



New Dimensions
of Security
in Europe

New Dimensions of Security in Europe – NewSecEU

Policy Paper

The EU and Conflict Resolution in Transnistria

By

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1. Introduction

Violent or frozen conflicts, which also persist on our borders, threaten regional stability.

European Security Strategy

The ENP should reinforce the EU's contribution to promoting the settlement of regional conflicts.

European Neighbourhood Policy Strategy Paper

In its 2003 European Security Strategy, the European Union (EU) affirmed its desire to play a more active role in the resolution of regional conflicts, while at the same time expressing the intention to build a stable neighbourhood.¹ The creation of the European Neighbourhood Policy (ENP) in May 2004 embodies the desire to create an operative capacity for the EU to assist its neighbouring countries in their political and economic transformation, while equally allowing the EU to become more active in the settlement of existing conflicts.² Whereas scholarship on the ENP has generally focused on the importance of a membership perspective in order to induce sustainable reforms, the link between the ENP and conflict resolution remains understudied. However, it is precisely in the EU's Eastern neighbourhood that the so-called frozen conflicts constitute a major obstacle to democratisation and economic development, undermining not only the future prospects of the concerned countries, but also forming a possible security threat for the EU through wide-spread organised crime, a lack of rule of law, and illegal migration. It is thus not only for the benefit of the countries in the region, but also in the EU's own interest that it become more active in the resolution of these frozen conflicts. Our policy paper will focus on the case of Transnistria, attempting to develop recommendations as to how the EU can contribute to a sustainable conflict resolution and thus further Moldova's European perspective.

Our approach is actor- and scenario-based. First, we briefly address the current state of play and analyse the stakes of the key players in conflict resolution. In the following, we proceed to outline three possible development scenarios: engagement through ENP only, direct EU involvement in settlement mechanisms, and a solution negotiated in cooperation with Russia. Finally, we assess which of these scenarios seems to be the most desirable in the context of larger EU goals and end with a number of policy recommendations.

¹ Council of the European Union (2003): 7.

² European Commission (2004): 8.

2. State of play and key actors

2.1 State of play

2.1.1 Background of the conflict

The roots of the conflict between Moldova and Transnistria go back to a territorial dispute opposing the Soviet Union and Romania. In the wake of the disintegration of the Russian Empire in 1918, Moldova decided to declare its independence and to unite with Romania. It was at this moment that the Moldovan Autonomous Soviet Socialist Republic was created as a small strip of land on the left bank of the Dniestr river. Following the turmoil of the Second World War, Moldova was finally reincorporated into the Soviet Union, and remained under Soviet rule until its declaration of independence in August 27, 1991.³ Almost exactly a year earlier, on 2 September 1990, driven by the fear of a reintegration of Moldova into Romania, the Communist elite of Transnistria proclaimed the “Transnistrian Moldovan Republic.”⁴

International recognition of Moldova in March 1992 resulted in the eruption of an outright war, which was however quickly ended following Russian military intervention. A tripartite peacekeeping force composed of Russian, Moldovan and Transnistrian troops was established in July 1992 to oversee the security zone established between the two territories.⁵ Negotiations in view of a peace settlement were initiated in 1993 under the auspices of the OSCE following a so-called five-sided format: In addition to the two conflict parties Moldova and Transnistria, Ukraine and Russia were to function as guarantors of an eventual settlement, with the OSCE equally associated in the negotiations.

2.1.2 Current state of play

The five-sided negotiations led by the OSCE have proven largely ineffective and have essentially contributed to a deadlock and a consolidation of Transnistrian statehood with a parallel weakening of the Moldovan state.⁶ The positions of the actors involved have become further entrenched, with Transnistria refusing any direct talks with Moldova before Chisinau recognises it as an independent entity, while Moldova at most wants to offer an asymmetric federation to Tiraspol. The political crisis that has paralysed Moldova since the contested April 2009 elections as well as the huge economic problems Chisinau is confronted with have

³ Akçakoca et al. (2009): 42.

⁴ Ibid.

⁵ Popescu (2005): 16.

⁶ Gabanyi (2004): 18.

currently distracted the attention from a settlement of the conflict with Transnistria and reduced the likelihood of a rapid conflict resolution.

2.2 Positions of the actors

2.2.1 Moldova

Moldova refuses to accept the secession of Transnistria and names an asymmetric federation as the maximum compromise with the separatist region.⁷ However, former Moldovan President Voronin showed a will to negotiate directly with President Smirnov of Transnistria, offering confidence-building measures and the establishment of eight working groups to discuss specific areas of disagreement.⁸ Direct talks however were refused by Transnistria as long as it is not recognised as an equal counterpart by Moldova. With renewed elections pending and the economic crisis taking its toll on Moldova's already weak economy, it is likely that the new government in Chisinau will have other priorities than conflict settlement to deal with.

2.2.2 Transnistria

Transnistria is determined to have its *de facto* independence officially recognised by Moldova. Transnistrian elite in particular show no interest in returning into Moldova proper but prefer instead to consolidate Transnistrian statehood, with the *status quo* implying significant political and economic benefits for them. At most, the secessionist region is prepared to accept a confederative agreement with a large autonomy for each of its members.⁹ With the region's economic survival ensured by Russian assistance, Transnistria's President Smirnov – a Russian citizen – is determined to hold out until Moldova gives in to the Transnistrian demands.¹⁰ Furthermore, Moldova's fragile statehood and weak economy make a return under its wings unattractive to the Transnistrian population.¹¹

2.2.3 Russia

Russia is strongly involved in the Transnistrian conflict. It is one of the most important diplomatic actors in the negotiations to resolve the dispute between Chisinau and Tiraspol. In the current "5+2" negotiation format, Russia, Ukraine and the OSCE play the role of the primary mediators. Russia has frequently tried to weaken the OSCE, which has deprived the

⁷ Benkő, Malek (2005): 64.

⁸ Akçakoca et al. (2009): 20

⁹ Gabanyi (2004): 18.

¹⁰ Popescu (2005): 17.

¹¹ Akçakoca et al. (2009): 13.

five-sided format in this conflict of real influence. Russia is prepared to act assertively around its own borders and beyond. Before 2004, Russia's policy towards the Transnistria conflict was defensive rather than offensive. In 2000, Russia's objective was "to maintain, rather than enlarge the Russian presence in the region."¹² In 2005, the situation changed. That year, President Putin claimed that it was "certain that Russia should continue its civilising mission on the Eurasian continent."¹³ As Russia has dominant military, economic and political influence in the Transnistria region, it plays the most powerful role regarding the evolution of Moldova's secessionist entity.

Russia exerts its influence on the conflict in two crucial ways: First, Russia plays an enormous role in the economic sustainability of the secessionist entity. For years, the Transnistrian industry has been benefiting from Russian subsidies. Gazprom delivered a large amount of gas to Transnistria without paying for it, with Transnistria's debt to Gazprom in the meantime reaching over one billion euros.¹⁴ Russia is also the main investor in this region because this area is not that attractive to other investors and rather political motivation can explain support to the secessionist region.¹⁵ Secondly, the use of "passportisation," which means granting citizenship to the residents of the unrecognised entities. Russia then claims that it should represent the interests of the secessionist entities because they are inhabited by Russian citizens. In Transnistria, 15 per cent of the population hold Russian passports.¹⁶ Furthermore, Russia also lends political support to the Transnistrian authorities, especially to President Smirnov, who has been in power since 1991.

Russia has its own interests in the Transnistrian conflict and is determined to see them realised. It is not against conflict resolution, but wants numerous conditions to be respected. First, Moscow wishes for the secessionist entity to have a firm influence over the affairs of the new state. In this way, Transnistria would preserve its current leadership and behaviour. Second, Russia wants to be a main power-broker in any arrangement, remaining the main external "guarantor" of the settlement in view of the potentially low viability of the reunified states. As a guarantee for the intended federation, Russian troops would remain in Transnistria.¹⁷ Approval of these conditions is crucial to accelerate negotiations on a new

¹² Popescu (2006): 4

¹³ Ibid.: 3.

¹⁴ Socor (2008): online.

¹⁵ Popescu (2006) : 6.

¹⁶ Ibid. : 5.

¹⁷ Ibid.

agreement. Finally, Russia demands the international recognition of Moldova's neutrality in order to maintain as direct influence and control over this region as possible. Russia wants to keep the parties to the conflict in its own sphere of influence, away from the West.¹⁸

The Russian-Moldovan relations are very complicated and have frequently changed since 1992. Russia treats Moldova as part of its sphere of influence and recognises the Transnistrian conflict as its own challenge. The main problem between these countries is the Russian military presence in the region despite international obligations to withdraw forces¹⁹ and strong Moldovan objections. Officially, Moldova states that Russia is occupying the land against the political will of the Moldovan authorities and thus is violating international norms and principles.²⁰

Between 2001 and 2003, Russia and Moldova moved closer following the victory of the Communist party in the Moldovan elections.²¹ At this time, both countries wanted to solve all problems in Transnistria, a desire that resulted in the Kozak Memorandum in 2003, which foresaw creating "the Federal Republic of Moldova as a neutral, demilitarized state."²² In the end, this agreement was not signed because of a lack of agreement between the countries concerning the maintaining of Russian troops for another 30 years, a clause not mentioned in official version of the document.²³ After this, Moldovan-Russian contacts gradually deteriorated in a significant manner.²⁴ Since 2005, Russia placed Moldova's fruits, vegetables, wines and other products under an embargo and increased the price of gas.²⁵

The main aim of Russia is thus to reduce the engagement of the West in its area of influence. Russia wants to be the main player in the Transnistrian conflict and to maintain a strong position in all the countries of the EU's Eastern Neighbourhood.²⁶ However, the EU is ready to solve problems of this region in close cooperation with Russia, being primarily concerned about solving problems. In order to achieve this aim, both countries need to find a shared way of creating external security. Possible ways in which such a cooperation could take place will

¹⁸ Akçakoca et al.(2009): 25.

¹⁹ Gribincea M. (2006): online.

²⁰ Popescu (2005): 19

²¹ Lowenhardt (2004): 105.

²² Ibid. : 109

²³ Ibid.

²⁴ Popescu (2006): 2-3.

²⁵ Socor (2006): online.

²⁶ Akçakoca et al. (2009): 24

be addressed in the second part. In 2005, the EU-Russia Road Map on a Common Space for External Security was signed, which foresees among others the cooperation on crisis management. This cooperation is crucial as far as solving the regional problems in the neighbourhood of EU and Russia is concerned.²⁷

2.2.4 European Union

The EU's attitude towards the Transnistria conflict consists of a stable support for a reunified Moldova. The EU does not recognise Transnistria as an independent state²⁸, and is more or less actively engaged in the conflict resolution process.²⁹ The relationship between the EU and Moldova registered substantial change with the last Eastern enlargement of the EU in 2007.³⁰ Once Romania's and Bulgaria's accession to the EU became a reality, a new stance towards the countries on the newly created borderlines was needed. Not only did the EU include Moldova into its Neighborhood policy, but it also started to become more active concerning the Transnistrian conflict. Based on the 1998 Partnership and Cooperation Agreement, it signed an Action Plan with Moldova in 2005.³¹ This year was also marked by the appointment of the EU Special Representative to Moldova, the opening of the Commission Delegation in Chisinau as well as by the launching of the EUBAM (European Union Border Assistance Mission).³² The relationship has further shifted towards deeper cooperation with the establishment of the Eastern Partnership, which has for this moment resulted in talks on the EU-Moldova Association Agreement, starting in January 2010.³³ Official statements from the EU make it appear likely that the newly created framework of the Eastern Partnership will contribute to a more active EU engagement in the resolution of the Transnistrian conflict.

Although the EU involvement in the Transnistrian conflict resolution is possibly one of the most active ones within the post-Soviet space, it has not reached the substantial level of actual and direct engagement of the EU, which has been developing only tentatively since the Danish presidency of the OSCE in 2003 that assisted, however unsuccessfully, in the attempt

²⁷ Popescu (2006): 30-31

²⁸ *Declaration by the Presidency on behalf of the European Union on the "referendum" in the Transnistrian region of the Republic of Moldova* (2006, September 17).

²⁹ *Moldova's Uncertain Future* (2006, August 17).

³⁰ Popescu, N. (2009): 457-477.

³¹ Popescu, Nicu. (2005).

³² EUBAM (European Union Border Assistance Mission to Moldova and Ukraine) is an advisory and technical body with no executive power. Its mandate was extended in 2009.

³³ European Commission. (2010, January 12). *Press Releases*.

to draft a new constitution for the reunited Moldova.³⁴ During this time, the EU also tried to internationalize the Russian-led military mission to Transnistria. After the fierce Russian rejection of the proposal, the plan was abandoned to be resurrected three years later, again with no concrete result. That time, however, it was the internal opposition that blocked the possibility of sending an EU peacekeeping mission.³⁵ Still, the EU gained the status of observer together with the U.S. to the 5+2 talks in 2005.³⁶ The most recent development suggests that the EU will get engaged at a higher level in the future, particularly after the creation of the Eastern Partnership. In all official statements, the EU presents its eagerness to resume the 5+2 talks and to find a sustainable solution to the conflict.³⁷

The major issue of the Transnistrian conflict, which also makes it more solvable compared to other frozen conflicts in the region, is the economic one.³⁸ The EU's active economic presence in Moldova offers the possibility for increased leverage in the concrete conflict resolution. The EU represents the most important trading partner for the country, whose share of trade amounts to more than half of the Moldova's total external trade. Moldova profits from a special status having the Autonomous Trade Preferences which guarantee the country a tax free access to the Single market for most goods.³⁹ Moreover, the EU plans to create a Deep and Comprehensive Free Trade Area with the country.⁴⁰ Although this is not perceivable in the very close future as many conditions need to be fulfilled before this step, it represents a clear signal for Transnistria that the EU is willing to actively support Moldova's development and its transition towards democracy and free market economy.

As for Transnistria, some sources claim that the share of its trade with the EU accounts for 60 per cent of its exports, while others say trade with the EU amounts only to about one quarter of total exportations in 2007.⁴¹ The increase in trade with the EU over the last few years is mainly explained by trade facilitation and the registration of Transnistrian companies in Moldova, which enables them use Moldovan customs stamps, and partly also by the economic crisis.⁴² However, it is due to the fact that many Transnistrian companies are registered in Chisinau that the real share of trade with the EU is rather difficult to assess. It is

³⁴ Popescu, Nicu. (2005).

³⁵ Leonard, M., & Popescu, N. (2007).

³⁶ *Moldova - Internal political and economic situation* (2008).

³⁷ *EU - Republic of Moldova Cooperation Council* (2009, December 21).

³⁸ Popescu, Nicu. (2005).

³⁹ *Bilateral Relations – Moldova, statistics* (2006, September).

⁴⁰ *EU - Republic of Moldova Cooperation Council* (2009, December 21).

⁴¹ *Moldova's and Transnistria's Economies: from Conflict to Prospects of Peaceful Development* (2007) as well as Popescu, N. (2009).. 457-477.

⁴² Popescu, N. (2009):. 457-477.

noteworthy that Transnistria has many partners in the textile and shoe industry in Italy as well as Germany.⁴³ At the same time, the EU tries to limit illegal economic activities and other sources of the corrupted elite's survival: it tries to alleviate smuggling on the Ukrainian borders with Moldova through EUBAM and has imposed targeted sanctions on selected Transnistrian companies related to the separatist regime.⁴⁴

Most problematic for the EU in the conflict resolution is Russia's unchanged support of Transnistria, in particular Russia's unwillingness to withdraw or internationalize troops in the region. At the same time, it seems there exists some scope for negotiations as the Russian Foreign Minister Sergei Lavrov said that "a certain change of format of peace-keeping operations [in Transnistria] is possible, but only in the context of the overall conflict management, as it was foreseen in the Kozak memorandum which Chisinau refused to sign."⁴⁵ Although a resolution comparable to the Kozak memorandum is not acceptable for the EU, such a statement proves that Russia is not completely opposed to changes in the peace-keeping format. The EU also has to deal with the fact that the Transnistrian party in the conflict does not want the EU to become more actively engaged to conflict resolution process. On the other hand, the EU nowadays has at its hand many useful tools within the Eastern Partnership that might facilitate its involvement.

2.2.5 Romania

Romania has a special position within the EU towards Moldova. In fact, relations between Bucharest and Chisinau are very ambiguous. While Romania insists that the shared identity of Moldovans and Romanians requires a "special relationship" between the two, Chisinau is partly hostile to such discourse that it sees as undermining its national identity.⁴⁶ Romania, on the contrary, understands itself as a strong supporter of Moldova, mainly in view of its Moldova's EU integration. However, disputes regarding the distribution of Romanian passports to Moldovan citizens led to a cooling of relations from 2006 onwards⁴⁷, which was exacerbated following the April 2009 election riots. With the accession to power of the new

⁴³ *Moldova's and Transnistria's Economies: from Conflict to Prospects of Peaceful Development* (2007).

⁴⁴ Popescu, Nicu. (2005):.31-32.

⁴⁵ Euractiv (2010): online.

⁴⁶ Gabanyi (2004): 22.

⁴⁷ In fact, Romania in 1991 passed a law granting citizenship to the descendants of Romanian citizens expatriated or dispossessed of their citizenship during Soviet rule. While interest in this measure was low at first, the EU accession of Romania, and the ensuing visa liberalisation, suddenly made it very attractive to possess a Romanian passport, and it is estimated that up to 800.000 requests of Moldovan citizens hoping for better economic opportunities are currently being processed. Dura, Gnedina (2009): 2.

“Alliance for European Integration” Moldovan government, relations markedly improved, as underlined by the symbolic dismantlement of the barbed-wire along the Moldovan-Romanian border in January 2010.⁴⁸ According to newspaper reports, Romanian President Basescu even went so far as to propose the outright reunification of the two countries⁴⁹, in a move that further undermines Russia’s hold on the region.

Regarding the Transnistria conflict, Romania firmly supports the territorial integrity of Moldova and is in favour of active EU involvement on the ground as a post-settlement guarantor.⁵⁰

2.2.6 Ukraine

Ukraine immediately borders the Transnistria region. For that reason, it can be expected that it has a strong interest in settling the conflict and stabilising this area so as to ensure national security. At the same time, Ukraine is one of the most important Eastern partners of the European Union. The aspiration of this country is to cooperate closer with the European Union, promote Western democratic standards, and deepen cooperation on the Transnistrian conflict in order to realise the idea of a United Europe.⁵¹

Nevertheless, the Ukrainian position on the Transnistrian conflict is ambiguous. On the one hand, official statements and actions show the Ukrainian authorities’ willingness to settle the Transnistrian conflict.⁵² In April 2005, President Youshchenko presented a settlement plan, entitled “Towards a settlement through democracy,” which laid emphasis on organising internationally observed, free and fair elections, rebuilding a peace-keeping mechanism, and intensifying the involvement of the U.S. and the EU in a conflict settlement process.⁵³ That same year, the EUBAM program was started as the joint initiative of Ukraine and Moldova, with EU support. The aims of this program are the strengthening of a customs regime and to counter a contraband and illicit trafficking.⁵⁴ On the other hand, Ukraine has short-term economic benefits from Transnistrian trade and smuggling, especially for a state budget as

⁴⁸ Jurnal de Cisinou (2010).

⁴⁹ Romania Libera (2010).

⁵⁰ Dura (2007): 2.

⁵¹ Popescu, N. (2005): 26.

⁵² Pellon, Gaelle (2007): 5.

⁵³ Popescu, N. (2005): 26

⁵⁴ Eurasia Daily Monitor (2006).

well as for customs officers. Moreover, the Ukrainian business elite has serious investment interests in Transnistria and officials should take it into consideration.⁵⁵

It is true that after the Orange Revolution, Ukraine changed its priorities and has been trying to cooperate closely with EU on a conflict settlement. However, in March 2010 the new president was elected, leaving the future development uncertain as Yanukovich has not yet officially presented his stance towards the conflict. Although Yanukovich is said to be more pro-Russian than his predecessor Yushchenko, the fact that he decided to visit Brussels on his first trip abroad might suggest he would be willing to move the country closer to the EU and thus possibly may wish to comply with the EU's attitude concerning conflict resolution.

⁵⁵ Popescu, N. (2005): 27.

3. Scenarios of conflict resolution

3.1 Scenario 1: Use of ENP Instruments

The most straightforward way for the EU to enhance the prospect for conflict resolution in Moldova and Transnistria would be a more offensive and focused use of the instruments that already exist within the ENP framework. Such an approach would build on the concept of socialisation as a mechanism to transform the preferences of actors and in turn allow them to transform their attitude towards conflict resolution.⁵⁶ Ideally, a more targeted use of ENP could achieve two parallel and mutually reinforcing goals: first, a stronger diplomatic support for conflict resolution, and second, an enhanced attractiveness of Moldova for the Transnistrian population that would be attained by consolidating Moldova's democracy and by stabilising its economy.

3.1.1 Stronger diplomatic support for conflict resolution

Although the EU-Moldova Action Plan mentions conflict resolution with Transnistria as the key priority for the country⁵⁷, the EU has been relatively reluctant to engage deeply in the negotiations towards conflict settlement conducted under the auspices of the OSCE. However, even if Brussels refuses direct involvement in the talks, stronger diplomatic support for Chisinau is vital to enhance the prospect for a peaceful settlement.

An initial sign of more EU engagement on this front was the February 2010 decision to suspend a visa ban against Transnistrian leaders for a trial period of six months. The aim of this move is to show goodwill towards the secessionist region and to encourage the Moldovan government's attempts to re-energise conflict settlement talks with Transnistria.⁵⁸ The EU should increase such signs of support to the Moldovan leaders, thus sending a clear signal to both the Transnistrian leaders and the population that a European future for the secessionist region is conditioned by its reunification with core Moldova.

3.1.2 Enhancing Moldovan democracy

The ongoing political struggle following the contested April 2009 elections and the violent crackdown on the riots leading up to the rerun constitute a serious setback in the democratisation of Moldova and dampened the country's European perspective.⁵⁹ Although a

⁵⁶ Tocci (2007): 15.

⁵⁷ EU-Moldova Action Plan (2005): 3.

⁵⁸ Rettman (2010).

⁵⁹ Dura and Gnedina (2009): 1.

coalition of four parties with a clear pro-European agenda managed to oust the Communist government in the July 2009 rerun, the attempts to elect a president have failed twice, and renewed parliamentary elections are scheduled for 2010.⁶⁰

Democratisation is a key goal of ENP, and the EU has expressed its disappointment with the current political situation repeatedly. The establishment of a stable democracy in Moldova is a crucial element not only to further legitimise the efforts at conflict resolution, but also to generally improve Moldova's standing in the EU and to demonstrate its potential to the Transnistrian population, itself ruled since 1991 by President Igor Smirnov. A boost of Moldova's democratic credentials may also speed up democratisation in Transnistria, where forces timidly critical of the President's line have recently taken control in the parliament.⁶¹ With democratic leaders in place in both regions, the prospects for successful negotiations on conflict resolution would be considerably enhanced.

It will be important in this regard for Brussels to build on the Commission's experience in democratisation in Central and Eastern Europe while profiting from Romania's regional expertise. At the same time, it will be necessary to ensure that political leaders in Bucharest do not threaten the peace process through well-meant political declarations that may appear patronising to Chisinau.

3.1.3 Stabilising Moldova's economy

The second key aim of ENP is to improve the economic situation in its target countries. The dire state of core Moldova's economy is indeed one of the crucial reasons why the Transnistrian population generally shows little interest in reunification. Attempts by Chisinau to limit the use of Moldovan customs stamps – and thus the associated trade preferences – to products produced in core Moldova since its entry into the World Trade Organisation (WTO) in 2001 have been thwarted by the ongoing Ukrainian and Russian acceptance of products originating from Transnistria under the same conditions as those exported by Moldova.⁶²

However, the recent EU decision to grant Autonomous Trade Preferences (ATPs) to over 12.000 Moldovan products has had a certain impact and has created a strong incentive for economic cooperation between the two parts of the divided country. One direct consequence

⁶⁰ Dura (2009): 1.

⁶¹ Akçakoca et al. (2009): 13.

⁶² Popescu (2005): 18.

of the measure was that around 450 Transnistrian companies, accounting for almost 95 per cent of the economic activity in the secessionist region, registered with the authorities in Chisinau in order profit from the ATP concessions.⁶³

3.2 Scenario 2: Active EU involvement

In this scenario, we will try to envisage how the development would look if the EU decided to engage more actively in the resolution of the Transnistrian conflict within the 5+2 format, as stated in the official document released by the EU recently. In this scenario, the EU will not seek Russian support at any price; on the contrary, it will show its resolve to find a resolution to the conflict even despite Russian position. For the EU to take a more active part in the talks, it first must obtain Transnistrian acceptance of its increased involvement in the 5+2 format. It would then exert more pressure on Russia to internationalize the troops currently placed in Transnistria. If such a breakthrough is achieved, the EU could launch the process of the new constitution drafting.

3.2.1 EU more engaged in 5+2 format

The 5+2 format is currently supervised by the OSCE, with a predominant role for Russia. For the EU to be able to enter the talks at a more active level, and not only as an observer, it must first persuade both parties to the conflict of the usefulness and profitability of such a step. We can presume that on the Moldovan part it would not constitute a larger obstacle; as for Transnistria, its openness towards such a solution is rather improbable.⁶⁴ If the current lifting of a travel ban imposed on the Transnistrian elite does not work, the EU has the option to revert to its restrictive approach in order to make the *status quo* undesirable for the Transnistrian elite, while at the same time guaranteeing the *de facto* authorities better prospects if a solution to the conflict is found. This can be achieved through an increase of targeted restrictive measures in the economic and the financial fields, or through travel bans aimed at the key players within the separatist entity. These measures should be, however, accompanied by the promise of the sanctions' withdrawal in the case of compliance with an EU-orchestrated resolution process.⁶⁵ Moreover, Transnistria must receive further guarantees concerning its debts towards Russia and its non-accountability for Moldovan debts. The EU

⁶³ Akçakoca et al. (2009): 13.

⁶⁴ As the recent statement of the *de facto* foreign minister of Transnistria proves - imedia (2010, February 5): online.

⁶⁵ One of the most commonly mentioned reason for the freeze of the conflict that have economic underpinnings is the elite's fear of lost of position. If they are guaranteed save future, they tend to be more willing to cooperate and the conflict is more probable to be defrosted (Collier, P. (1999); Mansfield, E. D., & Snyder, J. (1995)).

economic power can serve this purpose. After putting enough pressure combined with attractive proposals for the Transnistrian elite, we presume that Transnistria might be willing to accept more active EU involvement. The format of the talks would thus change from 5+2 to 6+1 or even just 7.

3.2.2 Internationalization of the Russian troops

After having achieved more active engagement in the 5+2 talks, the EU would launch an intensive negotiation process. One of the primordial aims would be the internationalization of the troops in Transnistria. The exclusive Russian army presence should be changed into an international peace-keeping mission under the aegis of the OSCE with strong EU involvement.

It is not probable that Russia would easily comply with such an arrangement. Nevertheless, Moscow's current rejection of the mission's internationalization could also be grounded in the EU's weak determination to carry out such a step.⁶⁶ However, a more manifest interest in the conflict would attract the media and other international players and the EU could thus gain strong support from the international community and would be able to more actively engage the U.S. and Ukraine, so that the sole Russian presence in the separatist region could be proved unsustainable. The EU should also show more resolve towards Russia. A more united and firmer attitude of the EU towards the country could help underpin the EU's aims in Transnistria.⁶⁷ Hence the EU should prove its determination to be more active in other frozen conflicts in the region, to exert economic pressure if necessary on Russia, to withdraw its support for Russian membership in organizations such as the OECD and finally to manifest a strong, united and coherent approach towards the country. Moreover, if the EU is able to find an overall solution that would be at least partly acceptable for Russia, the possibility of Russian compliance would increase.

The Ukrainian role in this matter would be crucial. From the new President's behavior, it can be deduced that he will be prepared to play the EU's game.⁶⁸ The beginning of his mandate seems to be the right moment to be exploited. The EU should gain strong Ukrainian support in its actions which, if successful, can increase the probability of Russian compliance. The EU

⁶⁶ Popescu, N. (2009): 464.

⁶⁷ Leonard, M., & Popescu, N. (2007).

⁶⁸ Copsy, N. (2010, February 9): online.

must, with no doubts, ensure Ukraine its support in case of possible Russian pressure through limited gas supply.

3.2.3 Constitution drafting

Under such conditions, the *status quo* would no longer be sustainable and the EU would thus proceed towards the drafting of a new constitution. Transnistria should be guaranteed a large autonomy within Moldova, with a transition period during which the old elite would leave the floor to new, democratically elected leaders. Once the solution is found, no other deeper and precipitous changes should occur.⁶⁹ The situation has been blocked at the stage of the *de facto* Transnistrian independence for two decades and revolutionary approach can make the situation explosive, which should not be the aim of any of the engaged parties. The international mission should be strongly involved during this time helping with institutional reform, peaceful unification of Moldova, and the consolidation of democracy and the rule of law.

3.3 Scenario 3: Cooperation between the European Union and Russia

The third possibility to settle Transnistria conflict would be to initiate a more intensive dialogue between Russia and the European Union. It is known that Russia has a great influence over conflict resolution in Transnistria. First of all, Russia maintains a military presence on the Transnistrian territory, which gives it the possibility to control this area and exposes the region to the danger of war. Secondly, economic and political support is given to the separatist entity and in this way they are able to maintain the *status quo* and to undermine attempts to reach a settlement⁷⁰. As a consequence of these circumstances, the European Union needs to hold talks with Russia in order to reach a common agreement on conflict resolution.

Despite many differences between the European Union and Russia, there are some common purposes concerning the Transnistrian conflict they would like to realise. The main shared aim is to end the conflict, which destabilises a region in the immediate vicinity of its borders. However, the European Union lays stress on democratisation, the rule of law, political stability and the territorial integrity of Moldova, whereas Russia defends a special status for the secessionist entity of Transnistria.

⁶⁹ Mansfield, Edward and Jack Snyder (2005).

⁷⁰ Popescu, Nicu. (2005): 24.

Since the 2004 enlargement, the European Union has intensified its relations with Russia regarding the Transnistrian conflict settlement. This resulted in the signing of a Road Map for a Common Space of External Security, which created the basis for further cooperation between the EU and Russia and pointed out common issues they are both interested in. Now, the EU is trying to re-establish dialogue with Russia and to begin to work on the conflict settlement⁷¹. The closer cooperation should be based on three crucial problems: demilitarisation of the Transnistrian region, negotiation on a common recognized agreement, and the holding the elections in Moldova.

3.2.1 Demilitarisation of the Transnistrian region

The EU takes the view that all solutions and action undertaken in order to achieve a settlement of the Transnistrian conflict should have a positive impact on Moldova and lead to a deepening of democracy, the strengthening of the state, and the preservation of territorial integrity. All of these elements ought to be based on common European standards consisting on the rule of law principle, free and competitive elections and democratic governance. The above conditions can be ensured especially by demilitarisation of the conflict area. It is expected that Russia would withdraw its troops from Transnistria. It is necessary to insist that Russia fulfil the commitments taken on during Istanbul meeting in 1999, which included a pledge to withdraw its forces from Moldova.⁷² Moreover, it is expected that Russia take part in rebuilding peacekeeping mechanism. Finally, the military presence should be replaced by a civilian mission involving all sides engaged in conflict settlement, which may monitor the implementation of the agreement reached.

The problem is that Russia still opposes the withdrawal of troops from Transnistria in order to preserve its influence in the post-Soviet area. Hence, Russia claims that leaving troops in Transnistria is an existential guarantee for the intended federation. It also wants to keep those sides of the conflict in its own sphere of influence, away from West.

3.3.2 Negotiation on a common recognised agreement

Once Russia has withdrawn its soldiers from the conflict region, it will be possible to initiate the next phase of the settlement process, which is starting negotiations between the conflict parties so as to reach an agreement acceptable to all actors. At this stage, Russia and the EU

⁷¹ Popescu, Nicu. (2005): 36.

⁷² Socor (2004): online.

may search a solution to contentious issues such as the Transnistrian gas debt, the customs system and economic support. Both the EU and Russia should be a guarantor of an agreement and guard the peace and military neutrality of the new state.

3.3.3 Holding of elections

Finally, a referendum and new elections in Moldova should be held in order to approve a settlement agreement. Russia and the EU should be observers and ensure proper conditions to fulfil resolutions which were made.

The problem is that Russia insists on maintaining the same power structures in Transnistria and elections can result in re-electing and legitimising the old establishment. Moreover, Transnistrian society is strongly experienced by soviet-style elections and referenda. In this region there are no political parties, no NGOs, and no free media. It means the current circumstances may not be conducive to competitive elections at this moment.⁷³

⁷³ Eurasia Daily Monitor (2005).

Conclusion and recommendations

Two important points can be derived from the foregoing analysis: Firstly, the Transnistrian issue proves itself to be one of the most easily resolvable conflicts in the EU neighbourhood, hence there exists the scope to act. Moreover, the region has gone through several changes recently that can contribute to the possible resolution of the conflict, most importantly the election of the new Ukrainian President and the establishment of the Eastern Partnership. Both of these dynamics can represent incentives for new development in the Transnistrian issue.

Overall, we can say that all three scenarios show some potential for sustainable conflict resolution in Transnistria. Ideally, the EU should try to combine the different approaches sketched out in order to ensure as smooth a resolution process and subsequent transition to a reunified Moldovan state as possible. The use of ENP instruments to enhance Moldova's attractiveness for the Transnistrian population could serve as the basis for more active EU involvement in conflict resolution negotiations, which in turn would legitimate the EU in Russia's eyes and thus increase the prospects for an agreement between Brussels and Moscow on a common approach. While each of the described scenarios may be applied independently, with the choice depending on the resources the EU is willing to sacrifice and on Russia's willingness to cooperate, a successive implementation of the three suggested approaches appears most promising.

An independent application of the second scenario seems problematic as the EU is internally divided about its stance towards Russia. Some of the countries (mainly France, Germany, Italy and France)⁷⁴ still advocate more consensual policy towards this Eastern European country. A united and firm attitude in the case of Transnistria is thus not genuinely expected. Nevertheless, even though the EU will not set forth a more unilateral resolution of the conflict, fulfilment of the recommendations will in any case make the end of the conflict likelier as it will show the EU's resolve. Based on this ideal approach, our recommendations are thus organised in three steps, which reflect the original scenarios, and can be carried out after each other in order to progressively prepare a durable conflict settlement supported by all actors involved.

Recommendations to the EU

⁷⁴ Leonard, M., Popescu, N. (2007): 2.

Step 1: Improve the use of ENP instruments in three crucial areas

1. Diplomatic support to direct negotiations between Moldova and Transnistria;
2. Enhancing Moldova's democracy in view of improving its functioning and its conflict resolution potential;
3. Stabilising Moldova's economy in order to enhance its attractiveness for the Transnistrian population.

Step 2: Increase the EU's involvement in conflict settlement

1. Make the resolution of the conflict priority of the Eastern Partnership;
2. Make the EU involvement acceptable for Transnistria elite (through a more open attitude, security guarantees, etc.);
3. Find more united and coherent approach towards Russia;
4. Gain strong Ukrainian support by offering closer cooperation with the EU in return;
5. Prepare the ground within the EU for peacekeeping mission in Transnistria.

Step 3: Improve cooperation with Russia

1. Finding the solution of withdrawing Russian troops from the Transnistrian region that is acceptable for both sides.
2. Continuing the cooperation with Russia on economy and promoting European values of democracy, open markets, social cohesion and the rule of law.

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