



EUROPEAN
COMMISSION

HIGH REPRESENTATIVE
OF THE UNION FOR
FOREIGN AFFAIRS AND
SECURITY POLICY

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JOIN(2017) 8 final

2017/0050 (NLE)

Joint Proposal for a

COUNCIL DECISION

on the Union's position within the Association Council established by the Association Agreement between the European Union, the European Atomic Energy Community and their Member States, of the one part and the Republic of Moldova, of the other part, with regard to the adoption of the EU-Republic of Moldova Association Agenda

EXPLANATORY MEMORANDUM

1. CONTEXT OF THE PROPOSAL

• **Reasons for and objectives of the proposal**

Relations between the EU and the Republic of Moldova (hereinafter Moldova) are currently based on their Association Agreement and on the reviewed European neighbourhood policy¹ framework, with enhanced differentiation between and greater ownership by partner countries as the key principles guiding bilateral relations.

The EU- Moldova Association Agreement was signed on 27 June 2014 and applied provisionally from 1 September 2014. Following completion of the ratification process, it entered into force and full application on 1 July 2016.

, At a meeting of the Cooperation Council on 26 June 2014, the Parties agreed on an Association Agenda, on the occasion of, with a view to preparing and facilitating the implementation of the Association Agreement. The Association Agenda has provided a practical framework, based on the structure of the Agreement, for drawing up a list of priorities for joint work in 2014-2016, to achieve the overarching objectives of political association and economic integration.

In the light of the 15 February 2016 Council conclusions on Moldova in, the urgent need for reforms in the country and the full application of the Association Agreement as of 1 July 2016, updating the Association Agenda to reflect the current state of the Parties' relations has become an important political priority .

The draft Decision of the Association Council attached to this proposal updates and adjusts the 2014-2016 Association Agenda and sets new priorities for joint work for 2017-2019. It distinguishes between short-term priorities (on which significant progress should be achieved by the end of 2017) and medium-term priorities (on which significant progress should be achieved in the following two years).

• **Consistency with existing policy provisions in the policy area**

The Association Agenda is coherent with the EU's policy priorities set in this area, namely the stabilisation of the neighbourhood in political, economic and security terms, while pursuing EU interests and promoting universal values.

• **Consistency with other Union policies**

The proposed "EU-Republic of Moldova Association Agenda" reflects the EU's longstanding engagement with its eastern partner and is also fully aligned with the call in the recent EU Global Strategy for the Union to invest in the resilience of states and societies to the east and build closer relations with them. This integrated approach to resilience will involve addressing the most acute cases of governmental, economic, societal and climate/energy fragility.

The proposed Association Agenda takes account *inter alia* of the need for strengthened democracy and rule of law, the promotion of human rights, fundamental freedoms and good governance, the increased focus on international cooperation to counter terrorism, conflict prevention, regional stability, and the potential of free trade in a fully functioning market economy governed by policies gradually being brought into line with EU policies in order to generate growth and employment.

¹ Council conclusions on the Review of the European Neighbourhood Policy of 14 December 2015

2. LEGAL ASPECTS

This is a proposal, based on Article 218(9) TFEU, for a Council Decision on the Union's position within the Association Council established by the Association Agreement between the European Union, the European Atomic Energy Community and their Member States, of the one part, and the Republic of Moldova, of the other part, with regard to the adoption of the Association Agenda for 2017-2019. The substantive legal basis for the adoption of the Association Agenda is Article 217 TFEU (association with third countries).

It is envisaged that the new "Association Agenda" will be adopted by the EU-Moldova Association Council by written procedure, following the Council's adoption, on the basis of Article 218(9) TFEU, of an EU position to be followed in the Association Council. Once adopted, the "Association Agenda" will form the basis for the programming of aid provided for under the European neighbourhood instrument (ENI).

The 14 December 2015 council conclusions on the review of the European neighbourhood policy welcomed the proposals, in the Joint Communication on the review², "to further develop relations with partners wishing to pursue deeper relations with the EU based on shared values". The Joint Communication stresses the role of Association Agendas and partnership priorities as "the basis for setting priorities for assistance".

3. RESULTS OF EX-POST EVALUATIONS, STAKEHOLDER CONSULTATIONS AND IMPACT ASSESSMENTS

• Ex-post evaluations/fitness checks of existing legislation

Not applicable.

• Stakeholder consultations

The Joint Proposal for a Council Decision, the draft Decision of the EU-Moldova Association Council and the Association Agenda were drafted following close consultation with relevant Commission services and Member States' representatives in the Council Working Group on Eastern Europe and Central Asia, and discussions with the Moldovan authorities.

Consultations with civil society stakeholders took place in Chisinau in November 2016 on the basis of the guidelines in the reviewed European neighbourhood policy. The main points made by the stakeholders concerned:

- introducing a table of contents in the Association Agenda;
- having detailed indicators for priority actions;
- the need to involve civil society more in reform process and decision-making;
- the reform of the justice sector;
- the fight against corruption;
- public administration reform;
- the situation in the media sector;

² JOIN(2015) 50; 18.11.2015

- the reforms in the energy sector; and
- implementation of the Deep and Comprehensive Free Trade Area.

These points have all been taken into account in the attached text.

- **Collection and use of expertise**

The relevant thematic expertise was available internally, either at EU headquarters or in the EU Delegation.

- **Impact assessment**

Not applicable.

- **Regulatory fitness and simplification**

Not applicable.

- **Fundamental rights**

The Association Agenda would have no impact on fundamental rights in the EU Member States.

As regards fundamental rights in Moldova, the consequences are expected to be positive, as the Moldovan Government would be committing itself *inter alia* to:

- respecting commitments and obligations under international and national human rights law;
- upholding fundamental freedoms;
- strengthening the stability, independence and effectiveness of institutions guaranteeing democracy and the rule of law in Moldova;
- integrating national minorities;
- holding democratic elections that take full account of all OSCE Office for Democratic Institutions and Human Rights recommendations;
- ensuring the independence, impartiality, professionalism and efficiency of the judiciary;
- promoting good governance, *inter alia* through public administration reform, public finance management and enhanced access to information;
- adopting a new audiovisual code fully in line with OSCE and Council of Europe recommendations; and
- upholding freedom of expression and the independence of the media.

As regards human rights specifically, the EU and Moldova are in regular dialogue on matters such as freedom of expression, the freedom of the media, freedom of association, torture, ill-treatment and detention conditions, discrimination and gender-based violence, women's and children's rights, the protection of persons belonging to national minorities and freedom of religion.

4. BUDGETARY IMPLICATIONS

This Decision has no additional budgetary implications beyond what flows from the EU's existing international commitments. Any further budgetary implication will be made clear in distinct proposals, such as the forthcoming proposal concerning the 2017-2020 ENI single support framework.

5. OTHER ELEMENTS

- **Implementation plans and monitoring, evaluation and reporting arrangements**

The implementation of the "Association Agenda" will be subject to regular monitoring at least once a year in the context of the review mechanisms and bilateral cooperation meetings provided for under the Association Agreement.

6. REFERENCES

- (a) Association Agreement between the European Union and the European Atomic Energy Community and their Member States, of the one part, and the Republic of Moldova, of the other part, signed in Brussels on 27 June 2014 in Brussels (OJ L260, 30.8.2014)
- (b) *Review of the European Neighbourhood Policy*, Joint Communication to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions; (JOIN/2015/050 final)
- (c) Council conclusions on the review of the European neighbourhood policy (14 December 2015)
- (d) Council conclusions on the Republic of Moldova (15 February 2016)
- (e) Regulation (EU) No 232/2014 of the European Parliament and of the Council of 11 March 2014 establishing a European Neighbourhood Instrument (OJ L77; 15.3.2014)
- (f) Joint Declaration establishing a Mobility Partnership between the Republic of Moldova, the European Community and its participating Member States (Brussels, 5 June 2008)
- (g) Regulation (EU) No 259/2014 of the European Parliament and of the Council of 3 April 2014 amending Council Regulation (EC) No 539/2001 listing the third countries whose nationals must be in possession of visas when crossing the external borders and those whose nationals are exempt from that Regulation requirement
- (h) Common Aviation Area Agreement between the European Union and its Member States, of the one part, and the Republic of Moldova, of the other part, signed on 26 June 2012 in Brussels (OJ L292, 20.10.2012)
- (i) Accession of the Republic of Moldova to the Energy Community, granted in Vienna on 17 March 2010
- (j) Agreement on the Accession of the Republic of Moldova to the Horizon 2020 programme signed in Brussels on 1 July 2014
- (k) Decision No 1/2015 of the EU-Republic of Moldova Association Council of 18 December 2015 on the application of Title V of the Association Agreement between the EU and the European Atomic Energy Community and their Member States, of the one part, and the Republic of Moldova, of the other part, to the entire territory of the Republic of Moldova (OJ L336, 23.12.2015)

- (1) European Commission Implementing Decision of 11 June 2014 adopting a Single Support Framework for European Union support to the Republic of Moldova for the period 2014-2017 (C(2014) 3995, 11.06.2014)

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THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty on the Functioning of the European Union, and in particular Article 217, in conjunction with Article 218(9) thereof,

Having regard to the Association Agreement between the European Union, the European Atomic Energy Community and their Member States, of the one part and the Republic of Moldova, of the other part (the "Association Agreement"), in particular Article 436 thereof,

Having regard to the joint proposal from the European Commission and the High Representative of the Union for Foreign Affairs and Security Policy,

Whereas:

- (1) The Association Agreement was signed on 27 June 2014 and entered into force on 1 July 2016.
- (2) To support the application of the Association Agreement the Parties have agreed to negotiate an Association Agenda with a view to providing a list of priorities for their joint work on a sector-by-sector basis.
- (3) The Parties have agreed on an Association Agenda to facilitate the implementation of the Association Agreement. This will be adopted by the Association Council established by the Agreement.
- (4) The Union's position in the Association Council on the adoption of the EU-Republic of Moldova Association Agenda for 2017-2019 will be adopted by the Council.

HAS ADOPTED THIS DECISION:

Article 1

The Union's position within the Association Council established by the Association Agreement between the European Union, the European Atomic Energy Community and their Member States, of the one part and the Republic of Moldova, of the other part, with regard to the adoption of the EU-Republic of Moldova Association Agenda for 2017-2019 shall be based on the draft Recommendation of the Association Council attached to this Decision.

Article 2

This Decision shall enter into force on the day of its adoption.

Done at Brussels,

*For the Council
The President*