



Declaration of the 7th joint meeting of the Republic of Moldova-European Union Domestic Advisory Groups on Trade and Sustainable Development

7 March 2023
Chişinău – Brussels

Representatives of the Domestic Advisory Groups (DAGs) from the EU and Moldova, set up under Chapter 13 on Trade and Sustainable Development of the Association Agreement between the Republic of Moldova and the European Union, held their 7th joint meeting on 7 March 2023. The proceedings took place in accordance with the provisions of Chapter 13 on Trade and Sustainable Development of the Association Agreement between the Republic of Moldova and the European Union.

The EU and Moldovan Domestic Advisory Groups condemned, in the strongest possible terms, the Russian Federation's aggression against the independent, sovereign and democratic State of Ukraine. They welcomed the European Council's decision of 23 June 2022 to grant the Republic of Moldova EU candidate status, and took note of the nine priority measures presented in the Commission's opinion on the Republic of Moldova's application for membership of the European Union, published on 17 June 2022, in particular the call to enhance civil society involvement in decision-making processes at all levels.

The EU and Moldovan Domestic Advisory Groups:

1. acknowledge the significant progress Moldova has made with respect to its European integration agenda, which led to the granting of EU candidate status, which should in turn be followed by consolidated efforts to advance the implementation of conditionalities, in order to proceed to accession negotiations;
2. acknowledge the significant support provided by the EU in order to help the Moldovan people cope with the consequences of the Russian invasion of Ukraine, namely help in successfully managing the refugee crisis, the energy crisis and inflation;
3. stress the importance of granting access to EU pre-accession funds, in order to make Moldova and its people, businesses and institutions ready to join the EU as soon as possible;
4. acknowledge the removal of EU quotas from a number of important agrifood exports from Moldova as a measure to support the economy amid the consequences of the war in Ukraine;

5. call on both EU and Government counterparts to make progress on measures to grant exports of animal origin access to the EU market and to initiate negotiations on Moldova joining the EU single market;
6. highlight the importance of independent media in informing the public about the benefits of the DCFTA and in tackling fake news, and call on the Government of Moldova to improve the media environment in this regard;
7. recommend creating a consolidated framework to assess hybrid threats and strengthening institutional capacity to tackle cybercrime.

On business climate matters, the DAG members:

8. stress the importance of accelerating the reforms in the energy sector, with a focus on strengthening the institutional framework for promoting energy efficiency and generation from renewable sources, modernising the electricity transportation infrastructure, and boosting the ability of the relevant enterprises and institutions to trade in global energy markets;
9. welcome EU-sponsored initiatives under the Team Europe approach, offering Moldovan small and medium-sized enterprises (SMEs) the opportunity to invest in upgrading their production in line with Sustainable Development Goal (SDG) indicators, in order to increase their competitiveness and boost growth, and encourage Moldovan SMEs, in particular those representing women and young people, to take full advantage of these programmes;
10. recommend steering agricultural support policy towards innovation, greater market integration and inclusion of farmers, promoting modern and innovative programmes in line with the European Farm-to-Fork strategy and targeting small-scale farmers;
11. recommend developing a comprehensive programme to provide active financial and technical support to SMEs in implementing EU quality standards, including environmental standards, increasing the value added and technological capacity of the production process and promoting exports;
12. stress that the post-COVID-19 recovery should be seen as an opportunity for Moldova to step up its efforts towards the green transition, in line with the SDG goals;
13. welcome the prompt assistance and financial support provided by the EU and, in particular, the grant offered by Romania to the Republic of Moldova to help it deal with the current energy crisis; in this regard, highlight the importance of increasing energy efficiency and energy neutrality through the use of renewable sources and through other comprehensive measures, including by modernising electricity inter-connections with neighbouring Romania and Ukraine;

14. call for the exchange of best practices to establish an autonomous institution that could represent employers', workers' and other civil society organisations in the Republic of Moldova, similar to the European Economic and Social Committee;
15. advocate the development of a governmental programme to support the transition of SMEs from the informal to the formal sector, and highlight the importance of relevant training for SMEs, women and young people in this regard;
16. stress the need to urgently consolidate the institutions responsible for modernising the food safety, food security and food quality infrastructure, in line with EU standards.

On the labour market, the DAG members:

17. call on the Government of the Republic of Moldova to improve social dialogue and collective bargaining processes, in cooperation with the social partners;
18. highlight the need to speed up the introduction of the new guaranteed minimum wage for all, in line with the commitment given by the social partners;
19. reiterate the importance of ensuring that genuine bargaining takes place between the social partners, with a view to establishing new minimum wage levels and improving social protection;
20. reiterate the need to set a single minimum wage in the country, in line with the recommendations set out in the revised European Social Charter, in order to ensure compliance with the principle of equal pay for work of equal value, including between women and men;
21. draw attention to the need to speed up the adoption of a policy document in the field of occupational safety and health and occupational diseases, in accordance with the international labour standards and commitments that the Republic of Moldova has signed up to;
22. recommend aligning national legislation with ILO Conventions No 81 on labour inspections in industry and trade and No 129 on labour inspections in agriculture, in order to boost the status and capacity of the State Labour Inspectorate;
23. point out the need to bring into line the national legal framework with the ILO Convention No 161 on occupational health services;
24. point out that the vast majority of accidents in the workplace go unreported; therefore, welcome the recent joint initiative of the Moldovan State Labour Inspectorate and the ILO to introduce a new IT platform for reporting such accidents and thus combat the widespread under-reporting of workplace accidents;
25. recommend adopting a law on the establishment of a wage claims guarantee fund;
26. reiterate the need for all employers to implement the electronic registry of employees;

27. call for support for the efforts of the Moldovan authorities to establish the Commissioner for Entrepreneurship, whose role shall include monitoring, informing and advising economic operators engaged in exporting and importing on compliance with sanctions risks and on optimising the costs of doing business in Moldova in the context of a war in the region.

On the environment:

28. note that Moldova is a country that is particularly vulnerable to droughts resulting from climate change; in this connection, emphasise the importance of a thorough revision of land management, the Water Directive and of stimulating forest expansion, including by using agricultural lands for afforestation, irrespective of their fertility;
29. encourage the use of satellite technologies and digitalisation in agriculture in order to prevent the disastrous consequences of climate change;
30. pay special attention to transboundary water relations with Ukraine in the context of optimising the operation of hydropower facilities, in order to prevent the loss of ecosystem services provided by the ecosystem of the Dniester river;
31. encourage the use of the OECD framework of green growth indicators to monitor the effectiveness of green growth policies and the provision of evidence-based policies in this area that are in line with the COP 27 commitments;
32. point out that Moldova is still overly reliant on landfill; in this regard, highlight the benefits of recycling, in line with the EU Directive, and stress the need for dedicated training courses in schools to raise awareness of the benefits of recycling and sustainable waste management;
33. stress the need to consolidate the Ministry of Environment and its subordinated agencies;
34. stress the importance of precise and unambiguous forest policy goals that are backed by the authorities, with solid budgetary and international support, and call for more efficient forest management, including for non-State-owned forests and taking into account the input of environmental organisations and other non-State actors;
35. stress the importance of accelerating the reform of environment payments and taxes in order to create proper incentives for green economic development;
36. draw attention to the importance of implementing the online and automated air quality monitoring system at national level, with financial support, including access to data for all actors.

On the implementation of the DCFTA in Transnistria, the DAG members:

37. acknowledge that about 80% of exports from companies based in Transnistria are oriented towards the EU, which is a clear indication that the DCFTA is a critical instrument for economic development and European integration;
 38. stress the importance of making progress on the discussions with Transnistrian counterparts concerning the harmonisation of the trade and fiscal regimes, as well compliance with rules of origin requirements;
 39. stress the importance of building social and cultural bridges between the population and civil society organisations from both banks of the Dniester river;
 40. point to the joint declaration adopted by the Domestic Advisory Groups at their 5th meeting on 15 October 2020¹.
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¹ https://www.eesc.europa.eu/sites/default/files/files/declaration_5th_joint_eu_md_dag-to-dag.pdf