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EUROPEAN COMMISSION FOR DEMOCRACY THROUGH LAW
(VENICE COMMISSION)

REPUBLIC OF MOLDOVA

**PLAN OF MEASURES TO LIMIT THE EXCESSIVE INFLUENCE OF
PRIVATE INTERESTS ON ECONOMIC, POLITICAL AND PUBLIC LIFE
(DEOLIGARCHISATION)**

Unofficial translation

Approved by the National Commission for European Integration on May 26, 2023

**Plan of measures
to limit the excessive influence of private interests
on economic, political and public life (deoligarization)**

A. Introduction

The European Commission in its Opinion on the application for the accession of the Republic of Moldova to the European Union, dated June 17, 2022, recommended that the Republic of Moldova "implement the commitment of "deoligarization" by limiting the excessive influence of private interests on economic, political and public life".

In this context, several actions were carried out in accordance with the *Action Plan for the implementation of the measures proposed by the European Commission in its Opinion on the application for the accession of the Republic of Moldova to the European Union*, dated August 4, 2022.¹ These actions included: i) **strengthening** supervision practices and the control of the financing of political parties; ii) the transparency of the ultimate beneficiary owners and the financing of mass media, through legislative changes and internal mechanisms; iii) modification of the competition legislation; iv) elaboration of the Policy regarding the administration of state property; v) improving the regulatory framework regarding the corporate governance of state enterprises/companies with majority state capital; vi) modification of the legal framework regarding the public-private partnership.

In continuation of the efforts already undertaken, the Republic of Moldova proposes to advance in the limitation of excessive influence by:

- identifying and carrying out **actions that fall within the definition of measures to limit excessive influence**, proposed below. These could be based on action plans and strategies on the relevant sectors, studies and analyses, or as a result of the activity of criminal investigation bodies, etc.
- carrying out a **set of focused actions, defined at the current stage, in the deoligarization action plan**, in the annex.

These being monitored and reported through a unified mechanism.

B. Measures to eliminate undue influence - generically defined

In order to provide flexibility, but also to focus the effort on the de-oligarization activity, a **generic notion of de-oligarization measures** is proposed. Thus, de-oligarchization actions are those that contribute to the prevention, identification and countering of oligarchic phenomena.

De-oligarchization measures include measures that prevent and/or sanction organized criminal groups that exploit the fragility of public authorities caused by corruption, to obtain

¹See here: https://presedinte.md/app/webroot/uploaded/plan_cnie_04.08.2022.pdf

economic benefits or access to political power. In the same context, there would be measures to counteract advanced forms of endemic corruption, predominantly at the top level of state power, where the interests of a narrow oligarchic group significantly influence the decision-making process in the country by promoting private interests. These also include measures to prevent the capture of state institutions.

Another category of measures aims to counteract the phenomenon of excessive concentration of the mass media in the hands of a single owner and the manipulation of public opinion to the advantage of a narrow political group. Additional are the measures that prevent and sanction the actions of blackmailing politicians, using paid members and taking over members from other parties to create apparent parliamentary majorities, which do not reflect the choice of citizens, and are created to change national legislation for the benefit of a narrow interest group.

Deoligarization measures also include actions to prevent and/or punish actions to create a system of unfair competition by selectively offering tax reductions, tax breaks and amnesties to narrow private interest groups, while applying excessive state control over to competitors, divestment of assets, cartel agreements in public procurement, deliberate devaluation or bankruptcy of state enterprises in order to privatize them at unreasonably low prices, committing fraud in the banking sector, money laundering.

Based on these descriptions of the deoligarization measures, the need for **continuous monitoring of progress** is outlined in the following areas:

- **Results on grand corruption cases** and crimes related to the measures defined above.
- **Competition** and concentrations in different market sectors,
- **Electoral**, including the financing regime of political parties and electoral campaigns,
- **Media**, to avoid concentrations and restrict inappropriate sources of financing,
- **State ownership**, especially the way of management, privatization, concession, corporate governance, etc.
- **Public-private partnerships** focused on transparency and monitoring the realization of partnerships, etc.
- **Public procurement** - especially the transparency of financial sources and ultimate beneficial owners,
- **The origin and circulation of funds** – in particular the prevention of the use of resources of obscure origin in the areas included in this list,
- **Critical infrastructure** – funding sources, beneficial owners, access restriction,

Some of the measures are also found in sectoral strategies, analyses and thematic studies relevant to the topic of excluding the excessive influence of certain interest groups. These include, but are not limited to:

- [program](#) for the recovery of criminal assets for the years 2023–2027 ²;
- national integrity and anti-corruption [strategy for the years 2017-2013](#) ³;

² Parliament decision no. 342 of 15-12-2022, published in the Official Gazette No. 13-16 of 20-01-2023

³Parliament decision no. 56 /2017, published in the Official Gazette of the Republic of Moldova no. 216–228, from 2017, art. 354, amended by Parliament Decision no. 241 of 24.12.2021, published in the Official Gazette No. 27-33 of 01-28-2022, art. 32

- [Strategy](#) for the Prevention and Combating of Money Laundering and the Financing of Terrorism for the years 2020-2025 and the Action Plan for the implementation of the Strategy ⁴;
- [The strategy](#) regarding the administration of state property in the field of state enterprises and commercial companies with full or majority state capital for the years 2023-2030 ⁵;
- [Report of](#) the Parliamentary Commission of Inquiry for the analysis of the way of organizing and carrying out the privatization and concession of public property starting from 2013 on the evaluation of the way of preparing and carrying out the concession⁶
- [Report of the Parliamentary Commission of Inquiry to investigate all the circumstances of the forced takeover \(raider type attack\)](#) of the shares of commercial banks, insurance/reinsurance companies from the Republic of Moldova⁷
- [The report](#) of the Commission of Inquiry for the elucidation of all the circumstances that led to the "laundering" of dirty money in particularly large proportions through the courts and financial-banking institutions⁸

C. Measures to eliminate excessive influence - defined

Annex 1 includes a set of defined deoligarization measures to be implemented. These measures may be supplemented by additional measures according to priorities and achievements.

D. The mechanism for monitoring the Plan of measures

State authorities responsible for defined and generic measures shall report quarterly, on an exact date, about their achievements. The list of authorities is contained in **Annex 2**.

The State Chancellery, the Office of the Presidency and the Ministry of Justice are responsible for monitoring the implementation of the Plan and consolidating the reports from the concerned institutions. The semi-annual reports are submitted to the National Commission for European Integration (CNIE).

The plan will be adjusted periodically to reflect achievements and priorities for the coming period. At least once every 6 months, CNIE will convene to hear the report on the measures taken and examine the opportunity to adjust the plan.

⁴ Parliament Decision no. 239 of 16-12-2020, published in the Official Gazette No. 33-41 of 05-02-2021, art. 18

⁵ Parliament Decision No. 911 of 12-21-2022, published in the Official Gazette No. 49-52 of 02-17-2023, art. 88

⁶ Parliament decision no. 141 of 04-10-2019, published in the Official Gazette No. 310-313 of 18-10-2019, art. 455

⁷ Parliament decision no. 22 of 04-03-2021, published in the Official Gazette No. 86 of 31-03-2021, art. 73

⁸ Parliament decision no. 213 of 27-11-2020, published in Official Gazette No. 329-331 of 08-12-2020, art. 217

Annex 1

Action plan - defined measures

No.	Actions	Performance indicators	Responsible authorities	Deadline
Measures in the process of public property management				
	Elaboration of the concept and drafts of normative acts regarding the de-offshoring mechanism, including by modifying the solutions proposed by Law no. 215/2020 for the amendment of some normative acts (" the de-offshoring law ").	<ul style="list-style-type: none"> - Analysis performed and Concept drawn up - Drafts of registered normative acts 	State Chancellery (responsible) Ministry of Justice Service for the Prevention and Combating of Money Laundering National Bank of Moldova National Commission of the Financial Market	May 2024
1.2.	Analysis of disposition actions and transactions, including sale, concession, use and/or use, of essential infrastructure objects over the past 15 years, with the aim of identifying gaps and deficiencies in regulation and practice, and which have contributed to abusive practices.	<ul style="list-style-type: none"> - Analysis performed - follow-up actions on recommendations of the analysis 	Office of the President of the Republic of Moldova (responsible) Public Property Agency Court of Accounts National Anticorruption Center development partners	May 2024
Measures by preventing money laundering and making the circulation of money more transparent				
	The capping of cash payments made in transactions concluded with the support of liberal judicial professions (lawyer, notary, bailiff, insolvency administrator, mediator), as well as capping of cash payments paid for their services, with the establishment of a random compliance	<ul style="list-style-type: none"> - Law passed - Number of checks performed 	Ministry of Justice (responsible) The Ministry of Finance Service for the Prevention and Combating of Money Laundering Self-administration bodies of legal professions	May 2024

	verification mechanism for these requirements			
	Elaboration and approval of the normative framework related to Law no. 66/2023 for the amendment of some normative acts (through which the partial transposition of Directive (EU) 2018/843 of the European Parliament and of the Council of 30 May 2018 amending Directive (EU) 2015/849 on preventing the use of the financial system for the purpose of money laundering or terrorist financing, as well as amending Directives 2009/138/EC and 2013/36/EU)	<ul style="list-style-type: none"> - Draft approved normative acts - Reporting on follow-up activities carried out due to enhanced legal framework 	State Chancellery (responsible) Service for the Prevention and Combating of Money Laundering The bodies with supervisory functions of the reporting entities, provided for in art. 15 of Law no. 308/2017	December 2023 May 2024
2.3	The establishment within the Service for Prevention and Combating of Money Laundering of the function of analyzing corporate registration activities to detect signs of money laundering	<ul style="list-style-type: none"> - Modification of the normative acts regarding personnel of the SPCSB - Number of checks and the results of such checks 	State Chancellery (responsible) Service for the Prevention and Combating of Money Laundering	December 2023 May 2024
2.4	Regulation of the prohibition of fragmentation of transactions carried out for the purpose of circumventing the reporting ceiling or the transparency ceiling of commercial transactions	<ul style="list-style-type: none"> - Amended law - Number of persons trained - Evaluation report on the implementation of the new provisions (ex-post) 	Ministry of Finance (responsible) The Ministry of Economy Service for the Prevention and Combating of Money Laundering National Bank of Moldova	May 2024 (ex-post evaluation)

2.4	Regulation of the prohibition of fragmentation of transactions carried out for the purpose of circumventing the reporting ceiling or the transparency ceiling of commercial transactions	<ul style="list-style-type: none"> - Amended law - Number of persons trained - Evaluation report on the implementation of the new provisions (ex-post) 	Ministry of Finance (responsible) The Ministry of Economy Service for the Prevention and Combating of Money Laundering National Bank of Moldova	May 2024 (ex-post evaluation)
Measures through the lens of identifying the ultimate beneficial owner				
3.1	The establishment and implementation of the ultimate beneficiary owner verification mechanism, including for the purposes of applying the regulations by the responsible authorities in the fields of media, electoral, competition, public procurement, and public property administration (e.g. Audiovisual Council, Competition Council, Electoral Commission, etc.) Ensuring the interoperability and access of public authorities to information systems and databases, including those managed by ASP and SFS, with regard to actual beneficiaries and which also allow the comparative verification of information.	<ul style="list-style-type: none"> - Number of persons trained (per institution) - Access and interoperability ensured to information systems and databases - Number of verifications and report on the results of verifications - Report about actions carried out, including application of sanctions, against persons who failed to declare truthfully the UBO's 	The Prevention and Combating of Money Laundering Service (responsible) Electronic Government Agency (responsible) Public Services Agency (responsible) Ministry of Finance (State Fiscal Service) Ministry of Economy (Public Property Agency) National Bank Audiovisual Council Competition Council Central Electoral Commission	December 2023 May 2024
3.2	Monitoring the disclosure by commercial banks in a public and accessible way of beneficial ownership information	<ul style="list-style-type: none"> - Periodic reporting to the Government regarding the publication of truthful and qualitative information 	National Bank of Moldova (responsible)	December 2023 (annual)

Measures related to international restrictions, administration of seized assets and the mechanism of confiscation				
4.1.	Consolidation of the internal normative framework regarding the application of international restrictive measures, by expanding the possibilities of intervention of the competent state authorities and making their intervention more efficient, as well as excluding some gaps detected in the implementation process of the existing legal provisions.	<ul style="list-style-type: none"> - Law passed - Report on alignment and imposed restrictive measures 	Ministry of Justice (responsible) Ministry of Foreign Affairs and European Integration Intelligence and Security Service Service for the Prevention and Combating of Money Laundering State Fiscal Service	May 2024
4.2	Consolidation of the mechanism for the management and realisation of seized assets, the mechanism for confiscation and enforcement of the confiscation of assets in criminal cases, and the calculation and recovery of damage caused to the state through crimes.	<ul style="list-style-type: none"> - Amended law - The normative acts of implementation adopted - Reporting on confiscated and returned goods to the state budget or for the benefit of the state 	Ministry of Justice (responsible) Office of the President of the Republic of Moldova National Anticorruption Center (ARBI) General Prosecutor's Office The Ministry of Finance State Fiscal Service	May 2024
Measures to prevent restriction of competition				
5.1	Strengthening the capacity of the Competition Council in identifying and sanctioning economic concentrations not notified to the Competition Council, which could be qualified as incompatible with the competitive environment	<ul style="list-style-type: none"> - Amended law - The number of trained people - Report about actions carried out, including application of sanctions 	Competition Council (responsible)	May 2024

Strengthening the capacity of the Competition Council in identifying and sanctioning economic concentrations not notified to the Competition Council, which could be qualified as incompatible with the competitive environment	<ul style="list-style-type: none"> - Amended law - The number of trained people - Report about actions carried out, including application of sanctions 	Competition Council (responsible)	May 2024
Limitation of the share regarding the dominant position in the formation of public opinion from 35% to 25%	<ul style="list-style-type: none"> - Amended Law (Audiovisual Media Services Code) amended - Report about actions carried out, in line with the amendments, including application of sanctions 	Audiovisual Council (responsible) Competition Council	December 2023 May 2024
Banking and financial measures			
Improving the regulatory framework in order to transpose the best European practices regarding the approval of the members of the management bodies of insurance companies.	<ul style="list-style-type: none"> - Amended law - Report about actions carried out, in line with the amendments 	National Bank of Moldova (responsible)	December 2023 May 2024
Refinement of the legal framework that will extend the restrictions and toughen the penalty against actuaries who test risks in their monthly valuation reports	<ul style="list-style-type: none"> - Amended law - - Report about actions carried out, in line with the amendments, including application of sanctions 	National Bank of Moldova (responsible)	May 2024

Measures regarding rules in the political field		
- Report developed and presented in Parliament (annual), including effective application of penalties	Central Electoral Commission (responsible)	June 2023 (annual) May 2024