



# **ASSOCIATION AGENDA**

**BETWEEN**

**THE EUROPEAN UNION**

**AND**

**THE REPUBLIC OF MOLDOVA**

**Brussels, 26 June 2014**



## **Association Agenda**

### **between the European Union and the Republic of Moldova**

The European Union and the Republic of Moldova ('the parties') recognise that the context of their relations has changed in a significant and positive way since they entered into the Eastern Partnership. The parties began negotiations on an Association Agreement in 2010, and on a deep and comprehensive free-trade area that would be an integral part of that Agreement, in 2012. They have also developed and launched a visa liberalisation action plan, whose successful implementation is a fundamental element underpinning the Republic of Moldova's political association and economic integration with the European Union. This substantial enhancement of mobility and people-to-people contacts is envisaged in the Association Agreement.

Negotiations on the Association Agreement were completed on 25 June 2013, and the Agreement was initialled on 29 November 2013. Before the full Agreement enters into force, measures must be put in place to ensure that the parties are able to enjoy its full benefits; the Agreement's partial provisional application is the first of these measures. The aim of the Association Agenda is to prepare and facilitate the implementation of the Association Agreement, by creating a practical framework through which the overriding objectives of political association and economic integration can be achieved. It replaces the EU-Moldova European Neighbourhood Policy Action Plan.

The Association Agenda sets out a list of priorities for joint work in the 2014-16 period, based on the structure of the Association Agreement.

The fact that the Association Agenda focuses upon a limited number of priorities does not affect the scope or mandate of dialogue currently being carried out under the Partnership and Cooperation Agreement, other relevant agreements or the multilateral track of the Eastern Partnership. It does not prejudice the implementation of commitments made under the Association Agreement once this enters into force or is provisionally applied.

#### **1. Principles, instruments and resources for implementing the Association Agenda**

The following common principles will guide the implementation of the Association Agenda:

- Actions undertaken as part of the Association Agenda should be implemented in the spirit of the overall objectives of political association and economic integration;
- The priorities of the Association Agenda reflect the responsibility of the EU and the Republic of Moldova to fully implement the provisions of their Association Agreement, once it enters into force;
- The Association Agenda should be implemented in full respect of the principles of transparency, accountability and inclusiveness;
- Both parties must be involved in implementing the Association Agenda;



- The Association Agenda aims to achieve tangible and defined results through the progressive implementation of practical measures;
- The parties recognise the importance of supporting the agreed priorities through appropriate and sufficient political, technical and financial means; and
- The implementation of the Association Agenda will be subject to annual reporting, monitoring and assessment. Progress made will be reviewed, including under the Partnership and Cooperation Agreement and other relevant agreements.

The European Union will support the Republic of Moldova in implementing the objectives and priorities set out in the Association Agenda. To do this, it will: use all available sources of EU support; provide expertise and advice; facilitate the sharing of best practices, know-how, and information; and support capacity-building and institutional strengthening. It will also encourage and seek coordination of support from the Republic of Moldova's other partners. It will use its relevant financial instruments to help implement the Association Agenda. However, the Association Agenda is not a financial programming document and is not a substitute for the financial programming carried out by the parties.

The EU will provide support in the context of the overall priorities for assistance to the Republic of Moldova, as outlined in the European Neighbourhood Instrument (ENI) Single Support Framework (SSF) and in the multi-country programming prepared for the Republic of Moldova through the ENI. It will do so in full compliance with the implementation rules and procedures governing EU external assistance.

The Association Agenda will be applicable from the moment of its adoption, for an initial period of three years, which may be extended by mutual agreement. Once it is adopted, it will replace the European Neighbourhood Policy (ENP) Action Plan as way of monitoring the Republic of Moldova's progress within the ENP framework. Civil society will also be encouraged to focus their monitoring work on the Association Agenda. The EU will be responsible for reporting on the implementation of the Association Agenda; it will be supported by the Republic of Moldova's own reporting systems.

If necessary, the Association Agenda may be amended or updated at any time, by agreement of the Cooperation Council (Association Council) of the European Union and the Republic of Moldova, in particular when the Association Agreement enters into force.

## **2. Priorities of the Association Agenda**

### **2.1 Political dialogue and reform**

Political dialogue and cooperation on reforms to be carried out in the framework of this Association Agenda seek to strengthen respect for democratic principles, the rule of law and good governance, human rights and fundamental freedoms, including the rights of persons belonging to minorities as enshrined in the core UN and Council of Europe Conventions and related protocols. The Council of Europe Action Plan should be taken into account when pursuing political dialogue and implementing reforms in the following areas:<sup>1</sup>

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<sup>1</sup> Action Plan to support democratic reforms in the Republic of Moldova 2013-16, 20 November 2013.



(i) Strengthening the stability, independence and effectiveness of institutions guaranteeing democracy and the rule of law in the Republic of Moldova, and in particular:

- clarifying the competencies of the constitutional court and the appointment procedures of its members, in close cooperation with the Venice Commission;
- reviewing in an inclusive manner the regulation of the process of electing the President (Article 78 of the Constitution), with a view to securing the separation of powers. A more comprehensive revision of the constitution is still needed in the long term, to prevent the resurgence of institutional deadlocks;
- ensuring that parliamentary and local elections are carried out in a democratic way, in accordance with European standards, and that they address any shortcomings identified by the Organisation for Security and Cooperation in Europe / Office for Democratic Institutions and Human Rights (OSCE/ODIHR);
- pursuing the implementation of the decentralisation strategy, in compliance with the Council of Europe's European Charter of Local Self-Government (Council of Europe Treaty Series No 122);
- upgrading the legal framework for financing political parties and electoral campaigns in the light of the joint opinions of the OSCE/ODIHR and the Venice Commission and the recommendation made by the Group of States against Corruption (GRECO) on the transparency of party funding.

(ii) Further reforming the justice sector, in particular ensuring the independence, impartiality, professionalism and efficiency of the judiciary, the prosecution, and law enforcement agencies, which should be free from political or any other undue interference, and intensifying the prevention of and fight against corruption in all its forms and at all levels. Some elements of the comprehensive reform of the justice sector may require constitutional amendments:

- ensuring the full functioning of the National Anti-corruption Centre, including by taking part in international cooperation against corruption;
- ensuring the independence of the National Anti-corruption Centre, including in the appointment and dismissal of its director and deputy directors through an open, transparent and merit-based procedure clearly defined by the law, and in its oversight and accountability in operations;
- reviewing current legislation that considers the permanent appointment of judges as an extension of the first appointment, for which judges should meet pre-established criteria;
- working towards strengthening the independence of justice-sector institutions, so that they are not subject to political or any other form of pressure from the administration, the government or the parliament; implementing a new system of disciplinary responsibility for judges, to ensure that they meet their responsibilities towards society;



- reviewing current legislation relating to judges, prosecutors, lawyers and other legal professionals, to promote zero tolerance for corruption and prevent of all kinds of corrupt behaviour;
- moving forward on work to transfer the responsibility for pre-trial detention centres from the Ministry of Interior to the Ministry of Justice;
- reviewing current legislation to give the Superior Council of Magistrates the leading role in making decisions on allocating resources to courts;
- making progress on a comprehensive reform of the prosecution;
- revising the legal framework on the National Institute of Justice, to modernise the training system in place for judges and prosecutors and improve the efficiency of its activities;
- implementing a reform of the Ombudsman institution, in line with the Law on the Ombudsman endorsed by the government on 4 September 2013.

(iii) Ensuring respect for human rights and fundamental freedoms through comprehensive cooperation on the protection of human rights and fundamental freedoms. This cooperation will include work in the following areas, to:

#### *Human rights and fundamental freedoms*

- Implement the National Human Rights Action Plan (2011-14), with a focus on the most vulnerable groups, and coordinate the planning and budget processes to allocate sufficient resources for effective implementation;
- Ensure the full application of laws and regulations against discrimination on all grounds, including the Law on Ensuring Equality, and strengthen the capacity of the Council for Preventing and Eradicating Discrimination ('Equality Council');
- Consider the recommendations made by the Council of Europe's structures and experts regarding compliance with the Framework Convention for the protection of national minorities, and implement them in agreement with these structures and experts;
- Ensure the effective implementation of the UN Convention on the Rights of Persons with Disabilities;
- Ensure the effective execution of judgments made by the European Court of Human Rights;
- Maintain effective pre- and non-judicial mechanisms for dispute settlement, including in the field of human rights and fundamental freedoms;
- Continue to give access to information on citizens' rights and adequate legal solutions;



- Promote and raise awareness of human rights and anti-discrimination in the judiciary, law enforcement and the administration.

#### *Freedom of expression*

- Continue work on ensuring the freedom of expression and independence of the media, in line with Council of Europe recommendations;
- Set up a regular dialogue to exchange best practices on freedom of the media, media pluralism, decriminalisation of defamation, protection of journalist sources, and cultural diversity in the media.

#### *Civil society cooperation*

- Involve civil society organisations, in particular representative employers' organisations and trade unions, in collecting information and monitoring policies.

#### *Trafficking in human beings*

- Approve and implement the National Action Plan on preventing and combating trafficking in human beings (2014-16);
- Deepen cooperation on trafficking, in the framework of the relevant international organisations (OSCE, UN).

#### *Ill-treatment and torture*

- Put in place a comprehensive policy framework to prevent and combat impunity based on the guidelines on eradicating impunity for serious human rights violations (Council of Europe, 2011);
- Effectively address any reported ill-treatment of detainees by law enforcement officials, in particular in pre-trial detention.

#### *Children's rights*

- Implement the relevant provisions of the National Human Rights Action Plan, including working to enforce children's rights.

#### *Domestic violence*

- Ensure full implementation of the existing legislative framework on domestic violence.

#### *Equal treatment*

- Enhance gender equality, ensure equal treatment between women and men in social and economic life, including in the law enforcement sector, and introduce practical measures to address the gender pay gap;



- Ensure harmonisation with European standards as regards health and safety rules, rules on maternity leave, and rules on the reconciliation of parental and professional responsibilities;
- Promote women's participation in decision-making and public and political life, and carry out targeted activities in these areas.

#### *Trade union rights and core labour standards*

- Continue work to ensure that trade union rights and core labour standards are upheld in accordance with European standards and International Labour Organisation (ILO) conventions.

#### *Anti-corruption and administrative reform*

- Address the prevention of and fight against corruption at all levels of society, especially high-level corruption, in particular cases involving high-level officials or large-scale damage, and implement the relevant recommendations of the Council of Europe Group of States against Corruption (GRECO);
- Implement the National Anticorruption Strategy 2011-15 and the Action Plan for 2014-15, in close cooperation with civil society and international organisations;
- Continue with the reform of the public administration, with a view to building an accountable, efficient, transparent and professional civil service;
- Strengthen coordination and information exchange between the authorities responsible for the prevention and fight against corruption, including by establishing clear working arrangements between the National Anticorruption Centre and the National Commission for Integrity;
- Put in place a functional framework for carrying out efficient financial investigations and asset recovery;
- Implement an operational and reliable system for transparency and verification of public officials' wealth and interests, to prevent and address the issue of unjustified wealth and potential conflicts of interest, by strengthening the role and operational capacity of the National Commission for Integrity.

## **2.2 Foreign and security policy**

Dialogue and cooperation in the field of the Common Foreign and Security Policy (CFSP) aim at gradual convergence, including on the Common Security and Defence Policy (CSDP). In particular, they will address security, conflict prevention and crisis management issues, regional stability, disarmament, non-proliferation, arms control and export control. Cooperation in this area will be based on common values and mutual interests, and will aim to increase policy harmonisation and effectiveness, making use of bilateral, international and regional fora. It will include work to:



- promote peaceful conflict resolution and international stability and security based on effective multilateralism;
- develop cooperation on EU sanctions;
- promote respect for the principles of sovereignty and territorial integrity, inviolability of borders, and independence, as set out in the UN Charter and the OSCE Helsinki Final Act;
- strengthen practical cooperation on conflict prevention and crisis management, by facilitating the Republic of Moldova's participation in EU-led civilian and military crisis management operations, and provide consultation and training activities in the CSDP area (on the basis of the Framework Participation Agreement in force from 1 July 2013 and the multilateral framework of the Eastern Partnership Panel on CSDP);
- launch and conclude negotiations on the Agreement between the European Union and the Republic of Moldova on security procedures for the exchange of classified information on CSDP-related issues, as a follow-up to the Agreement between the Republic of Moldova and the European Union establishing a framework for the Republic of Moldova's participation in EU crisis management operations, in force since 1 July 2013.

*Terrorism, non-proliferation of weapons of mass destruction (WMD) and illegal arms exports*

- cooperate with a view to strengthening international consensus on the human-rights-based fight against terrorism, including on the legal definition of terrorist acts, by promoting agreement on the Comprehensive Convention on International Terrorism, and continue to improve the legislative and regulatory national framework in the area of fighting terrorism;
- exchange information on terrorist organisations, groups, their activities and their support networks, in accordance with international law and the legislation passed by the parties;
- implement the standards set out in the recommendations on the financing of terrorists prepared by the Financial Action Task Force (FATF);
- develop ways of working together on the fight against arms trafficking and the destruction of stockpiles;
- develop ways of working together and exchanging information on detecting and tracking illegal weapons;
- cooperate on and contribute to countering the proliferation of WMDs and related materials, as well as their means of delivery, through full compliance with and national implementation of the parties' current obligations under international disarmament and non-proliferation treaties and agreements, and other relevant international obligations;





- set up an effective system of national export and transit control of goods related to WMDs, including a WMD-end-use control on dual-use technologies, with effective penalties for breaches of export controls;
- cooperate on risk-based customs controls that ensure the safety and security of goods that are imported, exported, or in transit;
- tackle the illicit trade in small arms and light weapons, including their ammunition, under current international agreements and UN Security Council resolutions, and commitments under other international instruments applicable in this area;
- continue to strengthen institutional capacity by adopting the best international practices and experiences in the field of fighting terrorism;
- continue to cooperate in the area of conventional arms export control, in light of the EU's common position on control of exports of military technology and equipment.

#### *The Transnistria conflict*

- maintain the parties' constructive participation in the OSCE-led negotiation process aimed at settling the Transnistria conflict;
- maintain effective cooperation between the EU and the Republic of Moldova on settling the Transnistria conflict, within agreed formats, including consultations on post-settlement arrangements;
- strengthen dialogue, with the aim of explaining the benefits of the Association Agreement and ensuring its applicability in the entire territory of the Republic of Moldova;
- continue constructive dialogue with all relevant counterparts on border issues pertaining to the Transnistria conflict.

#### *The International Criminal Court*

- implement the Rome Statute of the International Criminal Court and its related instruments, with due regard to preserving its integrity.

### **2.3 Cooperation on justice, freedom and security**

The parties will work together in the following areas, to:

#### *Protection of personal data*

- continue implementing the legislative framework and ensure a high level of protection of personal data, in accordance with European instruments and standards;
- continue to strengthen the capacity building of the data protection authority (National Centre for Personal Data Protection) and follow up on the application of data protection standards in all sectors, especially regarding law enforcement.



## Cooperation on migration, asylum and border management

### *Migration*

- continue to effectively implement the readmission agreement between the EU and the Republic of Moldova, and measures for reintegrating Moldovan citizens;
- reinforce the existing infrastructure (including detention centres) and staffing of responsible bodies to ensure the effective return of illegally residing and/or transiting third-country nationals from the territory of the Republic of Moldova, ensure respect for the human rights of immigrants in administrative detention, and develop the integration framework;
- continue to strengthen the Bureau for Migration and Asylum (BMA) as a coordinator for the sound management of migration flows, and improve reception conditions and the registration of foreigners, especially the work of one-stop-shops responsible for registering foreigners at central and local level;
- continue to strengthen the regional services of the BMA's Illegal Migration Directorate, ensure the BMA's presence at regional level, and set up local-level premises that are distinct from the national police;
- continue to update the Extended Migration Profile after its initial successful publication, and integrate it in migration policy decision-making, where possible;
- proceed with the organisation of continuous, targeted information campaigns that aim to clarify the rights and obligations of visa-free travel, including information on rules regulating access to the EU labour market (including through the EU immigration portal) as well as to the EU health systems, and on liability for any abuse of rights under the visa-free regime.

### *Asylum*

- continue to implement the 2009 law on asylum, which provides a solid framework for protecting those in need of international protection, and amend this law to further align it with international and European standards;
- maintain an efficient Refugee Status Determination procedure;
- continue to train judges and magistrates on asylum- and migration matters, and more specifically on handling legal appeal procedures in these fields;
- further develop the integration framework;
- activate biometric identity documents and start issuing travel documents to refugees.



### *Border management*

- further strengthen border management and maintain the high level of border checks and border surveillance, and extend and upgrade fixed- and mobile video surveillance facilities;
- upgrade the situational picture at national and local level by fine-tuning further risk analysis, intelligence and data-flow management;
- continue to provide adequate infrastructure, technical equipment, IT systems, and financial and human resources, in accordance with the Republic of Moldova's Integrated Border Management (IBM) Strategy and action plans;
- maintain and extend anticorruption training programmes and measures;
- continue to act on opportunities to carry out joint actions, training and expert advice from the EU Border Assistance Mission to Ukraine and the Republic of Moldova (EUBAM), Frontex and EU Member States;
- use the leverage provided by EUBAM's presence to step up and develop cooperation with the Ukrainian Border Guard Service, including on the automatic exchange of nominal data;
- explore opportunities with Ukrainian partners for additional shared Border Crossing Points (BCPs) and joint patrolling of the border, including on the central part of the common border between the Republic of Moldova and Ukraine.

### *Police reform, crime prevention and combating organised crime*

- ensure compliance with the rule of law and the protection of human rights by developing an accessible, accountable, efficient, transparent and professional police force, introducing a rights-based approach to policing, the use of intelligence-led policing, and fighting crime, including cybercrime;
- strengthen international operational police cooperation, including by setting up and using joint investigation teams, and strengthen cross-border cooperation by carrying out joint operations;
- establish closer cooperation with Europol, including by concluding an operational cooperation agreement.

### *Tackling illicit drugs*

- continue to implement relevant strategy and action plans, and draft a new action plan;
- continue to ensure a balanced and integrated approach to drug issues, in order to handle the health- and social consequences of drug abuse, ensure more effective prevention, and work towards reducing the supply of, trafficking in and demand for illicit drugs;



- strengthen the institutional structures for tackling illicit drugs;
- continue the regular dialogue in the framework of the Eastern Partnership Drugs Dialogue;
- further develop the cooperation and information exchange, and continue to work with the European Monitoring Centre for Drugs and Drug Addiction (EMCDDA) and within the Council of Europe's Pompidou Group.

#### *Legal cooperation*

- continue to strengthen judicial cooperation in civil and commercial matters by:
  - acceding to and implementing multilateral conventions on civil judicial cooperation and, in particular, the Conventions of the Hague Conference on Private International Law in the field of judicial cooperation,
  - acceding to and implementing multilateral conventions on the protection of children, especially the 1970 Convention on Taking of Evidence Abroad in Civil or Commercial Matters, and
  - preparing the ground for accession and implementation of the 1996 Convention on Jurisdiction, Applicable Law, Recognition, Enforcement and Cooperation in Respect of Parental Responsibility and Measures for the Protection of Children, in particular by assessing national capacities and resources;
- strengthen judicial cooperation in criminal matters by acceding to and implementing the relevant conventions, especially those of the Council of Europe;
- establish closer cooperation with Eurojust, including by signing and implementing an operational cooperation agreement.

#### **2.4 Economic cooperation**

The parties will work together to support the Republic of Moldova in establishing a fully functioning market economy and gradually bringing its policies more in line with EU policies, in accordance with the guiding principles of macroeconomic stability, sound public finances, a strong financial system and a sustainable balance of payments. This cooperation will include work to:

- develop the Republic of Moldova's capacity in macro-economic forecasting, including improving the methodology used to build development scenarios, monitoring economic processes, and improving the quality of analysis carried out on factors of impact by exchanging information on best practices;
- strengthen the independence and regulatory and supervision powers of the National Bank of Moldova (NBM), including by reviewing the central bank legislation to ensure that it follows EU best practice, with the support of EU expertise, including from the European Central Bank (ECB);



- share EU experience, including from the ECB, on monetary exchange rates and financial and banking sector regulation and supervision policies, and help to develop and strengthen the Republic of Moldova's capabilities in these areas;
- reinforce the sustainability and governance of public finances, by implementing fiscal and expenditure reforms;
- continue to develop open, competitive and transparent privatisation rules and procedures, and implement them in line with best EU practices.

#### *Company law, accounting and auditing, and corporate governance*

The parties will work together to prepare the Republic of Moldova for implementation of EU law and the international instruments mentioned in annex to the draft Association Agreement, in particular to:

- develop the administrative capacity of the Republic of Moldova's state institutions involved in such implementation;
- further simplify rules and procedures on registering legal persons, including companies, and natural persons, including entrepreneurs, to set up and liquidate businesses;
- develop its corporate governance policy and promote compliance with the code on corporate governance in line with international standards and EU rules and recommendations in this area;
- exchange timely, relevant and precise information about the state-of-play of existing legislation and its compliance with EU law, based on the format agreed between the parties, and submit a more detailed action plan to implement EU law in line with the agreed timetable;
- identify areas in which training, capacity-building and expertise should be provided.

#### *Employment, social policies and equal opportunities*

The parties will work together in order to:

- prepare for implementation of EU law in the area of health and safety at work, labour law and working conditions, as mentioned in the annexes to the future Association Agreement, and in particular to:
  - strengthen administrative and enforcement capacity in the areas of health and safety at work and labour law, notably the labour inspectorate and relevant judiciary bodies,
  - build the capacity of social partners (e.g. training on EU legislation and standards on health and safety, and on labour law);
- develop a strategic approach to employment, aiming at more and better jobs with decent working conditions, better matching of skills and jobs in the labour market and



promoting active support and efficient employment services; implement the decent work country programmes agreed between the International Labour Organisation (ILO) and the Republic of Moldova;

- strengthen the capacity of the administration in charge of developing and implementing employment and social policies, notably employment services and social services;
- enhance the level of social protection and ensure the efficiency and financial sustainability of social protection systems;
- continue to promote social dialogue, including through capacity-building of social partners.

### *Consumer protection*

To prepare for implementation of EU law and the international instruments mentioned in annex to the future Association Agreement, the parties will work together to:

- strengthen the administrative capacity of consumer protection enforcement in the Republic of Moldova, notably by training government officials and other consumer interest representatives on the transposition of EU legislation and its subsequent implementation and enforcement.

### *Statistics*

The parties will work together to bring legislation in the Republic of Moldova closer in line with EU law in the field of statistics. This cooperation will include work to:

- conduct a population census, disseminating its summary and detailed results, and developing a strategy to improve estimated migration statistics;
- revise the statistical law in line with the recommendations of the global assessment (e.g. to strengthen the position and independence of the Director-General of the National Bureau of Statistics by introducing a fixed term of office and clear recruitment and dismissal criteria), strengthen the protection of statistical confidentiality in the production and dissemination processes, and reinstate the Statistical Council;
- improve the quality of the Statistical Business Register by developing and implementing clear procedures for updating economic units, including all available administrative sources, improving coverage of local units and individual entrepreneurs, and restructuring business-related surveys in line with EU standards;
- implement the 2008 Classification of Products by activity (CPA), the 2010 List of Products of the European Community (PRODCOM) and the 2008 System of National Accounts (SNA), and preparing for the implementation of the 2010 European System of National and Regional Accounts (ESA);



- develop an overall quality assurance framework, including a human resources and training policy.

### *Public administration reform and management of public finances*

The parties will work together to ensure the development of a well-functioning public administration sector, sound public finance management policies, and internal financial control and external audit. This cooperation will include work to:

- strengthen the institutional and human resources capacity of central and local public administrations, to improve and implement policy and ensure the efficient and effective delivery of high-quality public services;
- strengthen the transparency, oversight and accountability of public finance policy and management;
- improve public financial management (PFM) and implement the Republic of Moldova's PFM strategy for 2013-20;
- continue to improve the internal control system under decentralised managerial responsibility, including functionally independent internal audits in state authorities by ensuring harmonisation with generally-accepted international standards and methodologies and EU best practice;
- ensure further development of the external audit function of the Court of Accounts, in line with generally-accepted international standards (INTOSAI);
- ensure effective cooperation with and assistance to the relevant EU institutions and bodies, including the European Anti-Fraud Office for on-the-spot checks and inspections related to the management and control of EU funds, to be provided in line with the applicable rules and procedures.

### *Taxation*

The parties will strengthen cooperation aiming to improve and develop the Republic of Moldova's tax system and administration based on EU and international standards. This will include preparation to gradually bring legislation in the Republic of Moldova more in line with EU law and the international instruments mentioned in annex to the future Association Agreement, and in particular work to:

- improve and simplify tax legislation;
- improve international tax cooperation to enhance good governance in the tax area, i.e. by implementing the principles of transparency, exchange of information and fair tax competition;
- improve the capacity of the tax administration, in particular by moving towards a more focused, risk-based system for tax control and audits;



- take measures to harmonise policies to combat fraud and the smuggling of excisable products;
- develop cooperation with the tax administrations of EU Member States by exchanging new experiences and trends in the field of taxation.

#### *Financial services*

The parties will work together to prepare the Republic of Moldova for implementation of EU law listed in annex to the future Association Agreement and of the international standards listed in the relevant article of the DCFTA. This cooperation will include work to:

- improve the administrative capacity of supervisory authorities in accordance with EU law;
- establish contacts and exchange information with the EU financial supervisors;
- develop national legislation on preventing and combatting money laundering and the financing of terrorism, in particular by: implementing EU legislation in these areas; strengthening cooperation with the Financial Action Task Force (FATF), the Council of Europe, in particular the latter's Committee of Experts on the Evaluation of Anti-Money Laundering Measures and the Financing of Terrorism (MONEYVAL), any other relevant authorities in EU Member States; and signing Memoranda of Understanding between the Republic of Moldova's financial intelligence authorities and EU Member States;
- provide timely, relevant and precise information about the state-of-play of the Republic of Moldova's existing legislation and its compliance with EU law, in line with the format agreed between the parties, and submit a detailed action plan for implementing EU law in line with the agreed timetable;
- identify areas in which training, capacity-building and expertise should be provided.

#### *Industrial and enterprise policy*

The parties will work together to improve the business and regulatory environment in the Republic of Moldova, especially for small and medium-sized enterprises (SMEs), including microenterprises. This cooperation will include work to:

- ensure that the Republic of Moldova participates in the Small Business Act for Europe (SBA) Assessment, and implements its recommendations;
- ensure that the Republic of Moldova participates in related projects on strengthening SME competitiveness, such as the Programme on Competitiveness of Enterprises and SMEs (COSME) and the Enterprise Europe Network (EEN);
- ensure that the Republic of Moldova takes into account the needs of the SME sector and related infrastructure and SME competitiveness when designing and implementing future rural and/or regional development assistance programmes;





- move forward on implementing the SME Strategy 2012-20 (e.g. by further developing science and technology parks and business incubators, as included in the Strategy) and the country's Competitiveness Strategy, which is part of the National Development Strategy 'Moldova 2020';
- ensure that the Republic of Moldova actively participates in the SME panel and in related fora dealing with the development and review of SME policy;
- move forward with the creation and implementation of a conceptual, legislative and operational framework stimulating the development of SME clusters in the Republic of Moldova.

### *Mining and raw materials*

The parties will work together to prepare for implementation of the future Association Agreement in the area of mining and raw materials. This cooperation will include work to:

- start a dialogue on the mining industries and trade in raw materials;
- work together on the safety and sustainable development of the mining industries.

### *Tourism*

The parties will work together to:

- create a roadmap on strengthening the development of a competitive and sustainable tourism industry and outlining the steps needed to deepen the collaboration between the Republic of Moldova and the EU in the field of tourism;
- continue to exchange best practices and share knowledge, training and education in the field of tourism.

### *Agriculture and rural development*

To prepare for implementation of EU law and international instruments mentioned in annex to the future Association Agreement, the parties will work together to:

- develop and implement the policy, legal and institutional framework (including food safety requirements and marketing standards) in the area of agriculture and rural development;
- develop and implement a new action plan to bring the sector more in line with EU policies and legislation on agricultural policy and rural development;
- train central and local administrations on rural development policies;
- improve the competitiveness of agricultural production and the diversification of economic activities in rural areas;



- strengthen the capacity of the Paying Agency to ensure transparency, efficiency and predictability of disbursed state aid;
- improve the sustainable use of land and water resources in the agri-food sector.

### *Regional development*

The parties will work together to:

- develop a legal and institutional framework to carry out effective regional development policy in the Republic of Moldova, including in regions with special status;
- strengthen the institutional and operational capacity of national, regional and local institutions in the field of regional development and territorial cohesion, including work on developing an effective system of multi-level governance and a clear division of responsibilities;
- ensure even development of the entire territory of the Republic of Moldova, based on the strategic approach set out in the territorial planning documents and implemented through a territorial operational programme, including the diversification of economic activity in small towns and developing regions;
- strengthen the social and technical infrastructure in developing regions by implementing development projects based on consistent and time-bound regional development strategies, taking into account the need to support balanced territorial development across the entire territory;
- develop and implement a new action plan on regional development policy based on an operational programme derived from the national strategy of the 'Moldova 2020' agenda;
- train central and local administrations on good governance and the latest methodologies in urban and rural development policy, including with regard to urban-rural interrelationships to support a more balanced development of the country as a whole.

### *Fisheries and maritime policy*

The parties will work together to:

- step up cooperation and work towards creating sustainable fisheries in the Black Sea, both in the context of bilateral and multilateral frameworks, based on an ecosystem approach to fisheries management;
- increase scientific and technical cooperation to ensure the capacity of monitoring fisheries and evaluating the state of the stocks of marine resources and the marine environment;



- foster an integrated approach to maritime affairs, especially by looking into the possibility of setting up a national contact point in the Republic of Moldova;
- identify areas of common interest for future Black Sea cooperation in the context of the EU Integrated Maritime Policy.

### *Energy*

The parties will work together to:

- take steps towards integrating the Republic of Moldova's energy market with that of the EU, including by implementing the 'third package' on electricity and legal measures governing gas, taking into account the Energy Community Ministerial Council's decision on the timing for unbundling in the gas sector, and by implementing the roadmap for improving gas and electricity interconnections between the Republic of Moldova and Romania, including extending the Iași-Ungheni gas pipeline to make it possible to use it to deliver gas to the Republic of Moldova;
- implement EU legislation on strategic reserves of oil products and increasing power generation on the right bank of the Nistru river, and further reduce transmission and distribution losses in electricity, gas and heat networks;
- implement national legislation on renewable energy, to increase the share of renewable energy sources in total gross consumption of energy to 17% by 2020, and adopt and implement laws to transpose the EU Directives on energy efficiency, especially on the energy performance of buildings and on labelling and standard product information on the consumption of energy and other resources by energy-related products.

### *Transport*

The parties will work together to prepare for implementation of EU law mentioned in the annexes to the future Association Agreement and to support the Republic of Moldova. This cooperation will include work to:

- implement the newly developed, comprehensive transport and logistics strategy for 2013-22;
- bring in necessary reforms so that the Republic of Moldova can be removed from the black list of the Paris Memorandum of Understanding;
- prepare a reform and restructuring programme for the railway sector;
- step up efforts to implement the EU aviation law in order to take full advantage of the Common Aviation Area Agreement between the EU and the Republic of Moldova;
- develop infrastructure, in particular by implementing priority projects for the development of the Eastern Partnership transport network, depending on bankable project proposals from international financial institutions that are suitable for Neighbourhood Investment Facility funding.



### *Environment*

The parties will work together to prepare for implementation of EU law and international standards, in particular to:

- ensure that the Republic of Moldova adopts a national environmental strategy and an action plan to implement it;
- adopt and implement national legislation and designate competent authorities in the fields of environmental impact assessment, strategic environmental assessment, waste and resource management, water quality and management, air quality, nature protection, industrial emissions and management of chemicals;
- continue to implement multilateral environmental agreements, in particular the Espoo, Aarhus and Rotterdam Conventions;
- develop an action plan to provide a roadmap for the transposition, implementation and enforcement of the environmental directives set out in the Association Agreement;
- carry out the necessary institutional reforms to implement new environmental laws and policy.

### *Climate action*

The parties will work together to strengthen dialogue and cooperation on climate change, to:

- prepare and sign a new global agreement on climate change;
- set out a strategic plan and develop measures to mitigate and adapt to climate change;
- bring legislation in the Republic of Moldova more in line with applicable EU acts and international instruments.

### *Information society*

The parties will work together to prepare for the implementation of EU *acquis* mentioned in the annexes to the future Association Agreement, in particular to:

- bring the legislation in the field of electronic communications more in line with EU law;
- carry out activities to strengthen the independence and administrative capacity of the national regulator in the field of communications, in order to ensure its ability to take appropriate regulatory measures and enforce its own decisions and all applicable regulations and to guarantee fair competition in the markets;
- strengthen the sector by exchanging information and experience on the implementation of the Europe 2020 Initiative ‘The Digital Agenda for Europe’.



### *Public health*

The parties will work together to:

- support the Republic of Moldova in preparing for the implementation of EU health law, as mentioned in the annexes to the future Association Agreement, in particular concerning legislation in the areas of tobacco control, quality and safety of substances of human origin (blood tissues, organs, and cells) and communicable diseases;
- exchange best practices in implementing the Framework Convention for Tobacco Control and the International Health Regulations;
- strengthen preparedness, training and epidemiological surveillance of communicable diseases, in particular HIV/AIDS, tuberculosis, sexually transmitted infections, and hepatitis C and B, including by interacting with the European Centre for Disease Prevention and Control;
- support the Republic of Moldova's participation in EU public-health-related networks and working parties, such as the annual network meeting on health information and the HIV/AIDS Think Tank and HIV/AIDS Civil Society Forum meetings.

### *Civil protection*

The parties will work together to:

- ensure effective 24-hour-a-day communication, including exchange of early warnings and information on large-scale emergencies affecting the EU and the Republic of Moldova, as well as third countries in which either of the parties is involved in disaster response;
- facilitate mutual assistance in the event of major emergencies, as appropriate and subject to the availability of sufficient resources;
- promote the adoption and implementation of EU guidelines on host nation support;
- improve the knowledge base on disaster risks and economic losses by strengthening cooperation on data accessibility and comparability;
- progress with the development of a country-wide disaster risk assessment and mapping, and support the development of the Electronic Regional Risk Atlas (ERRA) and ensure its effective use at national level;
- improve prevention of industrial or 'natech' (natural and technological) disasters;
- start a dialogue on the policy aspects of disaster prevention, preparedness and response by exchanging best practices, organising joint trainings, exercises, study visits and workshops, and summarising lessons learnt in real emergency operations and exercises;



- continue to develop prevention activities, by educating, training and informing the general population, in particular young people, in the field of fire protection.

### *Education, training, and youth*

The parties will work together on the overall modernisation and reform of the education, training and youth systems in the Republic of Moldova. This cooperation will include work to:

- carry out joint activities and exchanges that further promote the Republic of Moldova's integration into the European Higher Education Area, in the context of its membership in the Bologna process, including by reforming the third cycle (doctoral education) and setting up a National Agency for Quality Assurance and increasing mobility opportunities for students and university staff;
- develop a national qualification framework to improve transparency and recognition of qualifications and competences;
- promote academic cooperation, capacity building and student and staff mobility through the new Erasmus+ programme and researchers' mobility and training Marie Skłodowska-Curie actions;
- implement and support a strategic approach to vocational education and training (VET) with a view to bringing the Republic of Moldova's VET system in line with the modernisation of EU VET structures, as pursued through the Copenhagen Process and its instruments;
- encourage a strategic approach to youth policy and improve exchanges and cooperation in the field of non-formal education for young people and youth workers, as a means of promoting intercultural dialogue and supporting civil society, including through EU programmes in the youth field.

### *Research and innovation*

The parties will work together to:

- facilitate the Republic of Moldova's integration in the European Research Area (ERA);
- enhance the Republic of Moldova's participation in the Horizon 2020 programme;
- move forward on implementing the Innovation Strategy 2013-20, 'Innovation for Competitiveness';
- reinforce human, material and institutional resources in order to improve research and innovation capacities;
- reinforce the Republic of Moldova's participation in Marie Skłodowska-Curie actions.



## *Culture, audiovisual policy and media*

### *Culture*

The parties will work together to:

- promote implementation of the 2005 UNESCO Convention on the Protection and Promotion of the Diversity of Cultural Expressions;
- cooperate on developing an inclusive cultural policy in the Republic of Moldova and on preserving and promoting cultural and natural heritage;
- strengthen capacities for developing cultural entrepreneurship in the creative and cultural industries and cultural heritage;
- promote the participation of cultural actors from the Republic of Moldova in cultural cooperation programmes, including Creative Europe.

### *Audiovisual policy and media*

The parties will work together to prepare for implementation of EU law mentioned in the annexes to the future Association Agreement. This cooperation will include support for the Republic of Moldova to:

- work towards adopting audiovisual legislation in compliance with European standards, including by exchanging views on audiovisual policy, applicable international standards including cooperation in the fight against racism, and xenophobia;
- strengthen the capacity and independence of regulatory authorities/bodies for the media and in particular work towards the full independence of the Audiovisual Coordination Council;
- amend legislation in order to guarantee that public financial assistance for the media is allocated according to strict objective criteria equally applicable to all media.

### *Participation in EU agencies and programmes*

Together with the European Commission, explore possibilities to participate in selected EU programmes and activities of the EU agencies focused on the ENP countries.

## **2.5 Trade and trade related matters (DCFTA)**

### *Trade in goods*

The parties will work together to prepare the correct implementation of the provisions on market access for goods, including energy, of the future Association Agreement, in particular through joint consultations, to:

- increase the Republic of Moldova's export capacity;



- make further improvements in the area of trade statistics in order for the parties to correctly apply the anti-circumvention mechanism;
- ensure that there is no increase to the currently-applicable import duties in the run-up to the Agreement's entry into force (standstill);
- ensure the quality of legislation that the Republic of Moldova may prepare on market access or other related issues;
- cooperate on implementing the roadmap for improving the Republic of Moldova's competitiveness;
- exchange information on market-access-related developments in the Republic of Moldova and its policy on market access.

#### *Technical regulations, standardisation and related infrastructure*

The parties will work together on preparations for achieving compliance with EU technical regulations, standardisation, metrology, accreditation, conformity assessment procedures and the market surveillance system as provided for in the future Association Agreement.

The preparations will include work to:

- exchange information on developing and enforcing legislation, which the Republic of Moldova committed to implement before the future Association Agreement enters into force, as specified in annex to the Agreement, and in line with EU law;
- develop infrastructure related to the administration of technical regulations, standardisation, metrology, accreditation, conformity assessment procedures and the market surveillance system, including creation of a national information system;
- provide further staff training on administration in the responsible government bodies and agencies;
- exchange information on other relevant aspects of the Republic of Moldova's plans in the area of technical barriers to trade, and the applicable timeframes;
- cooperate in the preparatory process for the Agreement on Conformity Assessment and Acceptance of Industrial Products (ACAA).

#### *Sanitary and phytosanitary (SPS) measures*

The parties will work together to prepare the Republic of Moldova to bring its sanitary and phytosanitary standards for food and feed, plant health, and animal health and welfare legislation and practice closer in line with those of the EU, as set out in the annexes to the future Association Agreement. This cooperation will include work to:

- complete implementation of the Republic of Moldova's current Food Safety Strategy, with a particular focus on the quality of legislation and enforcement capacity, and address any identified shortcomings;





- set up sectoral priorities for the Republic of Moldova, to bring standards more in line with EU legislation in economically-relevant sectors of its agriculture, and to cover all areas specified in the annexes to the future Association Agreement;
- strengthen administrative capacity by training staff in responsible governmental and executive bodies and agencies to prepare and implement legislation in line with EU law;
- further improve infrastructure and related capacity necessary to implement the legislation, in particular animal health, plant health, food safety laboratories and Border Inspection Posts, in line with EU requirements;
- work to set up an early warning system for food and feed, animal health and plant health safety;
- organise information campaigns with related agencies, businesses and NGOs on the requirements for accessing the EU market, and with civil society on the consumer aspects of food and feed safety.

#### *Customs and trade facilitation*

The parties will work together to prepare the Republic of Moldova for bringing its legislation more in line with EU law and the international standards listed in annex to the future Association Agreement. This cooperation will include work to:

- continue implementation of the strategic framework for customs cooperation;
- align the Republic of Moldova's Authorised Economic Operator system to that of the EU, with the prospect of mutual recognition;
- continue to modernise the Republic of Moldova's customs service, and its infrastructure, and to organise staff training;
- continue to simplify and modernise customs administrative procedures;
- draw up a roadmap for the Republic of Moldova's accession to the Convention on Common Transit Procedure;
- cooperate on risk-based customs control and sharing of relevant information that contributes to improved risk management and security of the supply chains, facilitation of legitimate trade and safety and security of goods imported, exported or in transit;
- step up dialogue on the fight against fraud to prevent illegal trade, including in excisable products, in particular through enhanced cooperation under the Protocol on Mutual Administrative Assistance in Customs Matters;
- align the Republic of Moldova's legislation on customs enforcement of Intellectual Property Rights (IPR) to EU law.



### *Rules of origin*

The parties will work together to prepare for implementation of rules of origin to be applicable under the relevant protocol to the future Association Agreement. This cooperation will include work to:

- help the Republic of Moldova in its accession to the regional Convention on pan-Euro-Mediterranean preferential rules of origin;
- provide training on certification and verification of preferential origin to the Republic of Moldova's customs service;
- discuss and, if necessary, review the current procedures applied by the Republic of Moldova's customs service in certifying and verifying the origin of goods.

### *Establishment, trade in services and electronic commerce*

The parties will continue their dialogue on establishment, trade in services and electronic commerce according to the provisions specified in the future Association Agreement. They will prepare for the implementation of commitments made in the services areas, as envisaged in the annexes to the future Association Agreement. This cooperation will include work to:

- provide training and sufficient administrative capacity to cope with the planned approximation of legislation;
- discuss the areas in which such training, capacity-building and expertise should be provided;
- ensure regular exchange of information on the envisaged or ongoing legislative work in areas selected for approximation and conduct dialogue for this purpose.

### *Current payments and movement of capital*

The parties will continue their dialogue on capital movements and payments, in particular with a view to monitoring compliance with all existing commitments and preparing for implementation of the future Association Agreement.

### *Public procurement*

The parties will work together on the Republic of Moldova's preparations for implementation of the Procurement Chapter of the future Association Agreement and the related reforms. This cooperation will include work to:

- develop the necessary competences and administrative capacity in the bodies responsible for overseeing the implementation of procurement policy to bring legislation more in line with EU law;
- start preparing the Republic of Moldova's public procurement strategy;



- ensure that the independent review body has sufficient administrative capacity to provide effective remedies in line with Directives 89/665 and 92/13, as amended by Directive 2007/66;
- provide precise and timely information on developments in the legislation of the Republic of Moldova, in particular for planned legislative work affecting procurement policy and enforcement.

### *Intellectual property rights (IPR)*

The parties will work together to prepare to bring legislation in the Republic of Moldova more in line with EU law and international standards on the protection of intellectual property rights, as specified in the future Association Agreement. This cooperation will include work to:

- ensure that right holders from both parties have an adequate and effective level of protection of their IPR and that adequate measures are in place to enforce these rights;
- strengthen the enforcement capacity of the responsible governmental bodies and executive agencies, including the Republic of Moldova's customs service, and regularly report on the situation of administrative capacity;
- ensure the proper functioning of the judicial system to guarantee access to justice for right holders and the availability and effective implementation of penalties;
- consolidate the relevant institutional structures, as well as the offices for industrial property rights, copyright protection and collecting societies; strengthen cooperation with third-country authorities and industry associations;
- take measures to increase public awareness in the field of intellectual property protection and ensure effective dialogue with rights holders;
- prepare an action plan for implementation of EU law and relevant standards in this area, and develop monitoring tools for the implementation and enforcement of IPR to be applied under the future Association Agreement;
- implement the standards embedded in the Enforcement Directive 2004/48/EC and Regulation (EU) No 608/2013 of the European Parliament and of the Council of 12 June 2013 concerning customs enforcement of intellectual property rights;
- take effective measures against counterfeiting and piracy and ensure effective implementation of the enforcement legislation and of penalties for infringing intellectual property rights on the basis of the IPR National Strategy up to 2020, and produce regular reports based on tangible and measurable targets and data.

### *Competition*

The parties will work together to prepare the implementation of the competition chapter of the future Association Agreement and the related reforms. This cooperation will include work to:



- ensure that the Republic of Moldova's institutional framework and its administrative capacity guarantee the effective implementation of the competition legislation;
- strengthen dialogue on the experience of enforcing legislation in this area, as well as on other legislative developments related to competition, including by providing training for the authorities and ad-hoc expert advice on the general enforcement of state aid rules.

### *Transparency*

The parties will pay special attention to work that aims to:

- prepare for implementing the commitments on transparency in trade-related policy-making and consider the necessary mechanisms that may need to be put in place in to do this;
- discuss best practices and experiences of transparent policy-making;
- exchange information and provide relevant training, including on communication mechanisms and stakeholder consultations;
- conduct seminars and other events for the wider public, aimed at explaining the implementation of the future Association Agreement and the approximation process.

### *Trade and sustainable development*

The parties will engage in a dialogue on the issues covered by the chapter on trade and sustainable development of the future Association Agreement. This will include work to:

- exchange information on the implementation of the relevant domestic policy framework or of international commitments related to sustainable development;
- discuss the future implementation of commitments under this chapter with regard to stakeholder involvement and civil society dialogue;
- exchange best practices and relevant experience.

The parties will bear in mind that the priorities relating to trade unions' rights and core labour standards in section 2.1 and the first priority identified in section 2.6 are highly relevant for implementation of the 'Trade and Sustainable Development' chapter, and should therefore be addressed in relation to this part of the Association Agreement.