthen its credibility and partnership with the EU and United States.

Both the EU-Moldova agenda and a broader cooperation with Euro-Atlantic institutions have been remarkably fruitful in 2005. In February, the EU and Moldova signed an Action Plan under the EU’s neighborhood policy, in which Moldova commits to significantly reform its economy and democratize

its political institutions toward EU standards. In March, the EU appointed a special representative on Moldova whose main mandate is to contribute to a settlement of the secessionist conflict in Transnistria. In June, Moldova announced it would seek to sign an Individual Partnership Action Plan with NATO, and Moldovan high-level officials did not exclude the possibility that Moldova might seek to join NATO. In October, the EU's executive—the European Commission—opened an embassy in Chisinau. In December, the EU launched the Border Assistance Mission to Moldova and Ukraine with the mandate of strengthening border management between the two states and reduce smuggling around Transnistria. The EU and the United States have also become involved as observers in the effort to negotiate a solution to the Transnistria conflict.

Moldova remains divided, with its secessionist region of Transnistria maintaining its de facto independence. The Pridnestrovskaya Moldavskaya Respublika, or Transnistria, is a breakaway republic in the eastern part of Moldova, led by self-proclaimed president and Russian citizen Igor Smirnov. The European Court of Human Rights (ECHR) concluded in July 2004 that the Transnistrian republic “remained under the effective authority, or at the very least under the decisive influence, of Russia, and in any event that it survived by virtue of the military, economic, financial, and political support that Russia gave it.”

Ukraine's relations with Moldova have improved significantly after Ukraine's Orange Revolution in late 2004. The Yushchenko administration in Ukraine has been less supportive of the authoritarian regime in Transnistria than was the Kuchma administration. This has had an impact on conflict resolution in Transnistria. Ukraine's president, Viktor Yushchenko, presented in May a plan to settle the conflict, urging the necessity to democratize Transnistria and negotiate the status of the region with a (more or less) democratically elected legislature from the region. As a response to the Ukrainian initiative, the Russian Federation presented its own plan in October as an attempt to keep the initiative in its hands.

Despite this, the conflict settlement efforts have been gradually moving into a EU-Moldova-Ukraine framework, in which Russia no longer plays the main role in negotiations on the status of Transnistria. Russia has also tried to support Transnistria while increasing pressure on Moldova. On various occasions, Russia stopped Moldovan exports of meat, vegetables, and wine to Russia and has announced its intention to raise gas prices in 2006. Transnistria would be excluded from these measures. In this context, President Voronin declared in an interview with the BBC in October 2005 that “Moldova can survive without exporting wine to Russia. It will be difficult but we are ready to live in cold, to freeze without Russian gas, but we will not cede. Moldova will not sacrifice its territorial integrity, sovereignty, and freedom, irrespective of the price we will have to pay.”

Electoral Process

1997	1998	1999	2001	2002	2003	2004	2005	2006
3.25	3.50	3.25	3.25	3.50	3.75	4.00	4.00	3.75

Following the Orange Revolution in neighboring Ukraine, the Moldovan parliamentary elections on March 6 were watched very closely by the international community and the Moldovan civil society, including Coalition 2005, which brought together over 150 NGOs for this particular purpose. Moldova is categorized as a “Partly Free” state according to Freedom House’s 2005 *Freedom of the World* status designation. However, it is often viewed by international institutions as the most successful non-Baltic post-Soviet state in ensuring generally free and fair elections since its independence in 1991, despite the persistence of several shortcomings.

Moldova has a proportional electoral system, and all candidates and parties are featured on the same ballot. Despite a Council of Europe 2001 recommendation regarding the country’s high threshold for accession to the Parliament, Moldova’s electoral authorities left it unchanged for the 2005 parliamentary election. The following percentages are necessary to accede to the Moldovan Parliament: 3 percent for independent candidates, 6 percent for political parties, 9 percent for a bloc of two parties, and 12 percent for a bloc of three or more parties. As a consequence, the over 15 percent of nonattributed votes were redistributed among the three parties or electoral blocs that acceded to the Parliament, leaving a large segment of the electorate without parliamentary representation.

Minor modifications were made to the electoral code by the CEC prior to the parliamentary elections, including changes to facilitate voting for students who study in a Moldovan city other than their place of residence, persons with expired passports, hospitalized persons, and detainees. Numerous other changes to the code would have been necessary to ensure truly free and fair elections, including measures related to party financing and campaigning in the media. The CEC made no serious efforts to address these issues prior to the elections, thus failing to prevent an uneven playing field for candidates.

Not surprisingly, abuses by state-controlled media outlets were observed during the campaign: The ruling party was portrayed in a positive manner, as opposed to other electoral contestants. Although airtime was distributed evenly among all candidates, the day-to-day activities of the ruling party were often covered in a very favorable way, resulting in increased campaign airtime for the PCM. During the campaign, the authorities used administrative resources to harass and intimidate opposition candidates. Meetings by opposition candidates were often hindered. In the press, the main opposition parties made use of their own outlets to promote their electoral agenda. Overall, however, the ruling party had a clear advantage in terms of airtime in the media and editorial space in the press. Consequently, the Moldovan public

received insufficient objective information regarding the choice of candidates and their respective programs.

Election day voting also witnessed irregularities. Polling stations were poorly equipped, often causing overcrowding. Police officers and local public officials were sometimes present at polling stations. In addition, there were cases of electoral advertising within the polling stations. Voting lists were drawn up late, with many deficiencies. Despite promises made by the CEC, insufficient polling stations were open in Transnistria for the Moldovan citizens who reside there.

In a move meant to reassure the electorate and the international community, the Moldovan authorities invited an International Election Observation Mission, including observers from the OSCE/Office for Democratic Institutions and Human Rights (ODIHR), the OSCE Parliamentary Assembly, the Council of Europe Parliamentary Assembly, and the European Parliament. The mission consisted of some 500 international observers in addition to over 2,000 domestic observers. Both international and domestic observers agreed that despite a number of irregularities during the campaign and on election day, the elections were generally in compliance with most OSCE and Council of Europe commitments and other international election standards.

The PCM, in power since 2001, obtained 45 percent of the votes, or 56 deputies out of a total 101, thereby obtaining a small majority but 5 mandates short of the 61 needed to elect the president. The Democratic Moldova electoral bloc obtained 28 percent of votes and 31 deputies, while the third political formation to accede, the CDPP, obtained 9 percent of the votes and 11 parliamentary seats.

The incumbent Communist president, Vladimir Voronin, was reelected by the Parliament on April 4 with a staggering 75 votes. He received support from the CDPP, the DP, and the SLP. The last two left the Democratic Moldova upon accession to the Parliament. These three Western-oriented parties chose to vote in favor of Voronin because he succeeded in creating a national consensus around two major policy priorities: EU integration and the resolution of the Transnistria conflict. In addition, the CDPP tied 10 conditions to its vote of approval in favor of Voronin. The majority of these 10 conditions have been met by the ruling party over the course of 2005, in particular those regarding modifications to the electoral code and the composition of the CEC.

Regarding Transnistria, elections were held to the Supreme Soviet (the Transnistrian legislative body) on December 11. These elections were not recognized either by the Moldovan authorities or by the international community and can be considered neither free nor fair owing to the quasi-totalitarian regime in place. Yevgeny Shevchuk was chosen as the new Speaker, replacing the long-standing Grigory Marakutsa, with 39 out of a total of 43 votes. Shevchuk and his Obnovlenie (Renewal) movement, which obtained 23 seats, represent the younger, more progressive segment of the Transnistrian elite. Shevchuk is closely associated with Transnistria's largest

private company, Sheriff, a conglomerate owning supermarket and service station chains, a TV channel, and a football team.

Civil Society

1997	1998	1999	2001	2002	2003	2004	2005	2006
3.75	3.75	3.75	3.75	4.00	3.75	4.00	4.00	4.00

Moldovan civil society is very weak, generally lacking in institutional capacity and the barest of necessities: offices, computers, phones, faxes, and so forth. Moldova has a three-tiered civil society matrix. Tier one comprises a very limited number of NGOs that raise most of the sector's funds but are increasingly overstretched in their commitments. They have almost no competition in their respective niches. Tier two is represented by younger NGOs that interact well with international donors, possess good foreign language skills, and have international contacts but cannot develop for lack of basic equipment. They rely primarily on the enthusiasm of their members but are not sustainable in the midterm, despite their high potential. A third tier includes the bulk of NGOs, which lack equipment, offices, computers, phones, and language skills and sometimes have limited experience interacting with foreign donors, which severely limits their potential for development. One of the effects of the current situation is that there is little competition among the large, funded NGOs, resulting in an unsatisfactory level of performance. The second-tier NGOs lose their most active members to foreign companies or international organizations based in Chisinau. Third-tier NGOs are confined to a marginal status.

There are 3,424 NGOs registered in Moldova. Of these, only a relatively small number are highly active and skilled civil society groups, but their number has more or less stagnated for the past four to five years. In fact, a survey on the development of NGOs conducted by CONTACT (National Assistance and Information Center for NGOs in Moldova) indicated that most Moldovan NGOs are small and inactive: 59 percent had only volunteers, while 24 percent had fewer than five employees; 35 percent had not implemented a project in the last two years, while 17 percent had conducted only one project in the same period. This suggests that roughly half of NGOs had almost no activity at all.

According to the survey, Moldovan NGOs are severely underfunded—27 percent had no budget, and 24 percent had an annual budget of less than US\$500. The number of international donors is rather limited, and most Moldovan companies prefer to give to charity rather than fund other types of NGOs. NGO cooperation with state structures is reasonably satisfactory,

involving some 87 percent of NGOs; 47 percent indicate satisfaction with the level of cooperation with the state.

Civil society is free from extremist influence, and there are no militarized or vigilante groups, except in the Transnistria region. The legal and regulatory environment is not perfect, but there is no excessive state pressure on NGOs. A number of civil society leaders and activists interviewed in Chisinau said that the main problem they face is lack of support for institutional development. Periodically, the government tries to pressure civil society through reregistration rules or through attempts to establish pro-governmental NGOs or trade unions. However, these efforts generally fail because despite its overall weakness, civil society is still strong enough to oppose such measures, while the government is too weak to impose its centralizing agenda. The government acts through co-optation of civil society groups rather than coercion. The failure of government-inspired structures to replace or even seriously affect the position of established NGOs reveals a certain strength in Moldovan civil society.

In 2005, coordinated action between civil society groups and the international community prevented the government from adopting some controversial laws. The SIS proposed a draft Law on State and Official Secrets, which was approved by the government on December 2, 2004, and submitted to the Parliament for approval. In addition, the Ministry of Informational Development elaborated a draft Law on Information. Civil society groups, Transparency International Moldova, and Access-Info actively opposed these laws on the grounds that they would limit access to information. It was claimed that accepting the law “would be a severe blow to the freedom of expression” and would have a “catastrophic impact on the people’s access to public information.” Nine of the most important journalist associations in Moldova claimed that the draft laws contradict European and international standards, and an OSCE representative declared the draft laws to be “overly complex and poorly written.” After such coordinated pressure, the Moldovan government withdrew both draft laws from parliamentary consideration.

Throughout 2005, a broad coalition of some 150 NGOs created the Civic Coalition for Free and Fair Elections. It monitored the national parliamentary elections on March 6, the local elections for Chisinau and a number of villages in July, and the rerun for mayoral elections in Chisinau in November 2005. During the elections, the coalition monitored the polling process, organized exit polls, and raised awareness about the importance of elections. Among its most useful contributions was media monitoring in which weekly reports on the lack of objectiveness of certain media outlets were publicized. With concrete data and statistical findings, the coalition put public pressure on the mainly pro-government outlets for their one-sided representation of the electoral campaign. Opposition media were not spared from criticism, either. These activities had certain, though rather limited, impact on the government.

Contact between the authorities and NGOs has been increasing. In November 2005, the Parliament presented a draft Concept on Cooperation Between the Parliament of Moldova and Civil Society, which aims at increasing cooperation between state structures and NGOs through greater involvement

of civil society at the early stages of lawmaking, through more meetings, public hearings, and permanent consultations. So far, most of the interaction between the government and advocacy groups or think tanks has been confined to European integration issues and conflict resolution in Transnistria. There is a broad societal consensus on how to approach these two issues, and the government is rather receptive to advice from civil society groups.

The nongovernmental Institute for Public Policy has drafted a 650-page European Strategy for Moldova, which is likely to become the government's strategy for the European integration of Moldova. The National Commission for European Integration, comprising the highest state officials responsible for Moldova's EU integration efforts and chaired by the prime minister, includes a civil society representative. The same is true for the National Commission on the Development and Implementation of the NATO-Moldova Individual Partnership Action Plan. Although such cooperation has been positive, concerns that some NGOs are too close to the government have been expressed. Generally, civil society lacks the expertise to independently assess the government's performance on progress toward European integration and reforms. In addition, the government is still selective about the NGOs it chooses to cooperate with.

Independent Media

1997	1998	1999	2001	2002	2003	2004	2005	2006
4.00	4.25	4.00	4.25	4.50	4.75	5.00	5.00	5.00

The Moldovan Constitution guarantees freedom of expression and editorial independence and prohibits censorship in the media. Despite existing political pressure on the media, the main bottlenecks for the development of independent media in Moldova are lack of financial means and the low professionalism of journalists. Most media outlets are dependent on political or economic sponsors, and interference in editorial policy from owners is widespread. Revenues from ads and newspaper circulation are very small.

Throughout 2005, there were 28 Romanian-language newspapers and 34 Russian-language newspapers, most of which are weeklies. The most widely circulated newspapers are the Russian-language *Komsomolskaya Pravda*, *Argumenty i Fakty*, *Nezavisimaya Moldova*, and *Moldavskie Vedomosti* and the Romanian-language *Flux*, *Timpul*, *Jurnal de Chisinau*, *Moldova Suverana*, *Ziarul de Garda*, and *Saptamana*. Important regional newspapers are *Cuvantul*, *Observatorul de Nord*, and *Unghiul*. The major radio stations are Radio National, Radio Antena C, and the regional *Vocea Basarabiei*, as well as a number of FM music stations. Radio BBC, Radio Free Europe/Radio Liberty, and Radio France International have daily news programs in Moldova rebroadcast by FM stations. Popular television

networks with national coverage are Moldova 1, Pervyi Kanal v Moldove (Russian channel), and TVR 1 (Romanian channel). Important television stations that cover only parts of Moldova (mainly Chisinau) are Euro TV and PRO TV. The Russian-language independent (but pro-government) channel NIT has extended its coverage to most of the country. The distribution of print media is state controlled, but private newspapers are not discriminated against. There are no restrictions on the use of the Internet, yet access is problematic outside Chisinau, owing mainly to economic barriers. According to an International Research & Exchanges Board Media Sustainability Index 2004 estimate, some 17 percent of the population had access to the Internet.

Generally, the public enjoys broad access to various views in the print media. However, the situation is different when it comes to television. The single most important national TV broadcaster, Moldova 1, is under the control of the government. Other TV stations are either neutral and avoid political news or are overtly pro-governmental. Euro TV, owned by the Chisinau municipality, has been openly critical of the government. The urban population, especially in Chisinau, has access to TV stations that reflect different viewpoints. The situation is more difficult in the countryside, where very often the main or only source of information remains the government-controlled Moldova 1, which is one-sided in favor of the government.

The legislative framework ensuring freedom of the media is provided by the Constitution, the 1994 Law on Media, the 1995 Law on Broadcasting, and the 2002 Law on the Public National Broadcaster. In 2004, Moldova decriminalized libel and is expected to impose a ceiling on the maximum amount that may be claimed for calumny. However, despite existing legal and operational guarantees for independent media, the state of affairs regarding mass media in Moldova has been quite problematic. The situation worsened visibly after 2001, with the PCM in power. Freedom House's *Freedom of the Press* survey downgraded Moldova's rating for press freedom from "Partly Free" to "Not Free" in 2004, and the situation persisted in 2005.

However, the preconditions for greater press freedom gained a certain momentum in 2005. This was related primarily to Moldovan efforts to come closer to EU standards as well as a more balanced Parliament after the March 6 elections. Reflecting this tendency in October 2005, Reporters Without Borders ranked Moldova 74 out of 167 countries in its Worldwide Press Freedom Index, significantly better than other member countries of the Commonwealth of Independent States, with Georgia 99, Armenia 102, Ukraine 112, and Russia 138.

Despite the electoral campaign early in 2005, the reporting of scandals had a much lower profile in the media than in previous years. For instance, in 2004 two opposition media outlets (Euro TV and Radio Antena C) had their licenses suspended for three months, an investigative journalist was beaten, and most opposition journalists from the state TV Moldova 1 were fired in the summer (which led to violent clashes between journalists and the police). Nothing of that sort happened in 2005, and there were almost no high-profile scandals related to governmental pressure on the media.

The state has been slowly withdrawing from the media. The political agreement between the PCM and some opposition parties on the reelection of President Voronin in April 2005 had a positive, albeit marginal, impact on media independence. The government renounced ownership of its two previously official newspapers, *Moldova Suverana* and *Nezavisimaia Moldov*, which were financed by public money but used for government propaganda. Public financing of Infoprim, the news agency of the Chisinau mayoralty, has also ceased. Infoprim was transformed into an independent agency called Infoprim Neo. However, the two newspapers and the news agency maintain their pro-government editorial policies, despite the fact that they are no longer state owned. The government continues funding to some 30 local newspapers that it owns. In any case, these changes are somehow considerably less important than the promised transformation of the public TV Moldova 1 into a genuinely independent broadcaster and the appointment of a more independent and balanced Broadcasting Coordination Council.

The media situation that deserves the most attention is the continuing lack of independence for the allegedly public TV Moldova 1 and Radio National. In 2002, acting on a Council of Europe recommendation, Moldova adopted legislation intended to transform the state TV into a public institution governed by an independent Council of Observers. However, the government maintains its control of the public TV by twisting the law so that the council is dominated by representatives of the government, the Communist majority in the Parliament, and a number of representatives of pro-governmental NGOs. In addition, in 2004 most of the more independent journalists from the public TV and radio were fired after a heavily biased reappointment procedure.

International organizations as well as the opposition have maintained pressure on the government to ensure greater independence for the public TV. In 2004, the OSCE and the Council of Europe in Chisinau published benchmarks for the operation of a public broadcaster in Moldova, while the EU-Moldova European Neighborhood Policy Action Plan has as a top priority the necessity to ensure respect for freedom of the media and freedom of expression. Despite government promises to transform the public TV and radio into genuinely independent broadcasters, NGOs such as the Independent Journalism Center for the Association of the Electronic Press concluded on a number of occasions that Teleradio Moldova “has not registered significant progress in promoting a policy and a practice capable of persuasively exploring the values of a public service,” despite some marginal progress such as new talk shows and less praise for the authorities. Despite government claims, progress on ensuring greater independence of the media in 2005 was minimal.

As for Transnistria, a March 2005 OSCE report stated, “The situation of the independent media is very difficult, with different methods of pressure applied on those few journalists who do not follow the official line,” adding that in Transnistria there existed “a level of censorship rarely seen in the OSCE region.” The Internet is not a viable alternative source of information—it is too expensive, and broadband access is a rarity. TV and

radio channels remain under the control of the authorities, as do all but a few newspapers.

Local Democratic Governance

1997	1998	1999	2001	2002	2003	2004	2005	2006
n/a	n/a	n/a	n/a	n/a	n/a	n/a	5.75	5.75

Democracy at the local level has remained the weakest link in Moldova’s transition. In fact, local governance appears to be the only area where the March 6 elections and Moldova’s efforts to come closer to the EU have not achieved any spillover effects. This is due to the peripheral status of local democracy in public debate and the low visibility of local developments for the international community. Likewise, institutions of local public administration are less visible in the media, have fewer resources to promote or defend their views, and have less access to international institutions than do other actors in society.

Moldova’s Constitution guarantees local autonomy and declares in Article 109 that “public administration...is based on the principles of local autonomy, of decentralization of public services, of the eligibility of local public administration authorities, and of consulting the citizenry on local problems of special interest.” Thus, it sets the framework for local democratic governance, which is further developed by the Law on Local Public Administration.

Moldova is divided into 32 territorial units (*raions*). Some 170,000 people live in the Gagauz autonomy in the south of Moldova, and another 550,000 people live in Transnistria—a territory that seceded from Moldova in the aftermath of a small war in 1992. In both Gagauzia and Transnistria, local democratic conditions have been considerably worse off than in Moldova proper.

Citizens have the right to choose their local leaders based on universal, equal, and direct suffrage by secret ballot. All mayors are elected directly by citizens, while local and municipal councillors are chosen for four-year terms according to a proportional voting system. The *bashkan* (governor) of Gagauzia is elected by direct vote. Traditionally, elections have been held regularly and judged free. However, according to the Council of Europe’s Congress of Local and Regional Authorities, the latest local elections of 2003 revealed considerable setbacks as central authorities appeared to abuse their capacity to influence the process.

Moldova remains a rather centralized state, and in fact, the tendency since 2001 particularly is toward greater centralization rather than vice versa. In

1998, the Law on Local Public Administration was adopted. The law created 12 administrative territorial units (*judet*), providing the basis for greater economic, financial, and political sustainability of local administration. The Communist government revoked the reform and reorganized Moldova into 32 *raions*, which are less efficient, less financially viable, and more dependant on the central government.

October 16, 2003, saw the adoption of the Law on Local Public Finances, which took away from the local authorities 50 percent of the value-added tax, a considerable source of income. Veaceslav Ionita, an expert from the Institute for the Development of Social Initiatives, claims that local taxes constitute 5 percent of the local budgets, with the rest of the incomes of mayors dependent upon *raion* councils and the *raion* chairmen (appointed by the government). Interviewees from political parties as well as a number of experts claimed that mayors from opposition parties are discriminated against in the distribution of funds from the central authorities. A report on local democracy in Moldova from the European Commission and the Council of Europe has identified that “the existing legislative arrangements for calculating and distributing state grants do not seem to be objective, transparent, and clear...; the existing resource-sharing arrangements do not seem to ensure a fair distribution of resources at the level of the districts.”

Serafim Urechean, mayor of Chisinau and then leader of the biggest opposition party Moldova Noastra (Our Moldova), was elected in March 2005 to the Parliament and resigned from his post. As a result, mayoral elections took place in Chisinau on July 10 and 24 and November 27, but none of them gathered enough voters to be declared valid.

In Gagauzia, the central government–supported leadership and the PCM have been actively suppressing the regional opposition. The authorities have attempted to change electoral policy in Gagauzia so that future governors would be elected by the Gagauzia Popular Assembly (the region’s legislature) rather than by direct vote. In 2004, the mayor of Comrat, a leader of the regional opposition, was dismissed without a court conviction, which is against existing legal provisions. In 2005, another leading opposition figure, Mikhail Formuzal—mayor of Chadyr-Lunga and leader of the United Gagauzia movement—was accused of abuse of office and financial irregularities in managing the town and arrested on October 21. The court of appeals ordered his conditional release the same day, overturning a decision by the local court. Formuzal is considered one of the most serious contenders for the post of governor of Gagauzia in the next regional elections. On October 4, the Council of Europe issued a resolution on the functioning of democratic institutions in Moldova, which denounced the 2004 “dismissal of the former mayor of Comrat by the Popular Assembly of Gagauzia” and called on the Moldovan authorities to “investigate the reasons for the high incidence of criminal court cases against leading figures of the opposition, both nationally and in the provinces.”

The biggest problems with democracy were in the Transnistria region, which is controlled by Igor Smirnov, a Russian citizen. There are no viable

opposition parties, very few independent NGOs, and only a few independent newspapers, which are constantly harassed. However, in April–May 2005, a significant group of deputies led by Yevgeny Shevchuk, then deputy Speaker of the Transnistrian Supreme Soviet, launched a series of initiatives to limit the powers of the Smirnov-led executive. In December, the Shevchuk-led political movement Obnovlenie won the elections to the Supreme Soviet. In late December, Shevchuk was elected Speaker of the legislature. There have been increasingly visible cleavages within the political and economic elites in the region, which can potentially form a basis for greater pluralism. The international community—EU, United States, and Ukraine—have been putting pressure on the region to democratize.

Judicial Framework and Independence

1997	1998	1999	2001	2002	2003	2004	2005	2006
4.25	4.00	4.00	4.00	4.00	4.50	4.50	4.75	4.50

Fundamental human rights (including civil and political rights) are enshrined in the Moldovan Constitution and other national legislative acts and by Moldova’s adherence to universal norms and principles of international law regarding human rights. The Moldovan state thereby guarantees the right of all people to life, physical and mental integrity, and freedom of expression, conscience, and religion; the right to information; a number of political rights such as participation in public life, freedom of association, and the right to an impartial and fair trial; the right to property and private life; and the guarantee of good living conditions through the right to education and the protection of health.

The state is also bound by the Constitution and other normative acts to guarantee all political parties, organizations, and other social and political currents equal opportunities and the right to unhindered group activities. In addition, the Moldovan state also guarantees Moldovan citizens of all ethnic and linguistic groups the freedom to enjoy all their social, economic, cultural, and political rights. Moldova ratified the European Convention on Human Rights in 1997. This year, Moldova celebrated its tenth anniversary as a member of the Council of Europe.

Notwithstanding this comprehensive and liberal framework, Moldovan citizens too often see their constitutionally guaranteed rights challenged. This explains the relatively high number of cases brought by Moldovan citizens before the European Court of Human Rights compared with those brought by citizens of other states: In 2005, 583 applications were lodged with the ECHR. A crucial problem is Moldova’s noncompliance with ECHR judgments. Addressing this issue, the government created in October 2005 the

Department for the Implementation of Judicial Decisions within the Ministry of Justice to deal with a backlog of more than 40,000 judgments awaiting implementation. Another discrepancy is the inability of the state, owing to lack of funds, to guarantee defendants' right to legal representation.

More generally, Moldova has been engaged throughout 2005 in an extensive reform of its judicial system to ensure the protection of fundamental human rights according to European standards. Since 2004, Moldova has been implementing the National Action Plan on Human Rights. The EU-Moldova Action Plan, signed in February 2005, has largely helped to push forward this reform process.

For instance, a parliamentary committee elaborated and adopted a law for the modification of the following legislative acts: the Law on the Superior Council of Magistrates, the Law on the Supreme Court of Justice, and legislation on judiciary organization aiming to reform the system of appointments and dismissals of members of the SCM, justices of the Supreme Court, and judges of the courts. The modifications were reviewed by experts from the Council of Europe. Accordingly, candidate judges put forward by the SCM can be rejected by the president within 30 days, but only on grounds of unprofessional conduct or incompatibility. Previously, the president was not obliged to give any apparent justification for rejecting a proposed candidate, creating the impression that judges were de facto political appointments. A similar procedure is foreseen for the appointment of judges to the Supreme Court by the Parliament. Under the new law, the General Assembly of Judges elected 7 judges out of the 12 members of the SCM in November 2005. Another 2 members of the SCM are elected by the Parliament with at least a two-thirds majority. One member is put forward by the majority and the other by the opposition. The remaining 3 seats on the SCM are reserved for the president of the Supreme Court, a member of the Ministry of Justice, and the prosecutor general.

Moldova is expected to annul the probationary period of five years for judges after their appointment by the president. Instead, judges will be named for life without having to satisfy certain conditions for remaining in office, a measure designed to ensure their independence. On a practical level, the judiciary is adversely affected by the lack of sufficient courtrooms and other premises, computers and access to the Internet, and a legal database.

The Parliament has put forward a law that would modify Articles 135 and 136 of the Constitution to create jurisdictional protections for human rights and fundamental freedoms. The Constitutional Court would then become the highest court proffering final decisions. At present, this is the prerogative of the Supreme Court. The law was expected to be adopted before the end of 2005 and to serve as an alternative to the ECHR.

Indeed, Moldova has to date lost 24 cases before the ECHR out of the several hundreds that have been brought by its citizens. In February, the president proposed sanctions and fines for judges if their decisions lead to a condemnation by the ECHR. In the past few years, the increasing number of

such condemnations has tarnished Moldova’s image and affected its state budget. However, such an initiative runs the risk of undermining the independence of judges. Although Moldova generally complies with the decisions of the ECHR, it is unable to implement the ECHR’s decision in a notable case, *Ilie Ilascu and Other vs. the Republic of Moldova and Russia* (2004), in which Moldova was asked to ensure the liberation of the two remaining detainees of the “Ilascu group,” Tudor Petrov-Popa and Andrei Ivantoc, who have been held illegally by the Transnistrian separatist regime for over a decade.

The central government in Chisinau has no authority in the Transnistria region, which has been ruled by a separatist regime since 1992. Hence, the Moldovan state is unable to uphold fundamental human, political, and civil rights there. Two stringent examples of violations by the Transnistrian authorities were exposed in 2005. First, Romanian-speaking children are discouraged or prevented from being educated in their native language. Second, about 5,000 farmers are barred from accessing their farmland by the Transnistrian militia, depriving them of their source of income. Some 1,300 farmers have filed a case with the ECHR.

A new article on torture was introduced into the criminal code in June 2005 in accordance with the provisions of the Convention Against Torture and Other Cruel, Inhuman or Degrading Treatment or Punishment. A strategy on fighting violence toward the incarcerated is also under elaboration. The Ministry of Justice has recognized that a lack of funds is chiefly to blame for the violation of detainee rights and the partial implementation of the 2004–2008 National Action Plan on Human Rights. In addition, according to the chairman of the Association of Lawyers for Human Rights, Vitalie Nagachevski, it is necessary to review the preventive arrest practice in order to combat overpopulation in prisons. This would improve detention conditions, which presently are “inhuman and degrading.” Moldova has also taken steps to remove the death penalty.

Corruption

1997	1998	1999	2001	2002	2003	2004	2005	2006
n/a	n/a	6.00	6.00	6.25	6.25	6.25	6.25	6.00

The National Anticorruption Strategy and the Action Plan were adopted in December 2004 by the Moldovan Parliament and entered into force in January 2005. The National Anticorruption Strategy recognizes that corruption gravely undermines Moldova’s statehood by affecting all areas of public and private life. And to ensure the smooth implementation of the Action Plan, the president issued a decree authorizing the formation of the Monitoring Group, which meets on a monthly basis. The Monitoring Group

includes ministries and government agencies, institutions from the judiciary, representatives from civil society (such as Transparency International), and business and local authorities. The Center for the Fight Against Economic Crime and Corruption (CFECC) is the main government agency responsible for fighting corruption and also acts as secretariat of the Monitoring Group.

Throughout 2005, the Moldovan government has been very active in implementing the anticorruption Action Plan. For instance, the CFECC and the Ministry of Justice took steps in coordination with the Office for Economic Cooperation and Development and the Council of Europe to bring Moldova's anticorruption legislation in line with international norms and practices, entailing modifications to Moldova's criminal code and criminal procedure code, the elaboration of draft legislation on the financing of political parties and electoral campaigns, and modification of the legislation to combat money laundering. Also, work is in progress to outline the competences of the main institutions involved in the fight against corruption. Within the CFECC, a new division on the prognosis and prevention of corruption was established. The government adopted several decisions on preventing corruption and protectionism within public institutions, including a gradual rise in civil servant wages starting in 2005. In addition, a number of seminars and workshops were organized by government agencies and NGOs on fighting corruption.

In 2005, Moldova scored 2.9 in Transparency International's Corruption Perceptions Index (where 10 indicates a total absence of corruption). This represents a slight improvement over the 2004 score of 2.3. In light of the National Anticorruption Strategy, which the government began implementing in early 2005, such an improvement in Moldova's score comes as no surprise. Nevertheless, at a practical level, corruption continues to deeply affect everyday life in the country.

In the first half of 2005, the CFECC was alerted to 4,173 cases of corruption. During this same period, 304 criminal cases were initiated, 62 percent referring directly to corruption and 33 percent to economic and financial offenses. The main criticism of the CFECC is that most "busts" involve small bribes to low-ranking civil servants, police and customs officers, doctors, teachers, and so forth. In addition, in most cases the sentences are disproportionately high, sometimes 5- to 10-year prison terms for accepting or extorting a bribe of only several hundred dollars.

Transparency International Moldova's study *Diagnosis of Bribery in Business* shows that the most corrupt areas in Moldova still remain health care, education, customs, and the police. The study further points out that Moldovans identify that pressure exerted by their bosses (superiors) and relatives is the main reason for corruption. An astounding 90 percent of those surveyed choose not to denounce cases of corruption. However, the study points to progress in the fight against corruption within public institutions. For instance, the total value of bribes paid by businessmen to public institutions and services decreased by almost 40 percent for the 12-month period of 2004–2005, compared with the Transparency International survey of 2002.

According to the same study, Moldovan businesspeople view corruption as the second most important obstacle to developing a business, after high taxes. Around 80 percent of Moldovan businesspeople believe corruption has remained the same (43.6 percent) or worsened (36.3 percent) in 2005 compared with 2004. Moldova's business environment is subject to excessive regulations and a continuously changing legislative framework that makes it prone to corruption. A new law went into effect in February 2005 that seeks to review and annul any superfluous laws and business regulations.

Public procurement is also a highly corruption-prone process. The Transparency International Moldova study further shows that only 16.2 percent of businesses participate in the public procurement process and that 66.4 percent believe a government contract can be won only through unofficial payments. Conventional wisdom among businesses says there have been no serious government measures to render the process more transparent and fair.

With regard to high-profile anticorruption busts undertaken by the CFECC, there are often speculations as to the political nature of the arrests. Without putting into question the legitimacy of the arrests, it is perceived by the public that the CFECC continues to be used as a political tool targeted mainly against political and economic competitors of the ruling elite. This perception is reinforced by the extensive powers of the CFECC to make preventive arrests and conduct investigations. In addition, the CFECC is directly subordinated to the prime minister, who in turn answers to the president. A high-profile anticorruption case involved the arrest of Victor Turcanu, president of Victoriabank (one of the largest banks in Moldova), who according to his lawyer Alexandru Tanase is accused of allegedly extorting a bribe of US\$15,000 in exchange for a sizable loan on privileged terms. Turcanu's lawyers see this case as a setup for the elimination of their client from the Moldovan business scene.

Cases of corruption receive wide coverage in the Moldovan press and media. This has become a less hazardous activity for journalists than in the past, confirmed by the total absence of cases in 2005 of physical violence against journalists who investigate corruption. Most coverage concerns busts and investigations operated by the CFECC involving petty corruption, which does not generate a lot of controversy in the public sphere. High-profile cases, which can have political implications, are discussed in great detail in both the opposition and pro-government press and receive a great deal of political attention.

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