

# SUPPORTING A DEMOCRATIC AND SECURE MOLDOVA

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## HEARING BEFORE THE COMMISSION ON SECURITY AND COOPERATION IN EUROPE U.S. HELSINKI COMMISSION U.S. HOUSE OF REPRESENTATIVES ONE HUNDRED EIGHTEENTH CONGRESS SECOND SESSION

JULY 12, 2023

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COMMISSION ON SECURITY & COOPERATION  
IN EUROPE,  
U.S. HELSINKI COMMISSION,  
HOUSE OF REPRESENTATIVES,  
*Wednesday, July 12, 2023.*

The Hearing Was Held From 10:11 a.m. To 11:35 a.m., Room 2020 Rayburn House Office Building, Washington, DC, Representative Joe Wilson [R-SC], Chairman, Commission for Security and Cooperation in Europe, presiding.

**Committee Members Present:** Representative Joe Wilson [R-SC], Chairman; Senator Ben Cardin [D-MD], Co-Chairman; Representative Steve Cohen [D-TN], Ranking Member; Representative Mike Lawler [R-NY]; Representative Marc Veasey [D-TX]; Representative Emanuel Cleaver [D-MO]; Senator Richard Blumenthal [D-CT]; Representative Victoria Spartz [R-IN] Other Members Present: Representative Deborah Ross [D-NC].

**Witnesses:** Dan Bischof, Acting Deputy Assistant Secretary of State for European Affairs; Igor Grosu, President of the Parliament of the Republic of Moldova; Doina Gherman, Chair of the Foreign Relations Committee of the Parliament of the Republic of Moldova; Ambassador [ret.] William Hill, Global Fellow at the Wilson Center.

### OPENING STATEMENT OF JOE WILSON, CHAIRMAN, U.S. HOUSE, FROM SOUTH CAROLINA

Chairman WILSON: [**Sounds gavel.**] Good afternoon. On behalf of the United States Helsinki Commission, I would like to welcome everyone to be here today as we discuss the support for the democratic and secure Moldova.

I am honored to pass the gavel to one of our newest commissioners, a really special member who has a deep affection for the people of Moldova. He likes them so much he married a Moldovan, Okay? Let's make it really clear. [**Laughter.**] We are really grateful that Michael Lawler of New York, who is been very active and engaged as a member of the Helsinki Commission and a powerful advocate for Moldova, within just a—for a just and durable European security system. Mr. Chairman, I want to thank you for your efforts in organizing the hearing. I will now turn to Mr. Lawler for his opening statement before hearing from our Co-Chairman, Senator Ben Cardin, all the way from Maryland.

Mr. Lawler, the gavel is yours.

**STATEMENT OF MIKE LAWLER, U.S. HOUSE, FROM NEW YORK**

Representative LAWLER: Thank you, Chairman Wilson, and thank you, Co-Chairman Cardin, for your leadership on the Commission and your roles in putting today's hearing together. I am honored to take the gavel today. I am also honored to be joined by my wife, Doina, who is here to listen to the hearing.

The purpose of this hearing is to discuss the significance of Moldova's role in European peace and security. This small country has an outsized importance in the regional dynamics of Eastern Europe and has played a central role in standing up to Russia long before Vladimir Putin invaded Ukraine. This will be a very important discussion, and I want to thank everyone here for joining us today as we discuss a country and a set of issues that is particularly near and dear to my heart. As mentioned, my wife, Doina, was born in Moldova. She was raised there. Her family still lives in a village called Mih'ileni in the county of Shuldunest [ph]. I am lucky to have visited their village and the country multiple times.

Through my family and my work in Congress, particularly on the Helsinki Commission, the Foreign Affairs Committee, and my co-chairmanship of the House Moldova Caucus, I am continuously reminded of the powerful impact of the Moldovan people in Europe and here in the United States. Just a little over a month ago my wife and I were in Chicago for the 9 Annual Moldovan-American Convention. We got to meet with President Sandu, Ambassador Ursu, and many others, as well as our own State Department officials and USAID, to discuss the important relationship between the United States and Moldova.

Moldovans have been dealing with Russian aggression for ages, let alone since the dissolution of the Soviet Union. Moscow still maintains a military presence in the breakaway region of Transnistria, and leveraging ethnic and language differences, its economic weight and energy dominance to control Moldova's future and deny its people the independence they deserve. Like Ukraine, Moldova does not have the security guarantees that come with NATO membership. Like Ukraine, the country has fallen victim to Putin's imperial appetites and vocal Soviet nostalgia.

Crucially, the Moldovan people have rejected this malign agenda and courageously resisted Russian pressure and blackmail. The election of President Maia Sandu in 2020, and a reformist parliament in 2021, demonstrated loudly and clearly that Moldovans wanted to move toward European integration. President Sandu's Government has answered that call and embarked on an ambitious reform agenda. We have seen real progress in recent years, culminating in the European Union granting the country candidate status in their quest for membership. This is a tremendous achievement that might have seen unthinkable only a few years ago.

Moldova has also stepped up to assist their Ukrainian neighbors. Moldova has taken in more Ukrainian refugees per capita than any other country in Europe and is actively working to ensure these refugees have access to employment, education, and more during their stay. They do so, despite Russia's continued blackmail, threats, and energy embargos. Moreover, the Kremlin continues to conspire through friends and proxies to sow unrest in Moldova, undermine confidence in reforms, and stoke economic dislocation.

They have done so in many other places. Russia believes they can use Moldova's budding democracy against itself and, once again, extend Moscow's empire of kleptocracy. We cannot let this happen. We must work with our allies to support Moldova's democratic reform agenda, anticorruption endeavors, and security needs. We must bolster investment in Moldova's economy and do what we can to ensure an imminent invitation to join the European Union. Today's hearing serves as a platform to explore how we can deepen the U.S.-Moldova partnership with Moldova. We are privileged to have distinguished witnesses with us today who will provide valuable insights into these pressing issues.

Our first witness, Mr. Dan Bischof, the acting deputy assistant secretary of State for European affairs, will provide us with an overview of U.S. policy toward Moldova. He will shed light on the specific ways the United States is showing support for the Sandu administration and how we can continue to enhance existing assistance.

The second panel of witnesses will include Moldova's President of the Parliament Mr. Igor Grosu. He will underscore the significance of U.S.-Moldova relations, highlight ongoing cooperation on reforms, and shed light on the opportunities and challenges that lie ahead. Accompanying President Grosu is Doina Gherman, chair of the Foreign Relations Committee of the Moldovan Parliament. I am sure we all appreciate Mr. Grosu and Ms. Gherman's traveling to the United States to provide their perspectives.

Last, we will have the privilege of hearing from former Ambassador William Hill, an independent expert with deep experience in Moldova, including as former head of the OSCE mission there. Ambassador Hill's remarks will offer us valuable recommendations as we navigate the complexities of supporting Moldova's democratic aspirations and countering security threats.

I thank all of you for your participation and look forward to a rich and purposeful discussion here today. With that, I am going to turn it over and recognize the Co-Chairman of the Helsinki Commission, Senator Cardin, for opening remarks.

**STATEMENT OF BEN CARDIN, CO-CHAIRMAN, U.S. SENATE,  
FROM MARYLAND**

Senator CARDIN: Well, Chairman Lawler, first of all, thank you very much for your work in helping to organize this extremely important hearing of the Helsinki Commission, and to Chairman Wilson for his leadership on this Commission. He was extremely helpful to me when I chaired the commission in the last Congress, and we work together on these issues. Today's hearing is just another example of that bipartisan cooperation that we have on the Helsinki Commission.

Representative Wilson and I just returned from Vancouver for the annual meeting of the OSCE Parliamentary Assembly. I mention that because one of the major accomplishments of that Vancouver conference was the Vancouver declaration that is very, very strong in unity and support for Ukraine. We made it—we make it very clear that there is no division among the participating states that were there in Vancouver and our strong support for Ukraine

sovereignty, and doing everything we can to make sure that Ukraine is successful.

We authored an amendment to that declaration in regards to Moldova, to thank Moldova for what they have done in the war effort in accepting refugees under extremely challenging circumstances for their country. We talk about U.S. taxpayers providing help to Ukraine, and we have. I think \$75 billion in military assistance to date. Countries like Moldova have made tremendous sacrifices in dealing with welcoming the refugees and being the front line to defend us against Russia's aggression. We thank you very much for your help in regards to the unity and making clear that we stand with Ukraine. We will be there until there is total victory in protecting their sovereignty.

It is been a long time since we have had a hearing in this Commission on Moldova. The last one, I was told, was March 2020. That takes us back, of course, before the Russia aggression in Ukraine, but also before COVID. It is nice that we are all here together and can actually have a hearing in person. Moldova has changed a great deal. As the chairman indicated, they have elected a government that is reform government, a Pro-West Government. We appreciate that. We appreciate that they are taking on corruption, to fight corruption in their own country. That they are on path, we hope, for EU integration, with candidate status given in 2022. That is an extremely positive step.

We have seen them strengthen their democratic institutions in combating corruption. We are looking for how the United States can strengthen that partnership, what we can do to help. There are ways we can help you in sending a clear message against those who are trying to prevent the type of democratic reform. We have done that with some of our sanctions against some of the former government individuals who abused their power. We also can do that through economic and strategic partnerships. I hope that we will have a chance to talk about how we can build on those relationships during this hearing.

It is particularly nice to have fellow parliamentarians here. It is nice to have an executive agency, but it is the parliamentarians that we particularly can identify with. We welcome you here, and we look forward to your testimony. Thank you, Mr. Chairman.

Representative LAWLER: Thank you, Co-Chairman Cardin.

Now, I will recognize the Chairman of the Helsinki Commission Congressman Joe Wilson from South Carolina.

Chairman WILSON: Thank you, Mr. Chairman. Our hearing today is a rich and pointed discussion about Moldova, a small country that has loomed large with its strategic position in Eastern Europe, and what it has become to represent in democracy struggle against war criminal Putin's aggression and malign intent. Sadly, war criminal Putin is sacrificing young Russians to death for Putin's personal benefit of oil, money, and power. Moldova is on the frontlines of Putin's assault on the basic fabric of European security and global world peace. It also represents, sadly, an early indicator of, Russia's aggressive intent toward the region as a whole. Like Ukraine and like Georgia, Moldova has been torn asunder by Russian proxies and held hostage by a web of economic interests, corruption, and energy blackmail.



In this way, Moldova is another reminder of Moscow's long-standing role as both Europe's chief arsonist and self-appointed firefighter. In Moldova, it has done so, as in many places, the Putin regime has created or exaggerated and exacerbated problems, which it used to deepen its influence to dominate its neighbors and breed corruption and servitude, leaving no crisis behind. However, Moldova is also an example of a country whose people have powerfully rejected Putin's malign agenda. In electing President Maia Sandu and a parliament of reformers, Moldova has moved at breakneck speed toward democracy and its European destiny, winning, very significantly, the European Union candidate status just last year.

Meanwhile, it has flung its doors open to Ukrainian citizens, demonstrating their country's incredible humanity despite their own share of challenges. Moldova is important not just because Putin seeks to harm it. Moldova is important because it is a flashing reminder of how some countries in Europe have been left open to Putin pillaging, which only encourages Moscow to press further on its imperial agenda, bringing us to this destructive invasion, and tragic, of Ukraine. The United States must not ever allow that to happen again in Europe. That is that European security should not be divided into haves and have nots but should be inclusive and protective especially of those at greatest risk, particularly from Putin invasion and aggression.

I look forward to hearing from our distinguished witnesses today on how we can support our Moldovan friends. It is particularly meaningful to have our parliamentarians here. It is just so inspiring to have you here and speak to the American people and it just is heartwarming. God bless. With this, I yield. I thank you for your attention.

Representative LAWLER: Thank you, Chairman. I now recognize Commissioner Cleaver for any opening remarks he may like to give. Good? Okay. I will now recognize my Moldova caucus Co-Chair Deborah Ross, for an opening remark.

#### **STATEMENT OF DEBORAH ROSS, U.S. HOUSE, FROM NORTH CAROLINA**

Representative ROSS: Well, thank you so much, particularly to Chairman Wilson and Co-Chairman Cardin, and Representative Lawler for leading the hearing today, and for allowing me to participate—since I am not an official member.

My home State of North Carolina has enjoyed a strong and unwavering bond with Moldova, dating back to 1999. For example, Moldova has been paired with North Carolina in the Department of Defense's National Guard State Partnership Program for more than a quarter of a century. As Co-Chairs of Moldova Caucus, Representative Lawler and I have worked diligently to bolster support for the country as it navigates a complex set of challenges, and a dangerous one at that.

Moldova gained independence, as we all know, from the Soviet Union in 1991. Since then, the country has faced continuous threats from Russia—threats that have only been exacerbated by Russia's unprovoked and unconscionable invasion of Ukraine in February 2022. Moldova applied for EU membership and was

granted candidate status in June 2022. This is an important step in the right direction. Representative Lawler and I led a letter with support from 11 of our colleagues asking Secretary Blinken and the State Department to continue expressing support for Moldova's EU candidacy.

Moreover, we submitted an amendment to the NDAA that supports Moldova's defense modernization with the help of the United States. Today, President Sandu is working tirelessly to make sure Moldova stays on the path of freedom and democracy. The United States has a real responsibility to continue to support her administration at this precarious moment. Safeguarding Moldova's precious democratic institutions is imperative if we are to help secure a more peaceful and prosperous future for the Moldovan people. Thank you so much for allowing me to speak. I yield back.

Representative LAWLER: Thank you, Representative Ross.

I will now recognize Commissioner Veasey for an opening remark.

#### **STATEMENT OF MARC VEASEY, U.S. HOUSE, FROM TEXAS**

Representative VEASEY: Thank you very much. I am really glad that we are here having this discussion today, particularly as it centers around Moldova. This country is very important in the scheme of things, particularly right now with everything that is happening in the Ukraine, and Russia's aggressions, and the statements that Russia has made about various countries and about how Russian-speaking citizens are being treated in those countries. We should take every threat, and we should take every statement, we should take all of them very seriously.

Moldova is obviously a country that is small and does not necessarily have the largest defense budget and population, like some other European countries. A lot of experts think that if the Ukraine situation were not to go the right way, that Moldova would definitely be next on Putin's list. When you hear Putin say things and make statements saying that Gorbachev's biggest mistake was not keeping the Soviet Union together, we know that this is someone that thinks in historical terms. I think it is all the more important that we are having this hearing today. I look forward to learning more and appreciate the Commission getting together to have this hearing. Thank you. I am going to yield back.

Representative LAWLER: Thank you, Representative Veasey.

At this time I will now recognize Mr. Bischof to provide witness testimony for 5 minutes.

#### **STATEMENT OF DAN BISCHOF, ACTING DEPUTY ASSISTANT SECRETARY OF STATE FOR EUROPEAN AFFAIRS**

Mr. BISCHOF: Well, good afternoon. I would like to thank Chairman Wilson and Cardin, and Ranking Members Cohen and Wicker for convening this hearing today. I appreciate the opportunity to discuss the ways the United States is demonstrating its support for Moldova's sovereignty, territorial integrity, and continued democratic development. The Helsinki Commission's active engagement with Moldova has been critical in deepening our bilateral relationship.

Moldova's on the front line of our strategic priorities for Europe—strengthening democracy, rule of law, enhancing European

energy security, and ensuring our continued unity in standing up to Russia's war of aggression against Ukraine. With the support of Congress, the administration has committed approximately \$628 million since February of last year to help Moldova address the impacts of Russia's war, build political and economic resilience, and deepen Euro Atlantic integration.

Moldovan voters sent a clear message in their 2020 and 2021 elections. They called for tangible progress on the country's path to European integration, which means a renewed fight against corruption and more accountable institutions enforcing the rule of law. The United States has worked closely with Moldova to advance these objectives. For example, the State Department and USAID have supported Moldova's multistage effort to increase justice sector transparency and integrity. U.S. assistance to civil society is reinforcing its critical role and working with the government to strengthen Moldova's democracy, promote accountability, and advance an inclusive human rights agenda.

Moldova's hard work was reflected in the European Council's decision to grant Moldova EU candidate status last year. We engage continuously with EU counterparts and member states to align our support for Moldova as it moves toward EU accession. On security, Moldova is investing in defense of its sovereignty and territorial integrity, consistent with its constitutionally guaranteed neutrality. The United States is committed to supporting Moldova's military modernization along with efforts to strengthen border security and law enforcement capacity. U.S. Defense assistance to Moldova increased from \$3.3 million in 2021 to \$29.6 million last year, and we have seen similar investment increases through the EU's European Peace Facility.

In the economic and energy sphere, Russia's War against Ukraine has caused deep shocks for Moldova, elevating inflation and energy prices, and cutting off export markets. With extensive U.S. and EU support, Moldova has connected its electrical grid to the rest of Europe and began trading gas in European markets for the first time, both critical steps in reducing dependence on a Russia-controlled energy supply. This administration, with the support of Congress, is allocating an additional \$300 million for Moldova's energy security to offset energy shocks and drive long-term energy security. We have also helped Moldova increase global competitiveness in key sectors, such as tech and high value agriculture, and unlock new opportunities in Western markets.

We greatly appreciate Moldova's continued generosity in welcoming more than 860,000 refugees from Ukraine since Russia's invasion in February of last year, more than 100,000 of whom are still there in Moldova, with many hosted in private homes. The United States and international partners will continue to support Moldova in addressing the immediate and long-term impacts of the humanitarian crisis caused by Russia's War against Ukraine.

Across these priorities, we continue to see Russia's attempts to undermine Moldova's reform trajectory through ongoing instability fomented by the continued presence of Russian troops on Moldovan territory, energy coercion, destabilization campaigns, and illicit financing of Kremlin-controlled political entities. The United States has worked with Moldova and our European partners to build

Moldova's resilience and counter Russia's malign efforts in the information space.

Last, the United States remains committed to supporting OSCE-led efforts to promote a peaceful, comprehensive, and lasting settlement of the Transnistria conflict at the OSCE and beyond, we will continue to call on Russia to fulfill its longstanding commitments to withdraw its troops and munitions from Moldova, where they remain entrenched without Moldova's consent.

As President Biden said earlier this year, the United States is proud to stand with President Maia Sandu and the freedom-loving people of Moldova. The United States will continue to advance Moldova's democracy, prosperity, and security as we support the Moldovan people in building their chosen European future. Thank you again for your time today, and I look forward to your questions.

Representative LAWLER: Thank you, Mr. Bischof.

I want to recognize my colleague and the ranking member of the Helsinki Commission, Congressman Cohen, to give some opening remarks.

**STATEMENT OF STEVE COHEN, RANKING MEMBER, U.S.  
HOUSE, FROM TENNESSEE**

Representative COHEN: Thank you, Mr. Lawler. I apologize for being a little bit late, I had to get a passport to get over here from Rayburn. Also a tour guide. **[Laughter.]** A very unusual spot for us to have a hearing.

I appreciate your remarks, sir. Moldova's important to America and to democracy. It is also, unfortunately, important to Russia, which desires to fulfill Peter the Great's ambitions through his successor in interest, Mr. Putin and Moldova's just the next step after Ukraine, in his mind. The best way we can protect Moldova is to protect Ukraine. If Russia retreats or finds a reason to enter into a treaty which ceases hostilities with Ukraine, Moldova will be secure. If Russia for some reason wins, Moldova is in danger. I am sure Poland, and Lithuania, and Estonia, and Latvia will be as well. Finland and Sweden, for Mr. Putin's desires have no limits.

His desires are such that they extend into the afterlife, and the hope that he will be right up there with Lenin. The sooner the better. That he will be remembered as Peter the Great part two. We have to support democracy throughout the world. NATO does that. The United States has done a great job with seeing that Sweden was permitted in. I am sure President Biden had much to do with Mr. Erdogan's decision, which I was very pleased to see as a Co-Chair of the Turkey caucus that Turkey stopped its hold on Sweden's entry into NATO and agreed to it, so NATO's gotten stronger. That is good for Moldova, and it is good for the world.

Moldova has had problems in the past, but they are eliminating corruption, or trying to, and have more democratic society. That is important that they do that. When they were so close to being under the thumb of the Soviet Union, it is natural that they would have problems with corruption because that is kind of the stock and trade of the Soviet Union, it was, and then Russia. They deal in corruption as a way of life. That is what they have done with the oligarchs.

That was the most mainlining of corruption in—probably in the world of the last couple—200 years. Divvy up the country to your friends. Give them all these riches. The idea that you are doing something good for the country, which you are not, of course. I appreciate being here. I always appreciate being in the same room with Mr. Wilson, who has given me the opportunity to visit Cannon 210, that I never seen before and probably will never see again. With that, I yield back the balance of my time.

Representative LAWLER: Thank you, Ranking Member.

At this time, I will afford myself 5 minutes to ask questions. Mr. Bischof, I have long believed that if Russia was successful in its war against Ukraine, they would not stop there. That countries like Moldova would be next on their target list. I believe, in addition to supporting the Ukrainian people and their government in defending their sovereignty, that this war goes well beyond that and is about ensuring that our allies in Eastern Europe, writ large, are able to ensure their own sovereignty. What—does the administration agree with that assessment and line of thinking? If so, how has that been taken into account during deliberations about the war in Ukraine?

Mr. BISCHOF: Perhaps I will talk a bit about Russia in Moldova and the concerns that we have there, because I think you bring up a very important point. One thing we have heard from our Moldovan friends is that if we want to help Moldova, we do need to help Ukraine. I think that is an important starting point for what we do.

That said, as we have said since Russia started as its unprovoked unjustified full-scale invasion of Ukraine last year, we have not seen an immediate military threat by Russia against the Republic of Moldova. Russia's violations of Moldovan airspace, however, to launch missile attacks on Ukraine are an unacceptable risk and demonstrate blatant disrespect for Moldova's sovereign territory. Now, we are firmly committed to supporting Moldova's constitutional neutrality as well as sovereignty and its territorial integrity.

We are taking the following measures to support Moldova in countering the threats from Russia, including upping our security assistance from 3.3 million dollars 2 years ago to 29.6 million dollars last year. We are actually developing—excuse me—deploying a cyber defense adviser to the Ministry of Defense in Moldova and strengthening critical infrastructure protection. We know we are getting support from allies via NATO defense Capacity Building Initiative that was mentioned in today's communique that came out from NATO, which is also good. Also, we are working on border and internal security to address emerging threats. We have provided approximately \$30 million for border security assistance.

We do have—besides for the military threat, we do have concerns about Russian disinformation and their efforts to destabilize Moldova. Russia's had a long history of malign influence both in Moldova and in the region. We have worked closely with Moldova to build its resilience and to counter longer term efforts by Russia to undermine their democratic institutions. On June 5, we designated seven leading members of a Russian intelligence-linked malign influence group for their role in the Russian Federation's

destabilization campaign and continued malign influence campaigns in Moldova. We are confident in the Moldovan Government's ability to manage this challenge as we continue to share information with them to inform their response.

Representative LAWLER: As Moldova seeks EU status that would certainly, you know, improve their economy and their security, as a member of the EU, I think obviously when we look at the situation in Ukraine, when we look at other parts of the world, the Indo Pacific, shared economic prosperity is critical to ensuring peace. I think, obviously, for a country like Moldova, which has taken in over 800,000 refugees—they have about 2.6 million people living there currently. It is—the future of their economy is critical. What are we doing, what is the State Department doing, what is USAID doing to help improve investment in Moldova, particularly as it relates to trade diversification and their agricultural and wine industries?

Mr. BISCHOF: Well, thank you for that question. I think you, again, bring up an excellent point about EU accession. We are fully supportive of Moldova's EU aspirations and the reforms that are necessary inside of Moldova before it is able to accede to the EU. We have talked about the European Council granting its candidate status last year. The EU recommended nine priority actions for Moldova to complete to advance that integration, including steps on combating corruption and justice reform, public administration and financial management, and promoting human rights.

Moldova seeks to open accession talks by the end of this year. Ultimately, that is a decision for the EU and the member states. Our underlying assistance is helping Moldova implement the reforms that will benefit its EU accession. I think that is perhaps the single best thing we can do to help Moldova economy and trade is to complete these reforms.

Representative LAWLER: Appreciate it.

My time is expired. I will now recognize Chairman Wilson for 5 minutes.

Chairman WILSON: Thank you, Mr. Chairman. Indeed, I am very happy to point out how smart Congressman Lawler is to marry over his head a Moldovan. We have shared family heritage in that regard. As we are showing our appreciation for the people of Central and Eastern Europe, my oldest son was smart enough to marry a Polish American. Over and over again, we could say that we appreciate Central and Eastern Europe, but the American relationship is so strong and it is exciting too that we have just been joined by the Ambassador from Romania and members of the national assembly. The extraordinary relationship between the two great countries of Moldova and Romania so strong, and I always like to point out my hometown, the sister city of Columbia, South Carolina, is Cluj Napoca in Transylvania, Romania. There is contact, after contact, after contact.

With that in mind, what is the situation? Aside from direct military action, what is the most likely avenues that Russia poses to the people of Moldova? How can the United States contribute to mitigating the risk and enhancing the security of the people of Moldova?

Mr. BISCHOF: Thank you for that question. It is nice to see our Romanian friends. I think Moldova may have no better friend than Romania. It has been a privilege to work with my counterparts inside the Romanian embassy since I have taken on this role.

To answer your question, I think that for years, as we have talked about, Russia has supported influence and destabilization campaigns in the region which involve weaponizing corruption to further its goals. Russia has pushed its narrative by supporting influence agents. It simultaneously takes advantage of corruption to advance its own interests. We have worked closely with Moldova to build the resilience, as I mentioned, and to counter longer-term efforts. We have designated seven leading members of a Russian intelligence-linked malign influence group. That is extremely important. We are, again, confident in the Moldovan Government's ability to manage the challenge.

I would like to talk a little bit about energy security, however, because I think that is also important. We have supported Moldova's efforts to diversify away from Russian energy supplies. There has been significant progress. With—you know, with Congress assistance, we have set aside \$300 million in energy-related assistance, including money for budget support, development of high-priority electric power generation projects, and 85 million dollars to improve Moldova's capability to procure energy supplies from alternative sources. I think this weaning off of cheap Russian energy sources is also something extremely important the United States can continue to do to support Moldova and to separate from Russia.

Chairman WILSON: I am glad you mentioned energy because Romania has become a real leader in promoting small modular reactors, clean energy, and in fact we will be—Americans could be copying Romania and following the Romanian path to re-achieving energy independence because of small modular reactors. In fact, obviously we like Romania so much that we copied their name, Transylvania, as part of the region I represent. We have to acknowledge that it was Transylvania was first in Romania, not in North and South Carolina. We still claim it.

With this in mind, was your assessment of Moldova's progress since the Party of Action and Solidarity has come to power? Could you highlight some of the notable achievements or the positive developments?

Mr. BISCHOF: It has been a real pleasure to work with President Maia Sandu and her administration. We have fully supported Moldova's democratic reform agenda and the priorities that she and her administration have outlined. This is reflected in the substantive increase of U.S. assistance, including \$628 million since February of last year. We have also seen a real uptick in the number of visits that we have—high level visits—including President Sandu's meetings with President Biden and Vice President Harris, as well as visits to Moldova by Secretary Blinken, Administrator Power, Ambassador Thomas-Greenfield, among others.

On their accomplishments, they have certainly laid out an ambitious political and economic reform agenda. We are engaged across all reform priorities. There is a multistage effort underway to improve integrity and transparency in the justice sector and to com-

bat corruption, including reforms to the electoral code in line with recommendations by OSCE ODIHR and the Venice Commission. As well as passage of legislation to improve protections against gender-based violence, as well as countering discrimination and hate-based crimes. We are working closely with the government, as well as civil society, to press for continued progress to improve protections for vulnerable communities, including women, Roma, the Jewish community, persons with disabilities, and LGBTQI+ persons.

Chairman WILSON: Thank you very much for your service. Again, it is so exciting to see the progress of the country of Moldova. We wish the best for the people of Moldova, and how thoughtful they are for the people of Ukraine. I yield back.

Representative LAWLER: Thank you, Chairman Wilson.

I will now recognize the Co-Chair of the Moldova caucus, Representative Ross, for 5 minutes.

Representative ROSS: Thank you so much. We have talked about the increase in defense spending and assistance for Moldova, and that it is increased to \$29.6 million. What actions has the State Department taken to make sure that this funding is used constructively? Are there benchmarks for future funding?

Mr. BISCHOF: Well, thank you for that question. I think, because I also cover Ukraine, you know, our concerns about assistance are always there. We intend always to be good stewards of the taxpayer dollars. If you all permit me to take back that question and get you a more detailed answer about the sort of benchmarks we are looking at going forward as well as the safeguards that we have in place.

Representative ROSS: That would be great. I have another question. How can Congress better support Moldova's humanitarian efforts to assist the Ukrainian refugees?

Mr. BISCHOFF: It is certainly been such a good news story, you know what Moldova has done. I think the whole world is grateful for that. As we have talked about, more than 860,000 refugees were welcomed to Moldova. More than 100,000 are still there. I think we are all extremely impressed with their management of this unprecedented wave of refugees. I think perhaps the most impressive thing of all is that many of them are in private homes or with families. This is a testament really to the generosity and humanity of the Moldovan people. We have provided \$96 million in humanitarian assistance, the U.S. has, through international humanitarian organizations, to help with refugee relief efforts, address immediate response needs, and promote longer-term integration. I think that is a need that will not go away. I was recently in Berlin, and I met with some of our locally employed staff out of our embassy in Kyiv, who have relocated to Germany. Obviously, the conditions in Ukraine are not quite right for many Ukrainians to go back. I think that is one area where we will continue to need to help other countries.

Representative ROSS: My final question, we have in North Carolina quite a strong relationship with Moldova, and on the defense side, and as far as cultural exchanges, and also economic exchanges. We are now engaging in some training of local elected officials through our university system. You know, the Federal Gov-



ernment does not have to do everything. Are there things that our State Governments can do to help when we have this strong relationship with Moldova?

Mr. BISCHOF: That is also an excellent question. The State Department recently has stood up an office that does more, like, state- and city-level diplomacy as ways to put people together. I would like to touch base with that office and come back to you with some concrete ideas on things we can do. Suffice it to say North Carolina is famous for your relationship with Moldova. It is something that is deeply appreciated.

Representative ROSS: Thank you.

Thank you, Mr. Chairman. I yield back.

Representative LAWLER: Thank you, Representative Ross.

We will now recognize Commissioner Cleaver, for 5 minutes.

**STATEMENT OF EMANUEL CLEAVER, U.S. HOUSE, FROM  
MISSOURI**

Representative CLEAVER: Thank you, Mr. Chairman.

Thank you for being with us today. We are witnessing, I think, a valiant effort by the Ukraine to enter into the United Nations [sic; NATO]. I think our State Department, president are all moving in the right direction. Moldova also wants to be a part of the EU, and probably they would like to join in something that would create—may create some additional problems for us, and that is NATO. What do you think we, the United States, should do with Moldova wanting to have EU membership? I think they have candidate status. Is the next step going to create more problems with Russia becoming nervous about their borders?

Mr. BISCHOF: It is a challenging question. Obviously, we are fully supportive of Moldova's EU aspirations. You mentioned the candidate status from last year. We know that the EU has recommended nine priority actions for Moldova, and we think they are making good headway on them. We also see our assistance to Moldova as directly helping them prepare for that EU accession. It is a more difficult question to say on Russian reaction. I would say that we are firmly committed to assisting Moldova in this effort and their Euro-Atlantic integration. That will not change.

Representative CLEAVER: Now, there the predominant language is Romanian? I ask because, of course, Putin has the philosophy that if they speak—if anybody speaks Russian on a street corner, the Nation belongs to Russia. Where does Russian fit into the language community in Moldova? Percentage wise, if you have that.

Mr. BISCHOF: I am not aware of how widely spoken Russian is inside of Moldova. I will probably ask that the follow-on main star of the hearing answer that question. I think he is probably better positioned than I am. I am—I think that the influence of Russia certainly is there. There are—that is something that causes us concern.

Representative CLEAVER: My concern is whether or not there is an area in Moldova that is Russian, right? Primarily Russian.

Mr. BISCHOF: Yes. Okay, so maybe perhaps we could talk about Transnistria for a minute, if that is Okay? Just to say we firmly support Moldova's sovereignty and territorial integrity. On that basis, we support the OSCE-led 5+2 process to find a comprehen-

sive, peaceful, and lasting settlement that would allow for special status for Transnistria within a territorial hole in sovereign Moldova. We continue to encourage Chisinau now and Tiraspol to work together to identify solutions to pressing concerns of communities on both sides of the Dniester River.

We are pleased to see the sides continuing to meet to discuss these concerns. We support the critical role of the OSCE mission to Moldova in advancing the settlement process. That said, we recognize that under the current circumstances, the 5+2 format faces challenges. Ultimately, it is up to Chisinau and Tiraspol to identify a suitable political solution that—excuse me—that respects Moldova’s sovereignty and territorial integrity. That is Transnistria. Apologies for—

Representative CLEAVER: Thank you.

Representative LAWLER: Thank you. Thank you, Commissioner. I would just note, under my experience, most people in Moldova are able to speak both Romanian and Russian. In addition, many can speak French. That is generally what is taught in the schools. My wife speaks Romanian, Russian, French, and English. I speak English for anybody counting. [LAUGHS.] With that, I will introduce Commissioner Blumenthal, senator from Connecticut, for 5 minutes.

#### **STATEMENT OF RICHARD BLUMENTHAL, U.S. SENATE, FROM CONNECTICUT**

Senator BLUMENTHAL: Thank you. Thank you, Mr. Chairman. Thank you for convening this bipartisan hearing into a very, very important topic. Moldova certainly is of strategic importance, although many Americans—I am tempted to say most Americans—do not appreciate how important it is. I apologize if I am going to be repeating some of what you may have already said.

I am interested in knowing what the degree of infiltration is by Russia in terms of numbers of troops. I understand the energy sources have been largely separated. Militarily and economically, what is the degree of Russian influence, infiltration, perhaps dominance in some areas?

Mr. BISCHOF: Since Russia launched its invasion of Ukraine last year, we have not seen any immediate Russian military threat to Moldova. Obviously, we are in constant communication with our Moldovan counterparts, and to the extent possible we share information with them on a regular basis. There has been violations of Moldovan airspace by the Russians to launch missile attacks, which is an unacceptable risk and demonstrates blatant disrespect for Moldovan sovereign territory. We are firmly committed to supporting Moldova as its—as it has its own constitutional neutrality, but also its own sovereignty and territorial integrity. I think that the greater challenges we have are their malign influence, Russia’s malign influence and destabilization efforts, which they have done for years.

Senator BLUMENTHAL: Those destabilization efforts would consist of disinformation and cyber? Maybe you can elaborate a little bit.

Mr. BISCHOF: Sure. On that, mostly what we see are in they involve weaponizing corruption to further its own goals. Russia pushes its narrative by supporting influence agents and simulta-

neously takes advantage of corruption to advance its own interests. As I said, it has had a long history of this malign influence both in Moldova and across the region. We have worked very closely with our Moldova counterparts to build resilience among them and to counter these longer-term effects by Russia to undermine the democratic institutions.

Senator BLUMENTHAL: In terms of airspace, do they have any realistic way to stop the Russians? How important strategically is it for the Russians to be using that airspace for their missiles?

Mr. BISCHOF: I think perhaps in this venue, there is only so much I can say. I would be happy to come and brief separately on that for you. I think as far as the violations of airspace, I probably ought to leave it there for now.

Senator BLUMENTHAL: Is that an area where the United States should be more directly involved?

Mr. BISCHOF: I think that we are doing what we can on the airspace issue. I think, again, this might be better for a separate venue.

Senator BLUMENTHAL: In terms of corruption, I know you have talked about this before, is there more that the United States can be doing to help? I know that we are providing help in anticorruption measures, but is there more that we can be doing?

Mr. BISCHOF: Absolutely. You know, the best part is that we are partnering with a country that has this as a priority, to fight against corruption. They have made significant progress. Our Bureau of INL and USAID are supporting Moldova's multistage vetting process to improve integrity within the justice sector, including prosecutors, judges, and their oversight bodies. This process has occasionally encountered vested interests seeking to maintain the status quo, but Moldova continues to implement the necessary reforms.

We have also seen progress and Moldova's ability to investigate and prosecute high-level corruption, while safeguarding the independence of its judiciary. Moldova has a small but robust civil society and independent journalists. They continue to actively engage the government on reforms. Then finally, in the financial sector, Moldovan authorities continue to implement measures to increase financial sector oversight and transparency in line with its IMF reform program and international standards.

Senator BLUMENTHAL: Am I correct in saying that the Russians store ammunition in Moldova? I noticed that Ambassador Hill makes a reference—or nearby in the region?

Mr. BISCHOF: If it is Okay with you, sir, I will take this question back and provide you a separate answer.

Senator BLUMENTHAL: Thank you. Thank you, Mr. Chairman.

Representative LAWLER: Thank you, Commissioner Blumenthal. Now, I will recognize Commissioner Veasey for 5 minutes.

Representative VEASEY: Thank you very much. Mr. Secretary, I know that the United States has imposed sanctions on several Moldovan oligarchs, but for some reason the former president Dodon has not been subject to any sanctions. Can you explain why he would not be subject to sanctions?

Mr. BISCHOF: It is a difficult question. We do not typically preview sanctions. We are continuing to work with our interagency

colleagues from the State Department, with other agencies to consider all the tools that we have, including sanctions and visa restrictions, in order to promote accountability and support Moldova's capacity to hold corrupt actors accountable. I think you probably recall last fall in October we designated two fugitive oligarchs, Vladimir Plahotniuc, and Ilan Shor, along with a larger group of individuals and entities, for their involvement in corruption and Kremlin-linked efforts.

Following what we did, other countries—the U.K., EU, and Canada have announced similar designations against corrupt actors threatening Moldova's democracy. Then on May 30 of this year, the EU imposed restrictive measures including asset freezes and travel bans on seven individuals under a newly established regime targeting people responsible for actions aimed at destabilizing, undermining, or threatening the sovereignty and independence of Moldova.

I share this to show you we are leading the way on this, and we are also working with likeminded countries to go after those people who are fomenting these things inside of Moldova. This is something—sorry to—and you may hear this from the speaker. It has been completely welcomed by the Moldovan Government. They celebrated this when it happened last fall. It was a major bilateral success.

Representative VEASEY: You talked about the military, you know, help that they need. You talked about the energy security piece, which is obviously very key, particularly when they were bad Russian—when there are bad European winners. Is there any other thing that needs to be done that can really help Moldova sort of mitigate some of the risks that they have with being so close to Russia?

Mr. BISCHOF: I am just double checking my notes to see, because, you know, the key areas that I came in that I wanted to share with you were the anticorruption reforms, I think we have discussed that, energy security and diversification, extremely important. Third is the security assistance. You mentioned that. Then finally, what were—we have done and what we are continuing to do on refugees. I think those are perhaps the four main areas that I would focus on as we go forward. We are making good progress. Moldova is making great progress on these things. I would like to continue to work on those.

Representative VEASEY: Are they doing enough, as it relates to social media and other sorts of manipulation in that area?

Mr. BISCHOF: I know that we are working with civil society groups to improve the way that information is presented. Your detailed question on social media, I would need to get back to you on that.

Representative VEASEY: Okay. Okay. Then also too, because you you have mentioned Transnistria several times. What is your sense of what the average person there ultimately wants? Because I think that because of the sort of peculiar situation of where they sit, and, of course, how they can ultimately affect Moldova's overall security, that is a very sensitive area. When people there say that this is what they ultimately want to see, exactly what is it? Can you give us a sense of that?

Mr. BISCHOF: It is a challenging question. I think that there is a significant human rights situation in Transnistria that bears talking about. De facto authorities continue to restrict fundamental freedoms and hold political prisoners. Progress on human rights in Transnistria is a critical piece of Moldova's reform progress, and it is imperative for their future EU accession. Obviously, the State Department regularly engages on political prisoner cases, pressing for release and encouraging our colleagues in Chisinau to prioritize the work of public authorities focused on improving human rights in Transnistria. So I think, you know, by way of answer to your question, I think the people there want what all people want. They want freedom and the ability to have the right to speak. We are quite concerned about the human rights situation there.

Representative VEASEY: Yes, yes. No, thank you. I am almost out of time. Thank you.

Representative LAWLER: Thank you, Commissioner Veasey.

Oh, one follow-up question on Commission Veasey's line of questioning with respect to Ilan Shor, who is currently in Israel. Has the State Department done anything with respect to seeking extradition to Moldova?

Mr. BISCHOF: It is a difficult question for me, because I am not able to comment on ongoing law enforcement matters. This is exactly the kind of question I can take back and give you a separate answer on, sir.

Representative LAWLER: I would appreciate a separate answer. Thank you.

With that, I want to thank our witness, Mr. Bischof, for his testimony. That concludes panel one. We will now welcome our guests here from Moldova for panel two. I would ask that Mr. Grosu and Ms. Gherman and Mr. Hill join us at the witness table.

All right. Well, thank you for joining us here today. I will now ask Mr. Grosu to provide his testimony and give him 5 minutes.

#### **STATEMENT OF IGOR GROSU, PRESIDENT OF THE PARLIAMENT OF THE REPUBLIC OF MOLDOVA**

Mr. GROSU: Honorable Chair Lawler, honorable Members of the Congress, distinguished audience, thank you for organizing this discussion. It is important for us to talk about the essence of events occurring in Eastern Europe, in particular in the Republic of Moldova. It is a country that has been for almost 1 year and a half in close proximity of a brutal war in which thousands of innocent people are dying, and which forced millions of Ukrainians to flee their homes. Today, Ukraine is fighting to keep us safe, to keep Europe safe. Ukraine needs our assistance.

From the very first day of the invasion, Moldova joined the international community in condemning the war of Russian Federation against Ukraine and requesting the immediate cessation of aggression. The Republic of Moldova, a country with less than 3 million people, sheltered more than half a million of refugees who fled the war. At the peak of the influx, our country's population increased by 4 percent. About more than 80,000 refugees have chosen to further stay with us.

At the invitation of Mr. Stefanchuk, Chairman of the Verkhovna Rada, I personally visited Kyiv and its suburbs Bucha, Irpin. What

I saw there can only be called a genocide. Peaceful men, elders, women, and children killed in their homes just because they had the pride to call themselves Ukrainians. When Russia started the war against Ukraine, all our states institution worked hard to keep the peace. We did our best to ensure that all the citizens of Moldova, including those living in the separatist Transnistria region, continue to live in peace.

While we are struggling to keep the peace, our economy and our society bear the weight of Russian war against Ukraine. The high price of natural gas and the Russian attempt to weaponize gas and oil supply triggered an unprecedented energy crisis. We were blackmailed by Kremlin people in the middle of winter, that we would freeze and have no electricity because of our position on the war. We resisted.

The United States of America, the European Union member states, stood by us. We have light, heating, and a safe tomorrow. We managed to get rid of the Kremlin natural gas blackmail and we strengthening energy independence of the Republic of Moldova. For the first time in our history, we are able to procure gas the advantage and in the interest of our citizens. Also for the time, we made stocks that provides gas during the winter. The government set up in record time the fund for the reduction of energy vulnerability, which provides support for the most vulnerable citizens. Our friends, the United States of America, Romania, European Union, Germany, France Sweden, extend loans, grants, and direct budgetary support to help Moldova overcome the energy crisis this winter.

This war has disrupted logistic chain throughout the region. We adapted in record time together with colleagues from Ukraine and Romania. We relaunch the traffic on the Berezino-Basarabeasca railway station, through which the connection with the port in Romania is ensured. We facilitated the transit of thousands of shipments by providing a green corridor for them. The floating bridge over the Prut River, Leova-Bumb'ta, was built in no time. It is the first new bridge over the Prut built since the country's independence by Republic of Moldova and Romanian brothers. We are grateful to USAID for supporting the border crossing infrastructure.

Moldova become the first non-EU country to join the connecting Europe facility, the most important instrument for building infrastructure projects in the European Union. We synchronized European electric transmission network, ENTSO-E, and started the construction of the Vulcanesti-Chisinau overhead power line. The internal security hub was established and the EU partnership mission was launched, which will further help strengthening resilience and maintaining public order in combating threats in different—of different nature.

Ladies and gentlemen, all this time we have faced a wide spectrum of hybrid threats from disinformation and propaganda to cyberattacks and energy pressure. Kremlin, through its servant in Chisinau, is doing everything to divide us, to make us argue with each other, to make us weak in the face of threats. With the support of Congress and United States administration, by introducing sanctions against Kremlin's main agents, the threats from individ-

uals contributing to the destabilization of the domestic situation have been eliminated.

At the initiative of the President Maia Sandu, the Center for Strategic Communication in Combating Disinformation, to be created—is to be created. This information has been—this institution has been especially—has been especially designed to fight propaganda coming from Moscow, propaganda from outside because we know how extensive the implications of this disinformation can be. While the action that we have undertaken so far have not been enough, now everyone understand how serious this subject is. Some countries have already been successful in combating propaganda. We will learn from these countries. We suspended the broadcast licenses of six TV stations that misinformed or manipulated public opinion.

We no longer want to be part of structures and agreements that have no value. The presence of the Republic of Moldova in the Commonwealth of Independent States structures did not and does not bring any benefit to Moldovans. After one of the founding countries of Commonwealth Independent States, the Russian Federation, barbarically attacked another founding State, Ukraine, occupying its territories and killing its citizens, this organization can no longer be called a commonwealth. Therefore, during the current parliamentary session we initiated the procedure for withdrawal of the Republic of Moldova from the agreement of the Inter-Parliamentary Assembly of the Commonwealth of Independent States. We are considering withdrawing from many more agreements. We will denounce everything that goes against our national interest.

Despite the crisis that befell Moldova, we started making changes in the most important areas. We firmly and loudly declare both at the authorities and citizens level that we see the future of Moldova in the great European family. We intend to advance on the complex path of European integration. The efforts to transform the country are focusing on the justice system reform and the fight against corruption. These are the key commitment of the government I represent, and we will see them through. We are determined to have honest judges and prosecutors, as evidenced by the vetting process that we are now in full swing. Our country was damaged due to the weak and corrupt judicial system. Therefore, a total cleaning and reset of the justice system was indeed needed.

All this systematic reform to improve the functioning system of the market economy bring us ever closer to our aspiration to bring Europe home to the Republic of Moldova. We are working to fulfill the nine recommendations of the European Commission intended to consolidate the rule of law and to prepare our integration into a single European market. The assistance provided by the United States was crucial to advance our goal, especially during these challenging times. We are extremely grateful for your support and for the trust you have in Moldova transformation. We would like to especially comment on the effort of the U.S. Congress in bolstering our resolve to consolidate democracy, improve the living standards to our citizens. Through this joint efforts, we will manage to restore our peace—to restore peace in the European continent, promote democratic values, integrate European future for the Republic of Moldova. Thank you.

Representative LAWLER: Thank you. President Grosu. I now recognized Ambassador Hill for 5 minutes.

**STATEMENT OF WILLIAM HILL, AMBASSADOR, GLOBAL  
FELLOW AT THE WILSON CENTER**

Mr. HILL: Thank you very much, Mr. Chairman. Chairman Lawler, Chairman Wilson, and other members of the Commission, I want to thank you for the opportunity to testify on Moldova, a subject to which I have devoted a substantial I have developed a deep affection. It is also a great pleasure for me to return to the Helsinki Commission. I first worked with commissioners and staff in 1985, and have consistently come back and worked with the Commission, met frequently over the succeeding four decades. It is always, always great to be back here and to contribute to your work.

I have already submitted written testimony, which I request to be accepted into the record. In my oral remarks today, I would like to emphasize and elaborate a few points from this testimony. The key thing, as you have heard, Moldova today faces grave threats, no argument. The war in Ukraine is terrible. At the same time, there are unprecedented opportunities.

Russia's expansion of the war, the massive attack on Ukraine in February 2022, upended both of the regional and global political and security order. The war has had a particularly great effect in this respect on Moldova. For a time, Moldova had a realistic fear that Russian troops in southern Ukraine would reach the Moldovan border. The most immediate military threat has passed. The Moldovan military is dealing with effects of the war, such as missiles—stray missiles, or missiles intentionally traversing its airspace, but—and is responding to that with U.S. assistance that should be continued. I welcome that. Hundreds of thousands of Ukrainian refugees have been either given passage, and over a hundred thousand are still being sheltered in Moldova despite the strain this has put on Moldova.

Moldova's relations with Russia have deteriorated markedly since February 2022 despite President Sandu's efforts when she came into office to create a decent and stable working relationship. This is because of the war in Ukraine certainly, but there are other factors. Historically, Russia has sought to ensure a friendly, pliable government in Chi'in'u by its influence and support for the break-away Transnistrian region. Transnistria is not an aim in itself for Russia, but a means to an end of controlling all of Moldova.

Since 2014, Russia has not really been able to supply people—resupply people or physical goods to Transnistria, so they have begun to work through other means such as energy or political destabilization in Moldova. Since October 2021, Russia has manipulated both supply and price of natural gas to Moldova. Moldova is a hundred percent dependent—or has been—was a hundred percent dependent on Russia for its energy. This is changing. It is difficult, and what has happened because of the difficulties in finding new supplies, prices for energy have gone up sometimes 10 times more in Moldova. This has resulted in unhappy consumers and political discontent, and it is a real threat to the regime—to the current administration, excuse me, in Chi'in'u, and the U.S., I believe,



should do everything it can to help meet the immediate threat of high energy prices as well as the longer-term process that Speaker Grosu has described of finding alternative sources and building infrastructure.

Russia has also injected itself into domestic politics in Moldova. I will cite only two instances—there is just not enough time to go into all of the details—but Russia has centered on the 'OR Party, the smaller of the two opposition parties represented currently in Moldova's parliament. Members—parliamentarians from the 'OR Party have been up in Petersburg and Moscow consulting with the Russians, and the 'OR Party has helped organize and lead massive protests against economic and energy, you know, prices in Moldova during the past winter. This relationship continues.

In Gagauzia, as elsewhere, Moscow takes advantage of real economic problems—the autonomous region of Gagauzia—takes advantage of real economic problems and legitimate social, economic, and political aspirations to try to seek political destabilization and change in government in Moldova. These Russian efforts can and are being countered, but this creates problems and diverts the attention of the Moldovan government from other, you know, key things that they are trying to do.

Finally, Transnistria—over three decades Moldova has been best known internationally for the separatist problem, the separatist conflict that has remained unresolved with the Transnistrian region. Without going into the complicated history of efforts at seeking a political settlement, just let me say that I believe the war in Ukraine has opened a window for making real progress on bringing Transnistria back into Moldova.

Transnistria today is very different from the Soviet quasi—the Soviet region that it was when it broke away from Moldova in 1990–92. Left Bank businesses, enterprises on the Left Bank have been really integrated into Moldova's economic and legal space through the EU Deep and Comprehensive Free Trade Area instituted in 2015. They register in Moldova, they operate according to Moldovan law. They are inspected by Moldovan Customs.

Transnistria—the Sheriff conglomerate in Transnistria has a football team that is in the European Champions League. They have no real desire to go back to Russia and—to Russia for these things.

Local authorities and—many local authorities, elites on the Left Bank, irrespective of what they might say or show in public, are not supportive of Russia's war in Ukraine, and see the war as a real threat to the security and stability of their own region and their livelihoods. Now Transnistria still receives support from Russia economically. There are 1,500, 1,600 Russian troops in Transnistria; about a quarter of those are so-called peacekeepers. The rest are guarding one large base that has about 20,000 metric tons of old Soviet-era ammunition there. An equally significant problem is a large number of civilian officials sprinkled through Transnistrian civilian and security institutions. The Moldovan Government—not just this one, but every Moldovan Government since independence has asked the Russians to withdraw their troops, and the Russians continue to fail to do that. They should do that right away.

The larger question—it is going to take a while to deal with the Russian influence that remains, I have spent a lot of time in Transnistria. I lived in Moldova for 7 years during two terms as the OSCE head of mission, and I would say today, more than ever, the vast majority of citizens living in Moldova's Transnistrian region desire the same things as their counterparts on the Right Bank. They want peace, stability, and the possibility, the capability of pursuing prosperity.

The war in Ukraine has shaken—although not totally eliminated—a considerable degree of popular faith in the region in Russia. This, I believe, creates a real opportunity to convince, for, you know, international and Moldovan domestic efforts, to convince Left Bank elites and citizens that their way forward is to be found in and with—together with Chi'in'u. I think that the U.S. should join in international efforts and in supporting Moldova in the effort to make progress on this score.

I have not mentioned corruption at all, which is the main—the main point of this government. They are making progress, but it is going to take a lot of time, so they are going to need support in the anti-corruption efforts, rooting they are concentrating on the judiciary and prosecutors, but money laundering—massive money laundering from Russia through to Europe was a problem over the last decade, and they are working on that, too, in terms of the banking, insurance, and securities industries. There are results, but these efforts are going to take time to show really lasting changes.

Consider our own experience. It took 40 years or more to deal with the Cosa Nostra and to root them out of American life. These things do not happen at once.

The Moldovan is dedicated to anti-corruption and European integration. These are goals that we should and must help them pursue because Moldova is a key element in the changes in Europe and the region, and it is a key element in Ukraine's success, too.

I will just close. Twenty years ago I helped eliminate over 500 Russian Soviet-era tanks, armored personnel carriers, and heavy artillery from Moldova's Transnistrian region. Imagine what the front behind Odessa would look like if those things were still there. This was largely because of U.S. assistance and working through the OSCE. We need to continue these efforts—bilaterally, with the OSCE, with the EU, other international bodies in order to help Moldova make it through this time of challenge and achieve their aspirations in joining Europe, fighting corruption, and bringing Transnistria with them in this.

Mr. Chairman, I thank you and all of the commissioners for this opportunity to appear before you today and to express these views. Thank you.

Representative LAWLER: Thank you, Ambassador. I would just let members know we have about 20-plus minutes or so for questions, so we will try to move expeditiously.

Mr. Grosu, since the election of President Sandu and the change in power in the legislature that followed suit, leaving your party in the majority, things have certainly changed in Moldova, and in my opinion, for the better.

What are your priorities as speaker that the parliament is currently working on?

Mr. GROSU: Thank you, Chair. For this year, immediate priority, I say for—not only for Moldova but for Ukrainian also —is to be able to fulfill all the recommendations that we see from the European Union, and at the end of the year, to be able to receive the opening of the negotiation for European integration.

It is crucial, it is strategic for our—for both countries, and of course, it will encourage those big part of the society that desire to be a part of the European Union. The role of the parliament is a crucial one because it is a place where we vote the laws, but it is also the place where we explain to the people, yes, for all meetings from the parliament, why we promoting this reform or that reform, especially the justice reform. The justice reform is core reform in our European path because it took other sectors like investment, or climate, or social protection, health—it is directly dependent on the progress in justice reform.

Thank you for United States position—tough position, and you was the first country that applied the sanctions against oligarch and those who work in partnership with Russian Federation, trying to destabilize the political situation, paying for protests, trying to corrupt the politicians, and we have, fortunately, the politicians that are corrupted by the Russian Federation.

One of them now is sentenced already for 15 years. We are speaking about Shor—he is now in Israel. We have to continue because the people—Moldavian people, what they are waiting for, they are waiting for justice.

Representative LAWLER: Have you received, with respect to Mr. Shor, has there been any dialog with the government in Israel with respect to extradition?

Mr. GROSU: The last information that we have is we sent it to the Israeli authorities—all needed updated documents after the final decision of the appeal court, now are looking for the actions of Israeli authorities.

Representative LAWLER: Very good. Ms. Gherman, given the focus on accession to the EU, and your role as chair of the foreign relations committee of the Parliament, what work are you focused on with respect to strengthening the relationships within the EU and really helping advance the cause with respect to accession to the EU?

**STATEMENT OF DOINA GHERMAN, CHAIR OF THE FOREIGN RELATIONS COMMITTEE OF THE PARLIAMENT OF THE REPUBLIC OF MOLDOVA**

Ms. GHERMAN: Thank you, Mr. Chairman, ladies and gentlemen, dear friends of Moldova.

First of all, I would like to thank you, and we are really grateful for your strong commitment to support Moldovan people and Moldova's European path. Of course, today our country's efforts are concentrated around the national project of European integration. It is our first priority, and we are working hard on those nine recommendations formulated in the opinion of European Commission.

Also, there is a second important process, mainly on the platform of committee on foreign affairs and European integration, and it is

about the key—[inaudible]. We have already created all those 35 needed groups accordingly to their recommendations, working hard. We do not seek for shortcuts. We know that it is a hard and long path, but we are really optimistically looking ahead, and it is a unique challenge. We are just living historic times now in Moldova.

It is not about only the will of the political class, of the presidency, or government, or parliament. It is the will and the choice of the majority of the citizens of the Republic of Moldova. A real example in this sense, it was the National Assembly of European Moldova on the 21 of May, about 80,000 people joined in the center of capital in Chi'in'u and just declared hard that our path—Moldova's path is European and that our place is in the European Union.

Representative LAWLER: Thank you. Now my time has expired, so I will now recognize Chairman Wilson for 5 minutes.

Chairman WILSON: Thank you, Mr. Chairman. Indeed, President Grosu and Chairwoman Gherman and Ambassador Ursu, being here with you today is a dream come true. I had always hoped that we would have the opportunity to meet with leaders of a free and democratic Moldova in Central and Eastern Europe, and so it is so exciting to be here with you.

Then it is also exciting to be joined by Congresswoman Victoria Spartz. She was born in the Soviet Union, and now she is a champion for her birthplace, Ukraine. It—who would imagine that something like this could occur, and particularly for me. I campaigned in high school for U.S. Senator Barry Goldwater of Arizona who was running for president, and he championed Why Not Victory—liberation of his ancestral home, Poland, and Central and Eastern Europe. To see this come to life, and then—flash forward—I had the opportunity to be an election observer in 1990 in Bulgaria, and so it was so exciting. When I got there, it was stepping back to the 1930's, and things that I could identify. I used to pump gas, and so a service station in Bulgaria at that time looked like an out-house with a pump out front, and I would have not known what it was but there were a line of cars a mile long because there was no gas. Then I found out they were not cars; they were two-stroke motorcycle engines with plastic covers. Now when I go back to Bulgaria, it is a Circle K with a Wendy's.

Then I am very excited to see the number of people who drive X5s there in Bulgaria, and we want the same in Moldova, and that is the X5s BMWs are made in South Carolina, and we want everybody in Moldova to have one. I think that is real important.

How far things have come, and with that, actually—and, hey, you should be aware, too, this is bipartisan. I was so happy Congresswoman Ross pointed out the program—the State partnership program. The National Guard has a wonderful program, and I am so grateful to know that North Carolina, which has great professionalism, is working with you.

With that in mind, what other specific areas can the United States provide what resources to promote democratic institutions and overall resilience to face the threats—and for each of you, and Mr. President, and Chairwoman.

Mr. GROSU: Thank you. I would say that, first of all, in order to help us, please continue to help Ukraine. This is the most—the crucial approach, and please do the best you do and continue to help our neighbors that are fighting for our liberty, they are fighting for liberty of Europe, entire world.

In case of Moldova, of course there are areas that are very, very important for us in energy security, despite the fact we managed this—those last two winters to protect our infrastructure, to protect our citizens, our industry. We understand that we have to invest, to continue to invest and to diversify the sources of energy, to invest in renewables, so please, we would like to strengthen this sector.

Defense sector—yes, we are a neutral country, which is mentioned in our constitution, but in case of neutral countries, they have in a double manner to invest in the defense, and we saw how fragile is the security, especially the protection of aerospace. We already in the process of strengthening our defense capacity, aerospace protection. We benefit from the cooperation of United States and also of European Peace Facility.

The last—but not the least—it is the business environment. We understand that it is hard to promote the investment climate, to improve the investment climate due to the security reason, but this is the core sector that will allow us—beside the security issues—to increase the people living conditions, and they trust in our European integration path.

Thank you.

Chairman WILSON: Madam Chair?

Ms. GHERMAN: In fact, today Moldova is the most vulnerable neighbor of Ukraine, and this unjust war has led to significant security challenges, many crises—economic, energy sectors—but despite all these crises, Moldova has resisted in the last year.

It is about giving hope to our citizens, and the consolidation of the whole society around the project of European integration is a priority for us as a parliamentary majority, as a governing party. It is extremely important now to continue to support our neighbors and friends, Ukraine, and we strongly believe that Ukraine will win, and together with Ukraine—Moldova and Ukraine.

My appeal to each of one is not to uncouple Moldova from Ukraine because a safe Ukraine is a safe Moldova, and a safe Ukraine is a safe Europe. Just please continue to be with us, and continue to support as well as Ukraine's and Moldova's.

Chairman WILSON: Best wishes for continued success. I yield back. Thank you.

Representative LAWLER: Thank you, Chairman Wilson. I now recognize Representative Ross for 5 minutes.

Representative ROSS: Mr. Chairman, since Congresswoman Spartz has not had an opportunity to speak, and I have spoken quite a lot, and the hour is getting late, I will yield all of my time to her, and thank you.

Representative LAWLER: Thank you.

**STATEMENT OF VICTORIA SPARTZ, U.S. HOUSE, FROM  
INDIANA**

Representative SPARTZ: Thank you. I really appreciate it. Well, I will try to be brief. Thank you for being here, and I understand the challenges you have, so I will just kind of quickly just get to the questions. I apologize if you already covered this question.

I think, Mr. Grosu, this question for you. You know—and I know—I think Ambassador mentioned that it is important to have lasting changes; you know, it is changes that is actually structural changes when you deal with issues of corruption and really strengths of—of weakness of democratic institution. It is been a problem. It is over 30 years as opposed—so the country still struggles with that.

Can you give me three examples of some of the concrete reforms, structural reform you are doing in your judicial system, electoral system, or your financial system transparency—just specific legislation, give me examples that you make sure that you actually address it?

Mr. GROSU: Thank you. Speaking about the justice reform, like Ukraine, we applied—how to say— an ordinary—not an ordinary approach of preventing the judges—those who candidate for superior courts.

Representative SPARTZ: Do you have your judges elected or are they appointed?

Mr. GROSU: Well, we have all them—all those eight that are already in the superior court of magistracy, they are passing through this process of—

Representative SPARTZ: What about the downstream, you know, like a local and other judges? Do you elect judges or are they actually appointed by president?

Mr. GROSU: We will continue with this process with other judges—all judges. They have to pass through this process.

Representative SPARTZ: What is this process? You start electing or you appoint—because I see the problems—

Mr. GROSU: No, no, no.

Representative SPARTZ: What is your process? Are you changing—

Mr. GROSU: No, they are not elected by the voters. They are appointed—

Representative SPARTZ: Who is it that actually appoint them?

Mr. GROSU: The new composition of the Superior Council of Magistracy—those who pass the pre-vetting, this—

Representative SPARTZ: Who appoints this council?

Mr. GROSU: A part was appointed by the parliament, no judge—those who are no judges was appointed by the parliament. They represent the civil society, they are coming from the civil society, and the judges, they are appointed by general—

Representative SPARTZ: They are reevaluated—are they reevaluated?

Mr. GROSU: They are appointed by general assembly of the judges from the Republic of Moldova.

Representative SPARTZ: They are reelected every few years or—

Mr. GROSU: No, they have a mandate—

Representative SPARTZ: Well, just one thing, and I do not need to get—I see the problems a lot of time why there is centralization of power happen in a lot of former republics because there is so much at executive level central government appointment of prosecutors and judges. I do not want to get in details, but it is very—if you want to have—you know, look, we have a lot of judges, prosecutors selected at different levels, and voters have some input.

You know, what about your lateral system? Are you looking at some of financial systems, specific laws where you improve in framework to have more stability?

Mr. GROSU: Speaking about electoral system, political system, let's say, we have proportional system, and in our opinion, the corruption is coming the most—the region of corruption is coming from the political parties.

Representative SPARTZ: Are people elected by party lists, or they actually represent you like here?

Mr. GROSU: That is why we invested in the Central Electoral Commission that should be very careful and, yes, have enough capacity to monitor and evaluate how the parties are financed, how they spend—

Representative SPARTZ: I see big problems, and I am not going to—you know, but a lot of time when there is a party list, a lot of countries—and I am just saying I do not understand your system. People start serving the party versus in United States. I do not care sometimes party does not like me, and I am very outspoken, but as long as my voters like me, I get elected. It is important, that input and connection. I just wanted to share with you some of the observations that I have seen in a lot of Post-Soviet countries, including Ukraine. They have huge challenges with that, too.

What about financial system and transparency? What are you trying to do there?

Mr. GROSU: Yes. Yes, yes. We improved the bank ownership transparency, so all the owners of—that have a—yes, they participated to playing in the banking system, they have to prove who they are, how they get the money, yes, and how transparent is the sector. We improved the capacity of national bank, and those who could not—or was not able to argue the origin of the money, so we took—the national bank take it.

Representative SPARTZ: Yes, it is very important. I am just—I am not—I have only got 15 seconds left, but I just kind of wanted to share my observation.

Ms. Gherman—I am not sure if I say your name correctly—just quickly from you from Transnistria situation, you know, are you doing something to deal with the situation? It was so cold, peace-keeper contentions are still existing there because this is not a big issue, but as Ambassador said, it is an opportunity.

Are you taking any steps as the government to resolve this situation because I think Moldova has an opportunity to become strong country, but has to deal with that situation?

Ms. GHERMAN: Yes, thank you for the question. Of course, the message is the same. We request to withdraw the troops from the Moldovan territory. We are consequent, but still now concentrating all our efforts on European integration. We believe that we cannot just put together the process of the European integration and the

Transnistrian conflict, so there are two different processes, and two different terms of period.

Representative SPARTZ: Well, I think my time has expired. Thank you.

Representative LAWLER: Thank you, Commissioner Spartz.

I want to thank our witnesses for joining us today. It is an important conversation to have. The United States and the relationship with Moldova is critical to me, on a personal level, but certainly to our countries it is important to see Moldova continue to do the work that has been done in recent years to reform, to address the corruption that had gone on in prior administrations, to take on the oligarchs, to continue to grow the economy, to address the energy challenges, and certainly, to continue to build those relationship with the European Union. I think the accession into the EU is critical for Moldova's future. Obviously, the relationship with Romania has been very strong, and we thank the Romanian Government for continuing to be a strong ally to Moldova. Certainly we want to see a free and prosperous Moldova moving forward. I appreciate your testimony, I appreciate the work that all of you are doing. Ambassador, thank you for providing your insights into Moldova and the conflict in the region, as well as obviously some of the historical view on Transnistria,

Again, thank you for this valuable testimony. With that, we will conclude this hearing, but I thank you very much on behalf of the Helsinki Commission for coming here and participating in this hearing today. **[Sounds gavel.]**

[Whereupon, at 4:02 p.m., the hearing ended.]



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ADDITIONAL SUBMISSIONS FOR THE RECORD

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## **Additional Submission for the Record**

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### **STATEMENT OF DANIEL R. BISCHOF DIRECTOR FOR EASTERN EUROPEAN AFFAIRS, U.S. DEPARTMENT OF STATE**

Good afternoon! I would like to thank Chairmen Wilson and Cardin and Ranking Members Cohen and Wicker for convening this hearing today. I appreciate the opportunity to discuss the ways the United States is demonstrating its support for Moldova's sovereignty, territorial integrity, and continued democratic development. The Helsinki Commission's active engagement with Moldova has been critical in deepening our bilateral relationship.

Moldova is on the frontline of our strategic priorities for Europe—strengthening democracy and rule of law, enhancing European energy security, and ensuring our continued unity in standing up to Russia's war of aggression against Ukraine.

With the support of Congress, the Administration has committed approximately \$628 million since February 2022 to help Moldova address the impacts of Russia's War, build political and economic resilience, and deepen Euro-Atlantic integration.

Moldovan voters sent a clear message in their 2020 and 2021 elections. They called for tangible progress on the country's path to European integration which means a renewed fight against corruption and more accountable institutions enforcing the rule of law. The United States has worked closely with Moldova to advance these objectives. For example, the State Department and USAID have supported Moldova's multi-stage effort to increase justice sector transparency and integrity. U.S. assistance to civil society is reinforcing its critical role in working with the government to strengthen Moldova's democracy, promote accountability, and advance an inclusive human rights agenda.

Moldova's hard work was reflected in the European Council's decision to grant Moldova EU candidate status in 2022. We engage continuously with EU counterparts and member states to align our support for Moldova as it moves toward EU accession.

On security, Moldova is investing in defense of its sovereignty and territorial integrity—consistent with its constitutionally guaranteed neutrality. The United States is committed to supporting Moldova's military modernization, along with efforts to strengthen border security and law enforcement capacity. U.S. defense assistance to Moldova increased from \$3.3 million in 2021 to \$29.6 million in 2022, and we have seen similar investment increases through the EU's European Peace Facility.

In the economic and energy sphere, Russia's War against Ukraine has caused deep shocks for Moldova, elevating inflation and energy prices and cutting off export markets. With extensive U.S. and EU support, Moldova has connected its electrical grid to the rest of Europe and begun trading gas in European markets for the first time—both critical steps in reducing dependence on a Russia-controlled energy supply.

This Administration, with the support of Congress, is allocating an additional \$300 million for Moldova's energy security to offset energy shocks and drive long-term energy security. We also have helped Moldova increase global competitiveness in key sectors—such as tech and high-value agriculture—and unlock new opportunities in Western markets.

We greatly appreciate Moldova's continued generosity in hosting more than 700,000 refugees from Ukraine since February 2022, over 100,000 of whom are still there, with many hosted in private homes. The United States and international partners will continue to support Moldova in addressing the immediate and long-term impacts of the humanitarian crisis caused by Russia's War against Ukraine.

Across these priorities, we continue to see Russia's attempts to undermine Moldova's reform trajectory through ongoing instability fomented by the continued presence of Russian troops on Moldovan territory, energy coercion, destabilization campaigns, and illicit financing of Kremlin-controlled political entities. The United

States has worked with Moldova and our European partners to build Moldova's resilience and counter Russia's malign efforts in the information space.

Last, the United States remains committed to supporting OSCE-led efforts to promote a peaceful, comprehensive, and lasting settlement of the Transnistria conflict. At the OSCE and beyond, we will continue to call on Russia to fulfill its long-standing commitments to withdraw its troops and munitions from Moldova, where they remain entrenched without Moldova's consent.

As President Biden said earlier this year, the United States is proud to stand with President Maia Sandu and the freedom-loving people of Moldova. The United States will continue to advance Moldova's democracy, prosperity, and security as we support the Moldovan people in building their chosen European future.

Thank you again for your time today. I look forward to your questions.

## **MOLDOVA: CHALLENGES AND OPPORTUNITIES**

### **TESTIMONY OF WILLIAM H. HILL, GLOBAL FELLOW WOODROW WILSON INTERNATIONAL CENTER FOR SCHOLARS**

I wish to thank the Helsinki Commission, in particular Chairman Wilson and Co-Chairman Cardin, for this opportunity to address the dramatic changes in the region, posing both existential threats and rare opportunities for the Republic of Moldova. Russia's aggression and expansion of the war in Ukraine has upended the regional and global political and security orders. The Russian advance toward Odesa in the spring of 2022 and the flow of hundreds of thousands of refugees from Ukraine into and through Moldova tested the capacity of Moldova's society and government and threatened the very existence of the Moldovan State. Moldova's Government and people responded bravely and generously to these challenges.

## **SUMMARY AND INTRODUCTION**

The most immediate threats posed to Moldova by Russia's war in Ukraine have receded somewhat, but the effects of the war on Europe's political and security order have provided real opportunities for Moldova. The European Union officially declared Moldova a potential candidate for membership, and Chisinau has now met three of the nine conditions set by Brussels for opening membership negotiations. Russian political interference and manipulation of natural gas supplies and prices have inflicted hardships on Moldova's population and government, but have also opened a possible path to ending Moldova's total dependence on Russia for its energy. Finally, the political and economic upheaval created by the war in Ukraine offers opportunities for further progress in integrating the Transnistrian region into Moldova's social, economic, and political structures, against the background of a regional geopolitical reorientation.

Moldova was already in the midst of a fundamental social and political transformation before the geopolitical crisis caused by Russia's massive attack on Ukraine in February 2022. President Maia Sandu was elected in November 2020 on a platform calling for an all-out fight against Moldova's massive corruption as the key element in movement toward integration with Europe. President Sandu's Party of Action and Solidarity [PAS] won a decisive victory in July 2021 legislative elections, obtaining a comfortable working majority in parliament. Since then, President Sandu and her government have been engaged in continuous efforts to root out and replace corrupt officials, especially in the judicial system, and to mitigate the effects of almost a decade of a captured State.

These efforts are showing some modest success, but will take time. The prospect of EU membership, along with continued support and assistance from the U.S., will increase the prospect of meaningful, lasting improvements. There are other major challenges facing Moldova with which the U.S. and our Allies can be helpful. Russia's energy blackmail has caused economic distress, with domestic political consequences. This short-term issue must be addressed successfully to ensure the present government's ability to continue with its longer-term reform efforts. While the fighting in Ukraine has not physically touched Moldova, the consequences of the war have created social, economic, and security challenges for which continuing external support and assistance will be required.

These needs and challenges are interconnected, not easily separate, and need to be addressed with a comprehensive policy of support and assistance for Moldova's process of domestic reform and geopolitical reorientation. In this testimony, I will address the following key elements:

- The political and demographic background to Moldova's current situation;
- The ongoing fight against corruption, strengthening of rule of law, and the problem of government and institutional capacity;
- Russian political meddling on the right bank, including Gagauzia, and economic pressure brought against the Moldovan government;
- Economic and energy issues, including those resulting from Russian pressure and Russia's war in Ukraine;
- Security issues facing Chisinau, including effects of the war and the Russian military presence in the Transnistrian region; and
- The current State of relations between Chisinau and Tiraspol and prospects for integrating the Transnistrian region.

### **MOLDOVA'S COMPLEX ELECTORAL MAP**

Maia Sandu and the Party of Action and Solidarity [PAS] first came to power in June 2019 in a broad national revolt against 10 years of corrupt oligarchic rule, the latter years of which were dominated by now-fugitive oligarch Vladimir Plahotniuc. Sandu became Prime Minister in a short-lived left-right coalition with the pro-Moscow Socialist Party [PSRM]. After the coalition fell apart, Sandu successfully challenged President and PSRM head Igor Dodon in the November 2020 Presidential elections on an anti-corruption, pro-European integration platform. Her party then won a resounding victory in legislative elections in July 2021, giving PAS both the presidency and an absolute majority in the parliament.

In achieving these landmark victories, Sandu and PAS extended their appeal beyond the traditional center-right electorate composed primarily of Romanian speakers, with Moldovan or Romanian surnames, especially in the capital region. In elections over the thirty years since Moldova achieved independence the Moldovan electorate has been almost equally split between two blocs: one right and center-right oriented toward Romania and the West, and another left and center-left composed of Russian speakers and ethnic Slavs, and oriented toward Russia or Russian culture. In her 2020 and 2021 campaigns President Sandu made inroads into this second bloc with her anti-corruption message.

The other major factor in President Sandu and PAS's electoral success in 2020–2021 was a massive increase in voting by the Moldovan diaspora, almost all of which tilted heavily in Sandu's favor. At least 500,000 Moldovan citizens live and work abroad, most of these of prime working age. Most of these were thought to be potential center-right, pro-Europe voters, so left and left-center Chisinau leaders long resisted measures to facilitate voting by the diaspora. For a number of reasons, including the pandemic, voting by the diaspora was made easier in 2020. The result was massive support for Sandu and PAS. It is not yet clear whether this pattern will continue in elections expected in 2024 and 2025. Whatever the results of future elections may be, the 2020–2021 votes have presented President Sandu and PAS a rare opportunity to effect far-reaching, fundamental reforms in Moldova's governance, economy, and political orientation.

### **ANTI-CORRUPTION, RULE OF LAW, AND GOVERNANCE**

The central message of President's Sandu's campaigns and administration is anti-corruption. Throughout the post-cold war period Moldova has been plagued by endemic corruption. This phenomenon increased in scope over the past decade, as Moldova's government and economy were increasingly dominated by Vladimir Plahotniuc and an array of allies and associates. The oligarchic capture of the Moldova State was best exemplified by the so-called "theft of the century" of November–December 2014, when approximately one billion dollars—almost 10 percent of Moldova's GDP at that time—was looted from three major Moldovan banks through a complex series of non-performing loans.

While some of the principal culprits in this massive theft have been identified, indicted, or convicted, responsibility and involvement for this theft extended deep into Moldovan elites from all political parties. The theft is also only the most notable of a number of corrupt schemes and arrangements that looted the Moldovan economy over the past decade. Major political figures, government officials at all levels, prosecutors, and especially the courts were all deeply involved in this widespread corruption. Many anti-corruption investigations and prosecutions during the 2010's were actually political reprisals by leaders of one party against another, rather than real efforts to reform the system. This was the situation which President Sandu and PAS inherited when they came to power at the beginning of this decade.

The Sandu administration has concentrated on reforming and re-staffing the justice system, as the core of its anti-corruption efforts. This makes considerable sense, since corrupt judges and corrupt prosecutors were a key part in the system that allowed oligarchs such as Plahotniuc to prosper and seize control of the State apparatus. The current administration has also undertaken to restructure and reform the country's banking, securities, and insurance systems, all of which were deeply involved in money laundering and other corrupt activities during the reign of the oligarchs. The Sandu administration has also sought to reverse high-profile corrupt deals, such as the franchise for the control of Chisinau Airport.

Finally, the government is pursuing those involved in corruption, but the process is difficult. Vladimir Plahotniuc has fled prosecution, and his precise whereabouts remain unclear. After many delays, Ilan Sor has been convicted of involvement in the 2014 theft. He leads his political party of the same name from exile in Israel, which has declined to extradite him because of his Israeli citizenship. Other criminal cases are in progress; many of those involved have fled to countries beyond the reach of Moldovan justice.

The current administration is re-building the judicial system from the ground up. It has been a long, deliberate, and slow process. Institutions and processes have been developed to vet judges and prosecutors. Many have been removed, and some new, trustworthy candidates have been identified. The process is especially difficult, and not just in the justice system. Moldova is a small country, with a sizable portion of its working age population in residence abroad. Since so many political actors and government officials were touched by the past decade's corruption, it is especially hard to identify and place in responsible positions those who are untainted, whether because they were not at all involved, or were in government but did not participate in illicit activities.

The personnel dilemma facing Moldova's anti-corruption activities is an impediment to almost all of Moldova's current reform efforts. The government simply does not have enough capable people. Financial assistance can help, and the US and the EU are providing a great deal. However, external donors also need to provide people, and to help convince talented Moldovans to return to their country to join and assist in the reform efforts. It took over 20 years for corruption in Moldova to reach its dimensions at the fall of Plahotniuc in 2019. It will take considerable time to eradicate, but I believe progress is being made.

### RUSSIAN POLITICAL MEDDLING

At the start of her administration President Sandu took a conciliatory posture toward Russia and the Russophone elements in Moldovan society. Moscow did not respond with a similar approach. In August 2021 Russia offered a favorable deal on natural gas supplies in return for a Transnistrian settlement on terms long known to be unacceptable to Moldova. When Chisinau declined the package deal, Moscow quickly began a pressure campaign involving manipulation of natural gas prices and supplies. This pressure has continued and at times intensified after the Russian attack and expansion of the war in February 2022.

The aim of this pressure has been to ensure dominant Russian influence in Moldova as a whole, not just the Transnistrian region, and a friendly, compliant administration in Chisinau. In my view this has always been Russia's aim since 1992 in supporting the breakaway administration in Tiraspol. Since the outbreak of war in Ukraine in 2014 Russia has been physically cutoff from Transnistria and unable to continue its substantial physical and personnel support to that region. Moscow has thus been forced to resort to other means, such as the energy weapon, to influence the government in Chisinau.

The chief other lever with which Moscow has sought to influence Chisinau is involvement in Moldovan politics. Before 2021 Russia provided clear, consistent, considerable support to the Socialist Party [PSRM] and President Igor Dodon. In return, Dodon and the PSRM were seen generally to follow a political line favorable to Moscow. However, Moscow was clearly disappointed by the poor performances of Dodon and the PSRM in the 2020–2021 elections, and began looking for other political actors to support in Moldova.

Russian authorities quickly settled on exiled oligarch Ilan Sor and the Sor Party, the smaller of the two opposition parties represented in the parliament elected in 2021. Even though Sor uses his own considerable wealth to bankroll his party, Moscow has provided considerable funds to the Sor Party. Sor Party deputies have been seen frequently traveling to Russia to meet with their counterparts. Sor Party representatives, with advice and support from Moscow, have been among the leaders of massive demonstrations in Moldova over the winter of 2022–2023 protesting energy prices and economic conditions in Moldova.

Moscow has also meddled in the traditionally pro-Russian Gagauz Autonomous Region. Russia has prompted sympathizers in Gagauzia to protest high energy prices and various Chisinau policies. Most notable, Moscow provided strong support for the winning Sor Party candidate in the recent elections of a new regional Governor [Bashkan]. During the campaign Moldova refused entry to a senior Russian official seeking to visit Gagauzia, and an investigation is ongoing into financing of the Sor candidate's campaign. Nonetheless, the victorious candidate, Evgeniia Gutul, will be inaugurated Bashkan next week.

The Russian efforts and discontent in Gagauzia are concerning, but the danger to the region and the country should not be exaggerated. The U.S. has provided considerable developmental assistance to the region over the past two decades; the warm reception recently given by the outgoing Governor to U.S. Ambassador Kent Logsdon is evidence that sentiment in the region is not solely pro-Russian. In my estimation there are substantial elements, likely a majority, in Gagauzia ready to work with Chisinau, the EU, and the U.S., given the proper approach. A few symbolic steps from Chisinau costing little or nothing might encourage such positive interaction.

Russian disinformation also poses an ongoing problem in Moldova. Russian language media have always had considerable influence, in part due to widespread primary use of the Russian language, even among ostensibly ethnic Moldova population. The level and anti-government tone of Russian disinformation heightened after February 2022. Chisinau shut down several of the most egregious outlets for Kremlin disinformation. Contrary to some Kremlin allegations, Russian language media remain readily available in Moldova for those who seek information in that language.

### ECONOMIC AND ENERGY ISSUES

I have already mentioned Moscow's energy pressure on Chisinau, but it is worth examining energy and economic issues in a bit more detail. Moldova, including its Transnistrian region, since gaining independence has been one hundred percent dependent on Russia for its energy, primarily from natural gas delivered in pipelines through Ukraine and onward to the Balkans. From time to time Moscow has used gas prices or delivery interruptions to pressure Moldova. So the pressure campaign begun in 2021 was not unprecedented.

Moldova's energy and economic landscape is also inextricably involved in the Transnistrian question, since Moldova has traditionally received a major portion of its electricity from the massive power plant in Cuciurgan in the south of the Transnistrian region on the border with Ukraine. While the following is a gross oversimplification of the history and current practice, basically Transnistria has received natural gas from Russia for free, which enables it to sell electricity to Moldova at relatively low prices. This in turn facilitates the operation of many enterprises and economic activity in general on both the left and right banks of the Nistru in Moldova.

The war in Ukraine since 2022 has disrupted this pattern, causing Moldova urgently to seek other suppliers of energy and complicating Chisinau's energy relationship with the Transnistrian region. Prior to 2022 Chisinau had begun to purchase electricity from Ukraine, but the war has made that impossible for the moment. Both Moldova and Ukraine have connected to the European energy grid, and Chisinau has begun to purchase some electricity from Romania. Over the past decade a gas pipeline has been constructed from Iasi in Romania to Chisinau, which has a capacity sufficient to supply Moldova's capital with its energy needs. The pipeline has recently been put into use, and as I understand it gas supplies other than redirected gas from Russia are being identified.

The current administration in Chisinau has expressed a desire and intent to end the country's dependence on Russian energy. This should be seen in the broader context of Europe's overall movement away from usage and dependence on Russian energy. This process involves challenges both in identifying supplies and in managing prices. For over a year and a half, key officials from Chisinau and Tiraspol have negotiated division of reduced natural gas deliveries from Russia and prices for electricity produced by the Cuciurgan plant. Light and heat for the population on both banks have been maintained, but prices have soared, rising tenfold and more at times. This has become a critical political issue in Moldova, as Russia, its Sor Party allies, and the rest of the opposition seek to use energy price protests to destabilize and topple the government.

In my view, assistance with this energy transition is probably one of the most important and the most urgent acts by which the U.S. can assist the current Government of Moldova. We share and support many of the aspirations and policies of the

current government. However, long-term anti-corruption, rule of law, and governance reforms are much less likely if the current administration is replaced because of energy issues with another which seeks to take the country in an entirely different direction.

### SECURITY ISSUES

At the beginning of her administration President Sandu sought to fashion a cooperative, if not friendly relationship with Russia. Moscow's actions made that impossible, first with its attempt to mis-use the Transnistrian question and energy pressure and then with the war in Ukraine. Even after Russia's massive attack on Ukraine in February 2022, Chisinau sought to avoid burning bridges with Moscow, not immediately joining international sanctions against Russia.

The most immediate effect of the war in Ukraine on Moldova was a massive flow of refugees. Hundreds of thousands of Ukrainians fleeing the fighting crossed into and through Moldova into the EU. For months at any one point there were at least 100,000 Ukrainian refugees resident in Moldova; tens of thousands still remain. Moldova has been exceptionally generous, especially given its limited capacity. Many refugees have been housed with Moldovan families, and Ukrainian children are being allowed to attend school in Moldova. This has been a particularly heavy burden on one of the poorest countries in Europe, yet one gracefully accepted by the government and population.

In the initial stage of the Russian attack, during the advance through Kherson toward Mykolaiv, Moldovan authorities legitimately feared that Russian forces might reach Odesa and joint with the small Russian contingent in Transnistria. Fortunately, that did not happen. Since mid-2022 Moldova's greatest concern from the hostilities in Ukraine has been the occasional Russian rockets that have flown across and sometimes landed on Moldovan territory. There were also several bombings in the Transnistrian region, but in general Moldova has not suffered from violence or military action from the war in Ukraine.

As a result of its experience during the heightened war in Ukraine, the Moldovan government has undertaken to modernize its armed forces. The aim, as I understand it from Moldovan officials, is not so much to defend Moldova against a massive military attack as to acquire the capability to protect Moldovan citizens against the fallout of conflicts in the region or small scale action, for example the ability to track and defend against occasional intrusions into its air space. Other military equipment simply needs to be replaced or updated, as most of Moldova's equipment still dates from the cold war era.

To effect this modernization Moldova and its Defense Ministry is working closely with the EU and NATO. While there has been some public discussion of whether Moldova should maintain the neutrality embedded in its constitution or possibly seek NATO membership, as of now there is no change in the country's neutral status. As a potential candidate for EU membership, Moldova is aligned in that sense. Moldova has also increasingly condemned Russia's war against Ukraine, and has joined international sanctions. For these and other reasons, Moldova's relations with Russia have grown increasingly testy, with frequent mutual accusations and denunciations. In my estimation, there is little prospect these relations will improve until and unless Russia ends its war against Ukraine.

The best-publicized security issue in the Moldova-Transnistria settlement process is the continuing presence of Russian troops in Moldova's Transnistrian region and Moscow's repeated failure to heed Chisinau's demands that they be withdrawn. This is an important issue of principle, and is a *sine qua non* of any settlement, but it is probably far from the most difficult security issue. The number of Russian troops is relatively small—1500–1600—and most of the enlisted personnel are local residents; only a smaller number of officers are actually from Russia. The overall figure includes the Russian troops which are part of the Joint Peacekeeping Forces established by the July 21, 1992 Cease Fire Agreement. I have been on the record since 2005 that this peacekeeping force can and should be replaced by an international civilian monitoring mission.

Transnistrian authorities have at least as many men under arms as the Moldovan government, in the Transnistrian Army, the Ministry of State Security [MGB] forces, and militarized Internal Ministry [police] forces. The biggest problem to demilitarization and integration of the region in my estimation is probably posed by the MGB. All of these institutions on the left bank are populated at all levels with secondees from Russia or local residents with Russian passports who see their primary allegiance to Moscow. The removal to Russia of these individuals should be encouraged and ensured. From my own observations over an extended period and from what I have been told by those who should know, there is little or no desire



at any level in the uniformed military and security forces on the left bank actually to fight. This should help in a process of reintegration.

The major Russian military property remaining in the Transnistrian region is the ammunition depot and base at Colbasna. Of an initial 42,000 metric tons of ammunition of all types, roughly 21,000 metric tons remained after the withdrawals of 2003–2004. The OSCE Mission last visited the Colbasna base in 2007; the Mission has a comprehensive inventory of the ammunition remaining in Colbasna dating from that time. While this inventory was accurate at that time, it is almost certain that some ammunition has been removed in the interim for use in Russian military exercises in Transnistria. As a first step, a new, comprehensive, transparent inventory of the ammunition stocks remaining in Colbasna should be performed.

Disposing of the ammunition in Colbasna will likely be a lengthy, expensive task. In 2003–2004 ammunition was transported from Colbasna across Ukraine by train to bases in the Russian Federation. It is hard to envision any geopolitical circumstances in the foreseeable future which would allow such shipments to resume. International agreement might be reached to sell some of this ammunition to acceptable buyers, but most of it will likely need to be destroyed onsite. From 2001 on the OSCE Mission conducted extensive studies on possible destruction of the ammunition onsite. Most approaches involved constructing new factories and/or augmenting existing enterprises, all at substantial cost, especially to ensure physical security and environmental protection. The one bright spot in this issue is that the conditions at the base under which the ammunition was stored, when OSCE experts had access to it, were generally fairly safe and secure. Given proper control of access and physical security, disposition of the ammunition should be able to be accomplished in a systematic, non-urgent manner.

### THE TRANSNISTRIAN QUESTION

Since the brief war in 1992 Moldova's Transnistrian region has received political, financial, material, and personnel support from Russia. In return, Transnistrian authorities repeatedly professed their loyalty to and alliance with Russia. The search for a political settlement of the Transnistrian conflict has been close to a solution in 1997 and 2003. The Five Plus Two negotiations facilitated by the OSCE, the latest iteration in this process, had considerable success in resolving practical issues from 2014 to 2020. However, the pandemic and war in Ukraine have basically stalemated the 5+2. The OSCE Mission provides a forum and support for direct working contacts between Chisinau and Tiraspol, but the Mission lately has been hobbled by Russian obstructionism in the OSCE's Vienna headquarters.

Russia complains that there has not been a 5+2 meeting for over 2 years. However, it is impossible to conceive of Russian and Ukrainian representatives working harmoniously in this forum while the war in Ukraine continues. Russia has also not made any proposals that would warrant consideration and action in the 5+2. Instead, Moscow seems to be using the lack of action in the negotiating process as a lever to seek influence or concessions in other areas.

The PAS Government seems fully engaged and absorbed by Moldova's potential EU candidacy, and has shown relatively little interest in the Transnistrian question. Many PAS members apparently see Transnistria as an impediment to European integration. The government's Deputy Prime Minister and Bureau for Reintegration continue to work, and PAS deputies in parliament established a special commission on Transnistrian reintegration. To my knowledge not much new or of note has come of these efforts.

In my view, the Moldovan Government may be missing an opportunity. The Transnistria of 2023 is not the same separatist, pro-Soviet entity that first broke away from Moldova in 1990. The region's economy and society are dominated by the Sherrif conglomerate, which may pay lip service to Russia but is hardly subservient. Transnistrian enterprises have since the late 1990's been oriented toward the European market. Since 2015 left bank enterprises have been a part of the Moldovan DCFTA with the EU, thus operating fully within the Moldovan legal and economic space. The region is thus well on its way to integration within Moldova; it is the political relationships that have yet to be defined.

Sherrif's relationship with Moscow has always been rocky. Russia's February 2022 expansion of the war in Ukraine created risks and disruptions that dismayed Sherrif and many other left bank enterprises and elites. Transnistrian elites were always happy to receive political and economic support from Moscow, but they also depended on regional stability and good working relationships with their counterparts in Ukraine and Moldova. Russia's war against Ukraine disrupts a comfortable status quo with no apparent concomitant benefits for Transnistrians. Tiraspol has nothing to gain by supporting or joining the war against Kyiv, and a lot to lose.

In these circumstances I believe a timely and moderate approach by Chisinau could reaffirm what many Transnistrians already realize privately: integration with Moldova is their best course to maintain stability and pursue prosperity. Complicated issues of property rights and local political authorities will need to be settled. While difficult, such questions are not insoluble. Leaders from Chisinau and Tiraspol have settled such questions before; given mutual trust and flexibility, they might again.

There is no guarantee of success, but the present geopolitical upheaval in Europe and the world because of Russia's war against Ukraine offers Chisinau a rare opportunity to break with the status quo that has dominated the past thirty years. Moldova has already done so in terms of its political and economic relationship with Europe by becoming a potential EU candidate. Chisinau and Tiraspol have enough common aspirations and interests that they might also make such a break with three decades of separation, and move together toward Europe.

#### **WHAT SHOULD THE U.S. DO?**

First of all, keep doing what we already are. Moldova's reforms are going to take some time, and will need continued support in the form of both money and personnel;

Second, on an urgent basis help Moldova find alternative sources and provide energy—heat and light—to Moldovan consumers at affordable prices;

Third, encourage the government to develop a plan for Transnistrian integration and to begin implementation of that plan while circumstances are propitious;

Fourth, support the OSCE Mission as the best instrument for facilitating contacts, dialog, and cooperation between Chisinau and Tiraspol;

Fifth, offer continued political, financial, and personnel support for demilitarization of the region, including destruction or withdrawal of Russian ammunition stored at Colbasna;

Sixth, encourage Chisinau to pursue a stance of inclusion and cooperation toward Gagauzia in parallel with U.S. and EU assistance to the region;

Seventh, actively encourage and participate in multilateral and coordinated international support for Moldova's transformation, including reintegration of the Transnistrian region and European integration.

