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# NEWSLETTER

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## Synthesis and Foreign Policy Debates

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### TOPICS OF THE EDITION:

1. What expectations from the parliamentary elections did the Moldovan diaspora have? **Ana Păun**, president of the "Casa Mare" Association, Italy: In order to bring Europe to Moldova, the government and the people should work side by side.
2. **Doina Guzun**, president of the Moldovan students' Association "Jeunes Moldaves", France: I would like that the future Government is more open for the projects coming from the diaspora.
3. **Victoria Ionel**, director of the Culture and Art Center "Three Colours", Portugal: We have done our duty and now we are waiting for the people in the government to do the same.
4. **Victor Lutenco**, head of the Bureau for the Relations with Diaspora: Diaspora is probably the most unexplored resource.

The last period has been marked by a series of important events for the Republic of Moldova.



The Russian Federation is facing the worst financial crisis since 1998. On Monday and Tuesday, on 15<sup>th</sup> and 16<sup>th</sup> December, the Russian ruble doubled its rate in relation to the dollar and euro currencies. The experts explain the collapse of the ruble through the fall in oil prices on the international markets, the trade restrictions imposed by Moscow in relations with the West and the sanctions imposed to Russia by the USA and EU following the annexation of Crimea and the war in the Eastern Ukraine.



On December 18<sup>th</sup>, the EU established new sanctions as a result of the abusive annexation of the Crimean Peninsula by Russia. The EU leaders who met in Brussels at the last summit of the year have decided to limit the trade relations of the European companies with the Crimean ones, especially in the area of transportation, energy and telecommunications, as well as the investments on the peninsula.



Kiev has announced its plans to increase its military presence on the Transnistrian segment of the border with Moldova. The initiative is coming from the Ukrainian Minister of Defense, Stepan Poltorak, who warned about a military threat from the Transnistrian region.



The Danish Parliament has ratified the Association Agreements of Moldova, Georgia and Ukraine with the EU. The event was announced on Twitter by the Foreign Minister of Denmark, Martin Lidegaard. Denmark is the 11<sup>th</sup> country to ratify the Association Agreement with the Republic of Moldova.



The European Parliament has adopted a resolution through which it increases the amount of fruit and vegetables exports by Moldovan farmers to the EU markets under the Association Agreement. Thus, the farmers will be able to export tax-free up to 40 thou tons of apples, 10 thou tons of grapes and 10 thou tons of plums. „This is a proof of solidarity in the difficult situation: it is a breath of fresh air for a vital sector of the Moldovan economy affected by the irrational Russian embargo, which also affects the European Union”, said the rapporteur, Sorin Moses, after the voting procedure.

The acting Prime Minister Leanca has met in Brussels with Johannes Hahn, the EU Commissioner for Neighbourhood Policy and Enlargement, and with the new President of the European Council, Donald Tusk. Leanca has stated that the future government will focus on combating corruption, judicial reform, decentralization and strengthening of the banking system stability.



## What expectations did diaspora have from the parliamentary elections?

### Fighting against corruption and economic development- obligatory conditions for building Europe in Moldova

The pro-European parties which won the parliamentary elections on November 30<sup>th</sup> and announced the formation of a coalition have not reached an agreement on the functioning of the ruling alliance yet. The Liberal Party has demanded the presence of the mass media and external partners' representatives at the negotiations. The Communist Party led by Vladimir Voronin which remained in the opposition has decided at the meeting of the central committee to accept collaboration with the ruling coalition. The leader of the Liberal Democratic Party, Vlad Filat, said that the pro-European parties should have a "serious and responsible" dialogue also with the Communist Party. According to Filat, this way Moldova can achieve

"unity of society". The members of the civil society have warned through numerous statements that the delaying of negotiations could compromise the image of the future coalition and even the country's pro-European course.

By voting for the pro-European parties in the parliamentary elections from November 30<sup>th</sup>, 2014, diaspora has had great hopes for the continuation of the European course of the Republic of Moldova. Our compatriots residing abroad say they understand very well that you cannot change radically things in four years in Moldova, but insist that the authorities should make more efforts in fighting against corruption, reducing bureaucracy of the administrative system, creating conditions for business development and advancing with the reform of the judiciary. Only this way Moldova will be able to build realities similar to those in Europe, and our countrymen in the diaspora could return and invest the money and experience they gained in Europe to the benefit of Moldova.

## **Ana Păun, Italia: In order to bring Europe to Moldova, the government and the people should work side by side**



**A**na Păun is the president of the “Casa Mare” Association of the Moldovans living in Bologna, Italy. She is the only Moldovan who has worked for more than four years as advisor and chairman of the foreign citizens’ council for the mayoralty of Bologna.

■ **Lina Grău:** What are the expectations of the Moldovan citizens living in Italy from these parliamentary elections?

■ **Ana Păun:** People have voted for changes in the country. Many of our compatriots either have problems here or have been here for too many years and now have been dreaming of returning home. But every year when they go home they face all sorts of problems and get confused. And they are not talking

about bad roads or the like as these can be made step by step. They are talking about situations where they want to start a business and invest money and lose it on grounds of corruption or bribes to be paid everywhere; or they deal with administrative practices and see no end to them- these are the problems in the country that the people complain about. And they all came to vote hoping for changes and for the better.

■ **Lina Grău:** Four years ago we also voted for changes and the results have not been the ones we expected. However, this year the people have voted for the same parties. How do you explain this vote?

■ **Ana Păun:** Yes, especially diaspora has

voted for the pro-European parties – I know it for sure because I participated in the counting of the ballots. I would not say that there have been no changes in the country. Every year I travel to Moldova, including within cooperation projects in education, and I have personally seen the changes. We have also learned from the mass media that roads have been repaired and kindergartens have been renovated; new and innovative ideas have been implemented in the area of energy, kindergartens, schools, hospitals being heated with biofuel. So I cannot say that nothing has changed.

And if we voted for the pro-European parties, we expect from them to really implement pro-European ideas and laws

in the country so that we feel at home when we come in Moldova like we feel at home in Europe. We want Europe in Moldova -European laws and changes- and do not want to be with Russia. That was the thought that brought us to vote - to save the situation and not to be under Russia's influence as we were 70-100 years ago.

■ **Lina Grău:** Things have really started to change in Moldova, yet you say that you have expectations from the future government. What are these?

■ **Ana Păun:** I'm following the Moldovan press and I'm welcoming what the Ministry of Justice does in the area of fighting against corruption, including in relation to the judges and government representatives that must do justice and protect us, and not take bribes under the table. I'm also very much supporting the idea of bringing European observers within the Ministry of Justice and the courts – this way the system will be monitored and the European experience will be brought to Moldova.

We, those living in Europe, if we need to go to the doctor we do not have to give bribes - we just have to make an appointment. And if we have an emergency, we also do not have to pay bribes for the doctors to examine us and not leave us die. If we go to a public body for a certificate or residence permit, we also do not have to pay bribes. These are the changes that we are expecting.

What we also need in Moldova is to implement projects like in Europe- to take into account the social status of vulnerable people, the disabled, the elderly and give them benefits as it should be and not as it is now. Everyone should have access to the health care services and not just the ones who are able to pay.

These are our ideas. We would like that

we could go back home and develop businesses in Moldova and not fear that one day we may lose the businesses as it happened with many Moldovans who had come home with money to do business and lost all of it.

■ **Lina Grău:** Under what conditions do you think these beautiful things you spoke about could become a reality in Moldova? How can we bring Europe at home and make the Moldova's European path successful?

■ **Ana Păun:** That might happen under two conditions. First, the people who cry out loud that there are no changes, need to understand that change will never come unless we begin to change ourselves and the society. The people should change their mind and renounce the old mentality. People tend to think that everyone has obligations except from them- the government has obligations, the mayor has obligations, the director has obligations, and just they do not have any. The changes start from the citizens and only when the citizens are confident in themselves and start changing things, only then things will really change.

And at the same time, those in government should think about the people and make the laws functional not just on paper, and finally turn to people.

These are our expectations from the future government and the parties that we all voted for. We understand that changes are not possible in 10 days or one month - it will take years and years to reach a Europe as it is in the countries in which we live. To bring Europe in Moldova the government and people should work side by side.

This idea of solidarity and community should be explained to the people both in towns and villages. There should be developed the spirit of volunteerism as it exists in the European countries- people

should do something out of good sense and good heart, not just for money. When we bring investors in Moldova, they should not be asked to pay bribes. People should stop stealing and being lazy. Because it is often the case that the Moldovans don't want to work, it's not that they have no jobs. These people need to be re-educated.

In addition, monopolies should be removed in Moldova to allow for competition, as where there is competition there is quality.

Another issue which needs to be urgently implemented in Moldova is the reformation of vocational education. We had the Minister of Education, Maia Sandu, as a guest and we have discussed that Moldova will develop only when there is a sound base for vocational training. At present, we have too many lawyers, engineers, but we have no bakers, waiters or welders enough. We do not have specialists enough. And it happens so that for the projects implemented in Moldova we need to bring foreigners and pay them very well, because the Moldovans do not have the necessary education to occupy these positions.

In order to build Europe at home in Moldova, I would ask the government to give us the opportunity to come home and implement Europe in Moldova. There are many of us who want to do it, but when we come home we face many problems. That's our greatest desire - to return home from abroad, but with some conditions. If you want smart people and European mindsets, create us conditions in all areas - social, legal, education etc. I'd really like to come to Moldova and develop projects, but I would like to be listened as well. There are many areas that need to be developed in Moldova- agriculture, animal husbandry, education ... but in order to do so the mentality should be changed.

## ***Doina Guzun, France: I would like that the future Government is more open to the projects coming from the diaspora***

**Doina Guzun, a PhD student at the Diderot University in Paris, the president of the Moldovan students' Association from France "Jeunes Moldaves" said that the elections from November 30<sup>th</sup> were the most important for the future of Moldova.**

■ **Doina Guzun:** The elections from this year were the most important for Moldova as whether or not we continue the European course depended a lot on them. These elections have established the European integration as the foreign policy vector of the Republic of Moldova for the next years. This happened at a time when the country is at a geopolitical crossroads: East or West.

The expectations of the young people studying in France are not exaggerated - we would like the future Government to be a little more open to the projects coming from the diaspora. That would be a first point as we here represent the most important benefit of migration. By sharing our experience and knowledge, we can contribute greatly to the development and strengthening of the European course. We have had several initiatives and due to the Prime Minister Leanca we have already implemented a series of projects, including the Gala of students or various internships abroad. This shows we can implement useful projects and have good interaction with people at home. We would like that the new Government strengthens this collaboration.

It would also be very important for the Government to take into account our potential and not just benefit from our projects but also come up with its own initiatives.



From the point of view of people living abroad, it is very hard for them to give up the experience in the host country and everything it can offer to them as long as the reality at home is very different. We do not expect the reality to be changed immediately by the present government, but we expect certain improvements, however, certain changes for better. Therefore, I insist that the projects and initiatives that the young people develop here are put in practice. We are coming up with ideas for public policies to help the country's development.

■ **Lina Grau:** What changes would you like to see in Moldova in the next four years?

■ **Doina Guzun:** We appreciate very much the reforms that take place in the education and we encourage them to continue. It is very important

for a country to have an education system free from corruption. We are aware of the fact that the quality of education in Moldova cannot be compared with the quality of education abroad, but we should aspire to higher standards.

We would need reforms also in the economy. There are many young people who have left to study abroad and are now working in banks and other companies. They could offer a number of partnership projects with the entrepreneurs and decision-makers from the economic sector.

What is more, the social sector should be reformed. This area is very hard to change as it has to do with changes in the people's mentality. That would be the most difficult for us if we returned home - to accept a mentality which differs greatly from that of the people abroad.

■ **Lina Grau:** However, there might be things happening in four or five years, or in the next legislature, that could determine some people living now in France to get more involved in Moldova?

■ **Doina Guzun:** We are a wave of migrants that we haven't denied connection with the country. We prefer to have a constant link with Moldova through the projects that we carry out. And even if I cannot renounce the job here and the social and economic context here, I still want to keep in touch with Moldova. I think it will not be possible for us, the people here, to go back, even if the system changes. But we are not indifferent and can do a lot for Moldova through our projects.

One of these projects is the Gala of the Moldovan students studying in France which is about identification, recognition and appreciation of Moldovan students who study abroad and are part of the international network of the best Moldovan students. They can realize all sorts of projects for the benefit of the country in many fields - economic, social, and political. We would like to come up with different approaches that could help the European course of our country.

■ **Lina Grau:** Do you think the European project is feasible for Moldova? Could it be successful?

■ **Doina Guzun:** One of the problems of the young people of my generation is that we are very skeptical. But I am optimistic and believe that my vote will count and make a change.

Whether Moldova achieves or not the European integration depends very much on us - the people at home and those abroad- on whether we do or

don't put pressure on those who have the responsibility to implement the European integration. I hope that this will happen.

The people of the Moldovan society are not used to exercise pressure and get involved. In other societies very much depends on the attitude and civic initiative of the people. And we, the Moldovans, should start the changes by changing our attitude – from the schools, kindergartens to the state agencies.

## **Victoria Ionel, Portugal: We have done our duty and now we are waiting for the people in the government to do the same**

**O**ur fellow citizens in Portugal, like those in other countries, had to travel hundreds of miles to get to the polling stations. Now people are expecting for the new government to be formed as soon as possible so that the Republic of Moldova could continue its European course for which the Moldovan diaspora has voted.

■ **Lina Grau:** What are the expectations of our fellow citizens working abroad from the future government?

■ **Victoria Ionel:** I have had the opportunity to be part of one of the electoral commissions and have admired our fellow citizens who came to vote, often from hundreds of miles away. And we have seen absolutely beautiful moments when people did not hide their emotions made comments like: "We came to vote because this is very important and because our vote matters". They expressed their hope that the Moldovan citizens would make a correct choice.

You know that in these elections the



Central Election Commission has decided to allow the citizens to vote based on expired passports. There were some absolutely beautiful cases when people whose passports had expired in 2003-2005 came to vote. For me this was absolutely impressive, because this means an extraordinary devotion to the country. They often say that those who left Moldova are no longer interested in what happens in the country, because

they have another life where they have settled. But I saw in the eyes of these people so much hope, confidence, determination and devotion! The gesture speaks for itself – the persons who have not updated documents for a decade, because meanwhile the Portuguese State granted them citizenships, still keep interest in the country and hope for the better.

Diaspora has voted because it really wants a better and more prosperous country. A lot of them want to return home. Obviously they would like to have in Moldova the same conditions they have got used here. Many of them have been living in Portugal for more than 10 years but still have big hopes for Moldova.

■ **Lina Grau:** What expectations do the Moldovans in Portugal have from the government? Basically, these elections have been won by the parties which have already been four years in power. Things began to change, but not enough. How would diaspora want to see Moldova?

■ **Victoria Ionel:** Our fellow citizens are expecting action- more action than ever before. The parties in power have won the elections. The decision of the diaspora was very clear – they supported the pro-European parties. We have invested confidence and trust in them again because we have seen some changes. We are quite aware of the fact that you cannot achieve major changes in four years in the European integration process. Now diaspora has given them a second chance because it expects more evident results.

In general, the people are expecting living conditions like in the EU, development, and the main expectations of the diaspora from the government is to combat corruption, which has infiltrated in all spheres of the society. These are the main hopes of the diaspora.

■ **Lina Grau:** From your point of view, where is the place of the Republic of Moldova? You probably know that in Chisinau there are forces advocating for another development vector.

■ **Victoria Ionel:** From the outside you can see the things clearer. I personally, and I think my opinion is shared by everyone in the diaspora, would like Moldova to get closer to the EU, in fact, be part of the EU in a few years. Here we see values and standards that we identify ourselves with and that would like to see also in Moldova. Many of us do not know whether we would go back home but we want that at least our relatives and friends can enjoy better living standards.

But I was saying earlier that some members of the diaspora have concrete plans to return home and are expecting better conditions in order to achieve results. I see them rather determined and ready to engage more than ever. I can see people getting more interested

in politics than some years ago. The people are more informed and more determined to engage.

■ **Lina Grâu:** How could these people be motivated to return home? How could they get more involved?

■ **Victoria Ionel:** They want to invest. A lot of them really can afford it. They are expecting more transparency and a judicial system which would protect them. However, they fear that they might be deprived of the businesses and money. So, I am back to the subject of corruption, which seems to be the biggest problem. Here the people see that they are treated on a par with any other citizen, and I know that the Portuguese state provides conditions for investment and growth, while at home there are no such conditions yet.

This is what they would want – a more stable ground, where they could work and see the results of their work. They expect more stability and safety. People who are working abroad know what work means and know that in Europe people work hard and at high standards. And they are coming home with good intentions and with money to invest, but they would like to have guarantees that their money will not be stolen.

We often hear our fellow citizens in the diaspora criticizing the people at home for not working enough, as people in Europe do. The Europeans are really hard working people who have learned to fight and this they have learned abroad being away from home. However, they are completely motivated to do the same, maybe even more, at home.

■ **Lina Grau:** Now the process of negotiating a new government is in full swing. What are the things that you

would ask from the authorities if you had the opportunity?

■ **Victoria Ionel:** These negotiations are lasting too long. I thought things were already pretty well defined. Normally, if not the following day, at least in the third day the things should have been arranged. If the parties made promises in the electoral campaign, they should deliver immediately, I would dare to say. I was talking the other day with a group of young people who were wondering how long the negotiations can last. But anyway, we are patient and we prefer a well-established and strong alliance.

The next government should work very hard and in a transparent and open way, being attentive to the opinion of the people at home and from outside the country. It should work in order to be able to deliver visible results in the next four years.

I do not think we can be selfish and come up now with particular requirements. But I have already mentioned corruption – a problem which has to be eradicated. It is an issue that we always discuss about when we have the chance to talk about the country and the situation at home. It is a view which is shared –and I can say this with confidence – by the whole community of Moldovans in Portugal, but also in other countries. So, corruption comes first, and then we would like to see in our country development, progress, more jobs, and more transparency in everything that happens in our society.

## **Victor Lutenco: Diaspora is probably the least explored development resource**

**T**he potential and experience of the diaspora were an inspiration and even a factor of economic development in many countries. For Moldova, this potential is still inaccessible and the Chisinau authorities began to address seriously the problem of establishing contacts with compatriots abroad only a few years ago, when the Bureau for the Relations with Diaspora (BRD) was founded. The director of the Bureau, Victor Lutenco, stated at the MACRO 2014 conference that approximately 800,000 Moldovans are currently abroad.

■ **Victor Lutenco:** What do our citizens abroad mean for the Republic of Moldova, for its development, for the reform agenda and for the transformations required by the Association Agreement? From my point of view, these people are probably the least explored development resource.

Much has been said about remittances and the way they influenced the development of the Republic of Moldova. From the researches we've done I think the best characteristics of the remittances to Moldova is "blessing and curse at the same time." This money, which in 2008 reached \$ 1.6 billion, has kept afloat the Moldovan economy, and at the same time it pushed it into a trap of consumerism and negative balance of payments, as we have now. In 2008-2009, there was a very sharp decrease in remittances due to the global economic crisis, but we are recovering now and we are sure that in 2014 we will have more remittances than in 2008 and only their internal structure is different.

What is most important for us is to find out how much money our citizens earn



abroad. Compared to 2009, in 2014 they integrated themselves better, obtained better jobs and earned more money. Even more important is the internal structure of the households' income in Moldova and the way this money is spent. There are three major categories: the local expenditure, the remittances that come from the outside, but the most important are the savings – the money that is set aside.

It has always been discussed at the political level and at the level of reforms the extent to which we can use remittances for the development of the country. The answer is –in no way. The remittances do not contribute to the development – they pay the bills, buy clothes, and fill the income gap of the Moldovan households.

Contrary to the remittances, the savings do contribute to the development of the country. We have annual resources of circa 1.67 billion euros available for development. These are the savings of our fellow citizens. And what is very important is that only half of this money is kept in banks. The initial financial goal and the overall goal of migration has always been to make savings. People

went abroad for a year or two in order to make savings and then come back home. In the process, this goal has changed. Most of migrants are businessmen, but still not all of them.

So, at the moment, the savings is the greatest resource that we could have access to and which we do not capitalize on practically at all.

Almost 60 percent of our compatriots abroad still plan to return to Moldova. And no matter how much some people try to convince us that we have lost these citizens, this is not true. 62 percent are interested in community development and 41 percent would like to develop a business at home. And the logical question is - what are we doing with the others who are not entrepreneurs but have accumulated savings? There are areas in which our co-nationals would be ready to invest - so there is no general interest, but rather a specific interest. This interest is driven not only by observing opportunities in Moldova, but especially by the knowledge and experience they acquired abroad.

Is Moldova trying to do something with this? Yes, it is. For example, the PARE 1 + 1 programme is a very good idea. And if we look by sectors, we can see very good results. We have 484 beneficiaries, 205 businesses, 3,000 jobs created and 287 million lei which has been attracted as investment in the economy. Now let's compare these amounts at least to remittances that came to Moldova. Over these four years of the PARE 1 + 1 we have \$ 6 billion of remittances and \$ 14 million of investment. Are we effective here? Is PARE 1 + 1 necessary? Yes!



But is this program sufficient to attract resources available for the development of the country? I don't think so.

What are the migrants saying? What would they be interested in? In instruments. In financial instruments - medical insurance, private pension, long-term deposits, fixed-term deposits. How can we create these mechanisms in order to get our fellow citizens interested in participating in the development of Moldova, in the implementation of the reform agenda and of the Association Agreement? I think we can achieve this through motivation and direct involvement, including through financial assistance.

What tools could be used to this aim? We think of three: an investment and savings fund for migrants, Diaspora Bonds - securities for diaspora and multi-financing online platforms for them.

Regarding the investment fund, we have an initial concept and we are working on a feasibility study. The basic idea is to create within a credible jurisdiction for our citizens abroad a tool that would be an umbrella for several elements that would enable our citizens to diversify their investment portfolio to be able to participate in the development of the Moldovan economy. This will of course require resources to win the confidence

of our citizens abroad which we have lost in the process. But once engaged, we will manage to get the people motivated and interested in participating in the development of the Republic of Moldova. We have not only well defined objectives, but also clear advantages both for them as well for the Republic of Moldova - it is a double benefit activity. The government bonds is something that Moldova has not done since the 1990s. The practitioners and policy makers with whom we spoke have opposing views. But it is obvious that we have 5 billion in savings abroad which is an important resource that we can reach. And most of the diaspora are ready for personal profit to use and invest them in certain projects in Moldova. What we should do is to offer them such mechanisms. Diaspora bonds would be one of such mechanisms. It is not our invention. Here we are inspired by many examples that have worked in other countries all over the world. The economic impact would be the support of important projects for the development of our country. But to me it is also essential to keep in contact with our citizens abroad, thus involving them more and more in the development agenda of our country.

The multi-funding platforms, exactly as they are developed in the US, UK, Ireland, could develop in Moldova and help such enterprises as the ones

created by PARE 1 + 1 program and by the programmes in the vine and wine sector or any other enterprises which have already benefited from the state support. This would be an opportunity for the diaspora to participate in existent profitable businesses which need additional resources. Thus we can establish a direct link between our fellow citizens abroad and those working in Moldova.

In conclusion, if we really want our citizens' participation and their final return to Moldova, there is one thing that they expect - Moldova's development. And the only way we can do it is to turn them into co-agents of this development. Diaspora savings have a big potential and this is where we should focus on. By developing the small and medium-enterprises and orienting ourselves to remittances alone we will not be able to capitalize on this potential. We have to think about more significant instruments. The European integration, our reform project, and the greater involvement of our citizens depends very much on the motivations we can offer to the Moldovans living abroad. For that, we should look at what creates direct benefits and especially money. This could be a good start for discussion.