Five Years of EU-Moldova
Visa Free Travel

Policy Paper
October 2019

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Executive Summary

The visa free travel regime with the EU is considered one of the key results of EU-Moldova cooperation since the Eastern Partnership (hereinafter EaP) was launched in May 2009. To date, over 2.1 million Moldovan citizens (over 60% of the population) have travelled to the EU without visas. Moldova continues to respect the requirements for visa free travel to the EU: state-issued documents comply with the International Civil Aviation Organisation (ICAO) security standards. The number of asylum applications from Moldovan citizens to EU countries has increased from 480 in 2014 to 3,835 in 2018. However, the number is still relatively small. The application of the readmission agreement with the EU is well implemented. The Moldovan government has generally complied with requests for readmission of Moldovan citizens and third country nationals.

Some issues remain problematic, however. For instance, important policy actions are needed to reduce the risks of money laundering. Specifically, off-shore jurisdictions should be excluded from certain categories of transactions (including privatisation, public procurement, concessions and public-private partnerships) and there should be increased monitoring of suspicious transactions as well as improved mechanisms for freezing and seizing illegal funds. Additional data from abroad is essential to identify the real assets of public officials and investigate their source. That will allow the Moldovan public to hold officials accountable if allegations are proven, thus reducing the risks of corruptive or criminal activities.

Overview of the Visa Free Travel With the EU

The visa free travel regime with the EU is considered one of the key results of EU-Moldova cooperation since the Eastern Partnership was launched in May 2009. To date, over 2.1 million Moldovan citizens (over 60% of the population) have travelled to the EU without visas. They have crossed the Moldovan border to travel to EU member states over 6.25 million times. The majority of the travellers were between 18 and 36 years old (i.e. 62.88%), while 23.2% were over 46 years old.[1]

Visa free travel with the EU, coupled with the liberalisation of the air space in 2012 when Moldova acceded to the EU's Common Aviation Area, has increased travel by Moldovan citizens to the EU. The majority of the citizens still use cars, buses and trains to reach to the EU, however the number of those who use airplanes has increased significantly. During the period of April 2014 to March 2019, around 372,000 citizens travelled to the EU via Chisinau international Airport.[2] That trend has been bolstered by the fact that flight tickets have become cheaper and low-cost companies have introduced new destinations between EU member states and the Moldovan capital Chisinau. In general, visa free travel to the EU has provided additional opportunities for improved mobility and enhanced people-to-people contacts for young people, families, tourists and businesspeople.

Moldova continues to respect the requirements for visa free travel to the EU in line with the government's commitments following the EU-Moldova Association Agenda for 2017-2019.

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[1] Ministry of Foreign Affairs and European Integration, press release "More than 2 million Moldovan citizens have freely travelled to the EU in the last 5 years", 28 April 2019,available at: https://www.mfa.gov.md/en/content/more-2-million-moldovan-citizens-have-freely-traveled-eu-last-5-years, last access on 31 July 2019
[2] Data from the Moldovan Border Police, 20 May 2019

The country is cooperating well on the readmission and return of its citizens. According to Frontex data, the number of refusals of entry to the EU is low with a rate of 0.3% out of all entries, while illegal stay were about 0.5% out of the total number of entries.[3] The number of Moldovan asylum seekers in the EU has remained relatively low despite an increase in 2018, and the average asylum recognition rate in the EU stayed in the range of 1.35% (2017 data).[4] However, the European Commission stressed in its December 2018 Report on the Visa Suspension Mechanism that, in order to fully comply with their obligations, Moldovan authorities still need to effectively implement the Law on the Prevention and the Fight Against Money Laundering, including the declaration of assets and interests, the fight against corruption and the effective recovery of proceeds of crime. The Commission also pointed to the need to review the conditions of tax incentives and the "citizenship through investment" introduced in 2018.

In the next three sections we will provide a brief assessment of the main results and challenges of visa free travel with the EU, focusing in particular on the key issues that have required continuous efforts from the Moldovan authorities after 28 April 2014, in the areas of (1) the security of documents, (2) irregular migration and readmission, and (3) public order and security.

Security of Documents

The key policy measures required from the Moldovan government in order to implement the Visa Liberalization Action Plan (VLAP) included the introduction of biometric travel documents for its citizens. As a result of continuous efforts, the documents issued by Moldovan authorities comply with the standards of the International Civil Aviation Organisation (ICAO) on document security. This concerns not only travel and ID documents for citizens, but also those for foreigners, including stateless persons and applicants and beneficiaries of refugee status. In 2009 the Republic of Moldova also joined PRADO—the online Public Register of Authentic Identity and Travel Documents of the Council of the European Union. Moldovan biometric passports with security features were added to the register in 2018.[5]

Particular attention was given to enhancing control over the civil status documents issued to Moldova citizens residing in the Transnistrian region. Several steps have been taken to improve the security of biometric documents issued to Moldovan citizens born in that region. These include the digitalization of the archives of civil status documents as well as the development of methodologies to identify Moldovan citizens from the Transnistrian region via access to information from relatives and other confirmation tools.[6] Moldovan citizens residing in the Transnistrian Region and applying for their first biometric passport were exempted from passport fees as part of a special government policy to increase trust. The Moldovan authorities recognise birth confirmation documents issued by doctors from the region. These documents, once they are cross-checked with civil status documents, can serve as the basis to issue a birth certificate and subsequently a national ID and a biometric passport. These documents may be obtained at the multifunctional centres of public services of the Public Services Agency.

As of 1 April 2019, over 2.3 million citizens of the Republic of Moldova (over 65% of the total population), including over 167,000 citizens residing in the Transnistrian region, had been issued

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[3] European Commission, "Second Report under the visa suspension mechanism", *COM(2018) 856*, Brussels, December 18, 2018, Available at: https://ec.europa.eu/home-affairs/sites/homeaffairs/files/what-we-do/policies/european-agenda-migration/20181219_com-2018-856-report_en.pdf, last access on 31 July 2019

[4] Ibid.

[5] More information on the types of passports may be found at: https://www.consilium.europa.eu/prado/en/prado-documents/MDA/A/docs-per-category.html, last access on 31 July 2019

[6] Interview with Ms. Olga Poalelungi, Director of the Bureau for Migration and Asylum, held on 15 June 2019, Chisinau, Republic of Moldova

biometric passports.[7] According to the official data provided by the Moldovan MFA, compared with the total number of Moldovan citizens that have travelled to the EU since 28 April 2014, over 91% of Moldovan citizens holding biometric passports have used them to visit the EU in the last 5 years.

Irregular Migration And Readmission

Border Management

In the area of border management, important reforms were carried out at the institutional level to professionalize the border guard service, transforming it from a military structure to a border police force—a civil service body. Already in 2011, the parliament of Moldova approved the law on border police[8] and the law on the state border of the Republic of Moldova.[9]

At the capacity building level, the effectiveness of the border police and the available infrastructure including technical equipment were improved, including with funds from the development partners, including the EU, US and UN. The government approved consecutive strategies on integrated border management and the related implementation plans for the years 2011-2013,[10] 2015-2017[11] and 2018-2023.[12] No major issues related to the implementation of the strategy have been so far identified. A special contribution to strengthening policies and institutional and operational capacities in the implementation of the integrated border management strategies has been provided by the EU Border Assistance Mission to Moldova and Ukraine (EUBAM).[13] The EUBAM has been present in Moldova since 2005 and currently has a staff of 132 people, out of which 50 are from 11 EU Member States and 82 are Moldovan and Ukrainian nationals. The mandate of the EUBAM is to assist the harmonisation of the border control, customs and trade standards and procedures. In 2017 the mandate of the mission was extended until the end of 2020.

The border police also enhanced their cooperation with the EU's border agency Frontex (now European Border and Coast Guard) by ensuring the constant exchange of information on crossings at Moldovan frontiers. The border police also benefitted from support under the Eastern Partnership IBM Capacity Building Project, involving hardware as well as training and experience exchange. In 2018 the Moldovan Border Police Inspectorate and Frontex signed a new Cooperation Action Plan for the years 2018-2020,[14] aimed at further improving the exchange of data on migratory flows and the use of relevant data to combat cross border crime as well as providing technical assistance to the Moldovan authorities.

In 2018, the IOM Office in Moldova launched a new EU-funded Project (EUR 4.75 million) to further improve Integrated Border Management (IBM) in Moldova and the transparency and operational

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[7] Interview with Ms. Daniela Morari, State Secretary of the Ministry of Foreign Affairs and European Integration, held on 7 June 2019, Chisinau, Republic of Moldova

[8] Law no. 283 from 28.12.2011 on the border police, available in Romanian at: http://lex.justice.md/md/342897/, last access on 31 July 2019

[9] Law no. 215 from 04.11.2011 on the state border of the Republic of Moldova, available in Romanian at: http://lex.justice.md/md/342894/, last access on 31 July 2019

[10] Government Decision no. 1212 from 27.12.2010 on the approval of the National Strategy of integrated border management for years 2011-2013, available in Romanian at: http://lex.justice.md/index.php?action=view&view=doc&lang=1&id=337349, last access on 31 July 2019

[11] Government Decision no. 1005 from 10.12.2014 on the approval of the National Strategy of Integrated border management for years 2015-2017 and its implementation Plan, available in Romanian at: http://lex.justice.md/index.php?action=view&view=doc&lang=1&id=355944, last access on 31 July 2019

[12] Government Decision no. 1101 from 14.11.208 on the approval of the National Strategy of Integrated border management for years 2018-2023 and its implementation Plan for 2018-2020, available in Romanian at: http://lex.justice.md/index.php?action=view&view=doc&lang=1&id=378310, last access on 31 July 2019

[13] European Union Border Assistance Mission, Available at: http://eubam.org/, last access on 31 July 2019

[14] Press release may be found at: https://frontex.europa.eu/media-centre/news-release/frontex-and-moldova-sign-new-cooperation-plan-gIADrH, last access on 31 July 2019

capacity of Moldovan and Ukrainian border and customs authorities.[15] To date seven joint border crossing points (JBCPs) on the Moldovan-Ukrainian border are functioning, including one on the Transnistrian segment of the border with Ukraine. A roadmap to open another seven JBCPs on the Transnistrian segment for the period 2019-2022 is being implemented. In November 2018,[16] the Moldovan and Romanian Border Police agreed to conduct joint mobile patrols of the border, although there is no joint control at the Moldovan-Romanian border crossing points. The still pending decision to accept Romania in the Schengen area may prevent the JBCPs from opening at the Romanian-Moldovan border.

Migration Management

The Bureau for Migration and Asylum (BMA) was created in Moldova in 2005 as a specialized central public administration body responsible for the management of migration and of asylum applications, in line with the international commitments Moldova undertook in the areas of labour, migration and asylum. Regulations passed in 2014 enhanced the bureau's functions,[17] giving it additional functions and resources to manage the stay of foreigners, both short and long term, including the management of individuals illegally staying in the country. The bureau is responsible for the registration of foreigners in Moldova, including of stateless persons and asylum applicants. The BMA also contributes to the implementation of the 2016-2020 action plan[18] related to the National Strategy on Migration and Asylum for 2011-2020. The action plan concerns international cooperation on migration, implementation of emigration and immigration policies, the fight against illegal stay, and the delivery of asylum and stateless persons protection as required by Moldova's international commitments.

Since 2010, Moldovan authorities have developed and regularly updated the Extended Migration Profile of the Republic of Moldova with support from IOM.[19] This document is an analytic tool which presents migration trends in Moldova over a 5-year period, with yearly updates of the main statistical figures.[20] This is an excellent informational tool to design and adjust migration policies in the country based on identified trends, and to set priorities for the coming years in the area of migration management including illegal migration and the negotiation and conclusion of additional readmission agreements.

The entry and stay of foreigners in Moldova is regulated by a number of requirements such as the existence of a visa,[21] which is currently required from citizens of 120 states, and the availability of an invitation,[22] which is a requirement for the citizens of 35 states. The visa regime for EU citizens has been abolished since 2007. The Moldovan Government started issuing e-visas on 1 August 2014 to

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[15] More information on the mission of the IOM project may be found at:
https://iom.md/sites/default/files/publications/docs/IBM%20Project%20Leaflet.pdf, last access on 31 July 2019
[16] More information on the common border patrol may be found at: https://www.politiadefrontiera.ro/ro/main/i-patrulare-in-comun-la-frontiera-cu-republica-moldova-14876.html, last access on 31 July 2019
[17] Government Decision no. 914 from 07.11.2014 on the approval of the Regulation on the organization and functioning of the Bureau for Migration and Asylum, available in Romanian at: http://lex.justice.md/md/355409/, last access on 31 July 2019
[18] The Action Plan is available in Romanian at:
http://lex.justice.md/index.php?action=view&view=doc&lang=1&id=365369, last access on 31 July 2019
[19] The latest Extended Migration Profile of the Republic of Moldova is available in English at:
http://iom.md/sites/default/files/publications/docs/Extended%20Migration%20Profile%20of%20the%20Republic%20of%20Moldova%202010-2015.pdf, last access on 31 July 2019
[20] The latest statistical compendium is available in Romanian at:
http://bma.gov.md/sites/default/files/media/cs_pme_2017.pdf, last access on 31 July 2019
[21] Government Decision no. 50 from 15.01.2013 on the approval of the Regulations on the issuance of visas, available in Romanian at: http://lex.justice.md/index.php?action=view&view=doc&lang=1&id=346380, last access on 31 July 2019
[22] Government Decision no. 311 from 05.05.2011 on the issuance of invitations for foreigners, available in Romanian at: http://lex.justice.md/index.php?action=view&view=doc&lang=1&id=338513, last access on 31 July 2019

streamline the visa process.[23] This process has reduced the formalities for many foreigners to enter Moldova, but it has increased the burden on the national authorities to manage the foreigners in the country, as less information is collected compared to the previous visa applications at the Moldovan embassies and consulates.

The 10th anniversary of the EU-Moldova Mobility Partnership was marked in 2018. This instrument has been vital to ensure the implementation of migration-related measures under the visa liberalisation action plan (VLAP). To date, over 100 projects have been implemented in the field of migration cooperation with the support of 16 EU member states, the European Commission, Frontex, the European Training Foundation and ICMPD (International Centre for Migration Policy Development, an intergovernmental body with 17 participating states). One of the key priorities for the future development of the EU-Moldova Mobility Partnership is to continue to strengthen the human and institutional capacities of the relevant Moldovan authorities in the area of migration and security and to involve more actively civil society organizations in the field of migration management.

In its second Visa Suspension Mechanism Report, the Commission identified good results in the implementation of the national migration management policies, particularly on aspects of awareness campaigns for Moldovan nationals.

Asylum Policy

In the context of VLAP implementation, additional measures were taken to process asylum applications in Moldova as well as to address the issue of the mostly unfounded asylum applications of Moldovan citizens in EU member states. Among other things, the Law on the Integration of Foreigners[24] was adopted and the implementation of the Law on Asylum was improved.[25]

The number of asylum applications in Moldova is relatively small. In mid-2019, 530 persons were registered as asylum seekers or beneficiaries of international protection in Moldova: 110 asylum seekers, 165 refugees and 255 beneficiaries of international protection.[26] There are two distinct procedures for asylum in Moldova: regular and accelerated. The accelerated procedures are applied when applications are believed to be unfounded or when the person who applies for asylum represents a threat to the national security of the country.[27] The integration centres for foreigners offers accommodation for asylum seekers. These centres also support persons holding refugee or international protection status, with integration services, including assistance with social integration and economic life.

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[23]More information on the e-via requirements may be found at: https://www.evisa.gov.md, last access on 31 July 2019

[24] Law no. 274 from 27.12.2011 on the integration of foreigners in the Republic of Moldova, available in Romanian at: http://lex.justice.md/viewdoc.php?action=view&view=doc&id=342438&lang=1, last access on 31 July 2019

[25] Law no. 270 from 18.12.2008 on asylum, available in Romanian at: http://lex.justice.md/md/330978/, last access on 31 July 2019

[26] The national legislation defines the asylum seekers, beneficiaries of refugee status and beneficiaries of international protection as three distinct groups; more detailed information is available in Romanian at: http://bma.gov.md/ro/content/ziua-mondială-refugiatului-1, last access on 31 July 2019

[27] Interview with Ms. Olga Poalelungi, Director of the Bureau for Migration and Asylum, held on 15 of June 2019, Chisinau, Republic of Moldova; article 62, 63 of the Law no. 270/2008 on asylum, available in Romanian at: http://lex.justice.md/md/330978/, last access on 31 July 2019

Implementation of the Readmission Agreement with the EU

The EU and the Republic of Moldova concluded in 2007 the Agreement on the Readmission of Persons residing without Authorization[28] (hereinafter the Readmission Agreement), which entered into force in January 2008. The Readmission Agreement was negotiated and agreed between the EU and Moldova as part of the process of visa facilitation. It sets the key rules for the readmission of Moldovan and third-country nationals. Up until now Moldova has concluded implementation protocols with the following EU member states: Austria, Bulgaria, Belgium, Czech Republic, Denmark, Estonia, Italy, Hungary, Germany, Greece, Latvia, Lithuania, Luxemburg, Malta, the Netherlands, Poland, Romania, Slovakia, Slovenia and Spain.[29] Additionally, Moldova has concluded agreements on readmission with Norway and Switzerland.

With respect to non-EU, non-Schengen states, Moldova has concluded readmission agreements with Albania, Bosnia and Hercegovina, Georgia, Kazakhstan, Macedonia, Montenegro, Serbia, Turkey and Ukraine. A rather complex matter is the on-going negotiations and conclusion of readmission agreements with Armenia and Azerbaijan, due to the unresolved territorial dispute between the two countries.[30]

The identification of Moldovan citizens without identification documents in the EU requires diligence from both the concerned EU member state and the Moldovan authorities. Thus, targeted verification questions related to the origin of the person who claims to be a Moldovan national are asked, such as the description of the place of origin for example. This is an important tool to ensure that third-country nationals are not wrongly identified as Moldovan nationals, which would require readmission and result in transport costs. This condition was described as particularly relevant in the case of Kazakhstan nationals of Roma ethnicity claiming to have Moldovan citizenship.

Pursuant to the EU-Moldova readmission agreement, Moldova also has to readmit irregular third country nationals who have reached an EU member state via Moldovan territory and either have stayed legally or illegally in Moldova or transited illegally through Moldovan territory. This obligation poses an important burden on the Moldovan government to ensure that third-country nationals are registered on the territory of Moldova, with subsequent appropriate actions of return or integration in case of founded asylum applications. The BMA is the central authority tasked with dealing with foreigners who are detected in Moldova without authorisation and managing the complex process of readmitting Moldovan and third-country nationals.

The application of the readmission agreement with the EU has so far proved to be smooth. During the last five years the Moldovan government has generally complied with the requests for readmission of Moldovan citizens and third country nationals. Thus, in 2018, 413 persons were transferred to Moldova from a total of 492 requests. Similarly, in 2017, 847 persons were transferred from a total of 864 requests. In 2016, there were a high number of Moldovan citizens who were rejected for asylum particularly in Germany, which generated in total 1,199 requests, out of which 389 were accepted by the Moldovan authorities.[31]

Both voluntary and forced return procedures for Moldovan citizens to Moldova were assessed positively in the second Commission report on the application of the Visa Suspension Mechanism from December 2018. The procedure of carrying out the forced return of Moldovan citizens when

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[28] Agreement between the European Community and the Republic of Moldova on the readmission of persons residing without authorisation, available in English at: https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:22007A1219(10)&from=EN, last access on 31 July 2019

[29] A complete list of bilateral agreements may be consulted in Romanian at: https://www.mfa.gov.md/sites/default/files/lista_tratatelor_bilaterale_incheiate_de_republica_moldova_0.pdf, last access on 31 July 2019

[30] Interview with Ms. Olga Poalelungi, Director of the Bureau of Migration and Asylum held on 15 June 2019, Chisinau, Republic of Moldova

[31] Data from the Bureau for Migration and Asylum, 20 June 2019

identified as an illegal stay should be improved to at the level of the EU Member States to avoid the simple notification of the Moldovan citizen residing illegally without taking safeguards to effectively identify the person in case he or she does not board the airplane. The recent practice of charter flights shows that the planes are at times filled only at 30-35% capacity. These measures may require a revision of the internal administrative procedures of the Member States to increase the effectiveness of the use of public funds associated to the charter transport to Moldova.

There is a growing need to conclude readmission agreements with countries in Central Asia, due to the increasing number of foreigners who, at present, are residing legally in Moldova. Although currently the number of individuals temporarily placed in integration centres for foreigners is relatively small and most of the foreigners are legally staying in Moldova, the lack of such agreements may pose an additional burden on the budget in the long term if the number of illegally staying third-country nationals increases. The government has approved a mechanism of contingency in case of an increased flux of foreigners.[32]

Public Order and Security

The Moldovan government has implemented the following key measures: (1) it has approved legislation on personal data protection[33] and ensured its effective implementation; (2) it has enhanced international legal cooperation on criminal matters, including with Eurojust; (3) it has approved and implemented additional legislation on the prevention and fight against corruption; (4) it has adopted and implemented legislation against money laundering; and (5) it has strengthened the fight against organized crime.

Other cross-cutting and interlinked commitments are related to the approval of integrity legislation, such as assets and interests declarations, integrity whistle-blowers and legislation on the recovery of proceeds of crime. Later in this report we will review the most important achievements in the areas of anti-money laundering; the fight against high level corruption and organized crime; the enforcement of integrity legislation; asset recovery; and specific fiscal legislation.

Anti-Money Laundering Mechanisms

The anti-money laundering mechanism was heavily criticized for improper implementation. Although it sets extensive obligations to declare assets and personal interest as well as harsh penalties for not declaring them, including dismissal from public office, practical implementation via thorough reviews from the National Integrity Authority has proved ineffective. In fact, as it was later revealed, the banking fraud[34] and the Russian laundromat[35] operation took place during the time when the VLAP was implemented, generating significant social and political turmoil after the two became public in Moldova.

At the institutional level most of the required reforms, which were also linked to justice sector reform, either did not take place or were carried out with significant delays. The Law on Prevention

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[32] Government Decision no. 1146 from 20.12.2017 on the approval of the National Mechanism of coherent and unitary management of the situation in case of an increased flux of foreigners, available in Romanian at: http://lex.justice.md/index.php?action=view&view=doc&lang=1&id=373691, last access on 31 July 2019

[33] Law no. 133 from 08.07.2011 on personal data protection, available in Romanian at: http://lex.justice.md/md/340495/, last access on 31 July 2019

[34] In late 2014 the Moldovan public became aware of a series of fraudulent activities which resulted in an estimated $1 billion in funds being extracted from the banking system, with backed-up bail-outs offered by the government to stabilise three commercial banks.

[35] During 2011-2013 an estimated $20 billion were money-laundered via the Moldovan judiciary and commercial banks, more details at: https://www.rise.md/english/the-russian-laundromat/, last access on 31 July 2019

and Fight against Money Laundering and Financing of Terrorism was approved at the end of 2017,[36] although planning documents envisaged the approval of new legislation or the adaptation of existing legislation on these issues since 2011.

The National Anticorruption Centre, a public institution independent from the government that is responsible for the prevention and fight against corruption, had a financial intelligence unit (i.e. the Centre for Prevention of Money Laundering (CPML)). The CPML became an independent authority in 2018 with the adoption of Law no. 308/2017. Its main purpose is to analyse data on suspicious transactions reported by public and private entities. Additionally, a new law on prosecutors' offices[37] and specialised prosecutors' offices[38] was approved in 2016.

Criminal investigations into money laundering operations that were part of the Russian laundromat scheme have been initiated by the Anticorruption Prosecutor's Office, and one prominent actor has been convicted. Due to the complexity of the investigation, many of the cases are pending trial, and since they involve many judges and other actors in the justice sector, ongoing trials move slowly due to obvious resistance and conflict of interest. In many cases the judges assigned to these cases challenge ex officio their impartiality due to personal reasons (class-mates in university, prior close professional activity etc. with the defendants)

The legal framework is still very permissive concerning financial transactions involving entities from off-shore jurisdictions, which do not provide reliable data on sources and beneficiaries of transfers. This continues to allow money laundering activities, as legal entities from these jurisdictions can be used freely as vehicles of disguise.

Fight Against High-Level Corruption and Organized Crime

The institutional framework on the prevention and fight against organized crime and high-level corruption was strengthened with the creation of two specialized Prosecutors' Offices—Anticorruption (APO) and Organized Crime (SPOCSC). Additionally, the National Anticorruption Centre (NAC) is involved in the investigation of such crimes. However, as in the case of money laundering, there have been few results except some politically driven trials, such as the trial of a former prime minister. High-level corruption is mostly not addressed, so the NAC and of the APO have mainly delivered low-level corruption cases to date. The SPOCSC has also produced some results, mostly related to trafficking of drugs and human beings as well as the theft of luxury cars in EU member states. There is also cooperation with equivalent agencies in EU member states.

At the policy level, the Moldovan authorities have also approved a package of integrity and anticorruption legislation: (1) The Law on Integrity,[39] (2) the National Integrity and Anticorruption Strategy,[40] and (3) the Law on Integrity Whistle-Blowers.[41]

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[36] Law no. 308 from 22.12.2017 on the prevention and fight against money laundering and financing of terrorism, available in Romanian at: http://lex.justice.md/md/374388/, last access on 31 July 2019

[37] Law no. 3 from 25.02.2016 on prosecutors' offices, available in Romanian at: http://lex.justice.md/md/363882/, last access on 31 July 2019

[38] Law no. 159 from 07.07.2016 on specialized prosecutors' offices, available in Romanian at: http://lex.justice.md/viewdoc.php?action=view&view=doc&id=366052&lang=1, last access on 31 July 2019

[39] Law no. 82 din 25.05.2017 on integrity, available in Romanian at: http://lex.justice.md/md/370852/, last access on 31 July 2019

[40] Law no. 56 din 30.03.2017 on the approval of the National Integrity and Anticorruption Strategy, available in Romanian at: http://lex.justice.md/md/370789/, last access on 31 July 2019

[41] Law no. 122 din 12.07.2018 on integrity whistleblowers, available in Romanian at: http://lex.justice.md/md/376825/, last access on 31 July 2019

At the same time, controversial laws on citizenship through investment,[42] fiscal amnesty[43] and the decriminalization of certain economic offences[44] were approved by the Moldovan Parliament, which significantly undermines the work of the law enforcement agencies and generally set an unclear policy path. In June 2019, the new Parliament initiated the repeal of the law on citizenship through investment.

Implementation of National Integrity System

The Justice Sector Reform Strategy envisaged the creation of a National Integrity Commission (NIC) and enhanced legislation on the declaration of assets and interests. The Law on Declaration of Assets and Personal Interests,[45] which covers a wide range of public officials (over 60 thousand), including MPs, members of Cabinet, judges, prosecutors, was approved only in 2016. The National Integrity Commission worked for 4 years before it was reformed into the National Integrity Authority (NIA),[46] due to its political control by the parliament. Both NIC and NIA were created as independent authorities to review asset declarations and to initiate investigations in cases of disproportionate assets compared to legal income.

The NIA became operational only in 2018 due to the inability of the Integrity Council, which is to approve the strategic documents of the NIA and appoint the leadership, to agree on the conditions of competition and appointment. The NIA has still not filled the 46 posts envisaged for integrity officers, having recruited currently only 9 officers, which significantly undermines the effectiveness of the institution.

An important accomplishment for the NIA was to ensure a complete online submission of asset declarations by public officials, which can be viewed online by any interested party with the appropriate filtering out of personal data.

Asset Recovery

Asset recovery was generally not a subject of interest and little attention was paid to it prior to the banking fraud, which became publicly known in late 2014. In 2017, the Parliament adopted the Law on the Agency of Recovery of Criminal Assets,[47] which was set up as a separate structure within the National Anticorruption Centre. As of today, this agency is fully staffed and works alongside the specialised Prosecutors' Office on the identification, seizure, management and confiscation of proceeds of crime. However, the agency needs to improve cooperation with its counterparts in other countries to ensure the effective and efficient identification and seizure of criminal assets.

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[42] Law no. 786 from 04.10.2017 on obtaining citizenship through investment, available in Romanian at: http://lex.justice.md/md/371843/, last access on 31 July 2019. The law sets a minimum limit of 250,000 EUR as investment to benefit from citizenship. On 27 July 2019 the Government announced a moratorium on the application of this law for 4 months.

[43] Law no. 180 from 26.07.2018 on voluntary declaration and fiscal declaration, available in Romanian at: http://lex.justice.md/index.php?action=view&view=doc&lang=1&id=376854, last access on 31 July 2019. The law allowed declaration of assets for persons who have not declared them in the past with an obligation to pay 3%, later amended to 6%, of the declared assets;

[44] Law no. 179 from 26.07.2018 on the amendment of certain legislative acts, available in Romanian at: http://lex.justice.md/md/376851/, last access on 31 July 2019. The amendments to the Criminal Code absolved businesses from criminal liability provided they pay the damages caused and that the crime was committed for the first time;

[45] Law no. 133 from 17.06.2016 on the declaration of assets and personal interests, available in Romanian at: http://lex.justice.md/md/366046/, last access on 31 July 2019

[46] Law no. 132 from 17.06.2016 on the National Integrity Authority, available in Romanian at: http://lex.justice.md/md/366044/, last access on 31 July 2019

[47] Law no. 48 from 30.03.2017 on the Agency of Recovery of Criminal Assets, available in Romanian at: http://lex.justice.md/viewdoc.php?action=view&view=doc&id=370165&lang=1, last access on 31 July 2019

Key Challenges in Complying with the EU's Visa Free Requirements

In this section we will address the key challenges identified by the European Commission in the Second Report on the Visa Suspension Mechanism from December 2018, referring to: (1) irregular migration and readmission and (2) public order and security.

Irregular Migration and Readmission

The statistical data presented by Frontex[48] and Eurostat[49] for 2018 show an increase in the number of Moldovan citizens refused entry at the external borders of the EU, from 3,043 in 2015 to 6,368 in 2018. The two main reasons for the refusals are lack of documents to confirm purpose of stay (2,676 cases in 2018) and insufficient financial resources (1,525 cases in 2018). The number of Moldovan nationals found to be illegally residing in EU member states also increased from 2,240 in 2014 to 11,220 in 2018, the main countries being Germany, Hungary, Poland and France.[50] Readmission of Moldovan and third country nationals who entered the EU/Schengen area from Moldova works fairly well. Although there is no comparable data, Eurostat reports that over 5,000 persons from Moldova were returned to the country and over 3,000 left the Schengen area in 2018.[51]

Refusals to Entry and Illegal Stay

As mentioned before, the two main reasons Moldovan citizens are refused entry to the EU/Schengen area are (1) lack of documentation confirming the purpose of the visit and (2) lack of sufficient financial resources to cover the stay. Although the share of refusals is only at around 0.3% in the total number of visits, these two main reasons for refusals may be significantly reduced by further improving the information campaigns the Moldovan citizens on the requirements to legally travel to the EU.[52]

At the same time, Moldovan authorities face a number of challenges related to the travel of foreigners to Moldova and their potential subsequent illegal travel to the EU/Schengen states. Two issues require careful assessment and action: (1) the Transnistrian region, which is not effectively controlled, requires more effective control at the internal administrative borders inside Moldova and (2) Moldova needs more readmission agreements with third countries to be able to return foreigners who do not have the right to legally stay in Moldova.

To address the need for effective control at the internal administrative border, six regional offices of the BMA were established in October 2013 at the internal administrative borders.[53] Their purpose is to deal with foreigners crossing the border. The regional offices collect data on administrative border crossings by foreigners and apply domestic legislation related to the stay of foreigners in Moldova.

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[48] For more details please consult the Frontex Risk Analysis for 2019, available in English at: https://frontex.europa.eu/assets/Publications/Risk_Analysis/Risk_Analysis/Risk_Analysis_for_2019.pdf, last access on 31 July 2019

[49] Data available at https://ec.europa.eu/eurostat/data/database, last accessed on 31 July 2019

[50] Data based on information available at https://ec.europa.eu/eurostat, last access on 31 July 2019

[51] Ibid.

[52] Ibid.

[53] Government Decision no. 234/2013 is available in Romanian at: http://lex.justice.md/index.php?action=view&view=doc&lang=1&id=349958&fbclid=IwAR1gq0i4rtRbTADcysLc6CQplYl2OEhmk7sTu_YZgEvtkEXjNz_hS7mcHeg, last access on 31 July 2019

The statistical data from the BMA show that there are a considerable number of third country nationals currently residing legally in Moldova, either with a temporary or a long-term residence permit.[54] Among the largest groups are citizens of Ukraine (5,417), Russia (4,522), Israel (2,079), Romania (982), Turkey (988), India (354), Azerbaijan (367), Syria (133) and Uzbekistan (141). Although Moldova has concluded readmission agreements with its two neighbouring countries—Romania and Ukraine—no such agreements exist with the other countries listed above. This may pose a problem in the future since it can be assumed that where there are large communities of legally staying foreigners, there will also be irregular migrants belonging to these communities. The persons found to be residing illegally in Moldova are temporarily held in centres for foreigners, while the BMA takes measures to return them to their countries of origin.

Asylum Applications

Asylum applications by Moldovan citizens in EU member states, in particular as they are largely unfounded, have recently become a reason of concern for some member states. Although the number of annual applications has not been high in absolute terms, there has been an increase since visa free travel was introduced in 2014. The statistical data for 2014-2019 shows that the number of asylum applications has increased from 480 in 2014 to 3,835 in 2018, even though an important decrease was registered in 2017 (1,620 applications) compared with 2016 (3685).[55] Based on Eurostat data, during the first six months of 2019, 1,955 applications, including repetitive and those applying for the first time, were submitted, compared to 1,625 during the same period in 2018.[56] The main destination countries are Germany, the Netherlands and France. Most Moldovan nationals applying for asylum are of Roma origin. Additionally, it appears that a significant group of third country nationals, specifically Kazakhstani citizens of Roma origin, pretend to be Moldovans when they apply for asylum in EU/Schengen countries. To overcome the issue of unfounded claims by Moldovans, three main actions were taken:

1. The German authorities have simplified the procedure of asylum seekers originating from the Republic of Moldova.
2. The Moldovan authorities have taken actions in the country to integrate persons who belong to the Roma community and who have been returned to Moldova, by involving community mediators at the local level and social service workers, including school representatives, to establish as many ties as possible with the community and ensure the integration of returned members of the Roma community.
3. An administrative arrangement between Germany and Moldova was concluded in September 2018 to ensure the fast return of Moldovan nationals from Germany after they have been identified as residing in Germany illegally.[57] In this regard, the reduced number of days—from eleven to three—to verify the identity of the person claiming to be of Moldovan origin poses an additional burden on the Moldovan authorities, including the BMA and the diplomatic missions of Moldova located abroad, which are involved in confirming the identity of the person who is to be readmitted, possibly issuing travel documents and helping to organise the return.

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[54] For more details please consult the statistical data from the Bureau for Migration and Asylum, updated as of 31.03.2019, available in Romanian:
http://bma.gov.md/sites/default/files/media/inf_pag_web_str_doc_sf_trim_i_2019_3.pdf, last access on 31 July 2019
[55] Data available at https://ec.europa.eu/eurostat/data/database , last accessed on 31 July 2019
[56] Data from EASO presents first time applications only, (1590 for January – May 2019). More information is available at: https://www.easo.europa.eu/latest-asylum-trends, last access on 31 July 2019
[57] The contents of the Administrative Arrangement may be consulted in Romanian and English at:
http://lex.justice.md/index.php?action=view&view=doc&lang=1&id=377756, last access on 31 July 2019

So far, these measures have not reduced the number of Moldovan applications of asylum in Germany. For instance, in the first six months of 2019, the number of applicants was 1180, out of which 825 were first time applicants, compared to the six months of 2018, when the number of applicants was 1060, out of which 805 were first time applicants.[58] As the changes were implemented recently, more time is needed to make a more complete evaluation of the impact, however.

Additionally, following the lack of any significant impact by information campaigns in other countries whose citizens tend to submit unfounded asylum claims in EU member states (i.e. Albania and other Western Balkan countries), the Moldovan government chose not to appeal to the public to refrain from unfounded asylum claims in EU member states. It was of the opinion that such messages would in fact fuel the phenomenon and further exacerbate the problem.

Public Order and Security

Anti-Money Laundering Mechanisms

Since the CPML[59] became an independent body in 2018 and the new specialised prosecutorial bodies where created in 2016, the anti-money laundering mechanisms are still weak and require strengthening, including improved inter-institutional cooperation. To date, the only prominent case of high-level money laundering, the Platon case,[60] ended with a conviction and a 25-year prison sentence. More investigations and convictions linked to high-level money laundering cases are required, including convictions and the related confiscation of the proceeds of the crimes.

The legislation related to investment through citizenship is being reviewed by the recently elected legislature,[61] where the majority has been formed out of opposition parties in the previous Parliament. As the scheme is already being implemented, there are concerns that the Moldovan government might suffer financially if it is terminated immediately, however.

Important policy actions are still required to reduce the risk of money laundering, including excluding off-shore jurisdictions from transactions with the public (in privatisation, public procurement, concessions and public-private partnerships); significantly increasing the monitoring of suspicious transactions; and, where needed, freezing and possibly seizing the money involved.

Fight Against High-Level Corruption and Organised Crime

High level corruption cases have not been effectively investigated, with the exception of a few cases which were considered politically driven. An important remaining challenge is the cleansing of the prosecutorial and judicial system from corruption, particularly as a new government is in place and there are serious allegations in the public that the judiciary has been under heavy political control.

The self-governing judicial and prosecutorial bodies—the Supreme Council of Prosecutors and the Supreme Council of Magistrates—require more initiative to launch disciplinary measures against judges and prosecutors who have not acted impartially, with integrity and determination, in the investigation and prosecution of high-level corruption and organised crime cases. The inspection of

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[58] Data available at https://ec.europa.eu/eurostat/data/database, last accessed on 31 July 2019

[59] The CPML acts as a Financial Intelligence Unit, created by the government, which gathers data on suspicious transactions and reports to the law enforcement agencies in cases of suspicion of money laundering activities

[60] Platon was a Moldovan banker who was charged and convicted for money laundering activities that were linked to the Russian Laundromat. More on the implications of the case may be found at: https://anticoruptie.md/en/investigations/justice/50-shadows-of-the-billion-dollar-theft-cases, last access on 31 July 2019

[61] The draft law may be consulted in Romanian at: http://www.parlament.md/ProcesulLegislativ/Proiectedeactelegislative/tabid/61/LegislativId/4579/language/ro-RO/Default.aspx, last access on 31 July 2019

judges and prosecutors should be strengthened, and the independence of these investigations should be guaranteed.

The judicial system must deliver more prominent cases of high-level corruption involving public officials to demonstrate its effectiveness and gain the public's trust. External support for the justice sector should be considered again to improve its performance, including the launch of a review of the integrity of judges and prosecutors, the increase of the scope of the judges' and prosecutors' inspections and the use of the self-governing bodies—the Supreme Council of Magistrates and the Supreme Council of Prosecutors.

Implementation of the National Integrity System

Insufficient resources for the National Integrity Authority, both at the level of human resources and the available information to investigate the integrity of public officials, are the main challenges for the institution. The authority lacks cooperation agreements at the international level to exchange information about assets, including on property, bank accounts, shares and other valuables held by Moldovan public officials abroad. This data is essential to identify the real assets of public officials, to investigate their sources and, where needed, to dismiss these officials and increase disincentives for corruptive or criminal activity.

Asset Recovery and Fiscal Legislation

The Agency for the Recovery of Criminal Assets is not sufficiently equipped and does not have enough staff to carry out parallel financial investigations, asset identification, freezing of assets, management and confiscation. The recent political changes in the country have generated additional tasks for the agency, including the seizure of the property of corrupt politicians. More prominent and determined action is required to show the public that stolen assets are being returned and that victims are being compensated in order to increase society's trust in law enforcement and judicial bodies.

Conclusions

- The Moldovan government has taken significant steps to set up new institutions or to transform or strengthen existing institutions and to adopt legislation on the status of foreigners, asylum, personal documents, the fight against corruption and organized crime including money laundering and financing of terrorism, as well as the integrity of public officials and asset recovery. There was a delay, however, in approving legislation concerning integrity, anti-corruption and organized crime, and asset recovery;
- Moldova is complying with ICAO standard by ensuring a high level of security of documents for its citizens as well as for foreigners residing in Moldova including refugees, asylum seekers and stateless persons. The positive experience in implementing high levels of security of documents was shared with other countries in the EaP region. Internally, an advanced mechanism of verification of the papers of citizens coming from the Transnistrian region was put in place, which reduces the likelihood of fake birth certificates or other forged civil status documents and increases the integration of the citizens in the Transnistrian region;
- A new civilian border police has been created that replaced the old military border guard service, and the BMA has been strengthened and received new powers and tasks to manage migration;

- The application of the readmission agreements with the EU has so far proved to be successful. The voluntary and forced return of Moldovan citizens to Moldova was assessed positively in the second Commission Report on the application of the Visa Suspension Mechanism from December 2018;
- Unfounded applications for asylum by Moldovan nationals in Schengen countries has been the subject of concern for some EU member states recently, as the numbers increased from 480 in 2014 to 3,835 in 2018. A separate administrative arrangement with the German authorities was concluded to expedite the return rejected asylum seekers from Moldova;
- The public order and security components have not been implemented as effectively. The anti-money laundering mechanisms should be strengthened; the judicial and prosecutorial services should be more effective and less corrupt; the National Integrity Authority and the Agency for the Recovery of Criminal Assets should be strengthened and allocated more resources; and more cases of high-level corruption and organized crime cases should be prosecuted and brought to trial;
- Additional steps should be taken to ban transactions with off-shore jurisdictions (in privatisations, public procurement, concessions and public-private partnerships). In this context, it is also necessary to increase scrutiny of suspicious transactions to avoid money laundering activities;
- At the international level, enhanced cooperation is necessary to obtain data on assets held by Moldovan citizens abroad, monitor their transactions and to freeze and seize assets which are suspected of being the results of criminal activity.

Recommendations

Irregular Migration and Readmission

- Expand information campaigns to the public at large on the requirements to legally travel and reside in the EU, including on TV, at the border crossing points, at the Public Service Agency multifunctional offices when picking up the passport, at travel agencies, including online when receiving e-tickets;
- Continue with the process of negotiating readmission agreements with countries from which many nationals are residing in Moldova;
- Continue the good practice of integrating minorities in Moldova to reduce the likelihood they will submit unfounded asylum applications in EU member states;
- Liaise with the main destination Schengen countries and urge them to shorten the length of asylum procedures for Moldovan citizens and maintain limited associated benefits (e.g. in-kind benefits instead of cash benefits, collective accommodation centres instead of private homes);

Public Order and Security

- Make more progress in the investigation of the money laundering schemes that have become public, including the banking fraud and the Russian Laundromat;
- Significantly improve internal selection procedures for prosecutors and judges to restore the public's trust in the judicial system and to increase the effectiveness of investigations and adjudication in high-level cases of money laundering, corruption and organised crime;
- Strengthen the capacities of the National Integrity Authority and the Agency of the Recovery of Criminal Assets to investigate asset declarations and ascertain whether they correspond to the real assets held, to be able to conduct parallel financial investigations, identify, seize and

confiscate proceeds of a crime. Consider transferring the management of seized assets to a different authority;

- Review the legislation offering "decriminalisation for certain economic crimes" and assess the impact of the fiscal amnesty law, as well as consider repealing the law on citizenship through investment.